

Illicit Trade Report 2015



WORLD CUSTOMS ORGANIZATION

Contents

| | |
|--------|--|
| P. 2 | FOREWORD |
| P. 4 | INTRODUCTION |
| P. 10 | SECTION 1. DRUGS |
| P. 52 | SECTION 2. ENVIRONMENT |
| P. 74 | SECTION 3. IPR, HEALTH AND SAFETY |
| P. 96 | SECTION 4. REVENUE |
| P. 124 | SECTION 5. SECURITY |
| P. 136 | SECTION 6. CULTURAL HERITAGE |
| P. 147 | BIBLIOGRAPHY |
| P. 148 | ABBREVIATIONS |

Foreword



In the pursuit of evidence-based policy making and operational planning, the WCO continues to publish the Illicit Trade Report in order to inform the law enforcement community, policy makers, academia and society on the trends and patterns of illicit trade during the previous years.

The 2015 edition of this flagship WCO product contributes to a better understanding of the dynamics of illicit trade in different enforcement areas and highlights some of the efforts made by law enforcement agencies around the globe to prevent that illicit trade.

The 2015 edition of this Report is unique. Apart from focusing on five traditional areas of Customs enforcement, namely, trafficking in illegal drugs; environmental crime and illegal trade in natural resources; infringement of intellectual property rights and trade in substances dangerous to public health and safety; smuggling of excisable goods, causing revenue leakage; and illegal trade in dangerous and prohibited items, a new Section has been added. This Section is dedicated to the evolving risk of illicit trafficking in cultural objects. The global character of this type of trafficking, particularly when it relates to trafficking from conflict zones, and linkages with money laundering, organized crime and possibly terrorist financing, have elevated this concern within the law enforcement community not only because of the impact on the countries of origin that lose their cultural heritage, but also because of the possible security implications.

In order to draw more attention to this matter, the new Section on cultural heritage describes the policy framework and highlights the activities of Customs and its partner enforcement agencies in this domain. Since seizure data in this area is limited, the publication of this Section with some preliminary analysis based on information received will hopefully encourage Members to share more data in this critical area of Customs enforcement.

Throughout the Report, the different Sections address the six areas of enforcement by analysing seizure reports submitted by the WCO Members in the WCO Customs Enforcement Network (CEN). The Report also provides an overview of international enforcement programmes, projects and operations led or coordinated by the WCO in 2015 alongside its international partners and Member administrations.

Using this opportunity, I would like to express particular thanks to all WCO Member Customs administrations that continue to contribute seizure data to the WCO CEN database. While this process is meticulous and lengthy, the benefits of sharing this important information with the law enforcement community certainly outweigh the costs. Consistent, timely and accurate information sharing and analysis of trends and patterns constitute one of the major pinnacles of any successful enforcement action.

The WCO is committed to continue the efforts in enhancing its data-driven approach to law enforcement by collecting better-quality Customs seizure information and sharing operational and strategic analyses through the established communication channels. In the meantime, I am delighted to introduce the 2015 Illicit Trade Report and I hope you will find it both useful and thought-provoking.



Kunio MIKURIYA

Secretary General

World Customs Organization



Introduction

A /
© Zhudifeng, iStock photo.

GENERAL OVERVIEW OF THE REPORT

The aim of this annual Illicit Trade Report is to provide a better understanding of current smuggling and cross-border criminal activities by quantifying and mapping the situation concerning illicit markets in six key areas of Customs enforcement: drugs, environment, health and safety/intellectual property rights (IPR), security, revenue assurance and, for the first time, cultural objects. With this Report, the WCO wishes to raise awareness of these critical areas of Customs enforcement in an endeavour to contribute to the information available on illicit trade and to enable Customs administrations around the globe to enhance accordingly their response to these threats.

The Report addresses six key areas of risks in the context of Customs enforcement and is divided into the following sections:

- Drug trafficking including cultivation, manufacturing, distribution and sale of substances subject to drug prohibition laws;
- Environmental risks relating to trafficking of endangered species, hazardous and toxic waste, ozone-depleting substances, and trading of indigenous or protected timber, etc. Cross-border trafficking in these activities threatens ecological balance and sustainable development;

- IPR, health and safety risks relating to trade in counterfeit or fake goods, particularly products which pose a serious threat to health and safety such as pharmaceuticals (including veterinary medicines), foodstuffs, toys and sub-standard items (such as electrical components and spare parts);

- Revenue risks including leakage, through the smuggling of highly taxed goods such as tobacco, alcohol and motor spirits, commercial fraud activities such as under-valuation, misuse of origin and preferential duties, misclassification and drawback fraud;

- Security risks including terrorism, proliferation of weapons of mass destruction, trafficking of small arms and explosives, and diversion of dual-use goods;

- Illicit trafficking of stolen or looted cultural objects that include both archaeological objects and works of art.

DATABASE AND METHODOLOGY

The analysis contained in this Report is based on the collection of data from the WCO Customs Enforcement Network (CEN) - a database of worldwide Customs seizures and offences. WCO Members and the Regional Intelligence Liaison Offices (RILOs) enter and validate the data input into the CEN and used for this Report. Seizures include those reported by Customs, joint Customs and Police units and other law enforcement agencies with power over Customs duties.

The data contained in the CEN is continuously updated and reviewed, making it a 'living' database. Figures contained in this Report may therefore differ from those used in previous editions. The 2015 Illicit Trade Report includes analysis of CEN data for the period from January to the end of December 2015. The deadline to

submit 2015 data was in March 2016, thus any data submitted after this date was not considered for this year's Report.

Submitting data to the CEN is a voluntary process and certain limitations should consequently be taken into account when proceeding with the analysis. Exceptionally large seizures may considerably impact trends and patterns, and some countries may provide partial data or not report seizures of specific commodities. As the level of analysis is critically dependent on the quantity and quality of the data submitted, the figures in this Report may not fully reflect seizures at a global level. Furthermore, analysing the data reported by the Customs community only represents part of the global efforts engaged in the fight against illegal trade as enforcement powers can involve several government agencies. As a result, data contained in this Report should not be used as a definite base to estimate the overall level of crime, but rather serve to assess flows and patterns of illegal trade.

Through this Report, the WCO aims to raise awareness of the level and scope of Customs activities in the area of enforcement and to encourage Customs authorities to share data more regularly in order to contribute to a better understanding of the phenomenon of illegal trade.



1 /
Joint Publication 2-0
(2013), *Joint Intelligence*,
p.I-2, available at fas.org/irp/doddir/dod/jp2_0.pdf

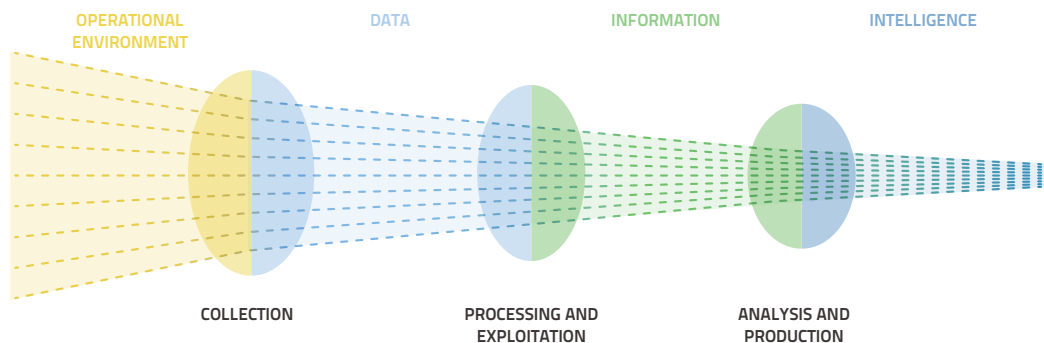
CUSTOMS ENFORCEMENT NETWORK (CEN) SUITE

The CEN suite includes three standalone applications (CEN, nCEN and CENcomm) created especially for the Customs community, compatible and complementary in nature, providing the latest technology and the analytical capabilities to successfully meet the challenges associated with the fight against illicit trade.

changes to the data download feature of the application for more efficient exploitation of the data by all CEN users.

As mentioned, the CEN applications are compatible and complementary in nature, and this is most evident between the CEN and nCEN. The National Customs Enforcement Network (nCEN) application, developed with the aim of supporting risk management at the national

CHART 1.
Relationship of data, information, and intelligence¹



Performing a valuable role from the first steps of the intelligence cycle, the legacy 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. This is crucial in terms of developing a fuller understanding of the connections between different forms of trafficking on a regional or global level, defining strategies, and thereafter applying these strategies at the national level.

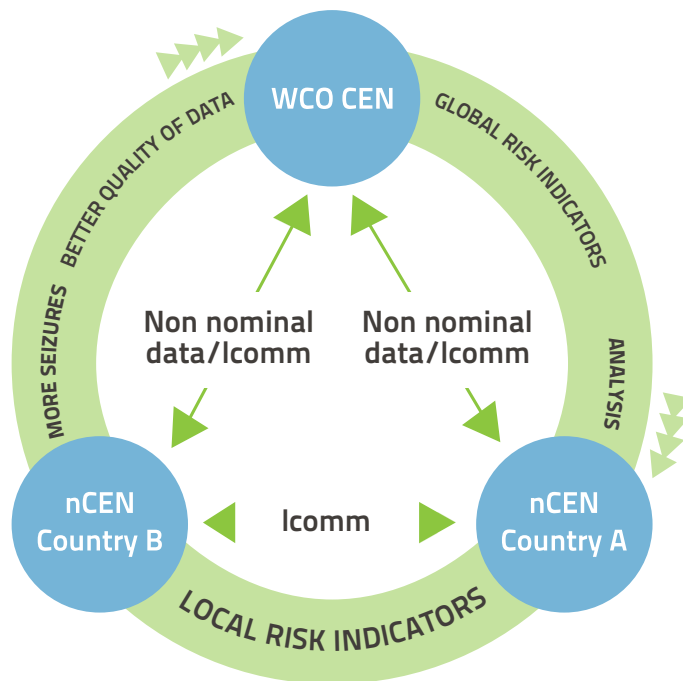
level, gives Customs administrations the ability to collect, store, analyse, and disseminate law enforcement data effectively in order to establish robust national intelligence capabilities, enhance strategic, tactical, and operational profiling, and boost information sharing both regionally and internationally.

Throughout 2015 the WCO has been working on improving the features of the CEN application in line with the needs of its Members. Noteworthy changes include updates to the underlying technology for improved performance and ease of maintenance, reclassifying commodities for more accurate data reporting, enhancing the detection method and risk indicator sections in accordance with the WCO Risk Management Compendium, and introducing

Although the primary use of the application is for data collection and data management at the national level, the nCEN also assists Customs administrations with daily operations. The application provides workflow management features, and structures communication relating to the investigation process or to post-seizure follow-up actions. The inbuilt information communication interface allows administrations to exchange data in a standardized format with other nCEN countries (provided a legal basis exists), or to transfer data directly to the global CEN database, thus contributing to the global intelligence cycle.

CHART 2.

Interconnection between CEN applications and risk management



It has been almost three years since the first version of the nCEN was developed, and the application is now used by twenty Customs administrations around the world. Drawing on these years of experience and in close collaboration with the current nCEN users, the WCO developed a new version of the application which better addresses the needs of the Customs community. The new version integrates all recent improvements introduced in the CEN, with additional upgrades of the electronic data input component, allowing for data transfer from other national databases, and upgrades of the inbuilt information communication interface, enabling information sharing not only on seizures, but now also on investigations and/or suspects.

Information sharing is a fundamental part of the active collaboration to combat illicit trade. It is therefore not surprising that the most widely used application of the CEN suite is the WCO Customs Enforcement Network communication platform (CENcomm). As 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, CENcomm is accessible to Customs officers, as well as other law-enforcement agencies across the entire border sector.

Members of a closed user group can exchange information through the application's encrypted electronic mailing system, which functions much in the same way as ordinary email. Alternatively, information can be exchanged with the use of one of the standard data exchange templates which can be customized by the WCO upon request. To be worthwhile, information must take a higher form and become intelligence. The advantage of using standardized data exchange formats is that the pertinent data can be extracted for analytical purposes and/or transferred to the global CEN database.

The CEN suite with its three standalone applications is a vital resource supporting information management, information sharing, and the operational capacity of the Customs community in their goal of amassing intelligence that will ultimately contribute to strategies restricting illicit trade.

2 / Further information on the WCO regions is available at: www.wcoomd.org/en/about-us/wco-members/membership.aspx.

RILO NETWORK

Exchange of intelligence at the national, regional and international levels is a critical mechanism that renders enforcement actions by Customs authorities more effective and secures the optimum use of available resources. At a strategic level, the WCO has incorporated the aim of intelligence exchange among all stakeholders, recognizing the contribution in furthering the protection of society, public health and safety.

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 regions². The RILO network is 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 covers a number of Members within their respective region and is staffed by personnel from those affiliated Members 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 with respect to the common interests of all affiliated Members. In this regard, the independent nature of the RILO network supports accountability to the Head of RILO with mutual representation through the WCO Secretariat, ensuring appropriate consultation with the WCO Enforcement Committee and Council to which the RILO network reports.

WCO Regional Intelligence Liaison Offices



The unique nature of the RILO network offers an added layer of information exchange to existing intelligence exchange taking place between the Secretariat and Member administrations at the 'strategic' or Director General level. In a similar fashion as 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 organizing annual regional meetings with all RILO NCPs within their jurisdiction.

At an 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 assistance and promoting and maintaining regional cooperation 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 represents 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 CEN and 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 its regional partners or NCPs. This mechanism is split into three levels which operate interactively and in a complementary manner:

- At the national level, the Member administrations' NCPs gather information on seizures made from existing sources at the national level, input data electronically into the CEN or transmit data to the RILOs by fax or post, analyse information collected at the national level to ascertain new trends, produce alerts and transmit them to the RILOs for regional circulation, and cooperate nationally with the full gamut of enforcement agencies and 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, organize and support regional intelligence-based operations, facilitate mutual assistance and cooperation with other enforcement services and provide technical or other assistance to the 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 organizations engaged in combating organized 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 organized by the Secretariat, WCO Members or individual RILO teams. By taking an active role through 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 transnational criminal organizations.

Section 1.

Drugs



A

A / 822 kg of cocaine concealed inside timber boards, seized by Chile Customs from a sea shipment arriving from Bolivia in May 2015. Photo courtesy of Chilean Customs.

The Customs Enforcement Network (CEN) database recorded contributions by 111 WCO Members for the year 2015. As usual, drug seizures accounted for the largest proportion of contributions to the CEN database.

The steadily high participation rate (61% of the 180 WCO Members) and the large volume of drug seizure data enable a fairly objective analysis of global drug trends to be made. It is also noteworthy that Customs services contribute very significantly to global seizures of illegal drugs.

Despite the stability in the number of countries that input data, variations are always possible. Late data entry into the CEN is one of the explanations. The submission deadline for this Report was 31 March 2016, thus any data that

has been shared after the deadline, would not feature in this Report, but will be taken into account in the 2016 Report thus possibly creating some variation in the 2015 data.

This Report includes only seizures made by Customs services, joint Customs and Police units, and other law enforcement agencies with Customs powers.

METHODOLOGY

This year's Report uses the same principles for the harmonization of units as in previous years. A conversion rate of one gramme per three tablets allows a unified expression of all seizures in kilogrammes (kg), and all seizures reported in small units such as capsules, doses, packs and pieces, etc., are converted in the same way. For

seizures reported with “plant” as the unit, which is common in cases of cannabis cultivation for example, the conversion is one plant equals 10 grammes. Also, one litre is considered to be one kg in weight. All drug seizures included in the CEN database were taken into account, with no threshold. However, a very small amount of data which did not pass quality control because of apparent inconsistencies or the lack of absolutely essential information, and whose omission would not affect the overall reliability of the analyses, was deleted.

It is also important to mention that since cases may be composed of several seizures of various types of commodities, including different types of drugs, when analysed by the type of drugs, the reference is made to the number of seizures.

It should be noted that the reliability of the analyses and trends in this Report is closely related to that of the data concerned, and this means that caution must be exercised when drawing conclusions from the Report, since exceptional seizures can inflate the analysis and some Member countries have only provided very partial information.

In the specific case of New Psychoactive Substances (NPS), the CEN database has continued to advance in order to cope with the fast emergence of NPS and changes in a large number of NPS names. The CEN has been improved by the addition of another level of seizure type under the NPS drug sub-category, i.e., level one for the NPS group and level two for the specific substance name. This improvement, which allows Members to select from a pre-determined pull-down NPS list, has been fully implemented since May 2016. Inputting seizures in this way, instead of using free text in the description, can result in a more accurate and comprehensive analysis and saves a lot of time. It should be noted that because of the update in NPS categorization, some seizures in the 2014 Report which fell outside the NPS category may

be treated as NPS in this Report, so a deviation in the statistics is possible.

As is now traditional, the Drugs Section has two main parts. The first part provides an overview of the main types of drugs intercepted worldwide and the key trends observed. The second part presents specific events relating to the WCO Secretariat initiatives for Members, in the area of projects and operations against illegal drug trafficking.

GENERAL OVERVIEW

The number of seizures involving illegal drugs in 2015 amounts to a total of 47,298 cases, which represents an increase of almost 10% (see Table 1).

There have been observable increases in the khat, psychotropic drugs and cocaine categories in terms of the number of seizures; also, a comparison for NPS has been newly added to the Report this year. There appears to be a drop in the total number of cases (down from 52,162 in 2013), but this is due to a technical restructuring of the data input for some Members with effect from 2014, and different seizures intercepted on the same occasion are now counted as a single case.

Table 2, concerning the quantity of drugs seized, tells a different story. Cannabis dropped from 1,582 tonnes in 2013 to 1,254 tonnes in 2014, and remained steady at 1,258 tonnes in 2015. The cocaine situation is dramatic - 81 tonnes in 2013, reduced to 67 tonnes in 2014, followed by a jump to 114 tonnes in 2015. This matches the UNODC findings that indications of an increase in global cocaine manufacturing were observed in 2014, and this may have continued in 2015¹. Customs is the first line of defence in intercepting cocaine trafficking before market consumption, so Customs statistics, rather than general market consumption, may give a better reflection of the scale of production and

distribution. Although the psychotropic drugs category recorded an increase of 1,307 cases, there was a 16% drop in the quantity seized. Khat remains steady, but the opiates group is starting to pick up again. The NPS category continues to be alarming, showing an increase from 3.5 to 4.1 tonnes. Reasons for the uptrend could be heightened alertness, stronger enforcement capability and better classification of seizures. The

big drop in the "Others" category is the result of a more systematic data cleaning process during analysis, and better classification in the CEN.

An examination of the figures for drug seizures by region (see Table 3) shows that North America remains at the top, this being largely attributable to the USA. This region alone accounts for 64% (1,188 tonnes) of the total quantity of

TABLE 1. NUMBER OF SEIZURES BY DRUG CATEGORY

| Category | Number of seizures | |
|------------------------------|--------------------|---------------|
| | 2014 | 2015 |
| Khat | 11,460 | 14,214 |
| Cannabis | 14,002 | 14,101 |
| Psy drugs | 7,167 | 8,474 |
| Cocaine | 5,508 | 6,006 |
| New Psycho-active Substances | 2,468 | 2,540 |
| Opiates | 1,883 | 1,820 |
| Others | 620 | 143 |
| Total | 43,108 | 47,298 |

TABLE 2. QUANTITY SEIZED BY DRUG CATEGORY

| Category | Quantity (kg) | |
|-----------------------------|---------------------|---------------------|
| | 2014 | 2015 |
| Cannabis | 1,254,266.28 | 1,258,736.46 |
| Psy drugs | 341,111.86 | 285,994.53 |
| Cocaine | 67,503.50 | 114,310.85 |
| Khat | 107,795.27 | 107,204.21 |
| Opiates | 53,608.46 | 60,240.07 |
| New Psycho-active Substance | 3,574.01 | 4,132.33 |
| Others | 23,798.36 | 3,937.56 |
| Total | 1,851,657.73 | 1,834,556.02 |

TABLE 3. TOTAL SEIZURES BY REGION

| Region | Number of seizures | | Quantity (kg) | |
|-----------------------------|--------------------|---------------|---------------------|---------------------|
| | 2014 | 2015 | 2014 | 2015 |
| North America | 28,794 | 32,535 | 1,105,457.83 | 1,188,366.89 |
| Asia-Pacific | 2,211 | 1,920 | 273,114.09 | 260,088.45 |
| Western Europe | 6,333 | 5,659 | 303,053.48 | 218,898.73 |
| Middle East | 2,372 | 2,194 | 66,788.97 | 74,889.32 |
| North Africa | 30 | 30 | 25,690.29 | 29,486.42 |
| South America | 1,044 | 2,101 | 24,871.16 | 20,217.99 |
| Caribbean | 52 | 41 | 4,592.71 | 13,569.77 |
| Eastern and Central Europe | 805 | 1,028 | 14,161.16 | 8,302.43 |
| Eastern and Southern Africa | 51 | 725 | 214.30 | 7,377.02 |
| CIS | 1,191 | 990 | 2,793.69 | 7,015.45 |
| West Africa | 185 | 68 | 30,267.89 | 5,700.03 |
| Central Africa | 40 | 7 | 652.17 | 643.50 |
| Total | 43,108 | 47,298 | 1,851,657.73 | 1,834,556.01 |

drugs seized. Asia-Pacific comes second, with 1,920 cases for 262 tonnes of drugs seized, while in third place Western Europe reported 5,659 cases, with almost 219 tonnes of drugs seized. This indicates that there were relatively more cases involving large seizures in Asia-Pacific. There are sharp increases for the Caribbean, Eastern and Southern Africa, and the Commonwealth of Independent States (CIS). The Middle East and North Africa are

2014 (19,916 cases), has increased to 52% in 2015 (24,946 cases); where the total quantity seized is concerned, the mail channel has also increased (from 54% in 2014 (100,640 kg) to 68% in 2015 (126,158 kg). This shows an observable continuity in the increased use of the mail channel for drug trafficking, and Operation SKY-NET II was implemented in 2015 to consolidate global efforts to strengthen Customs enforcement in this area; this will be elaborated

TABLE 4. NUMBER OF SEIZURES BY DRUG CATEGORY AND MEANS OF TRANSPORT

| | | | | | | | | 2014 |
|----------------|---------------|--------------|---------------|--------------|--------------|--------------|--------------|---------------|
| Transport type | Cannabis | Cocaine | Khat | Opiates | Psy drugs | NPS | Others | Total |
| Mail | 1,548 | 1,847 | 10,429 | 638 | 2,792 | 2,270 | 392 | 19,916 |
| Vehicle | 10,877 | 914 | 109 | 586 | 2,194 | 48 | 70 | 14,798 |
| Air | 346 | 2,270 | 835 | 284 | 957 | 79 | 75 | 4,846 |
| Pedestrian | 653 | 34 | 1 | 287 | 883 | 28 | 61 | 1,947 |
| Vessel | 89 | 269 | - | 19 | 118 | 3 | 3 | 501 |
| Rail | 219 | 66 | 6 | 44 | 96 | 38 | 5 | 474 |
| Unknown | 181 | 98 | 73 | 23 | 115 | 2 | 14 | 506 |
| Others | 89 | 10 | 7 | 2 | 12 | - | - | 120 |
| Total | 14,002 | 5,508 | 11,460 | 1,883 | 7,167 | 2,468 | 620 | 43,108 |
| | | | | | | | | 2015 |
| Transport type | Cannabis | Cocaine | Khat | Opiates | Psy drugs | NPS | Others | Total |
| Mail | 1,443 | 2,930 | 13,554 | 2,356 | 583 | 79 | 4,001 | 24,946 |
| Vehicle | 11,280 | 1,005 | 52 | 42 | 602 | 8 | 2,097 | 15,086 |
| Air | 490 | 1,733 | 579 | 118 | 264 | 11 | 1,335 | 4,530 |
| Pedestrian | 468 | 44 | 4 | 12 | 298 | 37 | 774 | 1,637 |
| Vessel | 115 | 232 | 1 | 3 | 15 | 3 | 96 | 465 |
| Rail | 176 | 25 | 5 | 1 | 24 | | 35 | 266 |
| Unknown | 103 | 31 | 1 | 6 | 24 | 5 | 122 | 292 |
| Other | 26 | 6 | 18 | 2 | 10 | | 14 | 76 |
| Total | 14,101 | 6,006 | 14,214 | 2,540 | 1,820 | 143 | 8,474 | 47,298 |

on an uptrend. Other regions remain stable or show a small decrease, while Eastern and Central Europe and West Africa have recorded large reductions. Tables 4 and 5 show some shifts in trafficking patterns which are worth noting. Regarding the number of seizure cases, the mail channel, which accounted for 46% in

on later in this Section. In terms of quantity seized, the rankings have not changed at all from 2014 to 2015, with vehicles remaining at the top with 1,181 tonnes, then vessels with 233 tonnes and pedestrian in third place with 193 tonnes. It has to be pointed out that the very large flow of mail and express parcels in

recent years, with the boom in e-commerce, poses challenges for Customs enforcement around the world. In terms of quantity (see Table 5), there has been a big jump in cocaine trafficking by air, from 5,218 kg in 2014 to 55,290 kg in 2015, despite a drop in the number of cases (from 2,270 to 1,733 in Table 4). Also, cocaine smuggling by vehicle has doubled from 10,289 kg to 20,689 kg. Khat trafficking seems to involve fewer vehicles,

concealment methods (see Table 6), it is alarming to see the increase in concealment in baggage, from 190,611 kg in 2014 to 273,395 kg in 2015, and in containers, from 8,069 kg to 15,833 kg; there is also a notable increase in mail, from 102,728 kg to 127,818 kg, and in sea freight, from 62,600 kg to 83,712 kg. The most heavily used smuggling method continues to be concealment inside vehicles, making use of hollow spaces or

TABLE 5. QUANTITY OF SEIZURES (KG) BY DRUG CATEGORY AND MEANS OF TRANSPORT

| | | | | | | | | 2014 |
|----------------|---------------------|-------------------|-------------------|------------------|-------------------|-----------------|------------------|---------------------|
| Transport type | Cannabis | Cocaine | Khat | Opiates | Psy drugs | NPS | Others | Total |
| Vehicle | 1,072,394.06 | 10,289.86 | 33,555.25 | 20,695.00 | 33,614.63 | 139.76 | 19656.91 | 1,190,345.47 |
| Vessel | 134,818.75 | 47,037.54 | - | 922.37 | 19,527.46 | 0.22 | 3,044.56 | 205,350.88 |
| Pedestrian | 7,706.85 | 74.49 | 0.05 | 223.65 | 163,618.52 | 94.99 | 141.01 | 171,859.56 |
| Mail | 7,402.04 | 3,261.46 | 64,189.14 | 986.97 | 20,910.93 | 3,205.48 | 684.39 | 100,640.41 |
| Air | 4,779.24 | 5,218.13 | 8,376.27 | 1,858.68 | 23,718.67 | 126.49 | 268.47 | 44,345.96 |
| Rail | 5,429.81 | 85.96 | 215.38 | 35.05 | 159.82 | 1.53 | 0.66 | 5,928.21 |
| Unknown | 3,040.76 | 480.37 | 1,397.88 | 28,884.65 | 79,211.38 | 5.55 | 2.36 | 113,022.95 |
| Others | 18,694.78 | 1,055.69 | 61.29 | 2.10 | 350.44 | | - | 20,164.30 |
| Total | 1,254,266.28 | 67,503.50 | 107,795.27 | 53,608.46 | 341,111.86 | 3,574.01 | 23,798.36 | 1,851,657.73 |
| | | | | | | | | 2015 |
| Transport type | Cannabis | Cocaine | Khat | Opiates | Psy drugs | NPS | Others | Total |
| Vehicle | 1,114,187.19 | 20,689.33 | 4,614.45 | 14,917.08 | 26,889.55 | 379.09 | 12.91 | 1,181,689.60 |
| Vessel | 102,735.11 | 33,197.92 | 103.00 | 41,425.69 | 55,721.42 | 0.29 | 60.00 | 233,243.44 |
| Pedestrian | 9,496.37 | 96.88 | 0.45 | 168.98 | 184,198.04 | 24.57 | 13.11 | 193,998.40 |
| Mail | 18,137.41 | 3,643.14 | 84,908.17 | 2,698.17 | 10,406.95 | 2,544.07 | 3,820.11 | 126,158.03 |
| Air | 1,611.25 | 55,290.10 | 17,367.75 | 909.97 | 6,912.84 | 1,171.69 | 26.78 | 83,290.38 |
| Rail | 8,167.59 | 17.59 | 90.70 | 62.75 | 184.60 | 2.02 | - | 8,525.25 |
| Unknown | 2,606.77 | 1,357.58 | 6.50 | 51.94 | 1,613.46 | 0.59 | 4.65 | 5,641.49 |
| Others | 1,794.78 | 18.30 | 113.20 | 5.49 | 67.67 | 10.02 | - | 2,009.45 |
| Total | 1,258,736.46 | 114,310.85 | 107,204.21 | 60,240.07 | 285,994.53 | 4,132.33 | 3,937.56 | 1,834,556.02 |

but shows a tendency towards air trafficking with an increase from 8,376 kg to 17,367 kg. NPS also show a shift towards air trafficking, with an increase from 126 kg to 1,171 kg. Where postal mail and parcels are concerned, several drug types have recorded a considerable increase, including cannabis (from 7,402 kg to 18,137 kg), khat (from 64,189 kg to 84,908 kg) and opiates (from 986 kg to 2,698 kg). Going more into detail in respect of

altered parts of vehicle structures, which totalled 1,015,808 kg of drugs seized in 2015 and accounted for more than 55% of total seizures of all types of drugs. Another important finding was related to seizures made on the beach: the quantities seized grew from 468 kg in 2014 to 40,194 kg in 2015 while the number of seizures doubled from 9 to 18.

TABLE 6. TOTAL SEIZURES BY CONCEALMENT METHOD

| Concealment | Number of seizures | | Quantity (kg) | |
|--------------------------|--------------------|---------------|---------------------|---------------------|
| | 2014 | 2015 | 2014 | 2015 |
| In transport: vehicle | 13,212 | 13,903 | 1,031,315.11 | 1,015,808.78 |
| In baggage | 4,615 | 4,494 | 190,611.71 | 273,395.85 |
| In mail | 19,876 | 24,998 | 102,728.56 | 127,818.23 |
| In freight: road | 234 | 311 | 141,654.74 | 124,323.21 |
| In transport: vessel | 167 | 132 | 134,074.08 | 99,119.49 |
| In freight: sea | 129 | 141 | 62,600.31 | 83,712.89 |
| Recovered from sea/beach | 9 | 18 | 468.28 | 40,194.65 |
| Unknown | 495 | 148 | 113,901.15 | 21,544.64 |
| In transport: container | 54 | 97 | 8,069.25 | 15,833.01 |
| In freight: air | 351 | 209 | 26,231.40 | 12,419.42 |
| In freight: rail | 4 | 6 | 2,742.29 | 6,173.94 |
| Not concealed | 420 | 288 | 28,648.10 | 5,054.57 |
| In premises | 242 | 301 | 2,321.02 | 4,831.25 |
| On the person | 1,862 | 1,297 | 2,837.42 | 1,846.25 |
| In transport: train | 199 | 139 | 2,632.44 | 1,527.75 |
| On the person: swallowed | 1,042 | 583 | 757.07 | 445.69 |
| In transport: aircraft | 8 | 62 | 9.32 | 267.25 |
| On market places | 3 | 4 | 1.52 | 211.25 |
| On the person: stuffed | 186 | 167 | 53.96 | 27.90 |
| Total | 43,108 | 47,298 | 1,851,657.73 | 1,834,556.02 |

TABLE 7. NUMBER OF SEIZURES AND QUANTITY (KG) OF OPIATES SEIZED BY REGION

| Region | Number of seizures | | Quantity (kg) | |
|-----------------------------|--------------------|--------------|------------------|------------------|
| | 2014 | 2015 | 2014 | 2015 |
| Asia-Pacific | 196 | 124 | 40,933.30 | 51,678.51 |
| North America | 968 | 1,025 | 3,933.82 | 5,232.90 |
| Eastern and Central Europe | 70 | 68 | 4,554.82 | 2,115.25 |
| Western Europe | 293 | 218 | 2,793.37 | 475.52 |
| CIS | 241 | 227 | 1,229.14 | 331.31 |
| Middle East | 98 | 77 | 134.53 | 183.16 |
| West Africa | - | 3 | - | 132.71 |
| Eastern and Southern Africa | 15 | 73 | 19.40 | 59.60 |
| South America | - | 2 | - | 14.26 |
| North Africa | - | 1 | - | 11.60 |
| Caribbean | - | 2 | - | 5.25 |
| Central Africa | 2 | - | 10.10 | - |
| Total | 1,883 | 1,820 | 53,608.46 | 60,240.07 |

B /
Seizure of 40 kg of
heroin concealed inside
cargo of onions by truck.
Photo courtesy of Kyrgyz
Customs.

Generally speaking, the trafficking of narcotics and other drugs is linked to the production areas, and thence to transport vectors that are primarily used to try to defeat the vigilance of law enforcement authorities. Therefore, the use of transport vectors by criminal organizations must be read together with other criteria in order to gain a holistic understanding of the situation.

CATEGORY OVERVIEW

OPIATES

In 2015, a total of 64 Members entered seizure data into the CEN for opiates, versus 61 Members in 2014. Table 7 shows the number of seizures and the quantity of opiate drugs intercepted during the period.

Asia-Pacific holds the top position with a total of 51,678 kg, including a small number of significant poppy seed cases in Pakistan accounting for over 50 tonnes in total. Leaving aside these few significant cases, the United States, in North America, recorded the highest number of opiate seizures as well as the largest quantity, mostly related to heroin, opium and poppy straw. This region shows an increase, whereas there are substantial decreases for Eastern and Central Europe, Western Europe and the CIS. In general, seizure reporting in Africa has also picked up.

Heroin

The number of heroin seizures dropped slightly, from 1,328 cases in 2014 to 1,257 cases in 2015, but the quantity of heroin intercepted decreased substantially, from 11,467 kg to 5,661 kg – a 50% reduction. Looking at the top ten Members for heroin seizures (see Chart 1), the United States occupies the highest position in 2015 with regard to both the number of cases (697 cases) and the quantity seized (2,536 kg). Georgia, which was ranked top in terms of the quantity seized in 2013, has disappeared from

the Chart. Ukraine has jumped into the Chart in third position by quantity, with three significant seizures in sea freight, and Côte d'Ivoire is present with one major seizure in air freight.

In 2015, South Africa was active in data contribution and recorded 61 seizures of heroin, mostly involving small amounts retrieved from mail and postal articles. It is interesting to note that heroin, which used to be a popular narcotic in Asian countries, has not made the top ten for quantities seized in 2015, except in the case of Pakistan.

Regarding the quantities seized in different locations in 2015, most heroin was trafficked through land borders (633 interceptions for 3,184 kg), by air (260 interceptions for 551 kg), or via seaports (16 interceptions for 1,036 kg).

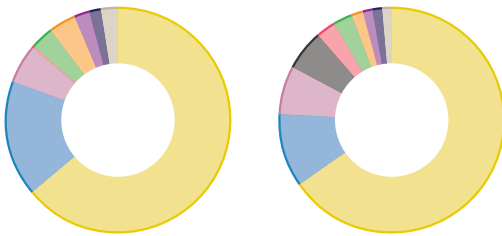


B

CHART 1.

Comparison of the top 10 by number of seizures and quantity of heroin seized

Number of seizures by country



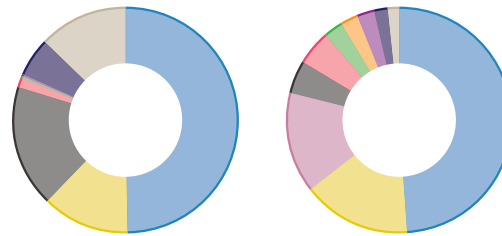
2014

| | |
|--------------------|-----|
| UNITED STATES | 637 |
| GERMANY | 167 |
| AZERBAIJAN | 54 |
| SOUTH AFRICA | - |
| SWEDEN | 4 |
| BANGLADESH | 32 |
| PAKISTAN | 38 |
| BULGARIA | 24 |
| RUSSIAN FEDERATION | 15 |
| NETHERLANDS | 24 |

2015

| | |
|--------------------|-----|
| UNITED STATES | 697 |
| GERMANY | 113 |
| AZERBAIJAN | 74 |
| SOUTH AFRICA | 61 |
| SWEDEN | 30 |
| BANGLADESH | 29 |
| PAKISTAN | 20 |
| BULGARIA | 15 |
| RUSSIAN FEDERATION | 14 |
| NETHERLANDS | 13 |

Quantity (kg) seized by country



2014

| | |
|---------------|----------|
| UNITED STATES | 2,147.98 |
| TURKEY | 541.09 |
| UKRAINE | 0.50 |
| BULGARIA | 753.95 |
| KYRGYZSTAN | 63.11 |
| CROATIA | 10.75 |
| COTE D'IVOIRE | - |
| OMAN | 6.50 |
| GERMANY | 237.17 |
| PAKISTAN | 547.76 |

2015

| | |
|---------------|----------|
| UNITED STATES | 2,536.87 |
| TURKEY | 805.22 |
| UKRAINE | 735.93 |
| BULGARIA | 255.62 |
| KYRGYZSTAN | 254.22 |
| CROATIA | 149.45 |
| COTE D'IVOIRE | 130.00 |
| OMAN | 129.00 |
| GERMANY | 95.67 |
| PAKISTAN | 77.17 |



C



D

C, D /
Seizure of 162 grammes
of heroin concealed into
64 buttons that were
stitched onto two ladies'
gowns. Photos courtesy
of Indian Customs.

COCAINE

An analysis of Table 8 shows that overall seizures of cocaine have increased substantially, from 67,503 kg worldwide in 2014 to 114,310 kg in 2015. The figure of 81,538 kg for 2013 has been surpassed. The United States' contribution here is significant, with 1,925 interceptions reported for a total of 64,769 kg of cocaine seized. Other contributors in the North America region include Cuba and Panama, bringing total seizures in the region to 2,107 cases, for 77,465 kg of cocaine.

South America has also shown a significant increase, mainly contributed by Peru (431 cases for 8,865 kg), Brazil (1,073 cases for 2,511 kg), Argentina (109 cases for 1,393 kg) and Chile (13 cases for 835 kg).

As described in earlier paragraphs, Tables 1 and 2 show a considerable increase in cocaine quantities seized in 2015 (114,310 kg) compared to 2014 (67,503 kg). Tables 4 and 5 show a shift towards trafficking by air, with a big jump from 5,218 kg in 2014 to 55,290 in 2015, even though the number of cases actually fell. Also, the quantity seized from vehicles, mostly at

E, F /
Seizure of 33 kg of cocaine from a container consignment of coffee onboard a vessel. Photos courtesy of Montenegrin Customs.

TABLE 8. NUMBER OF SEIZURES AND QUANTITY (KG) OF COCAINE SEIZED BY REGION

| Region | 2014 | | 2015 | |
|-----------------------------|--------------------|------------------|--------------------|-------------------|
| | Number of seizures | Quantity (kg) | Number of seizures | Quantity (kg) |
| North America | 2,002 | 22,168.08 | 2,107 | 77,465.94 |
| Western Europe | 2,830 | 31,343.18 | 1,910 | 20,982.46 |
| South America | 367 | 8,717.91 | 1,641 | 13,687.25 |
| CIS | 40 | 108.43 | 38 | 520.86 |
| Asia-Pacific | 81 | 223.62 | 87 | 390.59 |
| Caribbean | 44 | 3,349.22 | 30 | 327.38 |
| West Africa | 14 | 37.72 | 17 | 290.29 |
| Eastern and Central Europe | 41 | 429.08 | 57 | 285.19 |
| Eastern and Southern Africa | 24 | 139.59 | 81 | 236.22 |
| Middle East | 36 | 907.12 | 36 | 120.57 |
| Central Africa | 25 | 54.37 | 1 | 3.50 |
| North Africa | 4 | 25.19 | 1 | 0.60 |
| Total | 5,508 | 67,503.50 | 6,006 | 114,310.85 |



land borders, almost doubled from 10,289 kg to 20,689 kg. It can be seen from the Tables that traffickers continue to prefer bulk transport, mixing cocaine into cargo or concealing it inside conveyances.

Table 9 shows the concealment methods for cocaine trafficking in more detail. A large increase in air transport is mainly due to concealment in air passengers' baggage, which rose from 3,939 kg in 2014 to 53,394 kg in 2015, followed by air freight cargo which rose from 412 kg to 1,492 kg. Project AIRCOP and Operation COCAIR should be mentioned for the effective interception of cocaine trafficked by air – over time, this has become an important project of the WCO.

The sharp increase in delivery by road is accounted for by the rise of concealment inside vehicles – up from 8,812 kg to 19,271 kg. Sea freight smuggling remains popular, with mingling into bulk cargo, while the “rip on, rip off” method shows a drop from 21,609 kg to 16,051 kg; concealment inside vessels has also decreased, from 18,010 kg to 8,857 kg.

TABLE 9. NUMBER OF SEIZURES AND QUANTITY (KG) OF COCAINE SEIZED BY MEANS OF TRANSPORT

| Transport type | 2014 | | 2015 | |
|--------------------------|--------------------|------------------|--------------------|-------------------|
| | Number of seizures | Quantity (kg) | Number of seizures | Quantity (kg) |
| In baggage | 1,128 | 3,939.28 | 946 | 53,394.64 |
| In transport: vehicle | 765 | 8,812.45 | 898 | 19,271.21 |
| In freight: sea | 83 | 21,609.67 | 80 | 16,051.70 |
| In transport: vessel | 89 | 18,010.67 | 52 | 8,857.21 |
| In transport: container | 48 | 5,495.11 | 70 | 5,156.38 |
| In mail | 1,896 | 4,314.80 | 2,978 | 4,012.79 |
| Not concealed | 34 | 1,775.87 | 30 | 1,924.19 |
| In freight: air | 30 | 412.59 | 51 | 1,492.41 |
| In freight: road | 16 | 847.09 | 16 | 799.87 |
| In premises | 27 | 49.76 | 29 | 505.93 |
| On the person | 343 | 638.04 | 251 | 493.38 |
| Recovered from sea/beach | 1 | 64.00 | 2 | 486.99 |
| On the person: swallowed | 865 | 641.92 | 485 | 393.18 |
| In transport: aircraft | 3 | 8.89 | 43 | 166.55 |
| On the person: stuffed | 82 | 36.69 | 41 | 17.98 |
| On market places | 1 | 1.50 | 1 | 1.25 |
| In transport: train | 3 | 0.70 | 1 | 0.30 |
| In freight: rail | 1 | 18.44 | - | - |
| Unknown | 93 | 826.02 | 32 | 1,284.90 |
| Total | 5,508 | 67,503.50 | 6,006 | 114,310.85 |

G / Seizure of linings soaked with liquid cocaine (6.42 kg) which were sewed inside a handbag, a blanket and 3 jackets carried by an arriving foreign student at Tan Son Nhat Airport. Photo courtesy of Vietnamese Customs.

The classical methods of body concealment, swallowed, and stuffed in person, all recorded drops in terms of both the number of cases and the quantity seized.

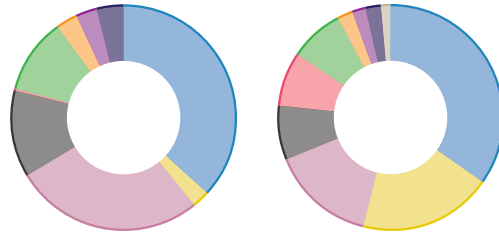
For cocaine seizures also (Chart 2), the United States occupies the top position with a sharp increase from 1,773 cases totalling 13,290 kg in 2014, to 1,924 cases totalling 64,769 kg in 2015. Puerto Rico lies second, with 12,352 kg in 2015 compared to a much lower 4,817 kg in 2014. Peru has input much more data, increasing from 22 cases for 589 kg in 2014, to 431 cases for 8,865 kg in 2015; similarly, South Africa did not input any cocaine seizures in 2014, but reported 76 cases totalling 225 kg in 2015.



CHART 2.

Comparison of the top 10 by number of seizures and quantity of cocaine seized

Number of seizures by country



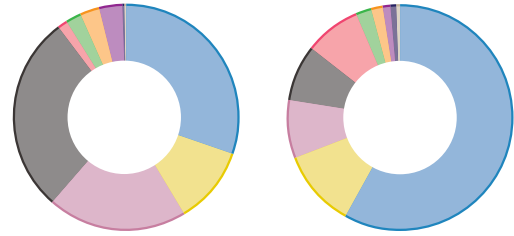
2014

2015

| | |
|---------------|-------|
| UNITED STATES | 1,773 |
| BRAZIL | 120 |
| NETHERLANDS | 1,304 |
| SPAIN | 593 |
| PERU | 22 |
| GERMANY | 517 |
| PUERTO RICO | 152 |
| PORTUGAL | 145 |
| ARGENTINA | 176 |
| SOUTH AFRICA | - |

| | |
|---------------|-------|
| UNITED STATES | 1,924 |
| BRAZIL | 1,073 |
| NETHERLANDS | 821 |
| SPAIN | 433 |
| PERU | 431 |
| GERMANY | 429 |
| PUERTO RICO | 127 |
| PORTUGAL | 112 |
| ARGENTINA | 109 |
| SOUTH AFRICA | 76 |

Quantity (kg) seized by country



2014

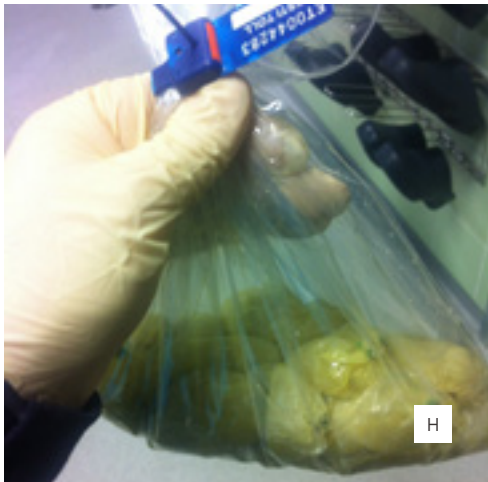
2015

| | |
|--------------------|-----------|
| UNITED STATES | 13,290.19 |
| PUERTO RICO | 4,817.82 |
| NETHERLANDS | 8,763.38 |
| SPAIN | 12,308.61 |
| PERU | 589.24 |
| BRAZIL | 1,001.49 |
| GERMANY | 1,270.15 |
| ARGENTINA | 1,449.56 |
| CHILE | 36.35 |
| RUSSIAN FEDERATION | 95.58 |

| | |
|--------------------|-----------|
| UNITED STATES | 64,769.47 |
| PUERTO RICO | 12,352.84 |
| NETHERLANDS | 9,372.07 |
| SPAIN | 8,926.55 |
| PERU | 8,865.26 |
| BRAZIL | 2,511.19 |
| GERMANY | 1,795.84 |
| ARGENTINA | 1,393.25 |
| CHILE | 835.01 |
| RUSSIAN FEDERATION | 520.85 |

H, I /
Seizure of 730 grammes of liquid cocaine in 25 condoms swallowed by an arriving passenger. Photos courtesy of Estonian Customs.

J, K /
Seizure of 2 kg of cocaine from the linings of two folders inside an arriving passenger's baggage. Photos courtesy of Uruguayan Customs.



H



I



J



K



CANNABIS

Table 2 demonstrates that cannabis remains the most widely available and used drug worldwide, and there are no signs of any change in this situation. In 2015, 86 Members input cannabis seizure data into CEN – a drop from 100 Members in 2014, but both the number of seizures and the total quantity seized have risen. As shown in Table 10, North America continues to take the lead, again mostly through the United States which accounted for 74% of total reported cannabis seized, with 1,001,837 kg in 2015. Western Europe lies second with 170,645 kg, with both

regions showing an increase of around 18%. North Africa, with a steady figure of 25,288 kg, has overtaken Asia-Pacific which shows a 61% drop from 49,322 kg to 18,938 kg. Otherwise, South America, West Africa, and East and Central Europe have recorded drastic reductions in both the number of cases and the quantity seized, while the Middle East and Eastern and Southern Africa both show a considerable increase. An examination of Table 11 reveals few changes in the ranking of the different types of cannabis, except that “Others” has risen sharply from 582 kg to 11,505 kg – 18 times more. It is worth noting that this “Others” category consists

L, M /
Seizure of eight sport bags having inside 317 kg of cocaine from a container of wooden planks. Photos courtesy of Brazilian Customs.

TABLE 10. NUMBER OF SEIZURES AND QUANTITY (KG) OF CANNABIS SEIZED BY REGION

| Region | 2014 | | 2015 | |
|-----------------------------|--------------------|---------------------|--------------------|---------------------|
| | Number of seizures | Quantity (kg) | Number of seizures | Quantity (kg) |
| North America | 10,022 | 985,022.65 | 11,006 | 1,001,837.40 |
| Western Europe | 1,572 | 143,452.23 | 1,271 | 170,645.20 |
| North Africa | 26 | 25,665.10 | 20 | 25,288.85 |
| Asia-Pacific | 341 | 49,322.93 | 358 | 18,938.56 |
| Caribbean | 5 | 982.99 | 6 | 13,230.64 |
| Middle East | 587 | 1,741.49 | 425 | 8,328.63 |
| South America | 610 | 16,035.74 | 369 | 6,225.89 |
| Eastern and Central Europe | 277 | 8,040.09 | 189 | 4,628.52 |
| West Africa | 158 | 22,496.13 | 25 | 4,484.63 |
| Eastern and Southern Africa | 10 | 3.30 | 143 | 2,894.67 |
| CIS | 389 | 1,198.31 | 287 | 2,141.46 |
| Central Africa | 5 | 305.30 | 2 | 92.00 |
| Total | 14,002 | 1,254,266.28 | 14,101 | 1,258,736.46 |

TABLE 11. NUMBER OF SEIZURES AND QUANTITY (KG) OF DIFFERENT TYPES OF CANNABIS

| Type | 2014 | | 2015 | |
|--------------|--------------------|---------------------|--------------------|---------------------|
| | Number of seizures | Quantity (kg) | Number of seizures | Quantity (kg) |
| Herbal | 11,764 | 1,062,600.34 | 12,432 | 1,040,759.83 |
| Resin | 1,660 | 181,158.61 | 1,260 | 199,913.74 |
| Plants | 95 | 9,901.84 | 111 | 6,533.84 |
| Liquid, oil | 31 | 23.25 | 54 | 23.19 |
| Others | 452 | 582.24 | 244 | 11,505.85 |
| Total | 14,002 | 1,254,266.28 | 14,101 | 1,258,736.46 |

primarily of cannabis seed seizures. A cannabis plant can produce both leaves and seeds, but this upsurge in seizures of seeds, rather than leaves, may well indicate a sudden increase in demand, which could also be an indication that self-cultivation of cannabis plants is increasing in popularity.

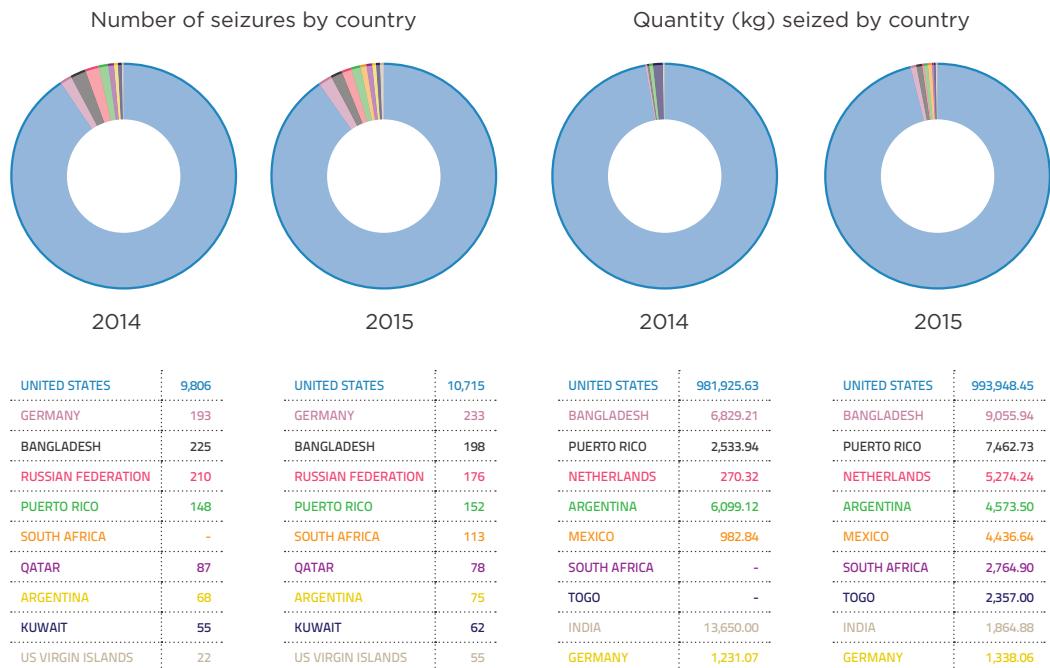
Chart 3 shows the top ten Members in terms of herbal cannabis seizures. The United States continues to occupy the top position as in

previous years, having recorded seizures totalling 993,948 kg in 2015. Bangladesh comes second, followed by Puerto Rico, the Netherlands, Argentina and Mexico. This is similar to other statistics which show that most of the world's production of herbal cannabis takes place in North America².

Chart 4 compares the top ten Members in terms of cannabis resin seizures, and shows similar distribution to previous years. Two

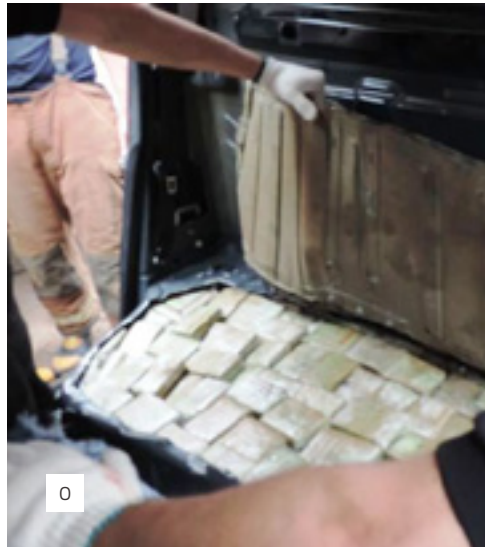
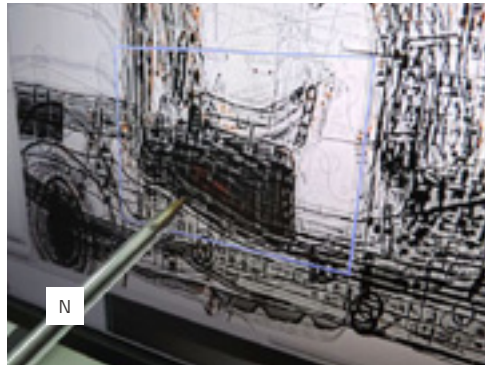
CHART 3.

Comparison of top 10 by number of seizures and quantity of herbal cannabis seized



neighbouring countries, Spain and Morocco, rank top. Spain shows an increase from 133,048 kg in 2014 to 154,614 kg in 2015. There was no major change in the quantity seized in the case of Morocco, while Pakistan remains in third position despite a 54% drop in the quantity seized. It is also apparent that the top few places are occupied mainly by European countries, which account for most cannabis resin seizures worldwide. Some research suggests that Morocco is the main source country, followed by Afghanistan, with the cannabis resin from Morocco mainly being smuggled to Europe and to other countries in North Africa, while that produced in Afghanistan goes to neighbouring countries, particularly Pakistan³.

However, these seizure figures cannot simply be understood as demonstrating the seriousness of the drug situation in those countries; they should also be taken as indicators of the countries' effective enforcement efforts in intercepting illegal drugs.



3 /
Ibid, p.43-44.

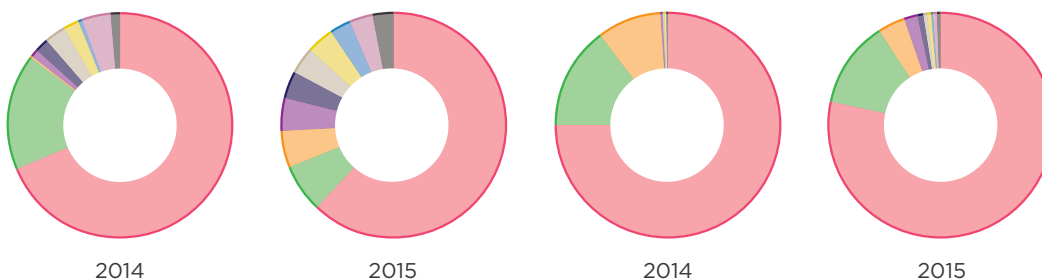
N, O /
Seizure of 192 kg of herbal cannabis inside the structure of a cross-border truck. Photos courtesy of Argentinean Customs.

CHART 4.

Comparison of top 10 by number of seizures and quantity of cannabis resin seized

Number of seizures by country

Quantity (kg) seized by country



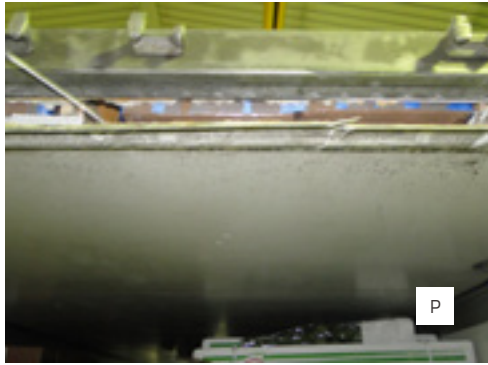
| Country | Number of seizures |
|--------------------|--------------------|
| SPAIN | 934 |
| BAHRAIN | 226 |
| SAUDI ARABIA | 4 |
| UNITED STATES | 14 |
| BRAZIL | 27 |
| GERMANY | 40 |
| RUSSIAN FEDERATION | 33 |
| FRANCE | 6 |
| KUWAIT | 57 |
| PAKISTAN | 17 |

| Country | Number of seizures |
|--------------------|--------------------|
| SPAIN | 661 |
| BAHRAIN | 72 |
| SAUDI ARABIA | 57 |
| UNITED STATES | 49 |
| BRAZIL | 42 |
| GERMANY | 42 |
| RUSSIAN FEDERATION | 40 |
| FRANCE | 35 |
| KUWAIT | 35 |
| PAKISTAN | 30 |

| Country | Quantity (kg) seized |
|--------------------|----------------------|
| SPAIN | 133,048.48 |
| MOROCCO | 25,665.10 |
| PAKISTAN | 16,230.00 |
| FRANCE | 400.67 |
| LATVIA | 0.01 |
| NORWAY | 749.51 |
| GERMANY | 639.45 |
| KAZAKHSTAN | 1.43 |
| RUSSIAN FEDERATION | 32.92 |
| POLAND | 12.37 |

| Country | Quantity (kg) seized |
|--------------------|----------------------|
| SPAIN | 154,614.01 |
| MOROCCO | 24,636.20 |
| PAKISTAN | 7,456.50 |
| FRANCE | 4,033.21 |
| LATVIA | 1,239.10 |
| NORWAY | 1,126.18 |
| GERMANY | 1,027.71 |
| KAZAKHSTAN | 972.05 |
| RUSSIAN FEDERATION | 893.59 |
| POLAND | 826.24 |

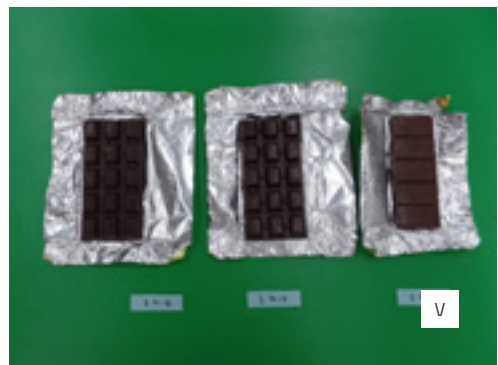
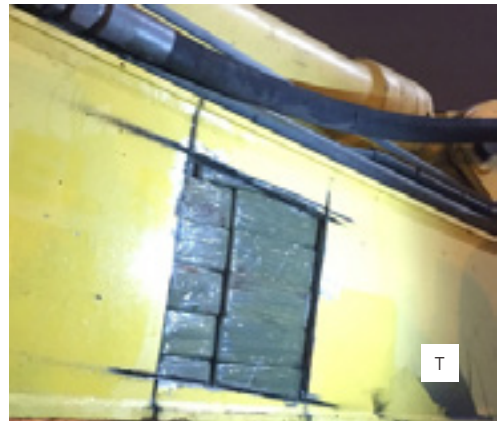
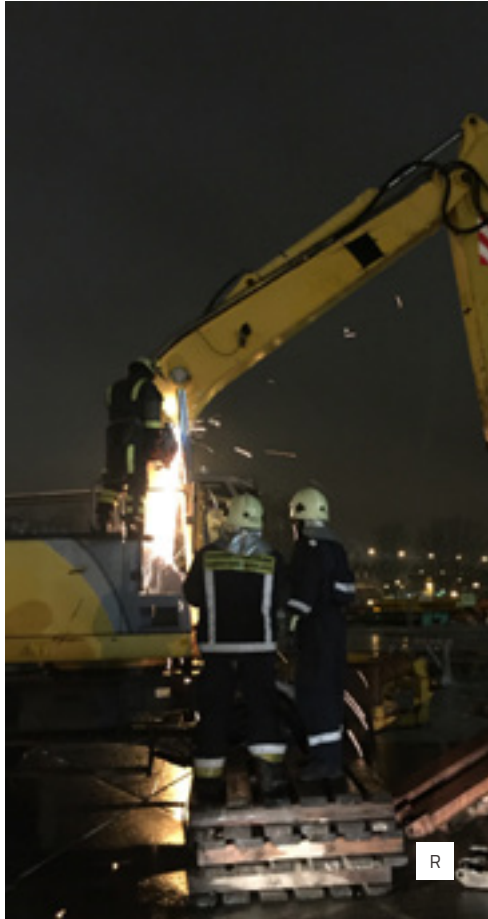
SECTION 1.
DRUGS



P, Q /
Seizure of 46 packs of hashish (782 kg) from the ceiling of a fridge trailer. Photos courtesy of Estonian Customs.

R, S, T /
Seizure of 8,189 bricks (819 kg) of cannabis resin from inside the gibbet of an imported excavator. Photos courtesy of Russian Customs.

U, V /
Seizure of 3 chocolate bars containing cannabis from an incoming air parcel. Photos courtesy of Korean Customs.



KHAT

Khat is a bush from the Celastraceae family, native to the Red Sea area, whose cultivation spread to Arabia (especially to Yemen) around the fifteenth century. Khat contains cathinone and is consumed by the inhabitants of these regions, who chew the leaves for an amphetamine-like stimulating and euphoric effect. When khat dries out, the cathinone inside it will decompose, making the leaves less potent when chewed.

The legal situation regarding khat is not uniform worldwide; not all countries in the European Union have banned it, and it is legal in several countries in the Asian and African regions.

TABLE 12. COMPARISON OF THE TOP 10 BY NUMBER OF SEIZURES OF KHAT

| Country | Number of seizures | |
|---------------|--------------------|---------------|
| | 2014 | 2015 |
| United States | 10,304 | 12,607 |
| Netherlands | 131 | 519 |
| South Africa | - | 350 |
| Yemen | 578 | 186 |
| Denmark | 74 | 169 |
| Germany | 25 | 119 |
| Norway | 108 | 62 |
| Saudi Arabia | 12 | 33 |
| Finland | 46 | 27 |
| France | 8 | 20 |
| Total | 11,286 | 14,092 |

Table 12 shows that the United States reported almost 90% of the total number of khat seizures worldwide. The Netherlands was second, and South Africa, with no seizures reported in 2014, lies in third place in 2015. Other Members in the top ten for the number of cases are European and Middle East countries.

TABLE 13. COMPARISON OF THE TOP 10 BY QUANTITY OF SEIZURES OF KHAT

| Country | Quantity (kg) | |
|---------------|------------------|-------------------|
| | 2014 | 2015 |
| United States | 62,185.32 | 75,297.08 |
| Netherlands | 2,361.84 | 7,533.83 |
| Germany | 10,298.50 | 7,271.28 |
| Sudan | - | 3,573.00 |
| South Africa | - | 3,564.05 |
| Denmark | 11,310.15 | 2,624.44 |
| Norway | 5,901.60 | 1,523.71 |
| Yemen | 1,280.07 | 1,132.80 |
| Switzerland | 1,331.36 | 673.90 |
| Finland | 1,129.84 | 584.80 |
| Total | 95,798.67 | 103,778.89 |

W, X /
Seizure of 192 kg of herbal cannabis inside the structure of a cross-border truck. Photos courtesy of Argentinean Customs.



In terms of quantity, Table 13 reveals that the United States intercepted 21% more khat in 2015 than in 2014 (up from 62,185 kg to 75,297 kg). The Netherlands has reported an increase from 2,361 kg to 7,533 kg and holds second position, followed by Germany, Sudan and South Africa. Decreases have been observed in the case of Denmark and Norway, which lie further down the Table. There is no Asian country among the top ten, and the only Members in Asia that have reported khat seizures are the Republic of Korea, Singapore and Hong Kong, China.

PSYCHOTROPIC SUBSTANCES

The downward trend in seizures of psychotropic substances by Customs has continued, down from a total of 387 tonnes in 2013 to 341 tonnes in 2014, then to 286 tonnes in 2015 – decreases of 12% and 16% for two consecutive years. Asia-Pacific continues to record most of the seizures, accounting for 188 tonnes in 2015, or 65% of the total. There have been quite significant changes in terms of the ranking. The Middle East took second position with an

increase from 39 tonnes to almost 65 tonnes, as against only 13 tonnes in 2013. It is worth noting that the Middle East region has input a number of significant seizures of a few specific psychotropic substances, like captagon and tramadol. Western Europe recorded a dramatic drop, from 81 tonnes to 3.8 tonnes, ranking fourth, while West Africa slid from

TABLE 14. NUMBER OF SEIZURES AND QUANTITY (KG) OF KHAT BY MEANS OF TRANSPORT

| Transport | 2014 | | 2015 | |
|-----------------------|--------------------|-------------------|--------------------|-------------------|
| | Number of seizures | Quantity (kg) | Number of seizures | Quantity (kg) |
| In mail | 10,428 | 64,160.08 | 13,580 | 85,023.14 |
| In baggage | 554 | 7,097.09 | 511 | 12,054.14 |
| In freight: air | 237 | 1,038.71 | 39 | 4,946.40 |
| In transport: vehicle | 97 | 31,577.63 | 41 | 780.94 |
| Not concealed | 26 | 347.96 | 17 | 327.54 |
| In premises | 1 | 52.00 | 2 | 176.06 |
| In freight: road | 4 | 1,848.00 | 1 | 103.00 |
| On the person | 21 | 26.81 | 12 | 24.26 |
| Unknown | 92 | 1,647.00 | 11 | 3,768.74 |
| Total | 11,460 | 107,795.27 | 14,214 | 107,204.21 |

A glance at Table 14 shows that where the smuggling method is concerned there has been a shift away from vehicle concealment and road freight, where the numbers have dropped by 97% and 94% respectively. Mail, baggage and air freight have all registered considerable increases, of 32%, 69% and 376% respectively, and make up the top three; together they account for 95% of total khat seizures.

7.7 tonnes to just 214 kg, because of a lack of significant cases of tramadol seizures like those recorded in 2014. This category of psychotropic substances is associated with increasingly large fluctuations, year after year. Taken individually the regions have had mixed fortunes, with substantial increases for some and drastic declines for others (see Table 15).

In Table 16, in terms of the number of seizures the mail remains the most used channel for trafficking, followed by inside pedestrians' baggage and concealment inside vehicles. It has been pointed out that the number of seizures through the mail channel is on the rise, and this has created challenging workloads for

TABLE 15. NUMBER OF SEIZURES AND QUANTITY (KG) OF PSYCHOTROPIC SUBSTANCES SEIZED BY REGION

| Region | 2014 | | 2015 | |
|-----------------------------|--------------------|-------------------|--------------------|-------------------|
| | Number of seizures | Quantity (kg) | Number of seizures | Quantity (kg) |
| Asia-Pacific | 1,421 | 182,041.84 | 1,128 | 188,265.28 |
| Middle East | 1,008 | 39,762.58 | 1,412 | 64,988.48 |
| North America | 2,997 | 28,393.42 | 4,119 | 26,260.10 |
| Western Europe | 1,007 | 81,714.80 | 880 | 3,806.54 |
| Eastern and Central Europe | 295 | 825.94 | 462 | 874.32 |
| Eastern and Southern Africa | 2 | 52.00 | 70 | 617.05 |
| North Africa | - | - | 5 | 596.37 |
| West Africa | 13 | 7,734.04 | 13 | 214.60 |
| South America | 50 | 102.17 | 71 | 203.34 |
| CIS | 368 | 166.16 | 310 | 157.93 |
| Caribbean | 3 | 260.50 | 3 | 6.51 |
| Central Africa | 3 | 58.40 | 1 | 4.00 |
| Total | 7,167 | 341,111.86 | 8,474 | 285,994.53 |

Customs. But when we look at quantity we see it has halved, from 21 tonnes in 2014 to 11 tonnes in 2015, placing mail in fourth position. The quantity seized from passengers' baggage has increased by more than 20 tonnes, i.e., from 165 tonnes to 186, and this mode is comfortably ahead in first place, with sea freight cargo, which has increased by 183% from 19 to 54 tonnes, ranked second. Concealment inside vehicles, where the figure remains steady at around 26 tonnes, ranks third, followed by mail with 11 tonnes as mentioned, and then air freight at 4.5 tonnes.

Table 17 shows the classic psychotropic substances seized by Customs. New psychoactive substances (NPS) will be discussed later in this Report, and are worthy of separate consideration because of the special issue regarding legality, as well as the discussion about Customs policies.

Phensidyl is still substantially in the lead, with an 11% increase from 162 tonnes in 2014 to 180 tonnes in 2015. Captagon occupies the second

place with a 182% increase, from 21 tonnes to 60 tonnes. Methamphetamine is ranked third, with a 35% increase from 16 to 22 tonnes.

It is interesting to note that in terms of the number of seizures, methamphetamine is far ahead of all the other psychotropic substances, meaning that it is smuggled more frequently, in smaller amounts. The substances that follow are kratom, GBL, amphetamine, tramadol and MDMA. One can tell from the figures that there has been a shift from tramadol to captagon – both are popular types of drug in the Middle East region.

The next part of the Report discusses some of the higher-ranked psychotropic substances seized by individual Members.

TABLE 16. NUMBER OF SEIZURES AND QUANTITY (KG) OF PSYCHOTROPIC SUBSTANCES SEIZED BY MEANS OF TRANSPORT

| Transport | 2014 | | 2015 | |
|--------------------------|--------------------|-------------------|--------------------|-------------------|
| | Number of seizures | Quantity (kg) | Number of seizures | Quantity (kg) |
| In baggage | 1,640 | 165,570.31 | 1,871 | 186,357.13 |
| In freight: sea | 31 | 19,328.14 | 39 | 54,765.99 |
| In transport: vehicle | 1,741 | 26,571.36 | 1,743 | 26,613.59 |
| In mail | 2,692 | 21,901.42 | 3,887 | 11,124.71 |
| In freight: air | 42 | 21,330.55 | 59 | 4,515.38 |
| In freight: road | 42 | 5,566.13 | 48 | 820.32 |
| In premises | 81 | 837.33 | 128 | 686.28 |
| On the person | 545 | 378.21 | 407 | 327.50 |
| Not concealed | 149 | 702.77 | 162 | 241.98 |
| On market places | 2 | 0.02 | 3 | 210.00 |
| Unknown | 98 | 78,842.96 | 41 | 177.21 |
| In transport: container | 1 | 40.10 | 5 | 105.91 |
| In transport: vessel | 9 | 17.38 | 11 | 26.16 |
| In transport: aircraft | 5 | 0.43 | 7 | 13.13 |
| On the person: swallowed | 41 | 15.55 | 30 | 7.62 |
| On the person: stuffed | 31 | 7.61 | 22 | 1.60 |
| In transport: train | 16 | 1.37 | 11 | 0.02 |
| Recovered from sea/beach | 1 | 0.23 | - | - |
| Total | 7,167 | 341,111.86 | 8,474 | 285,994.53 |

Phensidyl

TABLE 18. NUMBER OF SEIZURES AND QUANTITY (KG) OF PHENSIDYL SEIZED BY BANGLADESH

| 2014 | | 2015 | |
|--------------------|---------------|--------------------|---------------|
| Number of seizures | Quantity (kg) | Number of seizures | Quantity (kg) |
| 329 | 162,210.06 | 284 | 180,760.90 |

As mentioned in previous Reports, phensidyl is circulating in the Asian region, where India and Bangladesh are the only countries to report seizures. There has been a slight (11%) increase, from 162 tonnes in 2014 to 180 tonnes in 2015, but considering that the figure for 2013 was 334 tonnes, the popularity of phensidyl seems to be on a downward trend. Moreover, no

seizures were reported by India in 2014 and 2015 (see Table 18). Phensidyl is a syrup form of antidepressant which can be used legally in India but is forbidden in Bangladesh. Almost all the phensidyl seized was smuggled in baggage carried by pedestrians across the land border into Bangladesh.

TABLE 17. TOP TYPES OF PSYCHOTROPIC SUBSTANCES SEIZED

| Type | 2014 | | 2015 | |
|-----------------------------|--------------------|-------------------|--------------------|-------------------|
| | Number of seizures | Quantity (kg) | Number of seizures | Quantity (kg) |
| Phensidyl | 329 | 162,210.06 | 284 | 180,760.90 |
| Captagon | 268 | 21,577.92 | 263 | 60,851.73 |
| Methamphetamine | 2,439 | 16,267.23 | 2,204 | 22,073.11 |
| Kratom | 183 | 17,249.77 | 176 | 5,786.71 |
| GBL (Gamma Butyrolactone) | 330 | 5,690.61 | 542 | 4,758.07 |
| Amphetamine | 556 | 5,496.63 | 586 | 3,376.09 |
| Tramadol | 749 | 30,017.71 | 1,610 | 2,644.65 |
| MDMA (Ecstasy) | 543 | 1,224.81 | 702 | 1,504.52 |
| Alprazolam | 363 | 265.58 | 380 | 421.86 |
| GHB (Gamma Hydroxybutyrate) | 55 | 76.20 | 99 | 276.38 |
| Diazepam | 306 | 168.37 | 208 | 157.78 |
| Zolpidem | 151 | 49.95 | 228 | 117.16 |
| Methaqualone (Mandrax) | 1 | 26.00 | 5 | 46.80 |
| Buprenorphine | 24 | 8.00 | 30 | 16.85 |
| Psilocybin mushrooms | - | - | 38 | 15.28 |
| LSD | 47 | 24.30 | 69 | 13.58 |
| Total | 6,344 | 260,353.13 | 7,424 | 282,821.45 |

4 / United Nations Commission on Narcotic Drugs (2016), "Report on the fifty-ninth session" (11 December 2015 and 14-22 March 2016), Official Records of the Economic and Social Council, Supplement No. 8A (E/2016/28/Add.1), Resolution 59/2 Annex (d), p.33.

Captagon

Captagon seizures are exclusively reported by the Middle East region. Captagon itself is a kind of brand name for a methamphetamine-type stimulant containing fenethylamine. In the UN, the member states of the Subcommittee on Illicit Drug Traffic and Related Matters in the Near and Middle East agreed on the Abu Dhabi Declaration in November 2015, reaffirming a recommendation that priority attention should be given to captagon and tramadol in the Near and Middle East⁴.

According to Table 19, although the number of cases is small, in terms of quantity Lebanon has multiplied its seizures of captagon by a factor of more than eight, i.e., from 5.5 tonnes in 2014 to 51 tonnes in 2015, moving to the top position in 2015. Saudi Arabia, which used to report most of the seizures, has dropped from

13 to 5.1 tonnes, occupying second position but still accounting for the highest number of seizures with 186 cases. Kuwait comes third, with an increase in quantity to 1.7 tonnes, followed by the United Arab Emirates and Jordan. Thus, the year 2015 saw much higher quantities of captagon seized – more than 60 tonnes in total. Compared to the 21 tonnes seized in 2014, this represents a 182% increase.

Most captagon was smuggled in sea freight cargo, accounting for 86% of the total, with vehicles crossing land borders accounting for 8.4%.

Methamphetamine

Methamphetamine is a strong stimulant, with limited therapeutic usefulness; it carries a higher risk of abuse.

TABLE 19. NUMBER OF SEIZURES AND QUANTITY (KG) OF CAPTAGON SEIZED BY COUNTRY

| Country | 2014 | | 2015 | |
|----------------------|--------------------|------------------|--------------------|------------------|
| | Number of seizures | Quantity (kg) | Number of seizures | Quantity (kg) |
| Lebanon | 4 | 5,516.00 | 2 | 51,779.67 |
| Saudi Arabia | 129 | 13,447.68 | 186 | 5,105.95 |
| Kuwait | 10 | 1,015.89 | 19 | 2,707.18 |
| United Arab Emirates | 10 | 0.06 | 12 | 693.31 |
| Jordan | 7 | 1,386.67 | 3 | 492.87 |
| Sudan | - | - | 1 | 70.00 |
| Israel | - | - | 3 | 1.56 |
| Bahrain | 81 | 0.69 | 30 | 1.01 |
| Qatar | 24 | 7.57 | 7 | 0.18 |
| Yemen | 3 | 203.37 | - | - |
| Total | 268 | 21,577.92 | 263 | 60,851.73 |

In line with previous years, more than 50 countries submitted seizure data on methamphetamine. Tables 20 and 21 show the top 10 Members in terms of number of cases and quantity seized. The United States, ranked first for several consecutive years, reported 1,544 cases in 2015, with a rise in quantity from 12.8 tonnes in 2014 to 16.5 tonnes in 2015, i.e., a 28.8% increase. As was the case in 2014, Bangladesh ranked second for seizures of methamphetamine, although its figures are substantially lower than those for the United States, i.e., 184 cases totalling 3.3 tonnes. South Africa, which did not have data for 2014, recorded 24 cases for 516 kg in 2015, putting it in third place. Japan and New Zealand, being two of the destination countries for methamphetamine, follow in fourth and fifth place, with 327 kg and 218 kg respectively in 2015. Senegal had no seizure information in 2014, but recorded 126 kg seized in 2015 and appears in the top ten table for the first time, while Thailand dropped from 425 kg in 2014 to 97 kg in 2015. The 2015 data shows that most methamphetamine was trafficked through land borders (17.4 tonnes out of a total 22 tonnes). 2.2 tonnes were seized inland, followed by mail centres and airports, each accounting for around 1 ton in 2015.

According to UNODC's questionnaire responses, there are significant flows of methamphetamine within Asia and North America, and Europe and the Middle East, as well as in regions having significant transit flow⁵. This also indicates that it was appropriate for Operation Westerlies to join global efforts to counter methamphetamine trafficking through Europe and the Middle East to Asia and the Pacific. The latest in the series, Operation Westerlies 4 carried out in May 2016, included not only methamphetamine but all types of drugs, and has become an important WCO global enforcement effort.

Kratom

Kratom is a tropical plant native to Southeast Asia. It is chewed in raw leaf form or brewed in search of effects similar to those produced by other stimulant drugs. Consumption of the product is regulated in some Asian countries, but it is classified as a narcotic in other parts of the world. This regulatory disparity partly explains the difficulties border agencies face. It also explains why data on this product is confined to a limited circle of countries that contribute to the CEN.

**TABLE 20. COMPARISON OF THE TOP 10
BY NUMBER OF SEIZURES OF METHAMPHETAMINE**

| Country | Number of seizures | |
|--------------------|--------------------|--------------|
| | 2014 | 2015 |
| United States | 1,571 | 1,544 |
| Bangladesh | 158 | 184 |
| Japan | 115 | 48 |
| Hong Kong, China | 73 | 42 |
| Korea, Republic of | 22 | 42 |
| Germany | 44 | 38 |
| New Zealand | 9 | 37 |
| Australia | 1 | 35 |
| Thailand | 96 | 28 |
| Indonesia | 45 | 26 |
| Total | 2,134 | 2,024 |

**TABLE 21. COMPARISON OF THE TOP 10
BY QUANTITY OF SEIZURES OF METHAMPHETAMINE**

| Country | Quantity (kg) | |
|---------------|------------------|------------------|
| | 2014 | 2015 |
| United States | 12,885.45 | 16,599.23 |
| Bangladesh | 1,182.55 | 3,343.89 |
| South Africa | - | 516.09 |
| Japan | 475.06 | 327.40 |
| New Zealand | 29.62 | 218.65 |
| Senegal | - | 126.45 |
| Indonesia | 94.68 | 124.68 |
| Australia | 183.00 | 105.42 |
| Thailand | 425.89 | 97.26 |
| Malaysia | 193.29 | 95.68 |
| Total | 15,469.54 | 21,554.77 |



Z



Y

Y / Seizure of a total of 61 kg of methamphetamine were found concealed inside a consignment of hoses and squirt guns. Photo courtesy of New Zealand Customs.

Z / Seizure of 1,026 Tequila bottles containing liquid with dissolved methamphetamine (weighing 171 kg after extraction). Photo courtesy of Japanese Customs.

6 /
Drug Enforcement Agency (2016), "DEA Announces Intent to Schedule Kratom", available at: www.dea.gov/divisions/hq/2016/hq083016.shtml.

A /
Seizure of 200 litres of GBL from an arriving vehicle. Photo courtesy of Estonian Customs.

Again, the United States recorded most of the seizures of kratom. However there was a big drop in the quantity seized, from 13 tonnes in 2014 to 3.6 tonnes in 2015, but the number of seizures soared from 11 to 102. Kratom is illegal in Thailand, where the figures also dropped from 170 seizures of 3.9 tonnes to 64 seizures of 2.1 tonnes. There were a small number of new reports from Denmark and Serbia. All the cases reported by the United States (see Table 22) and Denmark were intercepted at mail centres, while all of Thailand's seizures were made at land borders.

The United States Drug Enforcement Administration (DEA) has announced its intention to schedule kratom because of the hazard it poses

As GBL is usually seized in bulk in industrial consignments, the quantity intercepted can fluctuate widely. The United States has gone from relatively low seizures in 2014 (682 kg) to the top of the table in 2015, with 3.4 tonnes. Second and third positions are held by Norway and Estonia, with 737 kg and 223 kg respectively in 2015. New Zealand has dropped from 4.5 tonnes to only 216 kg, placing it in fourth position, followed by Australia and Finland (see Table 23).

Most GBL seizures were made at mail centres, accounting for 3.6 tonnes out of a total of 4.7 tonnes. The second channel is seaports, accounting for 621 kg, followed by airports for 236 kg and free trade zones for 223 kg.

TABLE 22. NUMBER OF SEIZURES AND QUANTITY (KG) OF KRATOM SEIZED BY COUNTRY

| Country | 2014 | | 2015 | |
|--------------------|--------------------|------------------|--------------------|-----------------|
| | Number of seizures | Quantity (kg) | Number of seizures | Quantity (kg) |
| United States | 11 | 13,292.00 | 102 | 3,657.48 |
| Thailand | 170 | 3,957.62 | 64 | 2,124.50 |
| Denmark | - | - | 9 | 4.51 |
| Serbia | - | - | 1 | 0.21 |
| Korea, Republic of | 2 | 0.15 | - | - |
| Total | 183 | 17,249.77 | 176 | 5,786.71 |

to public safety. Kratom produces an opioid-like effect, has no currently accepted medical use, but has a high potential for abuse⁶.

GBL (Gamma Butyrolactone)

GBL generally comes in liquid form but is also found, rarely, as a powder in capsules. It is used by those seeking sensations similar to those provided by ecstasy. GBL is a common industrial solvent and chemical reagent, used for manufacturing cleaning solvent, glue remover, etc. There are differing regulations on its use, ranging from approval to a ban.



SECTION 1.
DRUGS

33

TABLE 23. NUMBER OF SEIZURES AND QUANTITY (KG) OF GBL SEIZED BY COUNTRY

| Country | 2014 | | 2015 | |
|--------------------|--------------------|-----------------|--------------------|-----------------|
| | Number of seizures | Quantity (kg) | Number of seizures | Quantity (kg) |
| United States | 243 | 682.67 | 466 | 3,413.94 |
| Norway | 29 | 165.35 | 26 | 737.20 |
| Estonia | 2 | 5.07 | 1 | 223.00 |
| New Zealand | 17 | 4,519.85 | 16 | 216.40 |
| Australia | 1 | 46.00 | 2 | 81.00 |
| Finland | 5 | 4.34 | 16 | 68.71 |
| Russian Federation | - | - | 5 | 8.04 |
| Hungary | - | - | 4 | 4.00 |
| Netherlands | 3 | 7.00 | 2 | 3.00 |
| Israel | 7 | 7.83 | 2 | 2.27 |
| Denmark | 2 | 200.50 | 1 | 0.50 |
| Korea, Republic of | - | - | 1 | 0.01 |
| Sweden | 2 | 35.20 | - | - |
| Switzerland | 16 | 16.80 | - | - |
| Brazil | 3 | 0.01 | - | - |
| Total | 330 | 5,690.61 | 542 | 4,758.07 |

B, C, D /
Examples of seizures of
GHB sold on the internet.
Photos courtesy of
Japanese Customs.



B



C



D

Amphetamine

Amphetamine belongs to the same group as methamphetamine, and is a potent stimulant which gives the same effect as methamphetamine. The following analysis excludes captagon, which is in fact an amphetamine but has been discussed earlier in this Section.

In terms of number of cases and quantity seized, the United States ranks first with an

increase from 93 seizures for 820 kg in 2014, to 145 seizures for 1,195 kg in 2015. The Netherlands, despite recording only two seizures in 2015, seized 850 kg and takes second position having had only minimal seizures the previous year. Norway lies third with 318 kg in 2015, followed by Germany with 254 kg, France with 210 kg and Finland with 120 kg. Saudi Arabia recorded a drop from 3.3 tonnes in 2014 to 97 kg in 2015 (see Table 24 and 25). Burkina Faso reported 8.5 tonnes of amphetamine in 2013 and 335 kg in 2014, but did not report any seizures in 2015.

In 2015 about 1.4 tonnes of methamphetamine were seized inland (42%), and about 1.4 tonnes at mail centres (43%).

Tramadol

Tramadol is widely used in the Middle East, where most interceptions are made, although it is also found in North America and Eastern Europe. It is an opioid-like medication in a tablet form, used as a pain killer. Long-term use of tramadol can cause physical dependence and withdrawal syndrome.

In the absence of significant seizures, the total amount seized declined substantially, from 22 tonnes in 2014 to 2.6 tonnes in 2015 – by 88 % in other words. The United Arab Emirates seized around 1 ton in 2015, compared to only 4 kg in 2014, and has jumped into the top position. The United States also recorded a large increase, from 173 kg in 2014 to 613 kg in 2015, followed by Sudan which progressed from zero to 487 kg, and Kuwait from 89 to 241 kg. In the previous year, 2014, Jordan was among the highest ranked with over 14 tonnes, but reported just 151 kg in 2015, while Iran – which had reported 7.7 tonnes in 2014, did not report any seizures in 2015. Niger, in third position in 2014 with 7.3 tonnes, has also dropped to only 18 kg in 2015 (see Table 26 and 27).

Most of the seizures in 2015 were reported in air freight, amounting to one tonne (37%), sea freight – 763 kg (28%), and mail items – 587 kg (22%).

TABLE 24. COMPARISON OF THE TOP 10 BY NUMBER OF SEIZURES OF AMPHETAMINE

| Country | Number of seizures | |
|--------------------|--------------------|------------|
| | 2014 | 2015 |
| United States | 93 | 145 |
| Germany | 105 | 91 |
| Israel | 81 | 44 |
| Poland | 34 | 40 |
| Sweden | 49 | 36 |
| Estonia | 7 | 36 |
| Russian Federation | 24 | 28 |
| Norway | 42 | 27 |
| Finland | 39 | 26 |
| Latvia | - | 26 |
| Total | 474 | 499 |

TABLE 25. COMPARISON OF THE TOP 10 BY QUANTITY OF SEIZURES OF AMPHETAMINE

| Country | Quantity (kg) | |
|---------------|-----------------|-----------------|
| | 2014 | 2015 |
| United States | 820.67 | 1,195.61 |
| Netherlands | 0.50 | 850.39 |
| Norway | 133.20 | 318.73 |
| Germany | 357.41 | 254.80 |
| France | 13.10 | 210.00 |
| Finland | 112.08 | 120.36 |
| Saudi Arabia | 3,336.41 | 97.87 |
| India | - | 75.00 |
| Israel | 94.10 | 59.28 |
| Poland | 70.44 | 39.76 |
| Total | 4,937.91 | 3,221.80 |

**TABLE 26. COMPARISON OF THE TOP 10
BY NUMBER OF SEIZURES OF TRAMADOL**

| Country | Number of seizures | |
|----------------------|--------------------|--------------|
| | 2014 | 2015 |
| United states | 297 | 894 |
| Qatar | 150 | 406 |
| United Arab Emirates | 53 | 124 |
| Saudi arabia | 127 | 93 |
| Ukraine | 7 | 33 |
| Kuwait | 33 | 22 |
| Russian Federation | 14 | 11 |
| Georgia | - | 6 |
| Oman | - | 4 |
| Niger | 6 | 3 |
| Total | 687 | 1,596 |

**TABLE 27. COMPARISON OF THE TOP 10
BY QUANTITY OF SEIZURES OF TRAMADOL**

| Country | Quantity (kg) | |
|----------------------|------------------|-----------------|
| | 2014 | 2015 |
| United Arab Emirates | 4.61 | 1,014.42 |
| United States | 173.17 | 613.21 |
| Sudan | - | 487.33 |
| Kuwait | 89.74 | 241.37 |
| Jordan | 14,416.16 | 151.87 |
| Saudi Arabia | 176.38 | 86.02 |
| Niger | 7,380.00 | 18.00 |
| Qatar | 4.85 | 11.58 |
| Denmark | 0.33 | 8.33 |
| Sri Lanka | - | 4.78 |
| Total | 22,245.25 | 2,636.90 |

MDMA (Ecstasy)

3,4-methylenedioxymethamphetamine (MDMA) is also known as ecstasy, and is usually found in tablet or powder form. According to UNODC, MDMA is among the most purchased drugs on the “dark net”⁷.

A total of 38 Members provided data on MDMA seizures in 2015, compared to 35 in 2014. In terms of the number of seizures, the United

States has retained the top position for both years with over 300 seizures, followed mostly by European countries (see Table 28). Quantity-wise, however, in 2015 Turkey and France both reported several seizures involving significant quantities, at land borders or seaports, causing Turkey to rank first with 359 kg and France second with 355 kg. The United States follows with 229 kg, and then Spain and Iceland which reported minimal quantities the year before but are now fourth and fifth with 129 kg and 80 kg respectively (see Table 29). A general point worth noting is that several European countries have enhanced their efforts to counter psychotropic substances, and this explains the results.

Regarding the seizure location, the data for 2015 shows that out of the total of 1,504 kg, 519 kg were seized inland (34%), followed by 326 kg at mail centres (21%), 248 kg at airports (16%) and 219 kg at land borders (14%).

NEW PSYCHOACTIVE SUBSTANCES (NPS)

UNODC uses the term New Psychoactive Substances (NPS) to denote “substances of abuse, either in a pure form or a preparation, that are not controlled by the 1961 Single Convention on Narcotic Drugs or the 1971 Convention on Psychotropic Substances, but which may pose a public health threat”. The term “new” does not necessarily refer to newly-invented substances, but rather to substances that have only recently become available on the market⁸. These NPS are quite often marketed as “legal highs”, and are widely sold on the internet.

NPS pose a very high risk to public health and have harmful side effects for society, and particularly for the younger generation. It is easy to imagine people’s perception when told that these substances are “legal”, and to see how youngsters may drift away from their legitimate lifestyle to try these substances, thinking that this is acceptable because they believe they

TABLE 28. COMPARISON OF THE TOP 10 BY NUMBER OF SEIZURES OF MDMA (ECSTASY)

| Country | Number of seizures | |
|--------------------|--------------------|------------|
| | 2014 | 2015 |
| United States | 322 | 312 |
| Germany | 43 | 58 |
| Estonia | 1 | 34 |
| Russian Federation | 32 | 25 |
| Netherlands | 9 | 24 |
| Ukraine | 6 | 23 |
| South Africa | - | 22 |
| Denmark | 14 | 19 |
| Brazil | 28 | 17 |
| Finland | 19 | 16 |
| Total | 474 | 550 |

TABLE 29. COMPARISON OF THE TOP 10 BY QUANTITY OF SEIZURES OF MDMA (ECSTASY)

| Country | Quantity (kg) | |
|---------------|---------------|-----------------|
| | 2014 | 2015 |
| Turkey | 212.00 | 359.29 |
| France | 2.72 | 355.24 |
| United States | 254.08 | 229.79 |
| Spain | 0.46 | 129.21 |
| Iceland | 0.02 | 80.41 |
| Germany | 92.46 | 66.19 |
| Argentina | 20.00 | 54.80 |
| Brazil | 68.62 | 42.34 |
| Switzerland | 1.49 | 40.00 |
| South Africa | - | 37.14 |
| Total | 651.84 | 1,394.40 |

are abiding by a standard moral code. This is in line with a classical criminological theory: Techniques of Neutralization⁹, and these false rationalizations can be very dangerous to younger generations.

At the Special Session of the United Nations General Assembly on the World Drug Problem (UNGASS) 2016, Heads of government in the General Assembly reiterated their commitment to countering NPS around the world and recommended measures for so doing¹⁰.

NPS are synthesized compounds in which the molecules are slightly different from those found in controlled substances, but give effects similar to those produced by traditional drugs. NPS can be hundreds of times more potent than a traditional drug, and from time to time there have been deaths or major intoxication incidents, as evidenced by emergency hospital admissions. For many NPS the purity and composition are not known, and quite often there is very little information about toxicity and long-term effects on humans. According to the UNODC Early Warning Advisory, there were over 667 NPS in existence by August 2016, as reported by 102 countries, versus around 250 narcotic and psychotropic substances currently under international control (the Yellow List¹¹). The problem continues to cause alarm, and Customs is playing an important role in fighting NPS around the world.

UNODC groups NPS into several sub-categories: synthetic cannabinoids, synthetic cathinones, tryptamines, phenethylamines, piperazines, plant-based, aminoindanes, and ketamine & phencyclidine-type. Each specific chemical is identified under these sub-categories.

Tables 30 and 31 list the most prevalent NPS, i.e., those seized on more than 10 occasions or in an amount of more than 10 kg in both 2014 and 2015. Thanks to the new categorization scheme for NPS introduced into the CEN in 2015 in accordance with the UNODC's NPS list, we now have a more systematic database

TABLE 30. TYPES OF NPS SEIZED MORE THAN 10 TIMES OR 10 KG IN 2014

| Type | 2014 | |
|-----------------------|--------------------|-----------------|
| | Number of seizures | Quantity (kg) |
| Methylone | 278 | 429.77 |
| Ethylone | 275 | 287.03 |
| Carisoprodol | 239 | 83.87 |
| MDPV | 203 | 237.11 |
| Sibutramine | 108 | 103.85 |
| XLR-11 | 101 | 181.87 |
| Clonazepam | 82 | 72.35 |
| Phenazepam | 76 | 0.91 |
| 3-Methoxyeticyclidine | 59 | 206.46 |
| Ketamine | 57 | 93.45 |
| Alpha-PVP | 57 | 98.72 |
| AB-FUBINACA | 39 | 77.47 |
| AB-CHMINACA | 28 | 39.55 |
| AB-PINACA | 28 | 45.83 |
| 5F-PB-22 | 21 | 22.19 |
| UR-144 | 18 | 20.04 |
| PB-22 | 16 | 26.48 |
| JWH-018 | 14 | 3.59 |
| 5F-UR-144 | 13 | 26.31 |
| 5F-AKB48 | 12 | 8.08 |
| 5F-AMB | 8 | 15.89 |
| AM-2201 | 8 | 18.87 |
| Pentedrone | 5 | 15.30 |
| Total | 1,745 | 2,114.96 |



SECTION 1. DRUGS

7 / United Nations Office on Drugs and Crime (2016), *World Drug Report 2016*, p.25.

8 / UNODC Early Warning Advisory on NPS (2016), available at: www.unodc.org/LSS/Page/NPS.

9 / Gresham Sykes and David Matza (1957), *Techniques of neutralization: A theory of delinquency*, American sociological review.

10 / United Nations General Assembly (2016). Resolution adopted by the General Assembly on 19 April 2016, Thirtieth special session, Agenda item 8. p.14-16/21.

11 / International Narcotics Control Board (2015). *List of Narcotic Drugs under International Control*, available at: www.incb.org/documents/Narcotic-Drugs/Yellow_List/54_edition/YL-54th_edition_09_02_2016_EN.pdf.

E / Seizure of ketamine from express parcels. Photos courtesy of Hong Kong Customs.

F /
Seizure of ketamine from express parcels. Photo courtesy of Hong Kong Customs.

G /
Seizure of several different types of NPS in postal mail packages, which were disguised as research laboratory reagents. Photo courtesy of Danish Customs.

TABLE 31. TYPES OF NPS SEIZED MORE THAN 10 TIMES OR 10 KG IN 2015

| Type | 2015 | |
|-------------------------------|--------------------|-----------------|
| | Number of seizures | Quantity (kg) |
| Ethylone | 363 | 352.96 |
| Alpha-PVP | 362 | 298.59 |
| AB-CHMINACA | 134 | 340.46 |
| Carisoprodol | 132 | 50.85 |
| Ketamine | 100 | 113.68 |
| Dimethyltryptamine (DMT) | 83 | 209.54 |
| XLR-11 | 63 | 112.21 |
| Etizolam | 62 | 45.98 |
| 3-Methoxyeticyclidine | 32 | 58.26 |
| AB-PINACA | 27 | 30.25 |
| Phenazepam | 24 | 0.03 |
| AB-FUBINACA | 23 | 83.60 |
| Peyote cactus | 21 | 11.72 |
| Methylone | 18 | 19.41 |
| Lorazepam | 15 | 10.16 |
| 5F-AMB | 13 | 39.15 |
| BK-DMBDB | 13 | 10.46 |
| 1.4-Butanediol | 13 | 140.44 |
| Ayahuasca | 11 | 9.08 |
| 4-Chloromethcathinone (4-CMC) | 11 | 10.67 |
| Diclozepam | 11 | 0.52 |
| 5F-PB-22 | 10 | 13.21 |
| 2C-B | 10 | 0.45 |
| 3-MMC | 10 | 0.42 |
| Alpha-PHP | 10 | 7.01 |
| NM-2201 | 6 | 12.93 |
| Total | 1,531 | 1,948.02 |

which enables us to conduct a much more detailed analysis. Readers should note that the figures in Table 30 may vary from those given in the previous Report, because efforts have been made to rectify the inappropriate categorization and substance names.



It can be seen from the two Tables that methylone was the most seized NPS in 2014 with 278 seizures, but has dropped to only 18 seizures in 2015. Replacing it in first position in 2015 is ethylone, with 363 seizures of 353 kg, which was in second place in 2014 with 275 seizures of 287 kg. Alpha-PVP has gained significantly in popularity, with 362 seizures (298 kg seized) in 2015, as opposed to 57 seizures (99 kg seized) in 2014, and ranking second. AB-CHMINACA has also gained popularity, increasing from 28 seizures to 134, with 340 kg seized in 2015. In terms of quantity, AB-CHMINACA actually ranks second. Carisoprodol, ketamine, XLR-11, AB-PINACA and AB-FUBINACA have remained more or less stable. Seemingly, however, Customs made more seizures of DMT in 2015 than in the past, with 83 seizures of 209 kg, while peyote cactus (plant-based), a native of Mexico's desert area, accounted for 21 seizures for 11 kg. MDPV, ranked third in terms of quantity in 2014 (237 kg from 203 cases), has disappeared from the table in 2015, with only 3 cases reported for a total of 1.4 kg.



TABLE 32. OTHER NPS SEIZED IN 2015 BY GROUP

| Type | 2015 | |
|---------------------------------|--------------------|-----------------|
| | Number of seizures | Quantity (kg) |
| Synthetic cannabinoids (others) | 272 | 1,316.80 |
| Synthetic cathinones (others) | 129 | 206.96 |
| Plant-based substances (others) | 37 | 194.28 |
| Phenethylamines (others) | 26 | 51.36 |
| Tryptamines (others) | 10 | 2.16 |
| Other substances | 361 | 331.11 |
| Total | 474 | 1,771.55 |

seizures of 1.3 tonnes. Synthetic cathinones occupy the third position, with 129 cases for 207 kg, and have been gaining popularity in recent years. Other plant-based substances are referred to 37 seizures of 194 kg, followed by phenethylamines and tryptamines. There are still a lot of seizures involving unidentified substances, because in some countries there is no need to examine the substances before seizure, while other countries have no power to examine them and must hand them over to other authorities such as the Police. Certain other substances may be either difficult or uneconomic to examine, and it always takes time to update the test results into CEN.

H /
112kg of synthetic cathinones were seized at the Hong Kong International Airport in 2015. Photo courtesy of Hong Kong Customs.

Table 32 shows the 2015 statistics for “Other” seizures that include NPS, for which the sub-category can be identified but not the specific chemical. Information for 2014 is unavailable, due to the older categorization scheme used on the database which cannot provide adequate data for a meaningful analysis. In line with other reports indicating that synthetic cannabinoids account for the largest share, this category took the top position with 272



TABLE 33. NUMBER OF SEIZURES AND QUANTITY (KG) OF NPS SEIZED BY REGION

| Region | 2014 | | 2015 | |
|-----------------------------|--------------------|-----------------|--------------------|-----------------|
| | Number of seizures | Quantity (kg) | Number of seizures | Quantity (kg) |
| North America | 2,047 | 3,071.00 | 1,669 | 2,272.63 |
| Western Europe | 91 | 117.64 | 403 | 1,054.46 |
| Asia-Pacific | 102 | 227.08 | 134 | 625.19 |
| Eastern and Central Europe | 82 | 21.40 | 203 | 101.96 |
| CIS | 128 | 64.74 | 109 | 47.24 |
| Middle East | 17 | 72.11 | 4 | 15.31 |
| South America | 1 | 0.05 | 11 | 14.71 |
| Eastern and Southern Africa | - | - | 7 | 0.84 |
| Total | 2,468 | 3,574.01 | 2,540 | 4,132.33 |

In terms of regional distribution, North America (with the main contribution coming from the United States) retained the top position in 2015 with 1,669 seizures for 2.2 tonnes of NPS, despite a drop from 3 tonnes in 2014 (26%). Another region most affected by NPS is Western Europe, which showed a drastic increase from 91 seizures of 117 kg in 2014, to 403 seizures of 1,054 kg in 2015 – an increase of more than 8 times. Asia-Pacific and Eastern and Central Europe are in the third and fourth places



TABLE 34. COMPARISON OF THE TOP 10 BY NUMBER OF SEIZURES OF NPS

| Country | Number of seizures | |
|--------------------|--------------------|--------------|
| | 2014 | 2015 |
| United States | 2,043 | 1,666 |
| Denmark | 21 | 291 |
| Poland | 42 | 148 |
| Russian Federation | 46 | 109 |
| Hong Kong, China | 30 | 54 |
| Germany | 45 | 46 |
| Japan | 9 | 33 |
| Norway | 7 | 24 |
| Romania | - | 18 |
| Ukraine | 32 | 18 |
| Total | 2,275 | 2,407 |

TABLE 35. COMPARISON OF THE TOP 10 BY QUANTITY OF SEIZURES OF NPS

| Country | Quantity (kg) | |
|--------------------|-----------------|-----------------|
| | 2014 | 2015 |
| United States | 3,059.96 | 2,271.72 |
| Spain | 5.42 | 846.48 |
| Hong Kong, China | 153.31 | 271.29 |
| Thailand | 7.49 | 169.00 |
| Germany | 65.62 | 119.88 |
| India | - | 106.53 |
| Poland | 3.84 | 75.60 |
| Australia | - | 67.91 |
| Denmark | 14.28 | 50.92 |
| Russian Federation | 62.29 | 47.24 |
| Total | 3,372.19 | 4,026.56 |

with records of multiple increases (see Table 33). Looking at specific Member countries, as already mentioned the United States accounts for almost all seizures in the North America region (see Table 34). Denmark, Poland and the Russian Federation reported more than 100 seizures in 2015, but the quantities involved did not match those reported by other Members, reflecting the fact that the NPS problem in these countries tends more towards consumer markets, with generally more seizures but lower quantities. In terms of quantity, Spain reported a significant case involving the import of synthetic cannabinoids by air (see Table 35), which pushed it up into second place. Hong Kong, China and Thailand have reported several cases of imports via land borders and by mail, placing them in third and fourth positions. Germany, Poland, Denmark and the Russian Federation have been continuing to make contributions of NPS data, and India and Australia have started building up the database.



From a Customs point of view, the main challenges posed by NPS include legal empowerment, the sales channel employed (internet), abuse of the distribution network (particularly the mail and parcel channel), and difficulties with the identification and examination of substances.

The process of getting an NPS scheduled under the controlled list in the various Conventions is not easy. There are several factors that need to be examined in respect of a new substance, including risk of abuse, risk of dependence, harm to human health, whether the substance has a genuine therapeutic use, whether it causes ill effects similar to those caused by traditional drugs, whether it is convertible to a controlled substance, etc. And overall, in the process of ascertaining whether there is sufficient evidence of the aforementioned factors to show that the substance constitutes a public health and social problem, advice will be required from experts and international bodies, e.g., the World Health Organization (WHO), European Monitoring Centre for Drugs and Drug Addiction (EMCDDA), UNODC Early Warning Advisory, and the WCO.

Combating the NPS problem calls for a global collaborative effort by governments. The UNODC Early Warning Advisory provides a solid library of national responses about the use of several types of so-called “generic laws” to control NPS¹²: temporary (emergency) ban, rapid procedure, analogue control and generic control. Denmark, the Republic of Korea, the United States, Australia, New Zealand and Saudi Arabia, for example, could quickly introduce temporary restrictions on NPS for a limited period of time, while some other countries such as Sweden, Norway, Poland, Luxembourg and Slovakia can even take control measures on a permanent basis. There are also powerful generic laws that enable law enforcement officers to control any substance capable of causing a psychoactive effect on the human body; leading countries in this area include Austria and the United Kingdom.

Governments are also encouraged to put NPS under national control, even though certain seriously abused substances, such as ketamine¹³, are not scheduled under international controls.

The WCO Secretariat will continue its efforts to counter global NPS issues, through regional initiatives, global joint operations and capacity building programmes, collaboration with international organizations and contributions to high-level policy-making bodies. In this connection Operation CATalyst, which targeted the proliferation of NPS, is described below.



12 / UNODC Early Warning Advisory on NPS: Legal Responses, available at www.unodc.org/LSS/Page/NPS/LegalResponses.

13 / World Health Organization (2015), WHO Expert Committee on Drug Dependence: Thirty-seventh Report, WHO Technical Committee Report Series, No. 998, p. 10.

I, J / Hong Kong Customs has seized 112 kg of synthetic cathinones at the airport in 2015. The pictures show two express air parcel cases with concealment in headphones and water purifiers. Photos courtesy of Hong Kong Customs.

K / Isobutyl nitrite, a dangerous and powerful inhalant drug that marketed on the internet as ‘RUSH’ became prevalent in the past year. Photo courtesy of Japanese Customs.

L, M / Seizure of 6 sheets (600 pieces) of NPS (251-I-NBOMe) found inside a notebook of the backpack of an arriving air passenger and 7 other small pieces from his pocket. Photos courtesy of Korean Customs.

OPERATION CATALYST

In face of unprecedented challenges posed by the growing threat from NPS, Operation CATAlyst was initiated by the Korea Customs Service as the WCO's first joint enforcement operation targeting NPS. Operation CATAlyst was intended to promote enforcement responses and collaborative efforts against global NPS trafficking; to gain a better picture of the scale of NPS trafficking at the global level and heighten Members' awareness; to help Customs administrations develop risk profiling indicators; and finally to connect enforcement experts in order to enhance intelligence and information sharing.

Operation CATAlyst was carried out from 10 to 30 October 2015, with the participation of 94 Customs administrations, 9 RILOs and 5 international organizations and enforcement bodies, including UNODC, EUROPOL, INTERPOL, the International Narcotics Control Board (INCB) and the Joint Airport Interdiction Task Force (JAITF).

TRAINING WORKSHOP

A WCO International Seminar on Combating New Psychoactive Substances was held in Seoul, Korea from 19 to 22 May 2015, sponsored by the Korea Customs Service and the Customs Co-operation Fund (CCF) of Korea. The seminar was attended by 79 participants from 24 Asia-Pacific Member administrations, 8 RILOs, 5 international organizations and 7 Korean domestic enforcement agencies. A survey on NPS was conducted in conjunction with the seminar, and the results, along with a pre-analysis of the NPS trafficking threat, were shared with the participating administrations.

Experts from the WCO Secretariat and international organizations introduced the international collaborative efforts and information sharing initiatives undertaken to combat NPS, and participants also shared information on their national trafficking situations and interdiction

efforts. In particular, INCB introduced the Project ION and IONICS, a global initiative to support national authorities to prevent NPS from reaching consumer markets. UNODC presented the global Early Warning Advisory on NPS, aiming to monitor, analyze and report trends in this area. RILO Asia/Pacific (A/P) and RILO Eastern and Central Europe (ECE) presented an inter-regional NPS monitoring mechanism codenamed Project SMART CAT.

OPERATIONAL COORDINATION UNIT (OCU)

An Operational Coordination Unit (OCU) was established at the WCO Headquarters and staffed with representatives from the Korea Customs Service, the RILOs of 7 regions (Asia/Pacific, Central Africa, CIS, Eastern and Central Europe, Middle East, West Africa and Western Europe), EUROPOL, INTERPOL and the WCO Secretariat. As part of the effort to facilitate information exchange and provide technical support to the participating administrations, the OCU published 7 alert reports and 6 newsletters.

During the first week of the Operation, EUROPOL was assigned the Mobile Office, which enabled it to perform immediate checks on data related to the seizures of NPS and other drugs in the EUROPOL database. INTERPOL also supported the OCU by providing immediate assistance for background checks on persons-of-interest with reference to the INTERPOL database, in a virtual manner from Lyon, France. Likewise, INCB and UNODC provided support to the participating administrations virtually, through CENcomm.

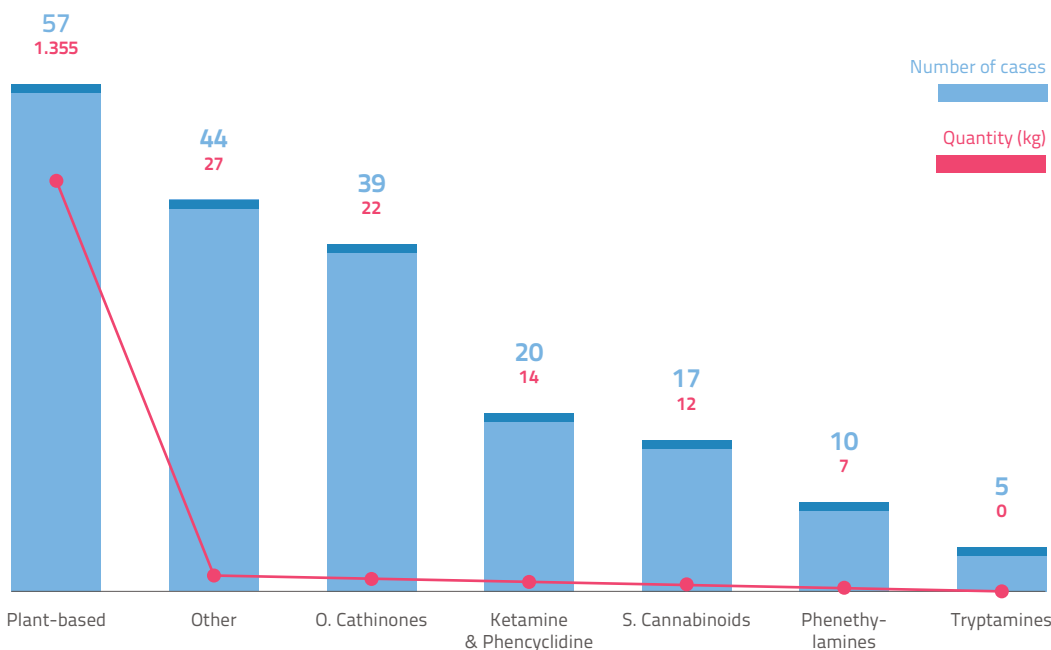
RESULTS OF THE OPERATION

Operation CATalyst finished successfully – 13,408 kg of drugs were intercepted and seized in 372 cases, with 1,435 kg being NPS-related. Participating Members intercepted other contraband as well, including 61 million pieces of cigarettes, 1,160 kg of CITES items, 1 firearm, 16 bullets, 317,490 Euro, and other IPR-infringing or taxable items (see Table 36).

In Operation CATalyst, plant-based substances were the most predominant in terms of quantity, accounting for 94% of the total NPS seized (1,354.8 kg). “Other substances” came in second place with 26.9 kg (2%), followed by synthetic cathinones for 21.5 kg (1%), ketamine & phencyclidine for 13.6 kg (1%), and synthetic cannabinoids for 11.7 kg (1%). Phenethylamines and tryptamines accounted for less than 1% each, with 6.7 kg and 0.1 kg respectively (see Chart 5).

CHART 5.

Number of cases and quantity (kg) of seizures of NPS in Operation CATalyst



Operation CATalyst helped to expose new global trends in NPS abuse. The findings have been of particular value to country leaders, policy and law makers, as well as to law enforcement agencies around the world. The WCO Secretariat, in cooperation with the Korea Customs Service, will continue to provide support and collaborate with international bodies in countering NPS smuggling and trafficking.

TABLE 36. TYPES OF COMMODITIES SEIZED IN OPERATION CATALYST

| Commodities | Number of cases |
|---------------------------------|-----------------|
| Drug (NPS) | 372 (183) |
| Currency | 17 |
| Tobacco | 12 |
| CITES | 6 |
| IPR | 5 |
| Precursor | 4 |
| Weapons and explosives | 2 |
| Alcoholic beverages and spirits | 1 |
| Tax and duty evasion | 1 |
| Other commodities | 34 |
| Total | 454 |

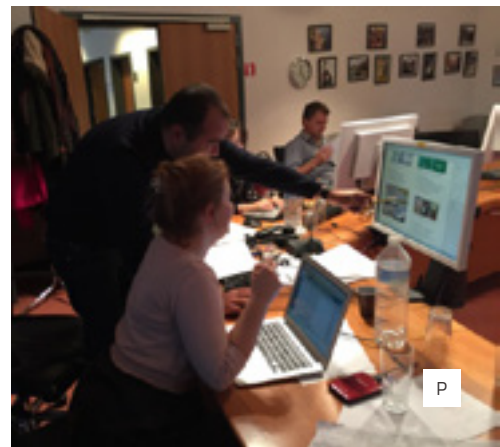
N /
Opening ceremony for
Operation CATalyst in the
WCO Headquarters.



O /
Regional Workshop held
in Seoul, Korea in May
2015. Photo courtesy of
Korean Customs.



P /
Operation Coordination
Unit (OCU) at work.



OPERATION SKY-NET II

The benefits of trade liberalization, such as the diversity of transportation vectors and the growth of multimodal transport of legitimate goods, also provide criminal organizations with new opportunities by enabling the use of these legal channels to move illegal or illicit goods. Postal and express items have not escaped this trend and provide an exploitable channel for drug trafficking and other crimes, especially in relation to the growing “smaller packages and larger volumes” scheme, which has been fuelled by the massive growth of e-commerce in recent years.

Operation SKY-NET II aims to tighten collaboration and intelligence exchange between Customs administrations around the globe, and to enhance Customs’ capability in combating trafficking of drugs and other contraband using the

postal and express courier channel.

Building on the success of the first phase of the 2012 Operation, China Customs initiated Operation SKY-NET II in collaboration with the WCO Secretariat and the RILO Asia/Pacific. The objectives were: strengthening the monitoring of and controls on the movement of postal and express parcels, exchanging information and enhancing enforcement cooperation between Customs administrations, and improving the collection of information and statistics for evaluation and analysis.

Operation SKY-NET II was carried out from 7 to 27 November 2015, pooling a record number of 108 WCO Member administrations, 10 RILOs, and 3 international organizations (INCB, INTERPOL and EUROPOL).

TRAINING WORKSHOP

In preparation for the Operation, a Training Workshop was organized from 20 to 22 October 2015 at Shanghai Customs College in China with sponsorship by the China Customs Co-operation Fund (CCF/China). The Workshop was attended by 32 participants from 21 Member administrations and three RILOs.

Experts from different continents shared their techniques for the physical identification of suspicious mail and parcel items, explaining how new technologies can assist with their work. There were also lively discussions on Customs profiling of postal items and express parcels, cross-platform risk profiling and data analysis, risk indications, national and international collaboration, and follow-up of investigations (such as controlled delivery).

OPERATIONAL COORDINATION UNIT (OCU)

An OCU was set up at the WCO Headquarters and staffed by enforcement experts from Benin, Brazil, China, RILO A/P, RILO Middle East and the WCO Secretariat. EUROPOL, INCB and INTERPOL also provided virtual support to the OCU's operation via CENcomm. In addition to the WCO's official languages of English and French, the OCU also comprised experts able to coordinate information exchange in Arabic, Portuguese, Spanish and Chinese.

OPERATION RESULTS

Operation SKY-NET II resulted in 876 cases and 7 alert messages reported by 47 participating Members, with the interception of 9,527 kg of illicit drugs and precursors, 120,000 illicit cigarettes, over 276,000 USD in cash, and over 50,000 items of other contraband, including 13 guns and gun parts in mail parcels (see Table 37).

TABLE 37. TYPES OF COMMODITIES SEIZED IN OPERATION SKY-NET II

| Commodities | Number of cases | Quantity (kg) | Quantity (pieces) | Value (USD) |
|------------------------|-----------------|-----------------|-------------------|----------------|
| Drug | 752 | 9,288.25 | - | - |
| IPR | 14 | - | 42,795 | - |
| Weapons and explosives | 4 | - | 13 | - |
| Tobacco | 3 | 79 | 120,000 | - |
| Precursor | 3 | 5.1 | - | - |
| Hazardous material | 2 | 0.052 | - | - |
| Currency | 2 | - | - | 276,480 |
| Pornography | 2 | - | 93 | - |
| Other commodities | 94 | 155 | 8,811 | - |
| Total | 876 | 9,527.40 | 171,712 | 276,480 |

SECTION 1.
DRUGS

46

Q, S /

Regional Workshop held in Shanghai Customs College, China in October 2015. Photos courtesy of Chinese Customs.

R /

Press conference in Kuala Lumpur, Malaysia in March 2016 by the WCO Secretary General who acknowledged the achievement of Operation CATalyst and Operation SKY-NET II. Photo courtesy of Chinese Customs.

As much as 74% of the total number of seizures was made up of consignments at import, while consignments at export accounted for 17% and those in transit for 4%. Some 614 out of 752 drug seizures were intercepted from postal or express parcels, accounting for 81% of total number of drug seizures reported. In terms of quantity, however, postal and express parcels only accounted for 8% (around 744 kg) of the total weight (9,288 kg). Though the number of cases detected in vehicles was less than 10%, the weight of the drugs detected was over half the total quantity.



Q

A press conference was given in Kuala Lumpur, Malaysia in March 2016 by the WCO Secretary General, Mr. Kunio Mikuriya, together with the Director General of Malaysian Customs in his capacity as Vice-Chair for the Asia/ Pacific region, and officials from China Customs and the Korea Customs Service. The achievements of Operation CATalyst and Operation SKY-NET II as a part of the Drug Programme, as well as an IPR initiative called Action IPR, were acknowledged at the press conference.



R



S

PROJECT AIRCOP FROM 2011 TO 2015: PROGRESS REPORT

In the mid-2000s, West Africa steadily became one of the world's major transit zones for cocaine trafficking between Latin America and Europe. In one of its reports, the United Nations Office on Drugs and Crime (UNODC) also stated that approximately 25 tonnes of cocaine had transited West Africa in 2008, irrespective of means of transport. Indeed, drug-producing countries in Latin America and the Caribbean witnessed an intensification of cocaine trafficking during that period, at times coupled with the growth of criminal groups. As a direct result of heightened anti-drug trafficking activities in Europe, criminal organizations set up new routes to reach consumer markets, using West Africa as a transit zone. Significant cocaine seizures made in air traffic in Europe between 2007 and 2008 led international organizations to reflect on the use of this region as a means of bypassing controls. The evaluation and analysis of the results of the first COCAIR Operation, carried out by the WCO in West Africa in 2008 and focusing on heightened controls on cocaine trafficking, led to the realization that there was an urgent need for capacity building in the most heavily-affected airports in Africa, Latin America and the Caribbean.

Accordingly, 2010 saw the establishment of the project to set up a secure and real-time communication tool between international airports in Africa, Latin America and the Caribbean, called "AIRCOP" for short, financed by the European Union and Canada and managed by the UNODC in partnership with the WCO and INTERPOL. Its objective is to enhance inter-service co-ordination (through the creation of Joint Airport Interdiction Task Forces (JAITFs)) and sharing of actionable information and intelligence between airports. CENcomm, the WCO's secure and real-time communication system, and INTERPOL's I-24/7 system, providing access to international databases, have consequently been made available to the Project.

Tracking developments in cocaine trafficking, the Project was progressively extended to airports in Central Africa, Latin America and the Caribbean. This Project also falls within the scope of the European Union's global "Cocaine Route Programme" covering a range of initiatives aimed at combating cocaine trafficking via different modes of transport (sea, land, air, etc.).

In liaison with the relevant national authorities, from 2011 onwards Project AIRCOP has given rise to the establishment of JAITFs connected to international enforcement-related databases and communication networks, facilitating the real-time transmission to other international airports of operational information aimed at intercepting illegal shipments.

The most recent Project evaluation meeting, held in January 2016 at the WCO Headquarters in Brussels (Belgium) and attended by donors and international organizations responsible for the Project implementation, drew a positive picture as regards the strategic objectives, with a success rate of close to 98%. This was coupled with outstanding operational results (which are improving year by year) by the airport units in terms of significant seizures of prohibited goods. The wise use of the WCO CENcomm as a tool for sharing operational information and the consultation of INTERPOL's databases were instrumental in meeting these objectives, thanks to the large volume of operational information shared.

At present, 18 JAITFs made up of staff from different national law enforcement structures are currently operating in the airports of the following countries: Barbados, Benin, Cameroon (two units), Cape Verde, Côte d'Ivoire, Dominican Republic (two units), Gambia, Ghana, Jamaica (two units), Mali, Niger, Nigeria, Panama, Senegal, Togo. The project implementation is at a very advanced stage in El Salvador, Guinea-Bissau, Kenya and Mozambique, where the new JAITFs are receiving training and are already equipped. The so-called associated countries, for example

T /
Aircraft seized in 2015
by the Lomé (Togo)
JAITF. Photo courtesy of
Togolese Customs.

Argentina, Brazil, Colombia, Morocco, Peru and South Africa, welcomed the idea of co-operating with the Project by sharing information and intelligence between the airports.

These developments are complemented by the Project's recent extension to the North Africa, Near and Middle East (MENA) region with six countries selected as beneficiaries (Algeria, Jordan, Lebanon, Morocco, Tunisia and Turkey), with funding from Canada focusing more specifically on addressing the foreign terrorist fighter threat. In a broader context of worldwide coverage, Europe, as the primary destination for cocaine, continues to be associated with the Project through the connection of 15 of its Member countries to the CENcomm for sharing operational information.

The establishment of JAITFs is based on a balanced mix of the following three elements: "training-equipment-exchange".

Accordingly, some 1,601 officials, including 265 female officials (16%) have been trained in 69 capacity building activities (initial training and mentoring) held in the selected airports. Two dog and handler teams have been set up and 10 specialized regional training activities have also been conducted. The JAITFs were involved in 10 joint operations and three programmes for exchange of best practice, thanks to the immersion of officials from one JAITF in the work of the others. The training was dispensed by Customs and Police experts, generously made available to the Project by countries including Belgium, France, Italy, Spain and the United Kingdom.

Turning to the equipment aspect, apart from the basic equipment supplied when each new airport unit is set up (computers, printers, photocopiers, fax, drug testing kits (for urine), etc.), the units have received a supplement comprising cameras, weighing scales, radio communication equipment and particle detectors. Europe provided financing for training of two dog and handler teams from the Praia JAITF (Cape Verde)

and the Dakar JAITF (Senegal), along with the acquisition of detector dogs. These efforts will continue to be made for other JAITFs.

In terms of information exchange, all the JAITF officials have been connected to the WCO CENcomm enabling them to share operational information securely as part of a network comprising over 300 officers from various enforcement agencies dealing with airport crime. This figure includes 50 European officials (Customs and Police), serving in the airports of 15 countries linked to the Project since 2013. Through the use of the CENcomm, every quarter the WCO sheds light on information sharing and provides guidance with tips on new trends observed from seizure analysis. It does this by issuing Newsletters and specific Alerts, made available across the network. In parallel, the various databases contained in INTERPOL's I-24/7 software package have enabled the JAITFs to check the criminal background of targeted persons and to keep abreast, by means of Notices and Alerts, of measures taken against suspected criminals.



PROJECT RESULTS TO DATE

| Country | Number of seizures | Quantity (kg) | Arrests |
|-----------------|--------------------|-----------------|------------|
| Khat | 21 | 1,832.95 | 7 |
| Cocaine | 430 | 1,428.28 | 443 |
| Cannabis | 80 | 1,180.01 | 50 |
| Methamphetamine | 69 | 657.42 | 44 |
| Tramadol | 5 | 377.82 | 4 |
| Ephedrine | 8 | 169.28 | 7 |
| Heroin | 48 | 145.93 | 41 |
| Rohypnol | 1 | 92 | 1 |
| Amphetamine | 6 | 67.61 | 4 |
| Benzodiazepine | 1 | 27.25 | 2 |
| MDMA (ecstasy) | 3 | 10.96 | 1 |
| Phenacetin | 2 | 8.56 | 2 |
| Morphine | 1 | 1 | 0 |
| Total | 675 | 5,999.07 | 559 |

| Country | Number of seizures | Quantity | | | Arrests |
|--------------------------|--------------------|---------------|----------------|------------------|-----------|
| | | Weight (kg) | Items/Boxes | USD | |
| CITES | 6 | 561.13 | - | - | 2 |
| Gold | 2 | 110.2 | - | - | 2 |
| Fake gold | 1 | 5 | - | - | 1 |
| Anabolic steroids | 1 | 17 | - | - | 1 |
| Cigarettes | 1 | - | 240,000 | - | 0 |
| Medicines | 5 | - | 3,630 | - | 3 |
| SIM card | 4 | - | 1,443 | - | 1 |
| Arms and ammunition | 3 | - | 229 | - | 3 |
| Bank cards | 2 | - | 119 | - | 2 |
| Electrical equipment | 2 | - | 52 | - | 1 |
| Counterfeits | 1 | - | 20 | - | 1 |
| Passports | 2 | - | 9 | - | 2 |
| False identity documents | 2 | - | 5 | - | 2 |
| Currency | 31 | - | - | 8,499,677 | 31 |
| Traveller's cheques | 2 | - | - | 1,431 | 3 |
| Total | 65 | 693.33 | 245,507 | 8,499,677 | 55 |

14 /
United Nations
Conference on Trade
and Development (2013),
*Review of Maritime
Transport*, United Nations,
p.xiv, available at: [unctad.
org/en/publicationslibra-
ry/rmt2013_en.pdf](http://unctad.org/en/publicationslibrary/rmt2013_en.pdf).

The overall results achieved between 2011 and early 2016 encompass in excess of 700 seizures of prohibited goods and over 600 arrests. The diversity of goods seized bears witness to the involvement by all the individuals making up the JAITFs, in which officers from different national law enforcement agencies work side by side. This breadth of powers enhances the effectiveness of the team, extending the scope of its action and intervention. It is also important to stress that air transport, especially involving passengers, is subject to all forms of trafficking with a multitude of prohibited products, forcing JAITF officials to take a broader interest in air-transport crime. The variety of products seized nonetheless shows that this means of transport is heavily used by criminal organizations.

Cocaine, the 'flagship product' which prompted the launch of Project AIRCOP, remains the key activity of the JAITFs which secured a total weight approaching one-and-a-half tonnes from over 400 seizures, with more than 300 people intercepted.

Since 2012, the WCO has produced regular statistical and analytical reports indicating trends, following the assignment of a CENcomm official to the Project.

The Project AIRCOP JAITFs play an active role in the COCAIR operations, which fall within the operational side of their annual work programme. These JAITFs were credited with the bulk of seizures during the last operation (see COCAIR V report).

Despite global efforts to fight drug trafficking, the volume of Europe-bound cocaine shipments by air from Latin America, the Caribbean and Africa remains substantial.

The air routes and modi operandi used by criminal networks are in constant flux. Criminal organizations select the most vulnerable routes and adjust quickly to existing enforcement mechanisms. As a result, security services are

facing new challenges and must continually adapt to the rapidly-shifting momentum of drug trafficking by air. The JAITFs also have to address other challenges related to different sorts of crime, such as trafficking in firearms, human beings and endangered wildlife as well as money laundering (cash couriers) and terrorism.

This is the reason why the European Union has promised to release additional funding covering the 2017-2018 period, to ensure the continuity of the Project which comes to an end in 2016. This is complemented by the contribution of countries such as Norway and Japan, which have helped finance some activities, as well as Canada which is interested in opening up the Project in the Middle East countries.

The continuation of Project AIRCOP will make it possible to maintain this comprehensive and integrated approach, built on co-operation and partnership which are central to success in this domain.

UNODC-WCO CONTAINER CONTROL PROGRAMME

The UNODC-WCO Container Control Programme (CCP) was established to address the needs of the global enforcement community to monitor the movement of containerized cargo in a more effective and efficient way. With more than 600 million global container movements reported annually¹⁴, of which only an estimated 2% are inspected, the CCP plays an important role in addressing the risks related to the low inspection rates and facilitating legitimate trade. The increase in legitimate containerized maritime trade is threatened, more than ever, by international organized 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 into a single working body. To be able to identify 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 2015, the UNODC-WCO Container Control Programme (CCP) expanded to include 9 geographical regions in which more than 50 PCUs are fully operational, in 28 countries. In another 23 countries, the Programme is engaging with the relevant authorities to establish Port Control Units and deliver tailor-made training based on the identification of regional threats and needs.

November 2015 saw the launch of the new CCP – Air Cargo segment in Pakistan. Building on the established CCP infrastructure and concept, this new branch of the CCP will install dedicated Air Cargo Control Units in various countries. It is envisaged to set up specialized units of this kind in Afghanistan, Bangladesh, Cuba, Indonesia, Jordan, Sri Lanka and Ukraine from 2016 onwards.

A pivotal component of the CCP continues to be the phased training approach, from basic theoretical and practical modules to advanced specialized training. In 2015, 128 training workshops, study tours and mentorships took

place; in total, more than 1,600 officials were trained. 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 to further enhance the success of the Programme. Forging partnerships with donors is also important at a technical level, as it provides the CCP with additional technical know-how. Several donor countries and WCO Member Customs administrations have provided law enforcement experts as trainers.

The activities of the Container Control Programme in 2015 resulted in the seizure of 26,173 kg of cocaine, 3,679 kg of cannabis, 440 kg of heroin, 48,702 kg of tramadol and 1,023 kg of ivory. In addition, large quantities of counterfeit goods (80 containers), medicines, cigarettes (more than 100 million cigarettes and 23.44 tonnes of tobacco), spirits, ozone depleting substances, weapons, military grade electronic equipment, protected wood, stolen vehicles and a large number of falsely declared goods were detected in 2015. Over the years, due to the expansion of the CCP and the training provided, the quantities of seized commodities have grown steadily.

Section 2.

Environment



A

1 /
UNEP and INTERPOL (2016), *The rise of environmental crime: a growing threat to natural resources, peace, development and security*. A UNEP-INTERPOL Rapid Response Assessment, accessible at: unep.org/documents/itw/environmental_crimes.pdf

A /
More than 700,000 pieces of Malagasy rosewood seized by Hong Kong Customs. Photo courtesy of Hong Kong Customs.

'Environmental Crime' is a concept that encapsulates all illegal activities harming the environment. It covers not only the illegal trade in wildlife, but also forestry and fisheries crime, illegal dumping of waste including chemicals, smuggling of ozone-depleting substances and illegal mining.

Environmental crime is vastly expanding and increasingly endangering not only wildlife populations but also entire ecosystems, sustainable livelihoods and revenue streams to government. According to a UNEP-INTERPOL Rapid Response Assessment¹, the illegal wildlife trade is estimated at USD 7 to 23 billion per year and environmental crime is estimated at approximately USD 91 to 258 billion. The above

Assessment also estimates that environmental crime is rising by 5 to 7% annually and is two to three times the rate of global growth.

Environmental crime has become one of the main funding sources for transnational organized crime, which includes drugs, human trafficking, counterfeits and the arms trade. According to estimates in the same Assessment, environmental crimes are the fourth largest crime in the world after drug trafficking (USD 344 billion), counterfeiting (USD 288 billion) and human trafficking (USD 157 billion).

From a Customs perspective, environmental crime involves the trans-boundary movement of goods. Globalization and e-commerce have made it easier to trade illegal commodities across national boundaries: an illegally-felled tree can travel around the world before ending

up as luxury furniture. In many cases, endangered fauna and flora are shipped from less-developed countries to the developed world, whilst hazardous waste is exported from developed countries to the less-developed world.

Customs is the primary agency monitoring the trade in environmentally sensitive commodities. It can identify and detect fraud and has full authority to detain/seize suspicious goods. Customs is responsible for ensuring compliance with the trade-related provisions of multilateral environmental agreements (MEAs). It is the first and the most important link in the 'compliance and enforcement chain' and without adequate Customs capacity to prevent or detect illegal trade, the rest of the chain will be considered less effective.

The WCO has long been committed to combating the illegal trade in environmentally sensitive goods. The WCO Council adopted the 'Recommendation of the Customs Co-operation

Council Concerning Actions Against Cross-Border Environmental Offences' in June 2008. In 2014, the WCO Council reaffirmed its commitment to the environment by making declarations on the illegal wildlife trade, calling for all Members to continue their efforts to combat environmental crime using the full range of detection and investigative techniques and awareness-raising programmes.

The WCO Secretariat works closely with other international and regional organizations involved in environmental issues. This cooperation has been formalized 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), TRAFFIC (wildlife trade monitoring network), the Wildlife Conservation Society (WCS) and United for Wildlife (UfW), which maximizes joint efforts in the fight against environmental crime.

The CITES Secretariat, INTERPOL, the United Nations Office on Drugs and Crime (UNODC), the World Bank and the WCO together form the International Consortium on Combating Wildlife Crime (ICCWC). The WCO also participates in the Green Customs Initiative (GCI), which is a partnership of secretariats of MEAs and other law enforcement organizations such as INTERPOL and UNODC. Working collaboratively with ICCWC and GCI gives Customs a pool of technical and programme expertise to cope with the multi-faceted challenges of wildlife crime.

The WCO CEN is also widely used for information exchange. Seizures of endangered species and hazardous waste are reported globally by Customs administrations to the WCO CEN. Through the CEN, alerts, trend analyses and information from other organizations keep Customs officers around the world informed of emerging trends associated with illegal trafficking. The WCO 'ENVIRONET' is also available for Customs and other interested parties involved in

MEAs:

- Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES)
- Basel Convention on the Control of Transboundary Movements of Hazardous Wastes and Their Disposal
- Montreal Protocol on Substances that Deplete the Ozone Layer
- Cartagena Protocol on Biosafety to the Convention on Biological Diversity
- Rotterdam Convention on the Prior Informed Consent Procedure for Certain Hazardous Chemicals and Pesticides in International Trade
- Stockholm Convention on Persistent Organic Pollutants

B /
WCO INAMA Basic Intel-
ligence training held in
Nairobi.

environmental enforcement to exchange real-time information. Detailed risk indicators on endangered species, ozone-depleting substances and hazardous waste developed by the WCO Secretariat also support frontline Customs officers in their daily work.

Customs faces many challenges, but is committing significant resources towards the fight against environmental crime at the border. It is using the full range of inspection, detection and investigation techniques, including risk profiling, detector dogs, scanners, and intelligence sharing and controlled deliveries.

In the following paragraphs, the WCO's Environmental Programme in 2015 will be described together with some key areas of development and operations. However, it should be recalled that the seizures analysed are based on the available CEN data reported by Members. Accordingly, the analysis can serve as an illustration of environmental crime trends, but cannot be read as a comprehensive picture of global environmental crime.

THE WCO INAMA PROJECT

The goal of the WCO INAMA Project is to contribute to the reduction in the illegal trade in endangered species. The Project is based on three technical components which are institutional and organizational development, intelligence and enforcement. Its expected outcomes are to enhance the efficiency and effectiveness of CITES enforcement by Customs, to increase the capacity to collect, process and disseminate intelligence on CITES, to improve awareness, knowledge and competencies and to develop new tools in order to support CITES enforcement.

In 2015, the INAMA Project conducted the following activities:

- A workshop on Controlled Deliveries of Illegally Traded Wildlife Products was held in Thailand.

As a follow-up to this workshop, a controlled delivery exercise was held in Kenya and South Africa. Both these Customs Administrations hosted a delegation from China Customs;

- Four Basic Intelligence training sessions were held (two in Mozambique, one in Kenya and one in Cameroon);

- Two workshops to pilot and validate an Institutional Assessment Tool on Enforcement of CITES were held in Malawi and the Republic of the Congo;

- An Inter-Agency Cooperation and Coordination workshop was held in Brussels at WCO headquarters. This event was attended by Customs Administrations, Wildlife Authorities and Police from a selected group of Southern African Development Community (SADC) Members.

As a result, over one hundred delegates from Member administrations benefitted from the training provided in 2015. In addition, the WCO has developed an Institutional Assessment Tool on Enforcement of CITES. This tool provides Member administrations with an instrument to assess CITES enforcement capacity. Last but not least, curricula on intelligence (both basic and advanced) and on planning enforcement operations have been developed. The INAMA Project is expected to run until 2018.



CITES CONVENTION (FAUNA AND FLORA)

The 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 182 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.

CHART 1.
Number of CITES cases reported by region



Appendices I, II and III to the Convention are lists of species afforded different levels or types of protection from over-exploitation.

Appendix I lists species that are the most endangered among CITES-listed animals and plants. CITES prohibits international trade in specimens of these species except when the purpose of the import is not commercial and in exceptional cases. Appendix II lists species that are not necessarily threatened with extinction but that may become so unless trade is closely controlled. International trade in specimens of Appendix II species may be authorized by the granting of an export permit or re-export certificate. Appendix III is a list of species included at the request of a Party that already regulates trade in the species and that needs the cooperation of other countries to prevent unsustainable or illegal exploitation.

New Zealand Customs reported that traders primarily buy and sell endangered species online. Traders use Facebook, Instagram and Flickr to share photos of them handling protected species, thus creating a catalogue for potential buyers around the world. Hong Kong Customs

reported that smuggling of ivory tusks and ivory products into Hong Kong, China through air passenger and air postal/express parcel channels has been identified as an emerging trend. Such items are mainly found concealed in tailor-made vests worn by air passengers or smuggled via postal/express parcels with false declarations.

The most active RILO region in reporting CITES cases is the RILO Western Europe (WE), reporting 1,714 cases in 2015, followed by the RILO Asia-Pacific (RILO AP) with 316 cases. Among WCO Members, Germany, the Netherlands, Hong Kong, China, the United Kingdom and Spain have contributed the most cases to the CEN.

In 2015, the top seizures of groups or families of fauna and flora, based on the number of cases were *Aloe ferox* (aloe), *Elephantidae* spp. (elephants), *Saussurea costus* (Kuth medicinal root), *Scleractinia* spp. (hard corals), *Orchidaceae* spp. (orchid), *Panax quinquefolius* (American ginseng), *Pythonidae* spp. (python), *Hoodia gordonii* (medicinal plant), *Crocodylia* spp. (crocodile) and *Testudo graeca* (tortoise).

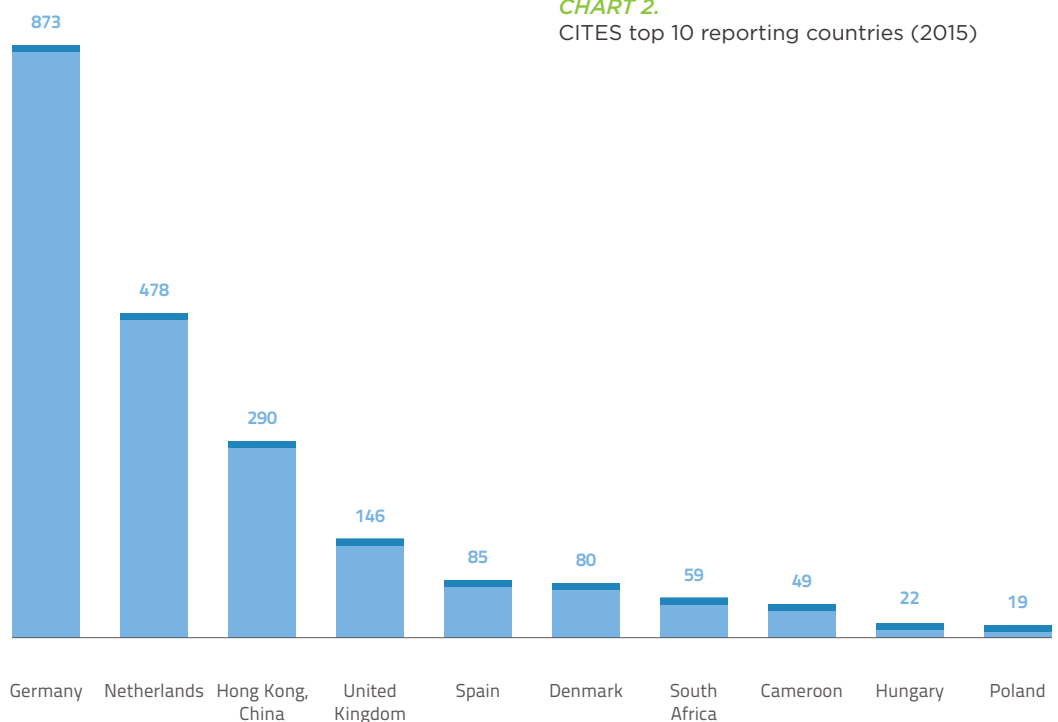
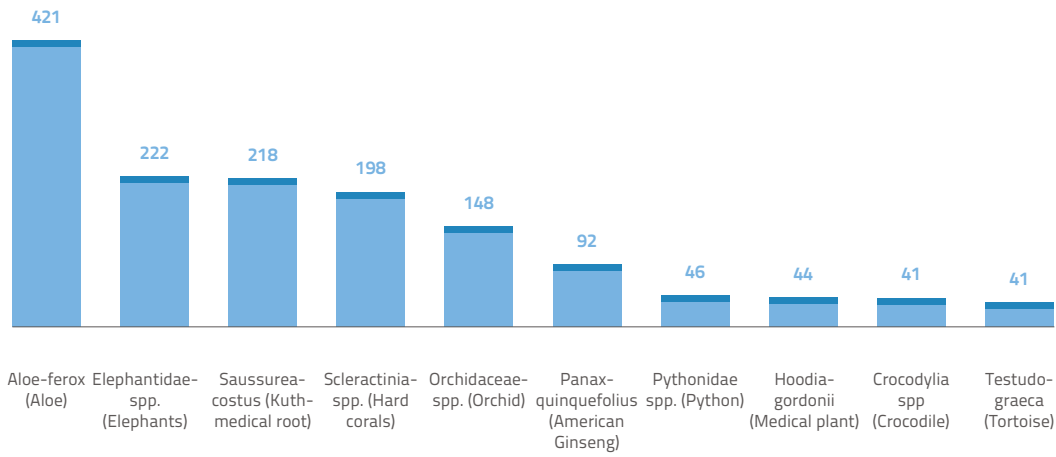


CHART 3.

CITES top 10 seizures by number of cases (2015)



C /
© africa, Fotolia.



CHART 4.
Flora (plant) seizures by year

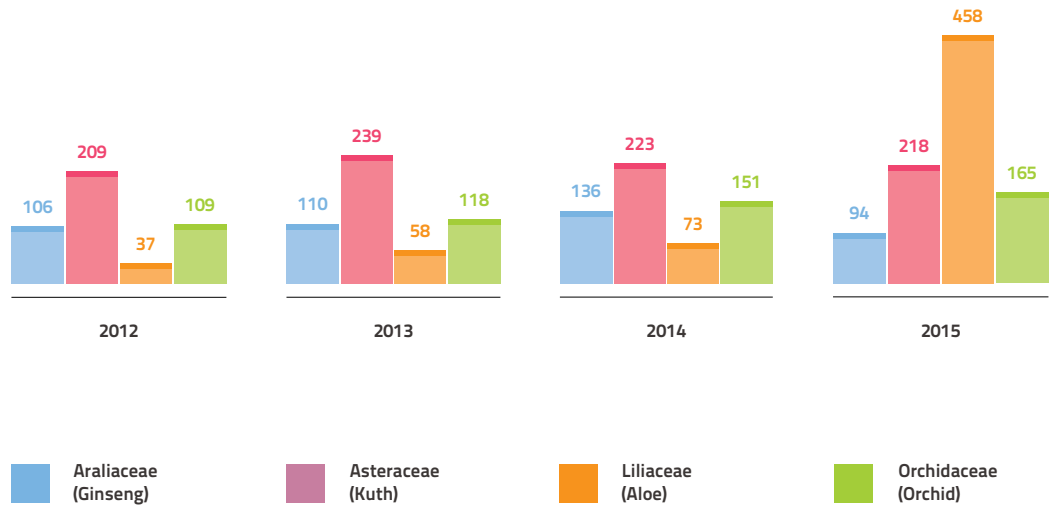
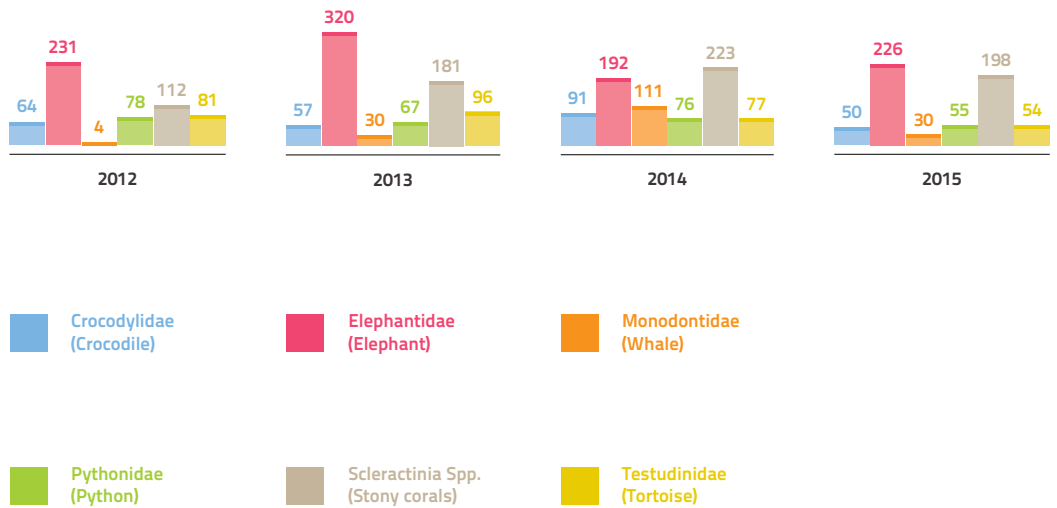


CHART 5.
Fauna (animals) seizures by year



OPERATION COBRA III

In 2015, law enforcement officers from 62 countries in Africa, Asia, America and Europe successfully completed a joint global operation, codenamed Operation COBRA III, targeting transnational wildlife and forest crime mainly involving elephants, rhinoceroses, pangolins, great apes, big cats, birds, fish, reptiles, timber and other forest products. This global wildlife enforcement Operation, carried out from 4 to 27 May 2015, was organized by regional enforcement networks and international organizations including the RILO AP and the WCO.

This Operation was coordinated by officers drawn from Wildlife, Customs, Police, Forestry and other law enforcement agencies as well as intergovernmental agencies. It was conducted simultaneously across wildlife contraband source, transit and destination countries in Africa, Asia, America and Europe. Participating countries gathered and exchanged information and intelligence among themselves and with the International Coordination Team. At the national level, the Operation was executed by a multi-agency team led by a National Coordinator. COBRA III resulted in more than 300 arrests of suspects, including crime kingpins, and over 600 seizures of assorted wildlife contraband, with more tip-offs leading to the discovery of crime networks and activities. The seizures included over 12 tonnes of elephant ivory, 119 rhinoceros horns, 10 tonnes of rosewood and 344 black terrapin turtles. Also recovered were assorted firearms and ammunition.

The suspects arrested included eight kingpins: one Chinese national involved in Namibia's biggest rhinoceros-horn smuggling case; one notorious elephant poacher in India; two Chinese nationals, following the seizure of 65 rhinoceros horns weighing 1.3 tonnes; and four Vietnamese nationals, following the seizure of 12 rhinoceros horns in Mozambique. Six key suspects were arrested in Kenya in connection with 3.1 tonnes of elephant ivory seized in Thailand

and 3.7 tonnes seized in Singapore, while two kingpins involved in these cases remain fugitives. In India, three suspects were arrested in connection with possession of suspected tiger bones.

Operation COBRA III was financially supported by the European Commission through ICCWC and the U.S. Department of State's Bureau of International Narcotics and Law Enforcement Affairs (INL), the ASEAN-WEN Law Enforcement Extension office, LATF and the participating countries.

ILLEGAL TRADE IN ELEPHANT IVORY

Although there is still considerable uncertainty about their exact number, it is estimated that there are about half a million elephants left in Africa. Poaching is spreading primarily as a result of weak governance and the rising demand for illegal ivory in the rapidly growing economies of Asia, and particularly China which is the world's largest destination market. This trend was illustrated by the CEN data provided by Members.

In 2015, Singapore, Hong Kong, China, Switzerland and Democratic Republic of the Congo Customs contributed the most in ivory seizures. As expected, the departing countries were Kenya, Nigeria, Mozambique and the destination countries were Vietnam, Hong Kong, China, and China, while the diversification of smuggling routes resulted in a variety of destinations.



CHART 6.
Top 10 reporting countries for ivory seizures (2015)²

2 /
Some countries report
ivory seizures in
kilogrammes and pieces,
therefore both are
reflected in the Chart.

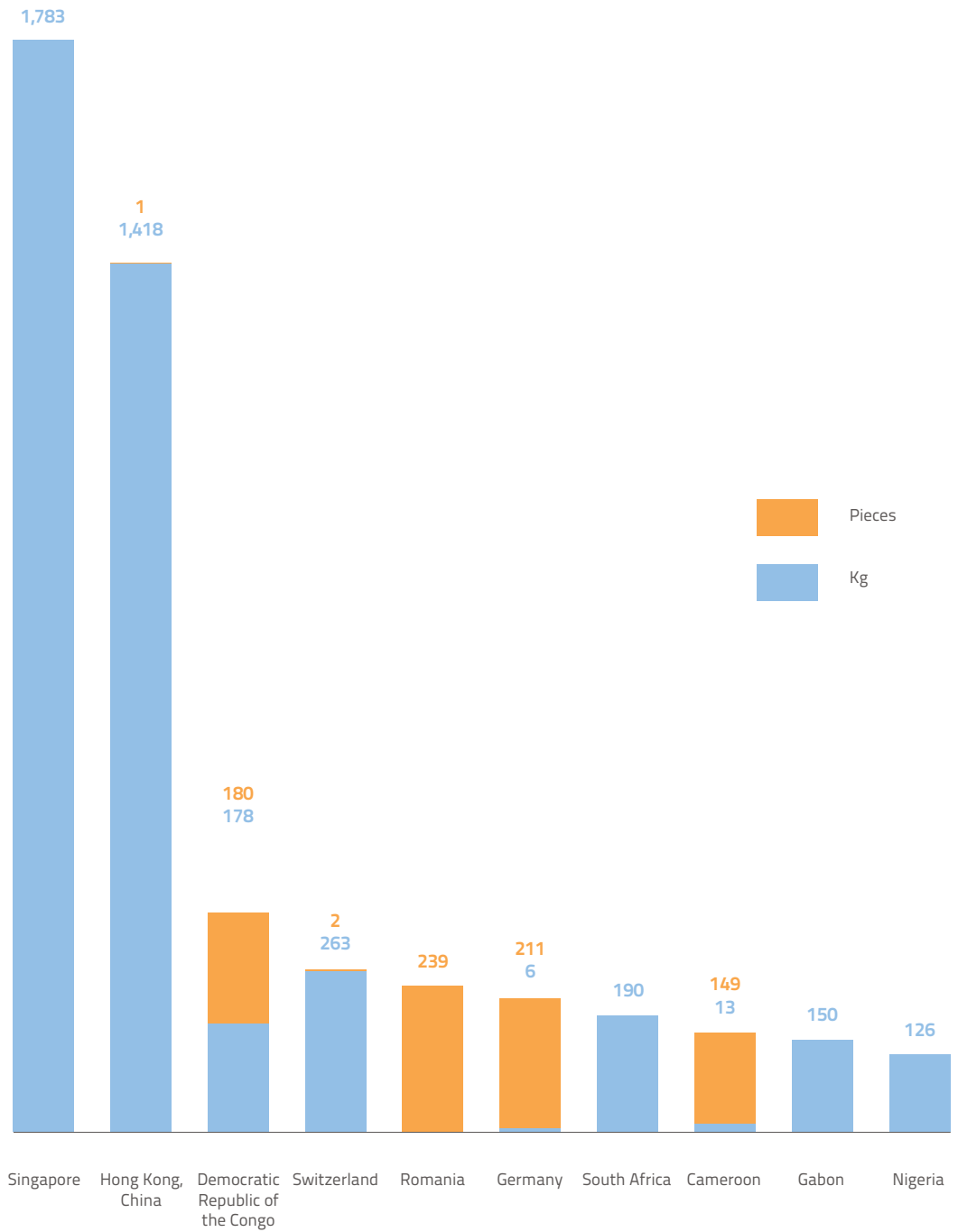
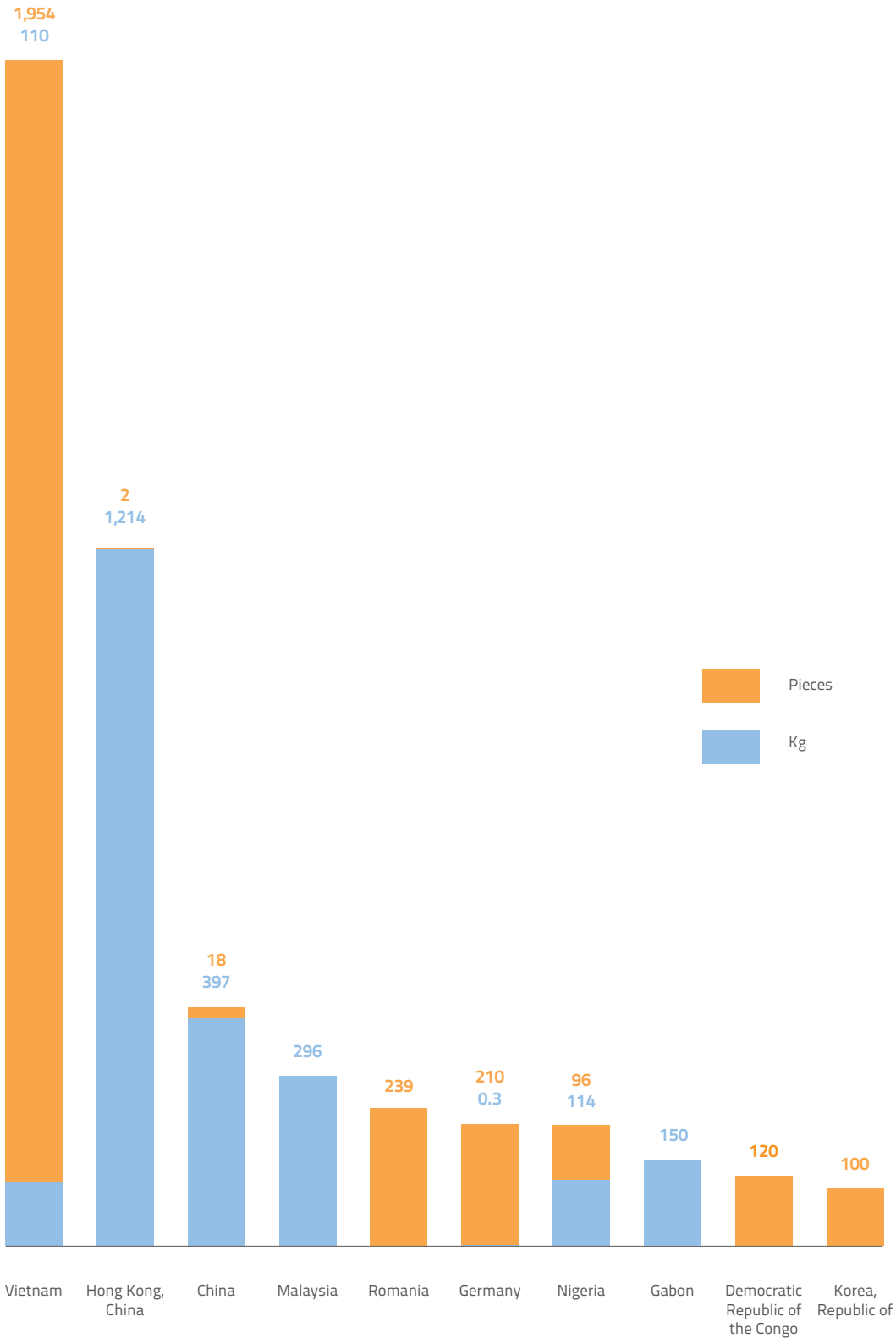


CHART 7.

Top 10 destination countries for ivory seizures (2015)³



3 /
Ibid.

NOTABLE SMUGGLING CASES

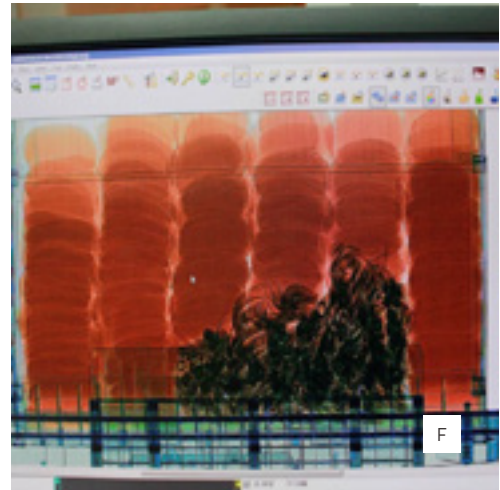
In April 2015, Thai Customs successfully detected and seized two sea cargo shipments of smuggled ivory. Utilizing intelligence and risk management, Customs in Laem Chabang seized 510 ivory tusks, declared as tea leaves, en route from Mombasa (Kenya) via Thailand to Lao People's Democratic Republic (Lao PDR). A week earlier, Customs had also confiscated contraband transiting Thailand from the Democratic Republic of the Congo (DRC) and containing 802 ivory tusks, concealed in bags of haricot beans.

E / X-ray image showing a concealed shipment from Kenya. Photo courtesy of Thai Customs.

F / Photo of the contents of the container. Photo courtesy of Thai Customs.

G / Ivory seized through international coordination. Photo courtesy of DRC Customs.

By sharing information and in close cooperation with domestic and international agencies, Kenya arrested the eight individuals behind this offence and the DRC made an additional seizure of 54 ivory tusks on its national territory.



Follow-up seizures in the DRC

Based on information exchange co-ordinated by the RILO AP, DRC Customs seized an additional 54 ivory tusks on its national territory.

On 12 December 2015, Singapore Customs intercepted an air shipment of illegal ivory and pangolin scales at Changi Airfreight Centre. The 0.8-tonne shipment, labelled as "complete wigs of synthetic textile materials", had originated from Lagos (Nigeria) and was en route to Vientiane (Lao PDR). A closer inspection of the shipment by Singapore Customs and Agri-Food & Veterinary Authority (AVA) officers revealed 255 pieces of raw elephant tusks weighing 505 kg and pangolin scales weighing 324 kg. The shipment, worth an estimated USD 1.3 million, was seized.

In August 2015, Vietnamese Customs examined a shipment of two containers loaded on a vessel bound for Vietnam and detected a large amount of elephant ivory and rhinoceros horns. According to the Customs declaration, these containers were carrying raw natural marble and the importer was a Da Nang-based company. During the inspection, Customs officers discovered some suspicious signs in many

ivory items were smuggled via sea routes and originated from countries such as Côte d'Ivoire, Kenya, Morocco, Nigeria and Tanzania. However, ivory tusks and related products smuggled by air transport mainly come from Zimbabwe and Tanzania. In 2015, Hong Kong Customs detected 105 cases involving seizures of 1,590 kg of ivory and ivory products.



of the blocks of marble. They decided to shatter some of the blocks and found a total of 593 kg of elephant tusks and 142 kg of rhinoceros horns inside blocks of fake marble. In addition, Police and Customs officers in Da Nang seized more than two tonnes of elephant tusks from a container of timber imported from Nigeria. The tusks were hidden in 63 bags buried underneath more than a thousand logs. The shipment reached Tien Sa Port in the central city of Da Nang on 21 August 2015.

Hong Kong Customs is witnessing an emerging trend of ivory tusks and related products being smuggled through air passenger and air postal/express parcel channels. In the past,



I / Elephant tusks and pangolin scales seized by Singapore Customs. Photos courtesy of Singaporean Customs.

H, J / Ivory and rhinoceros horns seized from inside marble and timber shipments. Photos courtesy of Vietnamese Customs.

K / Carved ivory hidden inside bags of confectionery. Photos courtesy of the Mozambique Revenue Authority.



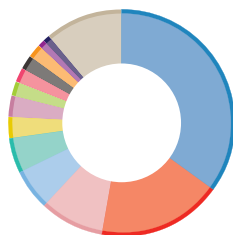
K

The authorities in Beira Airport (Mozambique) seized three pieces of carved ivory in May 2015. These wildlife goods were in a sealed bag of confectionery sent through DHL Express as samples of potato chips, candy and chocolate. According to the declaration, the goods were to be sent to China.

ILLEGAL LOGGING AND TIMBER TRADE

Illegal logging and the illegal timber trade is a major problem, threatening entire ecosystems. According to the UNODC World Wildlife Crime Report, CITES-listed timber and its products represent over 41% of illegal wildlife seizures, based on their aggregate value.

CHART 8. Share of wildlife seizures by value (2005-2014)



| | |
|--------------------------------|-----|
| Rosewood | 35% |
| Elephant | 18% |
| Rest | 11% |
| Assorted reptiles | 9% |
| Agarwood | 6% |
| Pangolin | 5% |
| Rhinoceros | 3% |
| Marine turtle | 3% |
| Raptors | 2% |
| Parrots | 2% |
| Big cats | 2% |
| Tortoise and freshwater turtle | 2% |
| Coral | 1% |
| Sturgeon | 1% |

Smuggling cases involving timber

In early 2015, the WCO RILO AP and the RILO for Eastern and Southern Africa disseminated an Alert on a fleeing vessel that had been loaded with Malagasy rosewood, from a small boat off the coast of Madagascar. The RILOs also appealed to Members to keep a lookout for the vessel for possible interception and inspection.

Acting on the information, Hong Kong Customs tried hard to locate the vessel through various monitoring systems. However, the vessel's Automatic Identification System (AIS), enabling it to be tracked, was turned off most of the time and this made it difficult to follow the vessel's movements. As a result of continuous monitoring and analysis of the routing of similar smuggling activities, Hong Kong Customs successfully located the vessel in the waters off Jakarta in June 2015.

Anticipating that the vessel could call at any port within the region, Hong Kong Customs immediately placed it on a watchlist for arrival notification. It was not until October 2015 that the vessel was discovered entering Hong Kong waters.

Given that there had been an exchange of fire when Malagasy officials had tried to intercept the vessel in Madagascar, as mentioned in the RILOs' Alert, Hong Kong Customs exercised particular caution and deployed armed officers to take part in the interception and examination of the vessel.

Upon searching the vessel, Customs officers found over 7,000 pieces of Malagasy rosewood logs valued at around HKD 40 million in the cargo hold.

This successful enforcement action, resulting in huge seizures, not only dealt a heavy blow to the smuggling syndicate, but also sent a strong message to the world that Customs is unremittingly dedicated to the global fight against smuggling of endangered species.

In addition, Hong Kong Customs reported that seizures made in cases of imports via sea cargo mainly involved rosewood and red sandalwood originating from Tanzania and India. Cases of imports detected among air passengers mainly involved agarwood and red sandalwood from India and Sri Lanka. Seizures made in cases of smuggling via air cargo mainly involved rosewood and agarwood originating, respectively, from Bangladesh and Saudi Arabia. In 2015, Hong Kong Customs detected 23 cases totaling 1,062,600 kg of illegal timber with an estimated value of USD 9.14 million.

Indian Customs reported that red sandalwood continues to be smuggled out of India in large quantities. Smuggling often follows a circuitous route from India to a transit country such as Hong Kong, China, Dubai (United Arab Emirates), Singapore or Malaysia. In recent times, the use of air routes to smuggle red sandalwood has also been observed. China and Hong Kong, China appear to be the favoured destinations for smuggling via air routes. In 2015, Indian Customs detected 25 cases, resulting in seizures of 379,733 tonnes of red sandalwood. Most smuggling cases involved false export declarations, declaring the goods as other products such as bath tubs, packing materials, gypsum powder or laces.

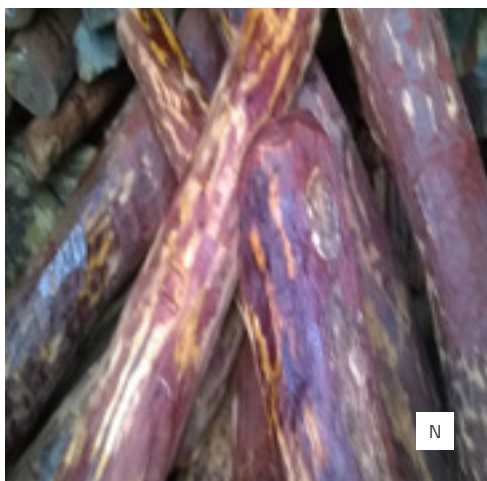


L / Seized Malagasy rosewood. Photo courtesy of Hong Kong Customs.

M, N /
Seized red sandalwood
inside a container.
Photos courtesy of Indian
Customs.



An exemplary case of international cooperation was the Nhava Sheva port seizure of November 2015. Indian Customs intercepted a container carrying 7,800 tonnes of illegal red sandalwood valued at USD 472,000, based on follow-up investigations providing further intelligence to the RILOs. With the coordination of the RILOs, three additional containers carrying approximately 24 tonnes of red sandalwood were seized at three different ports in the United Arab Emirates (UAE).



OPERATION SESHA

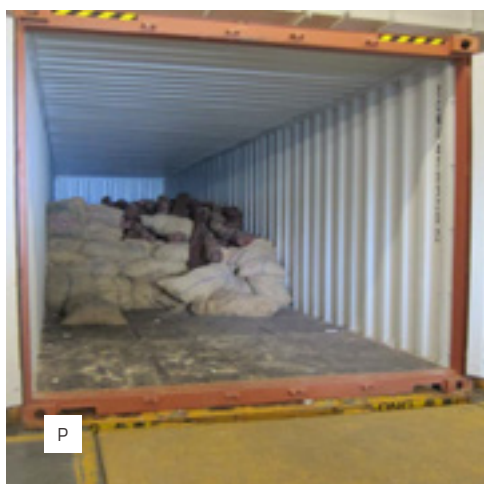
The following 18 Administrations in the Asia-Pacific region joined hands in Operation Sesha to combat collectively smuggling of CITES-listed species of timber: Bhutan, China, India, Indonesia, Japan, Korea (Rep. of), Malaysia, Maldives, Myanmar (Union of), Nepal, Pakistan, Philippines, Singapore, Sri Lanka, Thailand, Tonga, Vietnam and Hong Kong, China.

Operation Sesha was initiated by Indian Customs with the support of Hong Kong, China, the RILO AP and the WCO. It started with a pilot phase from October to November 2014, resulting in twelve seizures totalling 250.86 tonnes of illegal timber by Indian and Hong Kong Customs.

The main phase of Operation Sesha from February to April 2015 was coordinated by the RILO AP utilizing the WCO CENcomm platform. During the three months of this Operation, sixteen seizure notifications and two warning notifications were issued, resulting in the seizure of different species of timber

such as ebony (*Diospyros* genus), agarwood (*Aquilaria malaccensis*), red sandalwood (*Pterocarpus santalinus*), Sri Lankan sandalwood (*Santalum album*), Siamese rosewood (*Dalbergia cochinchinensis*) and Burmese rosewood (*Dalbergia Oliveii*). Of the sixteen seizure notifications, five were reported by Indian Customs, three by Chinese Customs, two each by Hong Kong and Vietnamese Customs, and one each by Malaysian, Indonesian, Pakistan and Sri Lankan Customs. More than 400 tonnes of controlled species of timber were seized under Operation Sesha, including during the pilot phase.

While all the seizures made by different Customs administrations are interesting in their own right, it is worth mentioning the case involving the seizure of 36 tonnes of red sandalwood, reported by Malaysian Customs as a perfect example of transnational cooperation. As a result of intelligence passed on by Indian Customs, Malaysian Customs was successful in making this significant seizure.



O, R /
Seizures by Indonesian Customs during the main phase of Operation Sesha. Photos courtesy of Indonesian Customs.

P, Q /
Seizure of red sandalwood in a consignment made by Hong Kong Customs during the pilot phase of Operation Sesha. Photos courtesy of Hong Kong Customs.

S, T /
Seized falcons. Photos courtesy of Kazakhstan Customs.

U, V /
Seizure of 36 tonnes of red sandalwood by Malaysian Customs. Photos courtesy of Malaysian Customs.

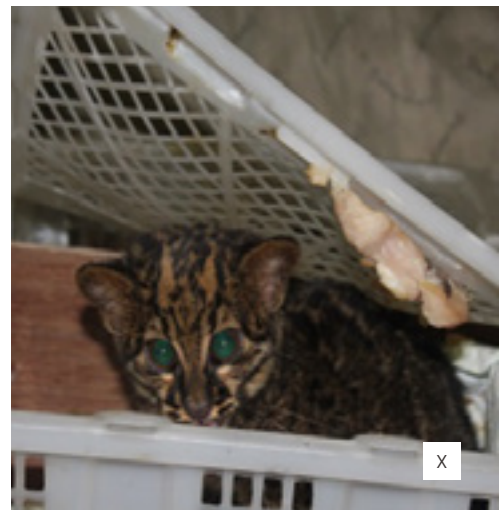
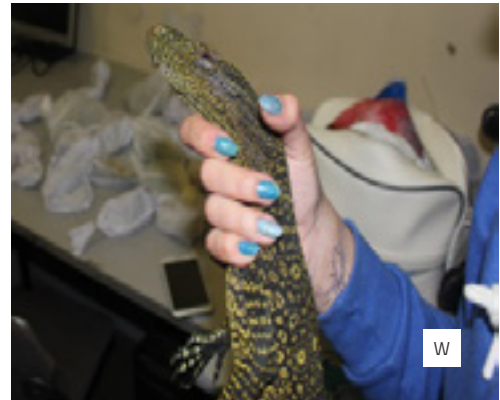
W, X /
Seizures of protected animals. Photos courtesy of Russian Customs.

CITES-listed species of timber are a concern all over the globe. Operation Sesha confirmed the global dimension of the illegal timber trade, involving many transit points in addition to the source and consumer destinations. This has underscored the need for strong 'country to country' partnerships and coordination. The importance of real-time information exchange through the WCO CENcomm cannot be overemphasized. Based on the lessons learned, Indian Customs strongly believes that it is time to plan a global operation focusing on timber.

ILLEGAL TRADE IN OTHER ANIMAL SPECIES

Kazakhstan Customs intercepted an illegal export of 24 falcons bound for the UAE at Shymkent International Airport in September 2015.

Russian Customs at Domodedovo International Airport initiated criminal cases for non-declaration of 108 items of fauna and non-compliance with prohibitions and restrictions on the export of these items to Russia. These animals were imported from Jakarta (Indonesia) by a Russian citizen in June 2015. Another administrative case was initiated against a

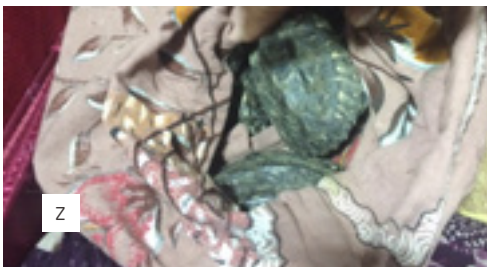




Chinese citizen who attempted to smuggle 93 dried trepangs (sea cucumbers) into China.

Indian Customs intercepted five passengers, bound for Bangkok, at Tiruchirapalli International Airport. An examination of their checked baggage resulted in the recovery and seizure of 492 live tortoises, concealed in cloth bags inside their suitcases.

Serbian Customs at Belgrade Airport seized five bottles of liquid containing the protected species *Xenochrophis piscator* (common scaled water snake) being transported from Vietnam to Serbia via Turkey.



Greek Customs detected several cases of CITES infringements. In May 2016, it seized a pair of shoes and a handbag made from the skin of a reticulated python (*Python reticulatus*, Appendix II to CITES), hidden inside a car boot and without a CITES permit. In August 2015, three garments made from pelts of *Mustela vison* and bobcat (*Lynx rufus*, Appendix II to CITES) were seized. The imported goods had been transported as merchandise in the luggage of an airline passenger flying from Moscow (Russian Federation) to Thessaloniki (Greece) and were then transported by road from Thessaloniki to Kastoria. In September 2015, a garment made from *Mustela vison* with a collar made from bobcat pelt (*Lynx rufus*, Appendix II to CITES) was seized, along with an export consignment of two garments (jackets) made entirely from Geoffroy's cat pelt (*Leopardus geoffroyi*, Appendix I to CITES), hidden in a container among other goods.

Y, B /
Seizures of protected animals. Photos courtesy of Russian Customs.

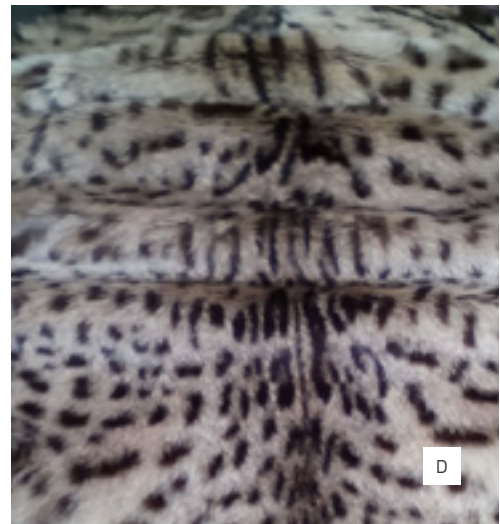
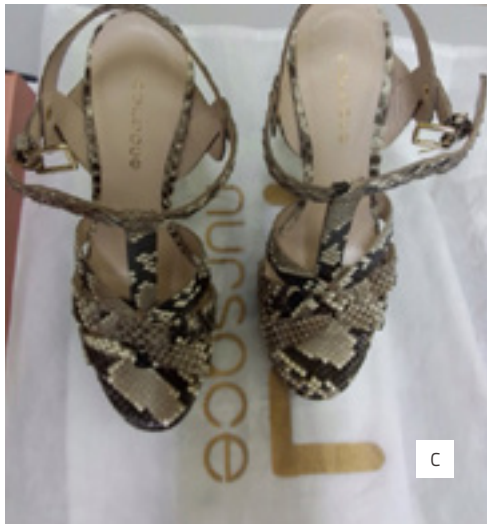
Z /
Seized tortoises. Photo courtesy of Indian Customs.

A /
Seized bottles of liquor containing common scaled water snakes. Photo courtesy of Serbian Customs.



C, D, E /

Seizures of shoes made from the skin of a reticulated python and garments made entirely from Geoffroy's cat pelt. Photos courtesy of Greek Customs.



BASEL CONVENTION

The Basel Convention regulates the transboundary movement of hazardous waste and other waste. The obligations and procedures of the Convention apply whenever hazardous waste and other waste covered by the Convention cross from one national jurisdiction to another, whether or not the waste is being shipped as part of a commercial transaction or under a trading relationship.

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 waste can be exported. An obligation of re-importation arises when an export has not complied with the Convention.

Only Hong Kong, China reported hazardous waste seizures to the CEN in 2015, boosting the total from 38 cases in 2014 to 78 cases amounting to 22,597 kg in 2015.

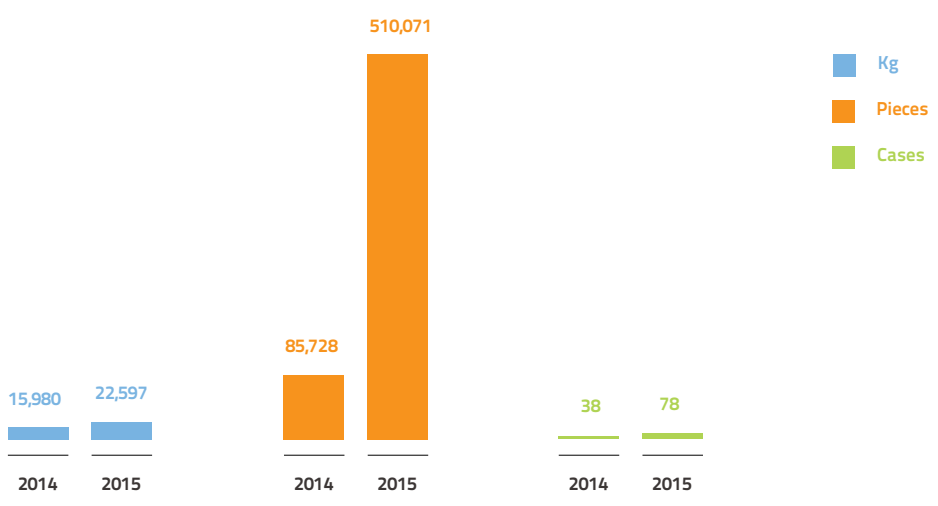
Hong Kong Customs, with the support of Hong Kong's Environmental Protection Department (EPD), has launched a Strategic Control Scheme on Hazardous Waste. Under the Scheme, Customs selects suspicious shipments of hazardous waste for examination, relays details of the detained shipments to the EPD, and liaises with shipping companies to undertake controls

of the containers and arrange inspections. Joint inspections are carried out by Customs, the EPD and shipping company representatives. If hazardous waste is found, the shipping company has to return the shipment to the exporting country under the Basel Convention, since such waste is not covered by any permit and the containers may not be imported into Hong Kong, China. In 2015, a total of 37 containers containing hazardous waste were intercepted

and all of them were subsequently returned to the exporting countries under the Strategic Control Scheme on Hazardous Waste.

For the second year running, Indian Customs has been awarded the United Nations Environment Programme (UNEP) Asia Environmental Enforcement Award (AEEA) in recognition of its excellent work in combating environmental crime in 2015.

CHART 9.
Hazardous waste seizures
(2014-2015)



F /
Indian Customs receive the UNEP Asia Environmental Enforcement Award. Photo courtesy of Indian Customs

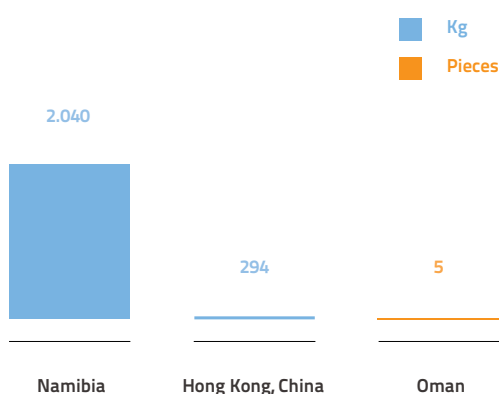


F

MONTREAL PROTOCOL

The Montreal Protocol controls the production and consumption of specific man-made chemicals that destroy the ozone layer, the earth's protective shield. Each Party to the Montreal Protocol is committed to complying with the Protocol's target schedule for phase-out of ozone-depleting substances (ODS) and must consequently introduce control measures to meet its obligations.

CHART 10.
Reporting countries for Ozone
depleting substances (ODS) - (2015)



ODS and products that contain ODS are used as refrigerants in refrigeration and air-conditioning and heat pump systems, and are also used as blowing agents, cleaning solvents, propellants, sterilants, fire extinguishers, fumigants, and feedstock and process agents. ODS include chlorofluorocarbons (CFCs), hydrochlorofluorocarbons (HCFCs), halons, hydrobromofluorocarbons (HBFC), methyl bromide, carbon tetrachloride (CTC), methyl chloroform (TCA) and bromochloromethane.

PROJECT SKY-HOLE-PATCHING

Project Sky-Hole-Patching was initiated by China Customs in 2006 and was endorsed at the 11th WCO Asia Pacific Regional Conference of Heads of Administrations. This Project was aimed at suppressing the illicit trade in ODS and was eventually extended to hazardous waste as well. Nowadays, it is an ongoing operation coordinated by the RILO AP.

To date, 25 Member administrations have participated in this Project: Australia, Bangladesh, Bhutan, Brunei, Cambodia, China, Fiji, Hong Kong, China, India, Indonesia, Japan, Korea (Rep. of), Macau (China), Malaysia, Maldives, Mongolia, Myanmar (Union of), Nepal, New Zealand, Pakistan, Philippines, Samoa, Sri Lanka, Thailand and Vietnam.

In 2015, Members reported only three cases involving ODS seizures to the CEN, despite notifying additional related smuggling cases to the Illicit Trade Report. In this connection, it is highly recommended that Members input all the relevant smuggling cases to the CEN for more meaningful data analysis.

SMUGGLING CASES

Russian Customs initiated a criminal case relating to the smuggling of 20 tonnes of chlorodifluoromethane (R-22), an ODS, from China in February 2015. The substance was declared as gaseous freon R-134 whose importation into Russia is not restricted. In the course of a Customs inspection, the prohibited substance chlorodifluoromethane (R-22) was found in boxes marked as "134a".

Greek Customs at Kakavia border crossing between Greece and Albania detected and seized six bottles containing an illegal shipment of the controlled substance HCFC-22 (Regulation 1005/2009, Annex I) during checks on a private vehicle entering Greece from Albania in August 2015.

In 2015, Indian Customs detected four cases of illegal ODS and seized 20,692 gas cylinders weighing 281,411 kg. Some of the infringing substances were concealed behind heavy melting scrap (HMS), while others were declared as R-410 gas instead of R-22 refrigerant gas (ODS), whose importation is restricted under the ODS Rules.



I



J



K



G



H



L

**SECTION 2.
ENVIRONMENT**

G, H /
Seized chlordifluoromethane (R-22). Photos courtesy of Russian Customs.

I, J /
Seized HCFC-22. Photos courtesy of Greek Customs.

K, L /
Seized chlordifluoromethane (R-22). Photos courtesy of Indian Customs.

Section 3.

IPR, Health & Safety



A /
Illicit medicines intercepted during a WCO Operation. Photo courtesy of a WCO IPR accredited expert.

INTRODUCTION

Most of the information in this Illicit Trade Report illustrates cases of criminals trying to circumvent Customs inspection; however, when it comes to IPR, health & safety, it is less about concealing the actual goods and more a question of avoiding the disclosure of certain characteristics of the goods.

Counterfeit goods may well be presented for Customs inspection and declared correctly; an unsuspecting officer might be none the wiser, as the defects of these goods are often not in open view – it is their lack of authenticity and/or quality that is at stake. The main challenge in tackling these goods, compared to other unlawful commodities such as narcotics, resides in the hidden dangers they could entail. They are often

not concealed or smuggled, and may arrive by ordinary mail. Take for example pharmaceutical products: as the unsuspecting buyer ordered the medicines in good faith, he or she is not prepared for their potential lethal effect.

Fortunately, Customs are still making good progress, and although only 55 countries reported IPR seizures this year, the number of cases is rising, which leads to the conclusion that IPR is still high on the agenda among WCO Member administrations. With a view to facilitate IPR seizures reporting in CEN, the structure, wording and number of fields in the system are going to be reviewed. The statistics are also important because they are used by other organizations – for instance by OECD when preparing reports mapping the economic impact of counterfeit goods.

IPR DATA ANALYSIS

This Section outlines the main trends and patterns in Customs seizures and detentions regarding intellectual property rights (IPR) commodities, as well as pharmaceutical products, based on Members' inputs to the CEN. Following requests by WCO Members, "Medicines and Pharmaceutical Products" was introduced in CEN as a new commodity in 2015 to better respond to Members' needs concerning the growing threat of counterfeit and illicit medicines and their serious implications for consumers' health.

In order to have a more accurate picture of the delineation between the new groups of commodities, bearing in mind that the 2015 Report analyses IPR and pharmaceutical seizures separately for the first time, we will make a comparison with the previous year only in terms of the number of cases. This will still allow the reader to identify trends and patterns in terms of flows of goods which infringe intellectual property rights or fail to meet health and safety standards.

The Section also outlines the WCO's main IPR enforcement activities, i.e., Operation Balkan Gate (March 2015) and the Joint Enforcement Action in Asia-Pacific (December 2015), along with the positive outcomes of these systematic efforts carried out by the WCO. The Section then concludes with a brief summary of IPM developments and activities throughout the year.

REPORTING COUNTRIES

In 2015, 55 countries contributed IPR seizures to the CEN system, reporting 24,351 cases in total, as compared to 20,637 cases recorded by 63 countries in 2014; a few regions stand out: Middle East, Americas and Europe (Western and Eastern). Although fewer countries submitted their data in 2015, they reported a much larger number of cases, thus leading us to the

conclusion that the problem of counterfeiting is not close to being curbed, and that continuous efforts are needed from all WCO Member administrations.

When reading this Section, it is important to note that the CEN data on medicines for 2014 has been mapped in order to match the 2015 structure and classification. To avoid any confusion when comparing with the 2014 ITR Report, readers are asked to bear in mind that the 20,637 IPR cases from 2014 presented in this Report do not include medicines and pharmaceutical products¹. The same is true when reading the other 2014 tables in this year's Report. For other considerations concerning the CEN data used to draft this Section, please refer to the Introduction.

The following statistical analysis provides, as in previous years, an overview of world-wide IPR seizures from multiple perspectives, including reporting and destination countries, country of departure (the last known point on the trade route), commodity type, direction and method of conveyance.

For the purposes of producing harmonized statistics, the range of commodity units recorded for IPR in the CEN has been converted into pieces and kilogrammes, in accordance with the Annex at the end of this Section. The total number of IPR cases accounted for more than 188,983,938 items and 873,971 kilogrammes of IPR goods². The IPR commodities recorded in kilogrammes are mainly merchandise such as furniture, construction materials, foodstuffs, clothing, textiles other than clothing, and spare parts. The largest inputs by weight were recorded by the Russian Federation (671,753 kg), followed by Brazil (157,955 kg), Spain (16,640 kg) and Qatar (14,331 kg).

Saudi Arabia is the WCO Member that reported the largest number of items, i.e., 146,566,754, accounting for more than 70% of the total number of pieces (Table 1), distantly followed by the

1 /
The total number of medicines cases for 2014 amounts to 2,855 (23,492 cases in total, consisting of both medicines and IPR). For 2015, the number of pharma cases was 2,744 (27,095 cases in total).

2 /
The tables in this Section take into consideration only the number of pieces.

B /
Ball bearings detention.
Photo courtesy of the
Former Yugoslav Republic
of Macedonia Customs.

Russian Federation with 8% (14,276,609 pieces) and the United States with 5% (9,505,816 pieces). While most of the countries in the ranking have been in the top 15 table in previous years, it is the first time for Romania (since 2007) and the Former Yugoslav Republic of Macedonia. Also noteworthy is that the top 15 countries account for more than 98% of all cases reported globally.

As shown in Chart 1, Saudi Arabia also occupies first place in terms of number of cases, with a substantial increase over last year (when, despite a smaller number of cases, it still ranked in second place behind the United States). Overall, the chart is not significantly different from the

TABLE 1. TOP 15 REPORTING COUNTRIES BY QUANTITY (PIECES)

| | |
|---------------------------------------|-------------|
| Saudi Arabia | 146,566,754 |
| Russian Federation | 14,276,609 |
| United States | 9,505,816 |
| Netherlands | 3,716,685 |
| Spain | 2,526,538 |
| Brazil | 2,265,454 |
| Morocco | 1,089,714 |
| Romania | 1,005,769 |
| Uruguay | 919,465 |
| Germany | 745,911 |
| Yemen | 721,363 |
| Kuwait | 661,254 |
| Czech Republic | 565,776 |
| Former Yugoslav Republic of Macedonia | 564,740 |
| Qatar | 551,212 |

previous year, with the United States, Saudi Arabia, Spain, Germany and Japan in the top five.

As a general rule, the CEN database considers one case as one detention, on one occasion. Therefore, one case may include multiple lines of commodities and/or brands.

COMMODITIES AND BRANDS

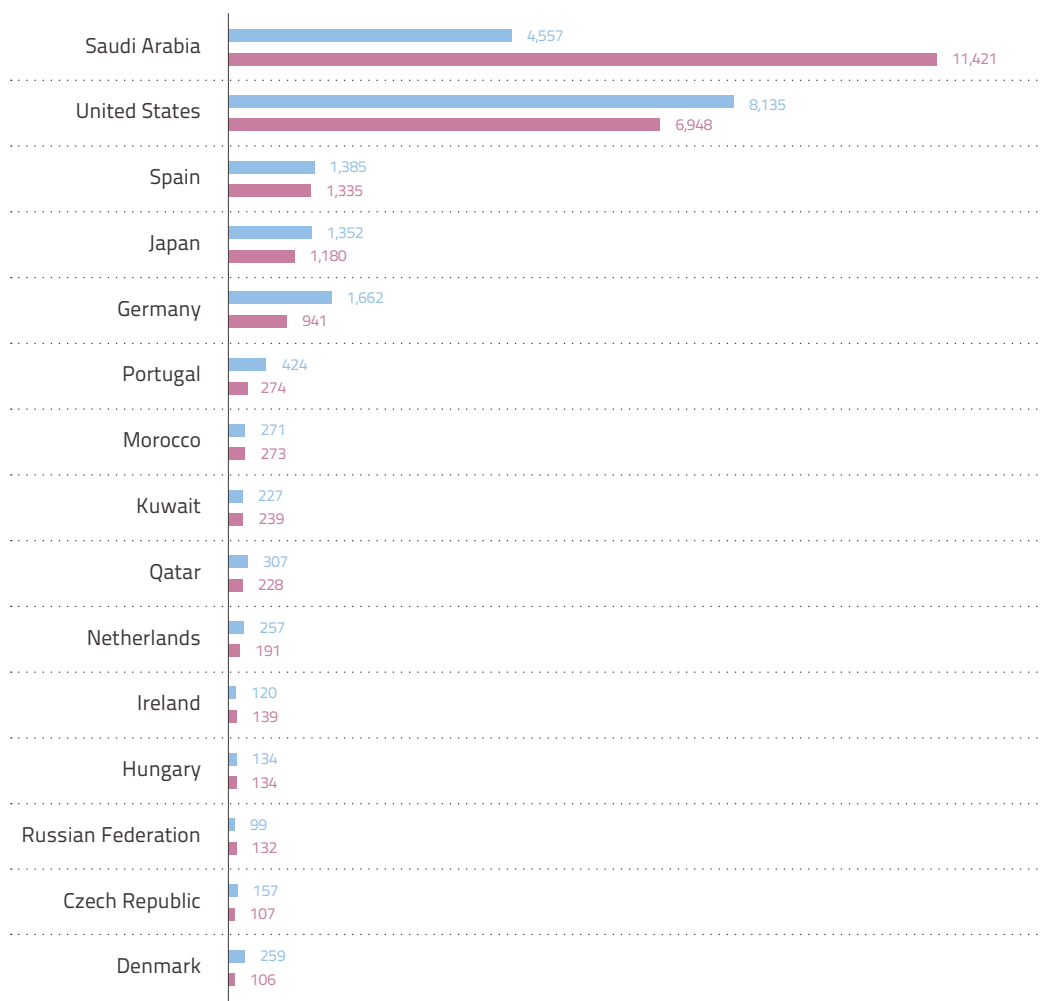
TABLE 2. TYPE OF COMMODITY BY QUANTITY (PIECES)

| | |
|--|--------------------|
| Miscellaneous | 89,335,392 |
| Clothing | 22,608,925 |
| Toiletries/cosmetics | 15,614,499 |
| Mobile phones and accessories | 14,466,437 |
| Textiles other than clothing (towels, bed sheets etc.) | 10,965,829 |
| Accessories | 9,553,492 |
| Electronic appliances | 5,953,217 |
| Footwear | 5,466,135 |
| Foodstuff | 5,195,281 |
| Games and toys | 4,974,787 |
| Computers and accessories | 1,962,106 |
| Transportation and spare parts | 1,412,134 |
| Watches | 1,290,468 |
| Audiovisual products | 113,467 |
| Pesticides | 69,777 |
| Soft drinks | 1,992 |
| Total | 188,983,938 |



B

CHART 1.
Top 15 countries by number of cases



2014
2015

As was the case last year, the largest group of IPR items for 2015 (see Table 2) was miscellaneous goods (47%), which translated mainly into construction materials such as marble and ceramics, agricultural supplies, empty cartons, packaging and labels, mixed goods in the same consignment, etc. Miscellaneous goods (or “other-specify” goods) were followed by clothing (12%), cosmetics and toiletries (8%) and mobile phones and accessories (8%).

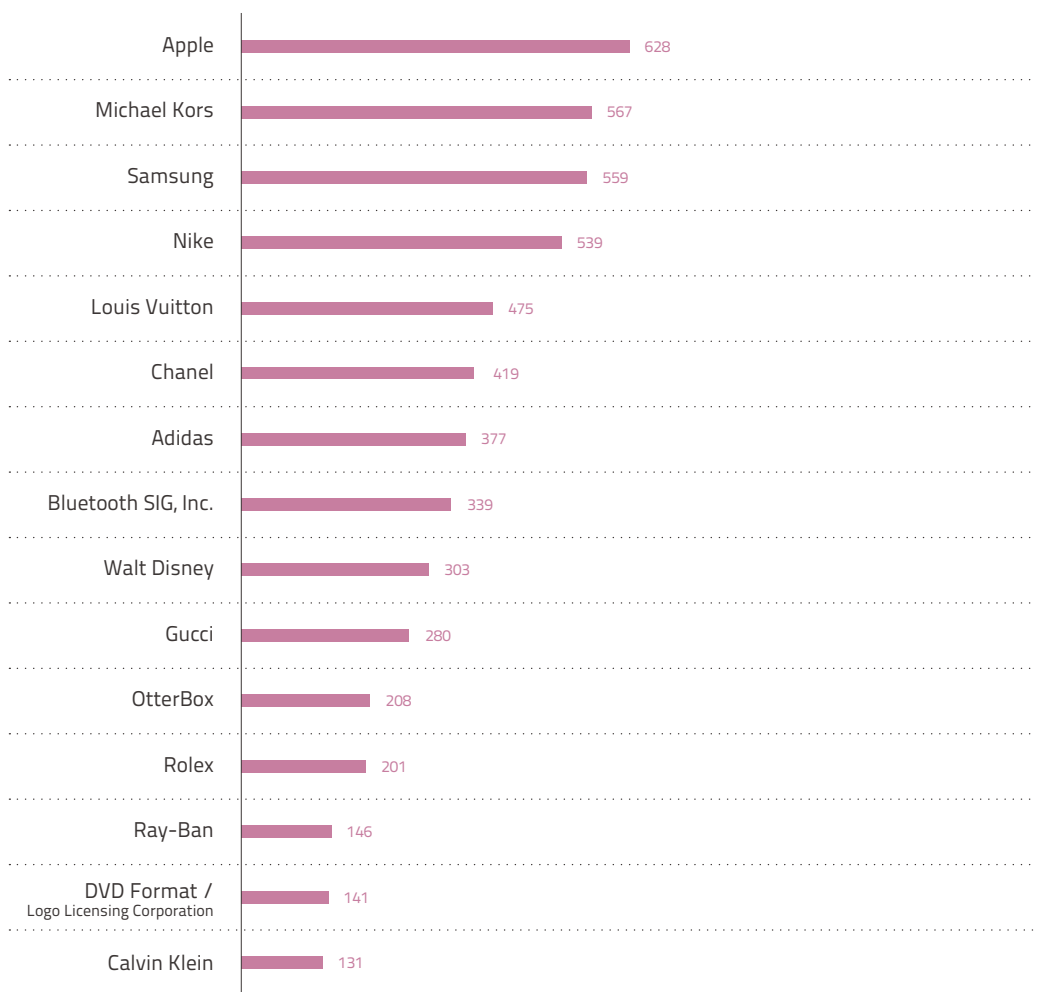
Foodstuffs – one of the commodities with a high impact on consumers’ health – have decreased by around 1.63 million items compared with last year when they came eighth in the ranking, the situation remaining relatively stable when the two reference years are compared. In 2015, foodstuffs account for 3%.

When it comes to top counterfeit trademarks by number of cases, Apple is first, swapping positions with Samsung which topped the rankings in 2014. The types of products bearing this famous brand (i.e. Apple) ranged from computers and computer accessories, mobile phones and media players, to mobile phone cases, chargers, headsets and even clothing. For Samsung, the most significant number of detentions referred primarily to accessories such as chargers, cables, cases/covers (470 detentions) and mobile phones (118 detentions). Samsung closely follows Apple and Michael Kors, with Nike coming in fourth and Louis Vuitton fifth. Whereas one would expect Michael Kors trademarked goods to consist mainly of handbags, accessories and clothing, in fact a considerable amount of detentions (237 out of 567 in total

3 / The DVD Format/Logo Licensing Corporation is linked to products such as DVDs, media players and its accessories and it was mainly detained in the United States.

4 / However, due to lack of sufficient data, no ranking for medicine trademarks has been included in this Section.

CHART 2.
Top counterfeit brands by number of cases (2015)



for Michael Kors) were loose labels and tags. This confirms a trend we have been witnessing for the past three to four years, where labels and tags are shipped in separate consignments and attached to relevant products in the domestic market in an attempt to avoid brand identification by Customs.

In 2015, Calvin Klein, DVD Format/Logo Licensing³ Corporation, Rolex and Bluetooth Sig Inc. were the new brands to feature in the top 15, replacing other popular brands such as Mac Cosmetics, Cialis and Viagra from last year's ranking. Although it would be intriguing to note that Cialis and Viagra have disappeared from the Chart, in fact this is not the case as the commodities marketed under these brands have been transferred to the new "Medicines and pharmaceutical products" category⁴ in CEN.

Another striking particularity of this year's Report is that 57% (or 13,900 cases) of the total number of IPR cases uploaded into the CEN system refer to unknown trademarks. This is due to the legal system in some reporting countries (particularly in the Middle East region), that does not permit disclosure of the name of the brand before the case is closed in Court. In this light, the tables illustrating the rankings of trademarks are to be interpreted with caution.

As in most previous data reports, we have registered a substantial number of items consisting of mixed brands (in the same consignment) – 2,595,256 pieces altogether, surpassing the number of items of popular brands such as Panasonic, Samsung and Michael Kors that ranked in first, second and third positions for the most counterfeited brands by number of pieces (Table 3).

Brands such as Michael Kors, Samsung, Apple, Ray-Ban, Nike and Walt Disney were the most popular not only in terms of cases, but also in terms of number of items detained.

TABLE 3. TOP 15 REPORTED BRANDS BY QUANTITY (PIECES)

| | |
|----------------|-----------|
| Other | 2,706,900 |
| Panasonic | 2,088,321 |
| Samsung | 840,978 |
| Michael Kors | 715,068 |
| G&D | 700,000 |
| Nike | 690,604 |
| Walt Disney | 685,466 |
| Ray-Ban | 672,998 |
| Head&Shoulders | 569,449 |
| Toshiba | 487,051 |
| Apple | 413,159 |
| Puma | 377,743 |
| HITACHI | 352,533 |
| Peppa pig | 350,831 |
| Polo | 336,496 |

TABLE 4. TOP 15 DESTINATION COUNTRIES BY QUANTITY (PIECES)

| | |
|--------------------|-------------|
| Saudi Arabia | 146,569,751 |
| Russian Federation | 14,247,839 |
| United States | 8,495,006 |
| Spain | 2,481,734 |
| Brazil | 2,320,544 |
| Germany | 1,693,999 |
| Netherlands | 1,359,104 |
| Morocco | 1,107,714 |
| Romania | 1,020,270 |
| Poland | 937,293 |
| Uruguay | 822,308 |
| Yemen | 721,363 |
| Kuwait | 654,681 |
| Qatar | 551,212 |
| Hungary | 514,915 |

DESTINATION AND DEPARTURE COUNTRIES

As most of the IPR entries recorded in the CEN databases are detentions at import (over 90%), it is natural that reporting countries are often the same as destination countries, as seen in Chart 3. Saudi Arabia holds undisputed first position with 11,417 cases (49% of the grand total), followed by the United States (28%), Spain (6%) and Germany (3%).

When it comes to the country of departure, China is ranked first in terms of number of pieces and accounts for almost half of the total number (49%), claiming this position from India in 2014. For the purposes of this Report, the country of departure or provenance is the last known point on the trade route, and it should not always be assumed to be the country of origin; thus, countries listed in Table 5 and Chart 4 could also be major transit points and not necessarily the place where the goods originated, which is difficult to establish most of the time. The United Arab Emirates ranks second (12%), followed by Ukraine (with 7%), which is rather surprising given that in previous years (both 2013 and 2014), this country was not listed in the ranking at all. This change in the dynamics is due to several large seizures reported by RILO CIS and RILO Western Europe (including one of the largest seizures in CEN – over 9 million pieces of false packaging input into CEN by RILO CIS).

In terms of the number of cases, China remains the highest-ranked country of provenance (35%), maintaining its stable position for the past (at least) five years. However, the actual number of cases with China as the country of departure has in fact decreased by more than one thousand, from 9,713 to 8,531. As in 2014, Hong Kong follows China closely with 23%, confirming the importance of this global trading hub. United Arab Emirates, another large trading transit hub hosting free trade zones comes closely in third place, with roughly the

CHART 3.
Top 15 destination countries by number of cases

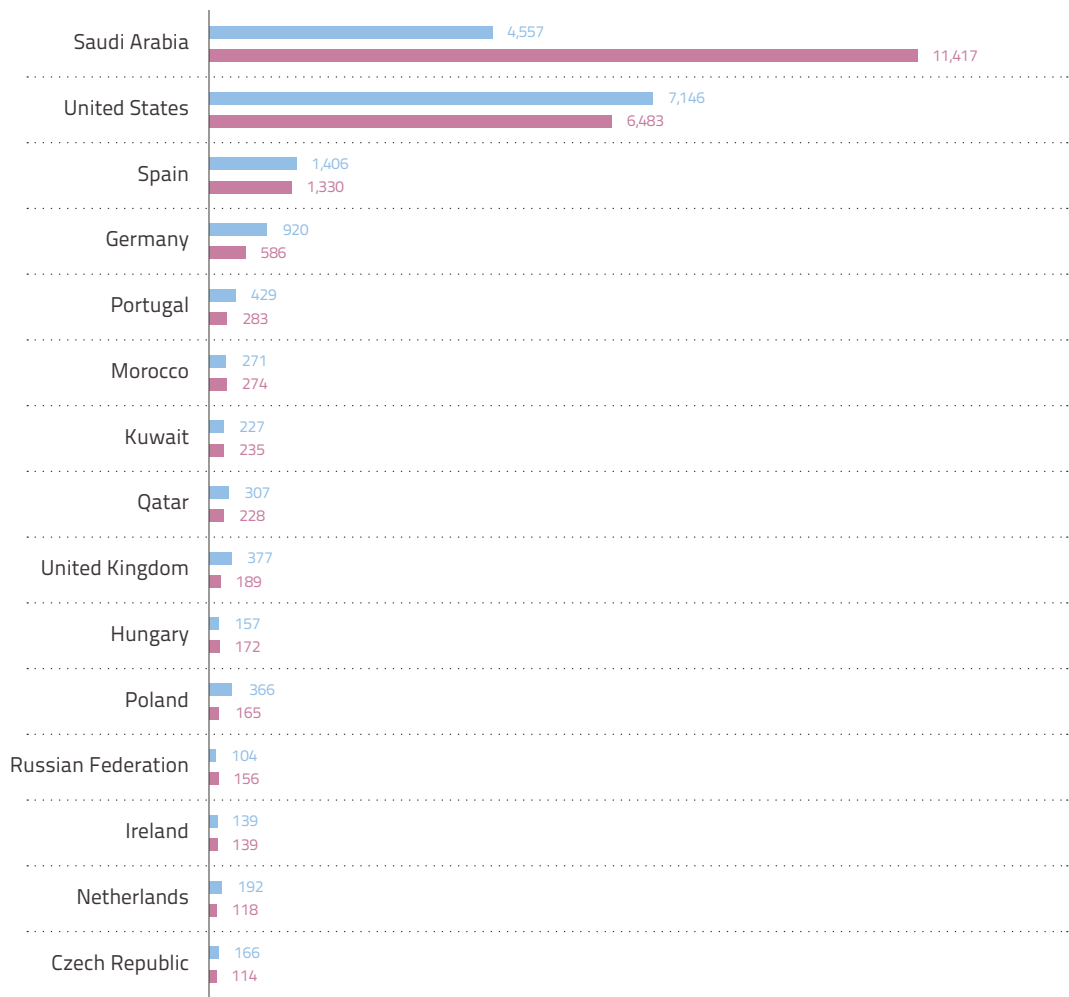


TABLE 5. DEPARTURE COUNTRIES BY QUANTITY (PIECES)

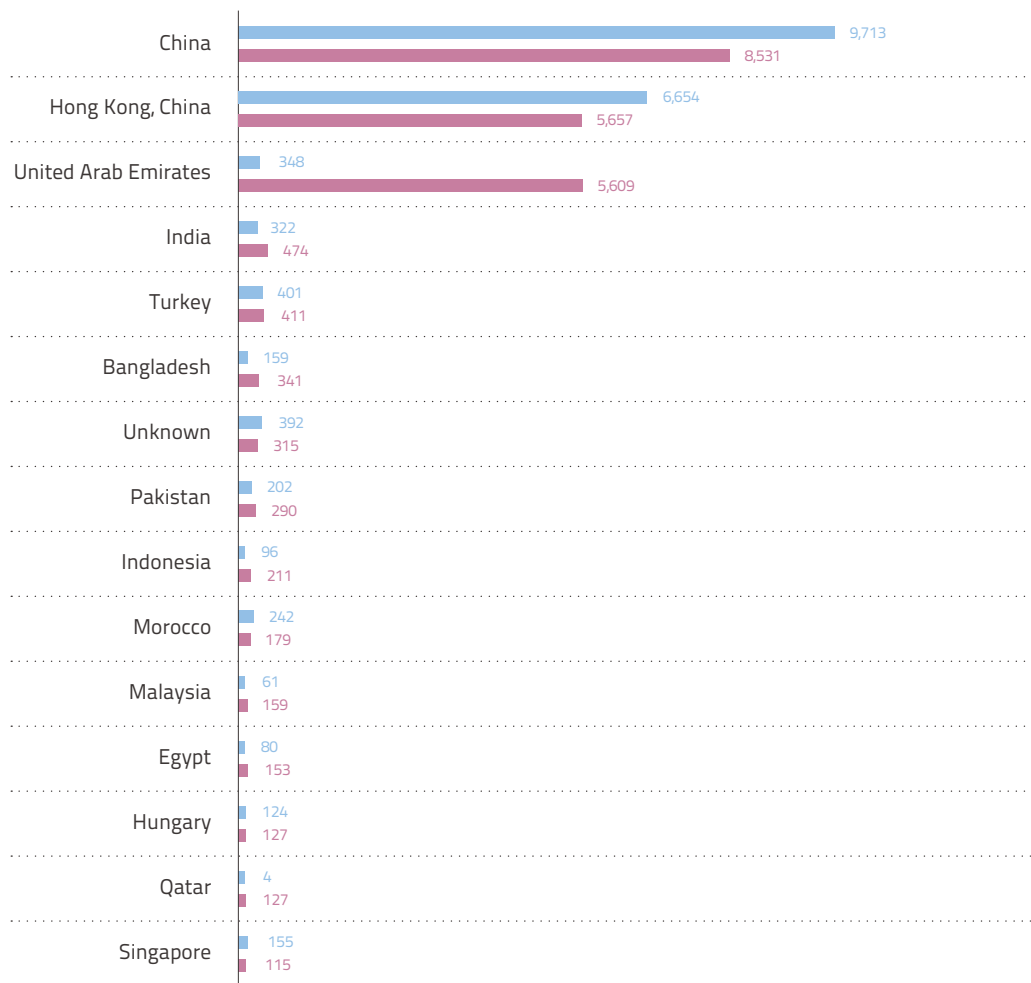
| | |
|----------------------|------------|
| China | 92,739,968 |
| United Arab Emirates | 22,961,448 |
| Ukraine | 13,783,384 |
| Indonesia | 10,248,614 |
| India | 7,237,228 |
| Hong Kong, China | 6,718,972 |
| Turkey | 3,423,670 |
| Thailand | 2,627,965 |
| Unknown | 2,613,239 |
| Egypt | 2,316,219 |
| Italy | 2,192,551 |
| Bangladesh | 1,863,414 |
| Pakistan | 1,862,104 |
| Japan | 1,485,324 |
| Switzerland | 1,337,176 |

same proportion (23%). India, Turkey, Bangladesh and Pakistan come next, with a slight fluctuation between the two reference years but maintaining their presence in the ranking. Singapore, with 0.5% of cases, has dropped significantly (i.e., by eight places compared to 2014).

CUSTOMS PROCEDURE AND CONVEYANCE METHOD

In 2015, more than 94% of all cases were reported at import, maintaining the trend of previous years. Transit cases, however, dropped significantly since the previous year (2,182 in 2014, versus 1,129 in 2015), accounting for 5% of all cases (as opposed to 10% in 2014).

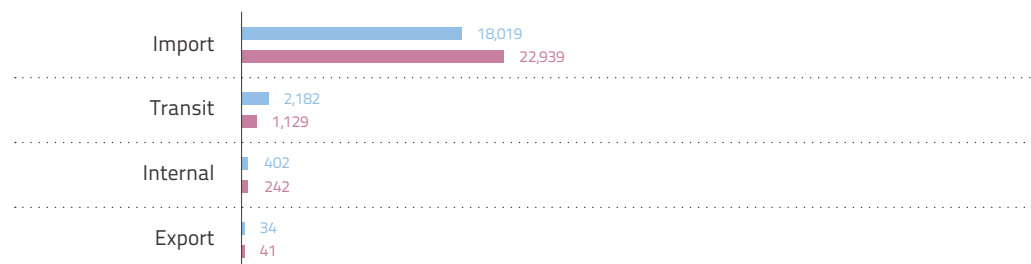
CHART 4.
Top 15 departure countries by number of cases



2014

2015

CHART 5.
Number of cases by Customs procedure



2014

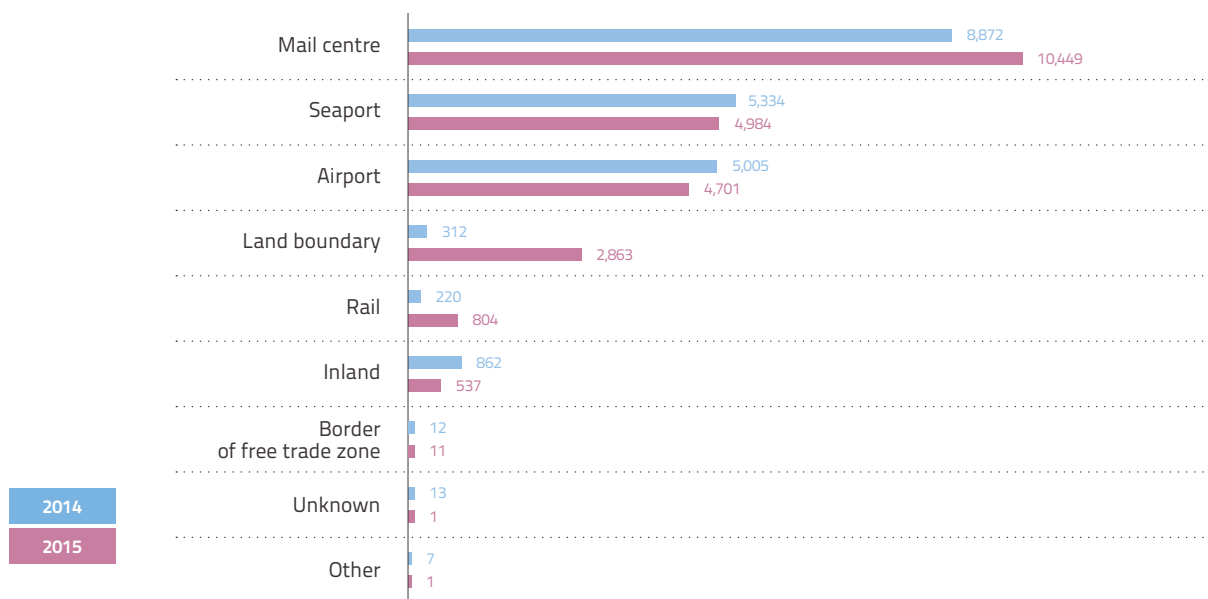
2015

Mail centres remain, in 2015, the most frequent location of seizures, with 43% of all cases, confirming the increasing trend towards small consignments and e-commerce across all reporting countries (see Chart 6). Moreover, the post remained by far the most widely utilized shipping method, with 10,464 cases (or 43%) registered in 2015 (Table 6). Vessels are the second most frequently used means of transport by number of cases (20%), followed closely by aircraft (19%) and vehicles (13%), maintaining the same ranking as in 2014. It is worth noting, however, that cases of IPR commodities transported by vehicles rose by 340% in 2015.

TABLE 6. NUMBER OF CASES BY CONVEYANCE METHOD

| | 2014 | 2015 |
|--------------|---------------|---------------|
| Mail | 8,869 | 10,464 |
| Vessel | 5,233 | 4,818 |
| Air | 4,993 | 4,712 |
| Vehicle | 694 | 3,054 |
| Rail Train | 188 | 803 |
| Unknown | 404 | 290 |
| Pedestrian | 172 | 144 |
| Other | 84 | 66 |
| Total | 20,637 | 24,351 |

CHART 6.
Detention location by number of seizures



MEDICINES AND PHARMACEUTICAL PRODUCTS

Medicines and pharmaceutical products represent a new commodity category in CEN, having been separated from IPR; this category consists of counterfeit pharmaceutical products, as well as other types of illicit medicines that could be either smuggled, expired, transported in poor/inappropriate conditions, or lack documents such as a licence or authorization to enter the market.

As 2015 was the first year of collecting information exclusively about medicines, the quality of data was rather poor, particularly in terms of trademarks and therapeutic class. Moreover, as the 2014 data on medicines was mapped and adjusted to match the new fields and classification introduced in 2015, there were significant numbers of fields that remained empty for the reference year. In these circumstances, an adequate comparison with 2014 can be difficult. However, we have tried to outline the major flows and patterns by looking especially at

5 /
When looking at the ranking for departure countries, it is important to remember that the country of departure is not always the same as the country of origin (please see the IPR sub-section above for a fuller explanation).

reporting countries, number of cases, first level therapeutic classification, departure countries and conveyance method.

Due to the lack of information about trademarks, rights holders (where applicable) and whether or not the pharma product was counterfeit, we were not able to include this feature in the analysis. Only 693 out of a total of 2,744 cases reported provided information on whether medicines were counterfeit or not.

Nevertheless, in order to obtain better quality data the collection process in CEN has since been improved, with more mandatory fields being added to the system.

The total number of medicines and pharma items reported for 2015 was 8,963,371 and 4,515 kilogrammes in total. For the reasons stated in the Introduction, the statistical analysis in this sub-section will count only the number of pieces.

As regards the number of cases involving medicines, it should be noted that the overall number has decreased from 2,855 cases in 2014 to 2,744 in 2015, involving 3,415 commodity lines (as with IPR, one case can consist of multiple detentions/commodity lines). This is the total derived from 55 WCO Members' contributions to CEN for this category, compared with 51 Members last year. Unlike the situation with IPR, where medicines are concerned, a greater number of countries accounted for a smaller number of cases in 2015.

In 2015, in terms of number of pieces the most frequently detained type of medicine (apart from miscellaneous goods not falling into any available individual class) was urogenital agents – such as erectile dysfunction or kidney infection products; these accounted for 32% of the total amount. This figure confirms previous reports on medicines, where the urogenital agents category has always ranked in the top five. For example, in 2014 Cialis and Viagra were among the top 15 most counterfeited brands.

**TABLE 7. TOP 15 REPORTING COUNTRIES
BY NUMBER OF PIECES (2015)**

| | |
|--------------------------|-----------|
| Yemen | 3,408,590 |
| Saudi Arabia | 1,228,620 |
| South Africa | 788,147 |
| Korea, Republic of | 702,759 |
| Jordan | 581,340 |
| United States | 330,972 |
| Finland | 284,615 |
| Hungary | 252,041 |
| Latvia | 243,097 |
| Romania | 240,170 |
| Central African Republic | 219,000 |
| Poland | 145,924 |
| Serbia | 70,285 |
| Sweden | 68,796 |
| Denmark | 64,949 |

When it comes to the number of cases, this category accounts for an even bigger proportion of the total (60%), and is followed by metabolic agents such as steroids and anti-diabetic medicines (17%), and miscellaneous (14%). A quick glance at Table 9 illustrates the inconsistency of data concerning therapeutic classification for 2014, which as explained above is due to the introduction of the new classification in 2015.

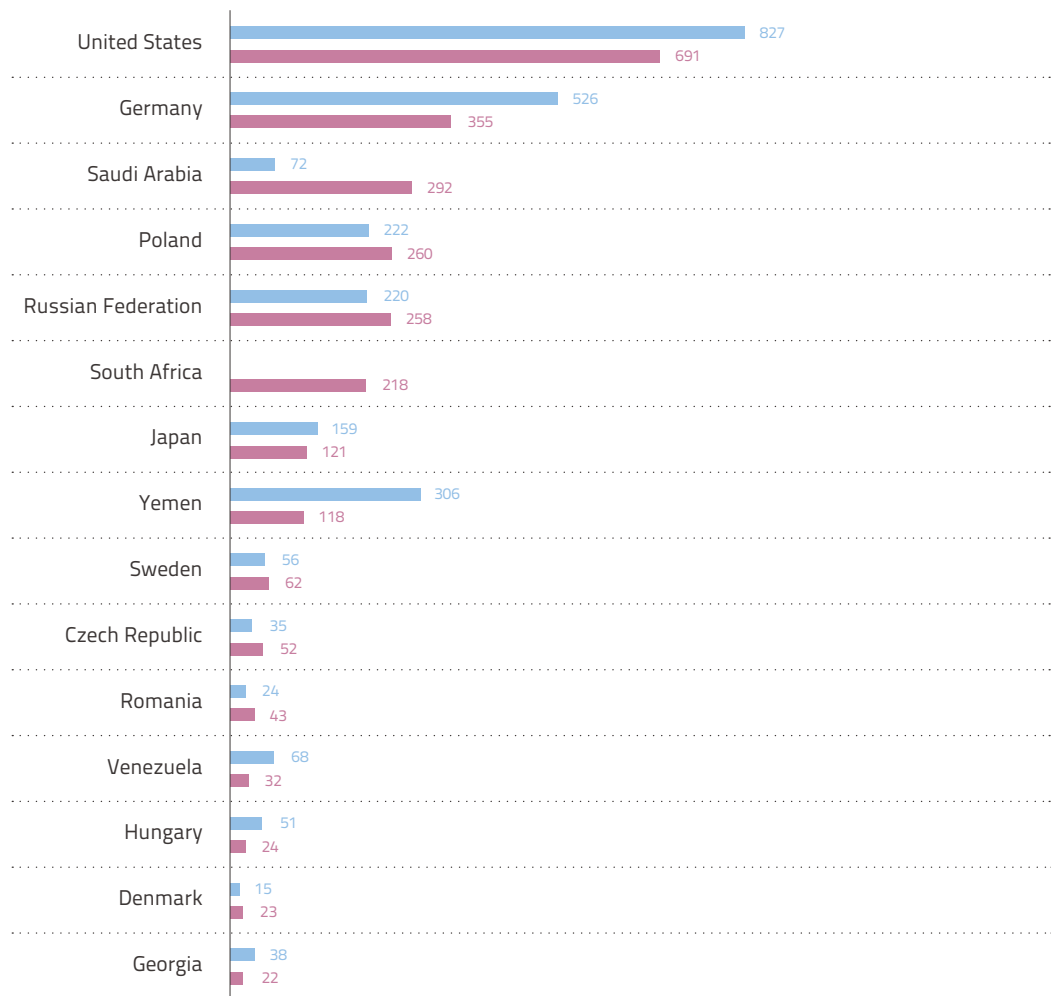
Egypt emerged as the highest-ranked departure country⁵ when the data was analysed in terms of number of pieces, accounting for 24% of all cases; this was due to a significant number of detentions reported by RILO Middle East countries in 2015. China and India ranked second and third, with 18% and 13% respectively. When the data is analysed from a 'number of cases' perspective the ranking looks slightly different, with Singapore placing first (28%), followed by India (12%), Poland (10%) and China (9%). Singapore's top place comes as a surprise, with the number of cases having increased more than 4-fold from 2014 to 2015, mainly as a result of the large

C /
Illicit medicines detained
by Yemen Customs.
Photo courtesy of Yemeni
Customs.

2014

2015

CHART 7.
Top 15 reporting countries by number of cases



number of cases reported by both RILO Western Europe and North American countries.

As with IPR, the majority of medicine detentions (87%) were carried out at import. Only 2% involved transit. The remainder were either internal detentions (10%) or detentions at export (2%).

Just as numerous IPR enforcement reports point to postal consignments as the preferred method of transport of illicit medicines, the CEN data also illustrates this pattern, with 76% of all cases featuring postal shipping. This pattern was also confirmed in 2014, when mail shipping was by far the most prevalent way of transporting

medicines. The ranking is, however, different from IPR, where sea freight still accounted for a good share of the total conveyance methods; for medicines, ships were used in only 23 cases.



TABLE 8. TYPE OF MEDICINE/PHARMACEUTICAL PRODUCTS BY NUMBER OF PIECES (2015)

| | |
|---|------------------|
| Miscellaneous | 4,806,203 |
| Urogenital agents (e.g. erectile dysfunction, kidneys, etc.) | 2,848,703 |
| Metabolic agents (e.g. steroids, anti-diabetic) | 722,902 |
| Anti-infective agents (e.g. anti-malarial; antibiotic) | 325,264 |
| Medical devices | 74,205 |
| Nervous system agents (e.g. painkillers, sedatives, anti-Alzheimer) | 64,535 |
| Health supplements (e.g. vitamins, herbal products) | 33,175 |
| Gastrointestinal agents (e.g. laxative, anti-diarrheal) | 26,437 |
| Veterinary agents | 20,550 |
| Ear and eye agents | 13,889 |
| Cardiovascular agents (e.g. hypertension, cholesterol) | 11,866 |
| Immunological agents | 4,440 |
| Hair loss agents | 3,353 |
| Dermatological agents | 2,224 |
| Psychotherapeutic agents (e.g. depression, addiction, etc) | 1,805 |
| Musculo-skeletal agents (e.g. anti-inflammatory, bone disease) | 1,777 |
| Anti-cancer agents | 1,322 |
| Respiratory system agents (e.g. asthma, cough and cold, etc) | 530 |
| Blood agents | 190 |
| Total | 8,963,371 |

TABLE 9. TYPE OF MEDICINE BY NUMBER OF CASES

| | 2014 | 2015 |
|---|--------------|--------------|
| Urogenital agents (e.g. erectile dysfunction, kidneys, etc) | 1,360 | 1,658 |
| Metabolic agents (e.g. steroids, anti-diabetic) | 776 | 466 |
| Other-specify (miscellaneous) | 640 | 387 |
| Gastrointestinal agents (e.g. laxative, anti-diarrheal) | - | 51 |
| Nervous system agents (e.g. painkillers, sedatives, anti-Alzheimer) | - | 41 |
| Ear and eye agents | - | 33 |
| Anti-infective agents (e.g. anti malarial; antibiotic) | 52 | 31 |
| Medical devices | - | 19 |
| Dermatological agents | - | 12 |
| Psychotherapeutic agents (e.g. depression, addiction, etc) | - | 10 |
| Veterinary agents | 19 | 9 |
| Musculo-skeletal agents (e.g. anti-inflammatory, bone disease) | - | 6 |
| Health supplements (e.g. vitamins, herbal products) | - | 6 |
| Cardiovascular agents (e.g. hypertension, cholesterol) | - | 5 |
| Hair loss agents | - | 4 |
| Immunological agents | - | 2 |
| Hormone agents (e.g. thyroid therapy) | - | 1 |
| Anti-cancer agents | 8 | 1 |
| Respiratory system agents (e.g. asthma, cough and cold, etc) | - | 1 |
| Blood agents | - | 1 |
| Total | 2,855 | 2,744 |

TABLE 10. TOP 15 DEPARTURE COUNTRIES BY NUMBER OF PIECES (2015)

| | |
|----------------------|-----------|
| Egypt | 2,173,782 |
| China | 1,624,991 |
| India | 1,165,433 |
| United States | 801,879 |
| Pakistan | 541,501 |
| Hong Kong, China | 459,496 |
| Moldova | 293,970 |
| Indonesia | 224,865 |
| Cameroon | 219,000 |
| United Arab Emirates | 202,878 |
| Poland | 200,889 |
| Hungary | 142,818 |
| Jordan | 138,165 |
| Thailand | 88,720 |
| Estonia | 88,461 |

TABLE 11. NUMBER OF SEIZURES BY CUSTOMS PROCEDURE

| | 2014 | 2015 |
|--------------|--------------|--------------|
| Import | 2,396 | 2,384 |
| Internal | 224 | 267 |
| Export | 110 | 52 |
| Transit | 125 | 41 |
| Total | 2,855 | 2,744 |

CHART 8.

Top 15 departure countries by number of cases

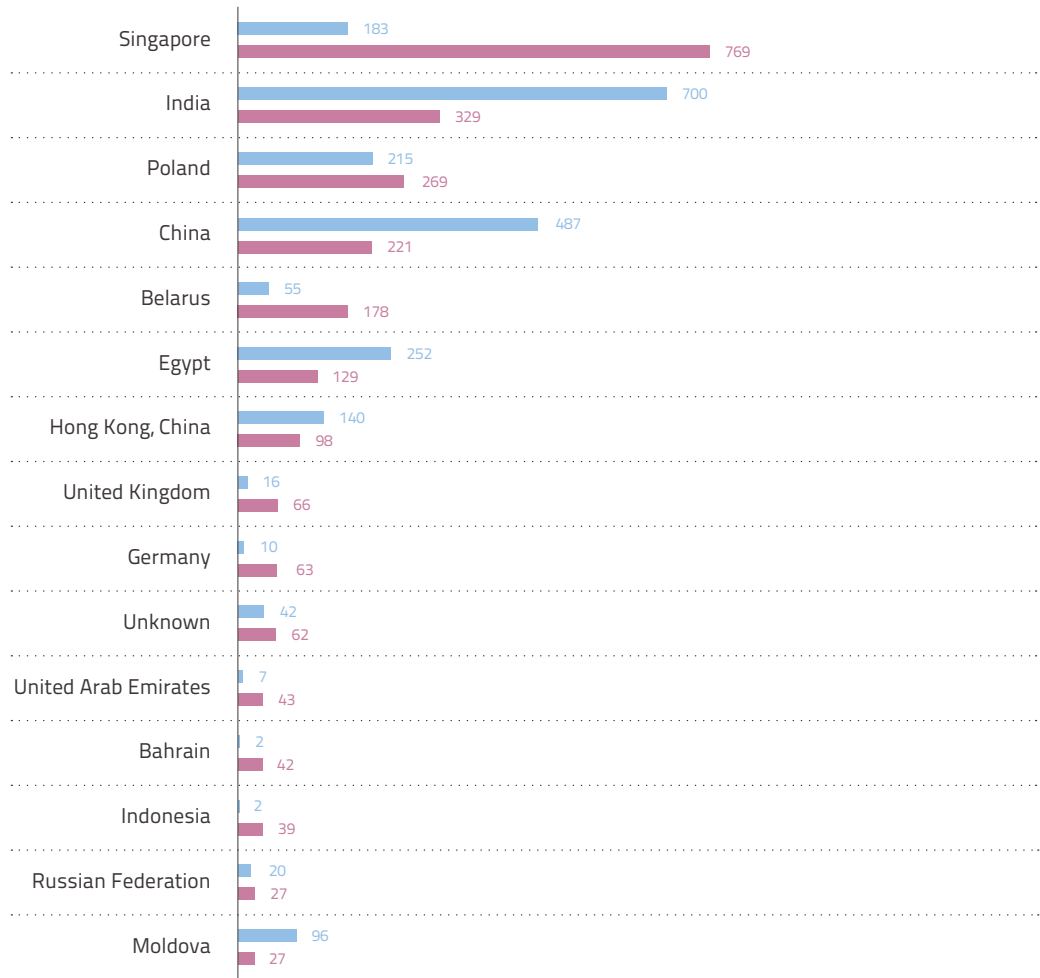
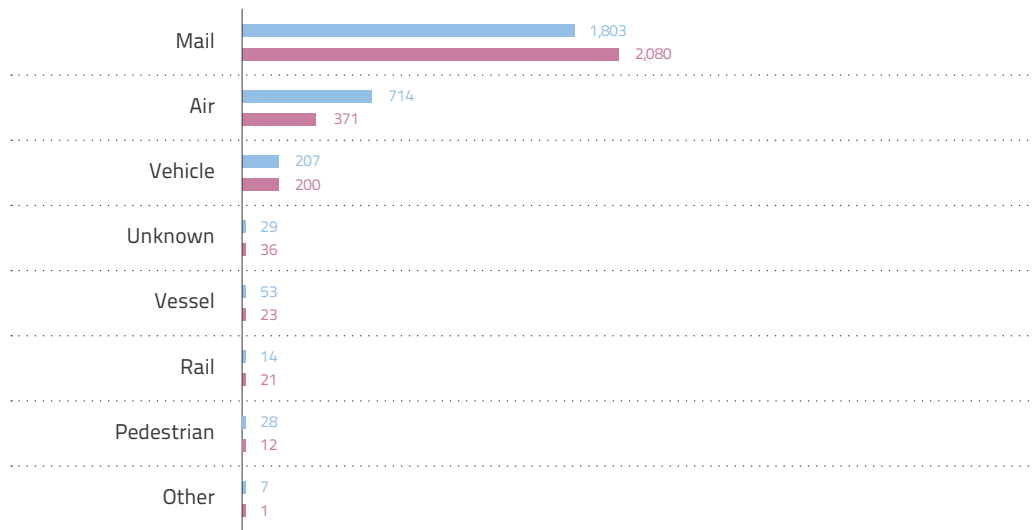


CHART 9.
Number of seizures by conveyance method



2014
2015

MEMBERS' HIGHLIGHTS

Russian Federation

In 2015, Russian Customs officers found counterfeit toy construction sets marked with the trademark "Lego". The total amount of goods was 2,528 pieces. The route taken by the goods was China – Ukraine – Russian Federation.

Uruguay

Based on a risk analysis performed by the Intellectual Property Division, Money Laundering and Drug Trafficking (DIPILAN), with the assistance of the Risk Division, Uruguay Customs intercepted three containers loaded with counterfeit curling irons, hair irons and hairdryers. The value of the goods seized was approximately USD 10,000. The cargo came from China, and its final destination was Paraguay.



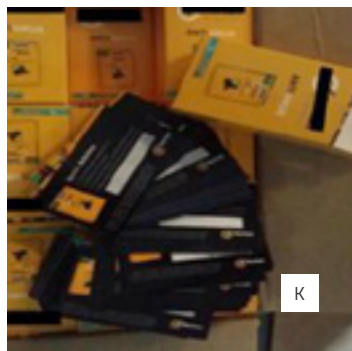
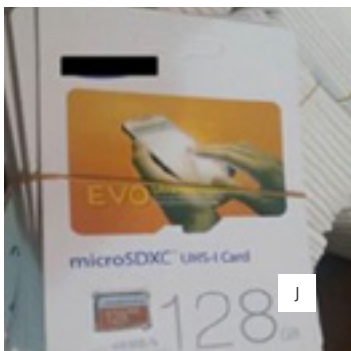
D /
Counterfeit Lego.
Photo courtesy
of Russian Customs.

**SECTION 3.
IPR, HEALTH
AND SAFETY**



E, F, G /
Counterfeit curling irons.
Photos courtesy
of Uruguayan Customs.

H, I, J, K /
Counterfeit hard disk
drives. Photos courtesy
of Singaporean Customs.



Singapore

In 2015, Singapore Customs detained a consignment suspected to contain trademark-infringing hard disk drives and anti-virus software product keys.

Following up on this information, the Police conducted an operation at the importer's storage premises, and arrested three men for their suspected involvement.

During the operation, more than 243,000 trademark-infringing goods such as hard disk drives, mobile phones and accessories, memory cards and computer software product keys, with an estimated street value of about 11 million Singaporean dollars were also seized by the Police.

Estonia

In 2015, Estonian Customs intercepted counterfeit halogen lamps for motor vehicles carrying the trademarks OSRAM and PHILIPS; the total numbers seized were 1,760 pieces and 1,300 pieces, respectively. Along with the halogen lamps, empty consumer packaging (80 pieces) was also found.



L, M / Counterfeit halogen lamps for cars. Photos courtesy of Estonian Customs.

OPERATIONS TESTA AND TASHKEN (SPAIN)

Spanish Customs seized 29,000 bottles of counterfeit shampoo of a well-known brand on two industrial premises located in Malaga and Cadiz. In addition, 200,000 empty bottles and production materials were seized, for a total value of over 1,200,000 euros. The two individuals suspected of being responsible for the fraud scheme were arrested during this Operation. The action was initiated following a request from the European Anti-Fraud Office (OLAF) related to an investigation coordinated with several EU Member States. The information received from OLAF indicated that the suspected product was arriving from the United Arab Emirates via the Netherlands, and was destined for a warehouse in Malaga. Once the investigations had been initiated, Spanish officials from the Customs Surveillance Unit in Malaga were able to verify that this was a real business, with the capacity to manufacture and distribute fake products.

In order to make their activity seem legal, the suspects had set up a company in Spain and several others abroad (United Arab Emirates and Cyprus). Thus, they dispersed their activities in order not to draw attention to their business. The legally declared activity of the Spanish company was the wholesaling of dress accessories. However, it was revealed that in reality the company imported bottles, caps, labels and other raw materials from China.

Another Operation (Tashken) was carried out jointly by the Operations Unit of Spanish Customs in Malaga and the UDEF (Unidad Delincuencia Económica y Fiscal) of the National Police in Cadiz, to address alleged crimes against industrial property and money laundering. The enforcement action resulted in the arrest of seven individuals; the two ringleaders, who had already been arrested in Operation TESTA, had again created a network engaged in the production and distribution of fake shampoo, without the necessary sanitary controls.

N, O, P /
Operation Tashken.
Photos courtesy
of Spanish Customs.

Approximately 133,729 fake bottles, four vehicles, cash, computer equipment, mobile phones, and various equipment for production, bottling, labelling and storing were intercepted during the search of the industrial premises located in the province of Cadiz, and in the residence of those arrested in Malaga.



WCO-LED OPERATIONS IN 2015

WCO-led Operations adhere to a tried-and-tested methodology that has proven effective for the WCO and Members alike. Operations are best described in pedagogical terms as a mixture between a National Seminar and a Diagnostic Mission, matching WCO expertise with Members' needs. Operational activities also provide an opportunity to analyse the local working environment and to forecast future IPR-related activities. A typical Operation will last for five days at least, and is always preceded by a three day workshop combining theoretical and practical elements. Operations typically entail the involvement of at least seven to ten WCO Member countries, an equivalent number of Technical and Operational Advisors on IPR providing expertise and guidance, an in-house IPR expert from the WCO to maintain the OCU during the operational period and lead the workshop, and one or two participants per country. This format has proven successful, and has led to astounding results in a short period of time.

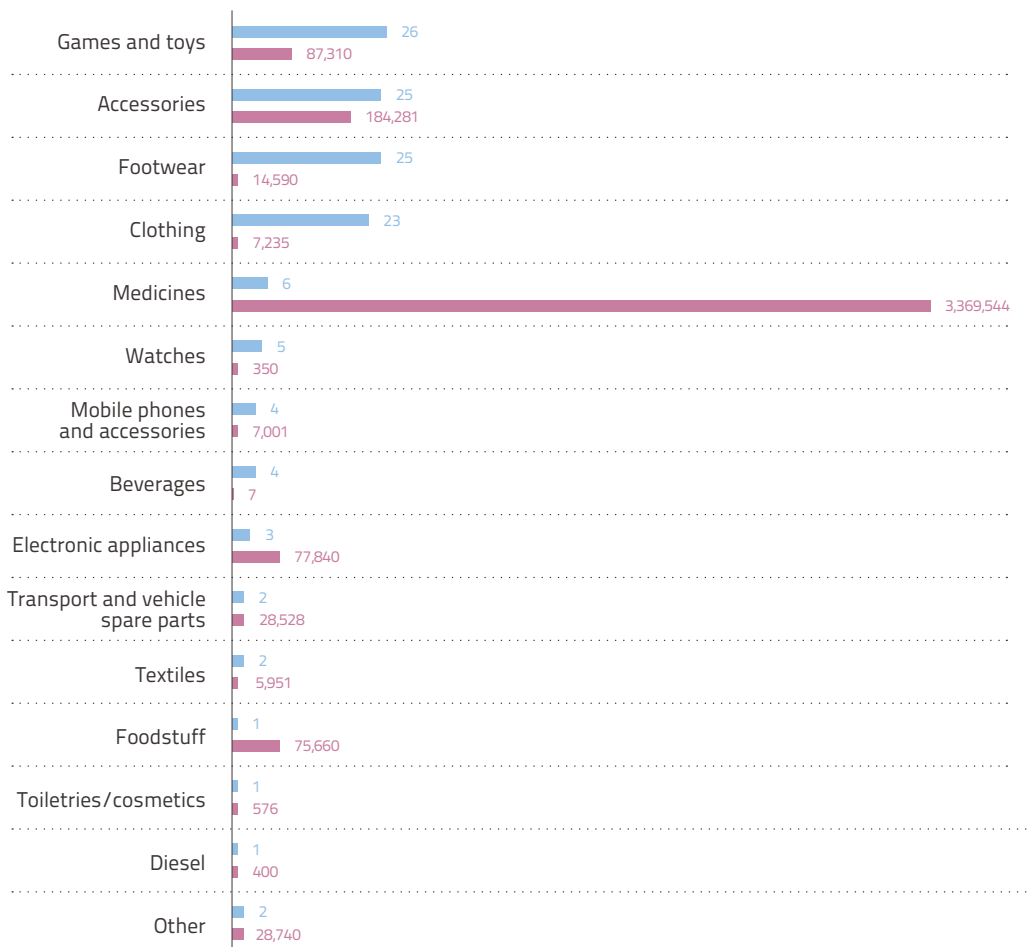
During field operations, the WCO ensures that its IPR accredited experts and national Customs officers work closely with national health authorities. When medicines are imported, proper certificates must be attached to the import documents to prove that the products meet health regulatory standards. It is part of Customs' responsibility to check that cargo is accompanied by the necessary documents. If there is any doubt, Customs may contact the relevant authorities (e.g., health or drug regulatory agencies) and seek their advice. Coordination is important and the WCO encourages Members to foster cooperative relationships with all relevant authorities. To foster such relationships, the WCO organizes meetings between Customs and relevant health agencies in order to promote dialogue between them, leading to more coordinated border management and more sustained cooperation.

BALKAN GATE

One of the enforcement action highlights of 2015 was Operation Balkan Gate, conducted in March 2015 with the participation of ten countries in the Balkans region: Albania, Bosnia and Herzegovina, Bulgaria, Croatia, Greece, Italy, Montenegro, Romania, Serbia, and the Former Yugoslav Republic of Macedonia. This enforcement action deeply strengthened the cooperation between participating Customs administrations in the region, through sharing the results of each inspection and exchanging relevant information; hands-on training was led by WCO accredited experts in IPR, focusing on new and practical targeting techniques to enhance administrations' interdiction capabilities. The Operation also

significantly contributed to cooperation with rights holders, who participated in the pre-operational seminar and shared valuable information and know-how with Customs officers to help them to better differentiate between genuine and counterfeit goods. Moreover, during and after Operation Balkan Gate, a greater number of rights holders lodged an Application for Action. Although brands were usually registered in the participating countries, there were very few Applications for Action lodged by rights holders before the Operation, meaning that Customs had to act "ex-officio" which is not permitted in some countries.

CHART 10.
Seizures made during Operation Balkan Gate



| |
|-------------------|
| Cases |
| TOTAL 130 |
| Units intercepted |
| TOTAL 3,888,013 |

Q /
Counterfeit Nike logos.
Photo courtesy
of Serbian Customs.

Risk profiling and targeting resulted in focused inspections; as a consequence, 3,888,013 units of all types of goods were intercepted during a five day enforcement action, accounting for 130 cases. The goods detained ranged from clothing and accessories to pharmaceutical products, which were intercepted mainly in passengers' luggage. As an outlier, Serbian Customs found approximately 117 thousand labels bearing sporting goods logos in a postal consignment, together with some presses for making the labels. This confirms the trend that labels are increasingly being imported separately from the goods themselves, for subsequent assembly of the whole in the national market.

This Operation was also the first occasion when Europol participated as a trusted partner to provide technical assistance and guidance for post-seizure investigative or law enforcement action, as well as cross-checking information regarding names of individuals/companies against Europol systems. Europol also deployed the TruScan™, at Skopje and Belgrade Airports; this is a handheld device aimed at raw material identification and finished product inspection for medicines that delivers a reliable analysis in seconds.

JOINT ENFORCEMENT ACTION AP

Another great highlight was the Joint Enforcement Action in Asia-Pacific (JEA AP). The first IPR Operation organized by the WCO in the AP region yielded impressive results, which translated into the interception of 521,602 items and 201,951 kg, across 498 cases. Some 26 Member administrations in the A/P region raised their level of enforcement on IPR and health and safety-related products for 12 days, from 23 November to 4 December 2015. The participating countries took part in the pre-operational workshop, where they were trained to understand the scope, objective and practical steps of the Operation, including practical measures on product identification with right holders. During the Joint Enforcement Action, hands-on workshops and product training sessions were organized in

some countries, with the cooperation of the private sector and right holders.

Among the primary targets of the Action (i.e., health and safety-related products), pharmaceutical products (erectile dysfunction medicines in particular) were the most frequently detained, while spare parts and foodstuffs were intercepted in the largest volumes. In addition to achieving its initial objectives, namely raising awareness of the importance of Customs controls on IPR products and identifying the most vulnerable product categories, the Operation also brought to light some interesting findings.





The largest number of cases (45) involved medication to treat erectile dysfunction (ED), making this the most frequently intercepted counterfeit product. In terms of the actual volume of products, spare parts for cars (156,887 items) and foodstuffs (49,048 kg) were the largest categories intercepted. Among the different categories of illicit goods, a variety of products that could endanger public health and safety, particularly for babies and small children, were intercepted by Customs authorities. These included powerful dustproof masks, agricultural soil, diapers, baby carriers, toys, and water bottles. Out of this list, two particular products attracted our attention because they are not often seen in standard interceptions but should alert Customs due to their serious implications in terms of health: the dustproof masks intercepted by Singapore Customs, and coco peat⁶ (12,000 pieces or 24,600kg) intercepted by Sri Lanka Customs, bound for Turkey. It is not difficult to imagine how the untested chemical composition of this fake plant compost could be harmful to human health.

Few countries reported the presence of concealment methods for the products intercepted, suggesting that counterfeit products are being packed and transported in a straightforward manner. This could mean that if and when officers effectively target goods, they will generally have little trouble in discovering them after opening the cargo. This leads us to the natural conclusion that risk-based targeting and speedy action (to open cargo) are more efficient and important than meticulous searching or detection processes.

IPM TOOL DEVELOPMENTS

The IPM web and mobile platform continues to evolve after having undergone a visual and architectural redesign in September 2015, incorporating new features to facilitate both the use of the application itself and the access to multiple sources of actionable information for Customs officers.

MULTI-LINGUAL SUPPORT

The IPM interface has been available in English and French. Recently Arabic was added and, following Members' requests, the Russian language also. As a result, the IPM platform is now available in four languages, thus continuously lowering communication barriers. New languages will be added in line with the growth of our IPM user community.

6 /
Coco peat is a type of soil used for agriculture and horticulture.

TABLE 12. TYPES OF PRODUCT INTERCEPTED DURING JEA AP

| | Number of cases | Quantity | |
|---|-----------------|----------------|----------------|
| | | Pieces | Kg |
| Pharmaceutical products (erectile dysfunction medicine) | 45 | 2,990 | - |
| Electrical appliances (other) | 40 | 4,755 | - |
| Games and toys (other) | 15 | 19,322 | 8,450 |
| Spare parts (automobiles) | 13 | 156,887 | 36,926 |
| Toiletries / cosmetics (other) | 8 | 141 | - |
| Mobile phones and accessories (other) | 4 | 254 | - |
| Foodstuff | 2 | - | 49,048 |
| Pharmaceutical products (other) | 2 | 8,806 | - |
| Spare parts (machines) | 2 | - | 8,661 |
| Tobacco (cigarettes) | 2 | 59,980 | - |
| Computer accessories (hardware) | 1 | 8,420 | - |
| Computer accessories (other) | 1 | 6 | - |
| Electrical appliances (video game machine) | 1 | 30 | - |
| Mobile phone and accessories (mobile phones) | 1 | 3 | - |
| Toiletries / cosmetics (make-up) | 1 | 5 | - |
| Toiletries / cosmetics (perfume) | 1 | 1 | - |
| Other | 359 | 260,002 | 98,866 |
| Total | 498 | 521,602 | 201,951 |

GLOBAL SYSTEM MOBILE ASSOCIATION (GSMA)

One of the most notable and recent developments is the ability for IPM users to perform IMEI (International Mobile Equipment Identity) and MEID (Mobile Equipment Identifier) verification, thanks to an agreement the WCO has entered into with the GSMA (Global System Mobile Association). The GSMA represents the interests of mobile operators worldwide, uniting nearly 800 operators with more than 250 companies in the broader mobile ecosystem, including handset and device makers, software companies, equipment providers and Internet companies, as well as organizations in adjacent industry sectors. This new IPM feature enables Customs officers to scan IMEI as well as MEID codes on mobile devices and verify them against the GSMA database. This provides Customs with a practical means of verifying the authenticity of a mobile device. It also allows manufacturers or rights holders to share relevant product information which is made available in real-time to Customs administrations that can add this information to their consignment-checking procedures.

The GSMA administers the allocation of IMEIs via Type Allocation Codes (TAC), and runs the world's authoritative database of registered devices. The IMEI is a unique 15-digit number that is used to identify a device on a mobile network and plays an important role in ensuring proper device operation on the network. GSMA and its appointed Reporting Bodies are the only globally recognized and official source of Type Allocation Codes (TAC) for creating IMEIs. Devices with improper or fraudulent IMEIs can be banned from networks and/or barred from distribution by government authorities⁷.

GS1 – GDSN SYNCHRONIZATION

IPM is also making progress on GDSN synchronization. GDSN is a network of data pools that enable companies around the world to

exchange product information in a standardized format. More than 35,000 companies producing consumer goods have already adopted the use of these standards. Rights holders that make their GDSN electronic product catalogues available through the IPM platform will dramatically increase the level and quality of information available to Customs officers. Furthermore, synchronizing rights holders GDSN electronic product catalogues with the IPM platform will ensure that all rights holders' products are correctly referenced, up-to-date and searchable via their barcode.

SECURITY SOLUTIONS LINKED TO IPM

Over the past years, the WCO has been working closely with an increasing number of Security Solution Providers allowing Customs officers to verify the authenticity of products online, greatly increasing the operational efficiency of the IPM platform. The IPM programme is aiming at a better integration of rights holder data and interoperability with their traceability solutions that will lead to higher efficiency and usage of the IPM tool.

UNIT CONVERSION RULES

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

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) = 1 piece = 100 metres
- 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, 750ml = 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, 350ml = 1 bottle = 1 piece.
- 1 packet (of tobacco products) = 20 sticks (in pieces as reported) = 1 piece
For tobacco products, the following rules apply:
 - A** Calculate value per piece (Tobacco is reported in pieces)
 - B** If the value calculated in a) is below 1 USD, it could be one stick of cigarette
 - C** If the value a) is between 4-10 USD, 1 piece could be 1 packet (=20 sticks of cigarette)
 - D** If the value a) is around 80 USD, 1 piece would be 1 carton (=10 packets = 200 sticks)

KG

- 1 metric ton = 1000 kg
- 1 drum = 200 kg

Section 4.

Revenue



A /
Illicit cigarettes concealed
in mattresses. Photo
courtesy of Hong Kong
Customs.

ILLICIT TRADE IN EXCISABLE PRODUCTS

The collection of revenue continues to be a key responsibility of Customs administrations across the globe. Although the traditional role of Customs, mostly focusing on revenue collection, is changing and the mandate has expanded to other areas, the ability to effectively assess and collect legally due revenue remains a crucial activity for Customs administrations across the globe and is accordingly an essential area of work for the WCO.

From a compliance and enforcement perspective, revenue risks in the Customs environment have changed little over the years, although the efforts by organized crime to circumvent such taxes are increasingly sophisticated and therefore more challenging to disrupt.

Examples of the threat Customs administrations face include deliberate under-valuation, misuse of origin to attract preferential rates, drawback fraud, mis-description and straightforward smuggling of excise goods.

Excise duties or taxes are indirect taxes on the sale or use of specific products, and are often imposed in order to limit or reduce consumption of such products or protect home markets. The products subject to excise duties or taxes may vary from jurisdiction to jurisdiction, but in general alcohol, tobacco and fuel oil are the main categories usually subject to these taxes. Illicit trade in excise goods has a significant impact on governments' efforts to secure global supply chains, while at the same time depriving them of vital revenues which are critical for funding and supporting public services.



B / Seizure of 9,999,000 cigarettes discovered by a tobacco detector dog. Photo courtesy of Danish Customs.

C / Cigarettes concealed on the person. Photo courtesy of Serbian Customs.

Another well-founded concern of nations is that criminal proceeds derived from these illegal activities will, almost inevitably, be invested in other illicit activities thereby undermining public safety, good governance and the rule of law. This has the potential to inhibit the economic competitiveness of legitimate and compliant traders and will in time cause Customs regulations to fall into disrepute.

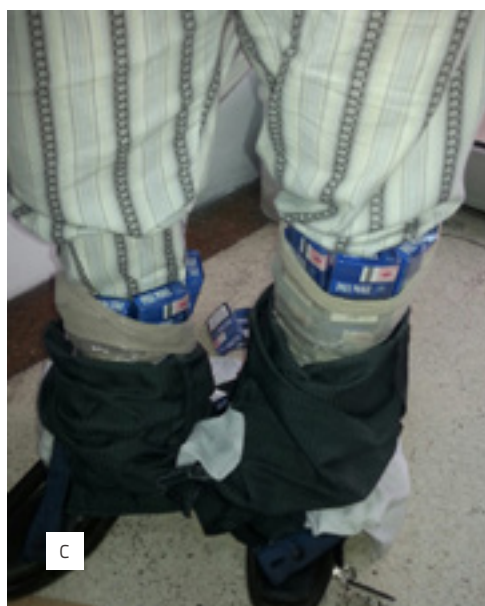
As in the past editions, this Section of the Report will be primarily focused on providing a global overview of the illicit trade in tobacco products, alcohol and fuel oil, particularly highlighting current and emerging trends. The information is based on the available data provided by Members and has been consolidated to assist Members in their anti-smuggling efforts.

ILLICIT TRADE IN TOBACCO PRODUCTS

GENERAL REMARKS

The WCO has continued to place a high priority on developing and implementing activities aimed at supporting the fight against illicit trade in tobacco, as this particular form of illicit trade

continues to be one of the major concerns for Members. 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".



1 /
US State Department
(2015), *The Global Illicit
Trade in Tobacco: A
Threat to National Security*, available at www.state.gov/documents/organization/250513.pdf,
accessed on 15 August
2016.

As history tells us, the drivers for illicit trade are many and various, but we can say with some certainty that the principal factors prompting involvement by organized crime groups are the high profit margins involved (caused mainly by high duty rates) and the relatively risk-free environment in which they operate. In reality, crime groups have an attractive ready market for their products and they are able to exploit the transnational weaknesses in the supply chain, knowing that when any successful interdiction does take place the chances of authorities identifying and prosecuting the guiding minds behind any illicit consignment are slim. Of course there are exceptions, but the main organized crime groups consider that they are working in a risk-free world, particularly when compared to their involvement in the movement of class A drugs where the penalties are higher and public tolerance of the activity is lower.

A study by the US State Department¹ has highlighted the fact that, as with other forms of illicit trade, illicit trade in tobacco products also fuels other criminal activities of a transnational nature, including corruption and terrorism. Although often perceived as a victimless crime, the illicit trade in tobacco has much wider ramifications. When cigarettes and tobacco products are smuggled into a jurisdiction, the lost tax revenue means that governments cannot pay for health and education programmes, government services, and the law enforcement efforts required to combat this crime and prosecute the criminals behind the smuggling schemes.

As has been pointed out in all previous editions, in addition to traditional smuggling of legitimately produced branded cigarettes, smuggling of counterfeit cigarettes is another threat which will also be analysed. Furthermore, in addition to cigarettes, seizures of raw tobacco, tobacco leaves and forged stamps also continue.

As with other Sections of this Report, the figures are based on data available in the WCO CEN database on cases of seizures reported

by Members over the last two years (2014 and 2015). The production of any analytical report depends on the quality and quantity of the data made available. It must be noted that the information provided to the CEN database does not permit the production of comprehensive, in-depth threat assessments at the global level. Nonetheless, the database input is sufficient to identify trends and to highlight particular threats which can provide support for policy and decision makers, as well as frontline officers.

When comparing the statistics for 2014 published in the 2014 and 2015 editions of the Report, it is important to note that there is an increase in the figures. This is primarily due to the inclusion of additional cases in the CEN database after the publication of the 2014 edition.

Also noteworthy and rather regrettable, is the decrease in the number of reporting countries: whilst in 2014, 74 Members input information on tobacco and tobacco products into the CEN database, in 2015 this number dropped to 68 Members.

It is also important to point out that one CEN case may include several seizures of different commodities (i.e., cigarettes and smoking tobacco), or may also include seizures of different brands of cigarettes or seizures of genuine and counterfeit cigarettes. Therefore, due to this peculiarity of the illicit trade in tobacco products, the analysis is based on the number of seizures, which represents the number of times a particular commodity was seized.

To complete the picture, the Report includes short case studies and country highlights which have been provided by several Members on the situation concerning illicit trade in tobacco products in their respective countries.



GLOBAL OVERVIEW OF ILLICIT TRADE IN TOBACCO PRODUCTS

Cigarettes and cigars

As in previous years, cigarettes, cigars and cheroots have been grouped together, as these types of tobacco products are reported in pieces (Table 1).

In terms of cigarettes, as observed in Table 1, there has been a decrease in the number of reported seizures – from 5,213 seizures in 2014 to 4,084 seizures in 2015. This represents a 22%

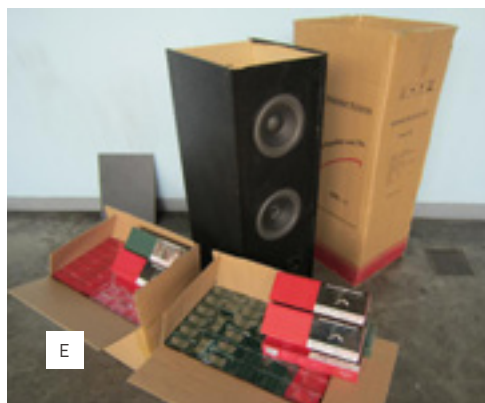


TABLE 1. CIGARETTES, CIGARS AND CHEROOTS

| Type of tobacco products | 2014 | | 2015 | |
|--------------------------|--------------------|----------------------|--------------------|----------------------|
| | Number of seizures | Quantity (pieces) | Number of seizures | Quantity (pieces) |
| Cigarettes | 5,182 | 9,872,742,345 | 4,042 | 2,657,864,362 |
| Cigars, cheroots | 31 | 186,905 | 42 | 374,741 |
| Total | 5,213 | 9,872,929,250 | 4,084 | 2,658,239,103 |

decrease. However, a non-proportional decrease (by 73%) in the quantities seized has been recorded: a total of 9,872,742,345 reported in 2014, compared to 2,657,864,362 pieces in 2015.

It is also important to bear in mind that the number of reporting countries declined by 9%, which may also have had an impact on the number of seizures.

In terms of cigars and cheroots, the number of reported seizures increased by 35% in 2015, nonetheless the quantity of seized pieces increased tremendously, surpassing a 100% increase. The largest seizure was reported by Poland, with a total of 167,796 cigars of the Toscano brand. Cuba reported 21 seizures of cigars amounting to a total of 13,570 pieces.

D / Seizure of 34 empty cigar boxes. Photo courtesy of Cuban Customs.

E / Seizure of 450,000 cigarettes concealed inside 33 stereo speakers. Photo courtesy of Hong Kong Customs.



Other tobacco products

A separate categorization has been made for other tobacco products (i.e., different from cigarettes, cigars and cheroots). Due to their nature these tobacco products are usually reported in kilogrammes, with the exception of electronic cigarettes which are reported in pieces.

When analysing reports on other tobacco products, one of the most notable trends in 2015 relates to chewing tobacco, where a significant increase of 159% in the number of seizures and 283 % in terms of quantity seized, was noted. The increase in seizures in the chewing tobacco

category has already been observed in previous editions of this Report.

Concerning reported seizures of cut filler, i.e., tobacco used to make hand-rolling tobacco, four seizures were reported in both 2014 and 2015. This said, a remarkable increase in terms of the quantity seized has been recorded, mainly due to the fact that in 2015 Poland reported a seizure of 56,990 kg of cut filler tobacco.

Turning to the figures on raw tobacco, an 8% decrease in the number of seizures is observed, combined with a strong increase (106%) in the quantity seized. This is notably due to the fact that Poland reported a single seizure of 599,318 kg, which corresponds to 79% of the total quantity reported for this category.

In the smoking tobacco category, a decrease in both the number of seizures (12%) and the total quantities seized (91%) can be observed.

TABLE 2. OTHER TOBACCO PRODUCTS

| Other tobacco products | 2014 | | 2015 | |
|-------------------------------|--------------------|------------------|--------------------|------------------|
| | Number of seizures | Quantity (kg) | Number of seizures | Quantity (kg) |
| Chewing tobacco | 435 | 19,060 | 1,130 | 72,924 |
| Cut filler | 4 | 88 | 4 | 61,830 |
| Dipping tobacco | 25 | 1,635 | 32 | 955 |
| Hand rolling and pipe tobacco | 8 | 3,863 | 5 | 1,816 |
| Raw tobacco | 97 | 365,354 | 89 | 755,697 |
| Smoking tobacco | 356 | 4,064,686 | 310 | 339,889 |
| Snuff tobacco | 2 | 179 | 2 | 38 |
| Water-pipe tobacco | 50 | 67,424 | 70 | 195,447 |
| Total | 977 | 4,522,290 | 1,642 | 1,428,596 |

F /
Seizure of snuff tobacco.
Photo courtesy of
Estonian Customs.

For dipping tobacco, i.e., tobacco that is finely ground or shredded and also known as dip tobacco, the number of seizures increased but the quantity reported declined, indicating a trend of smaller seizures being reported.

In the category of hand-rolling and pipe tobacco, a decrease in both the number of seizures and the quantities seized was recorded.



In the case of snuff tobacco, only two seizures were reported both in 2014 and in 2015, but when looking at the quantity seized a decrease can be noted.

Finally, for water-pipe tobacco a large increase (approximately 40%) in the number of seizures is observed, along with an increase in the quantities seized (190%). Saudi Arabia, Poland and the Russian Federation reported the top three seizures in this category, amounting to 64,800, 54,245 and 25,751 kg respectively.

For the first time, this edition of the Report has taken into consideration seizures not only of electronic cigarettes but also of cartridges for electronic cigarettes, as demonstrated in Table 3.

The number of seizures reported for electronic cigarettes decreased, as did the quantity when comparing the data for 2014 and 2015.

As previously mentioned, the importance of highlighting seizures of cartridges for electronic cigarettes has become evident. The United States reported two seizures of cartridges which were found in parcels in the mail centre of the international airport of Minneapolis.

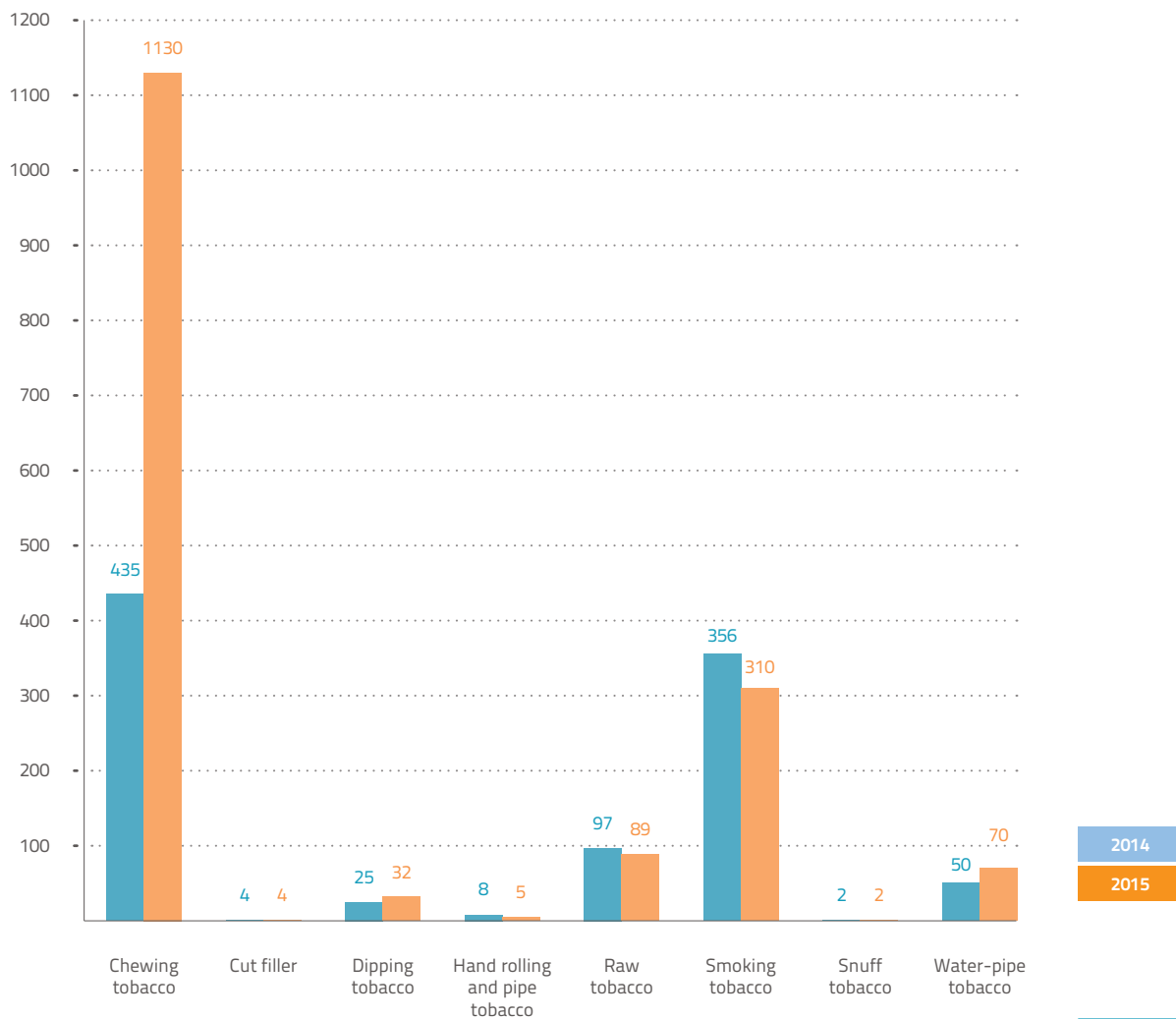
Following the trend observed in previous years, in 2015 most seizures of electronic cigarettes were reported by countries in the Middle East region. This could be explained by the fact that prohibitions and restrictions on the import of electronic cigarettes are in place in some of these countries.

TABLE 3. ELECTRONIC CIGARETTES

| Other tobacco products | 2014 | | 2015 | |
|-------------------------------------|--------------------|-------------------|--------------------|-------------------|
| | Number of seizures | Quantity (pieces) | Number of seizures | Quantity (pieces) |
| Cartridges of electronic cigarettes | 1 | 32 | 3 | 399 |
| Electronic cigarettes | 124 | 11,388 | 39 | 7,952 |
| Total | 125 | 11,420 | 42 | 8,351 |

CHART 1.

Other tobacco products, by number of seizures



G /
Seizure of 347,440
cigarettes wrapped
in plastic and hidden
inside two palettes.
Photo courtesy of
Serbian Customs.

Different categorizations of cigarette seizures

In order to provide a more detailed analysis of the situation regarding reported seizures of cigarettes, several distinctions have been made in line with previous editions of this Report. The first group relates to seizures of cigarettes which were reported as regular brand cigarettes (excluding counterfeits). This includes 'cheap whites' as well as seizures registered in the CEN database as 'unknown', or where details concerning the indication of authenticity were left blank.

Another distinction was made for cigarette seizures above and equal to 100,000 pieces and below 100,000 pieces. Additionally, an overview will be provided in terms of seizures of cigarettes which were reported as counterfeit.

All reported cigarette seizures excluding counterfeits

Chart 2 shows the top five reporting countries by number of reported seizures. It is important to note that Poland continues to be the top reporting country, for the second year in a row.

Germany reported a notable number of seizures in 2015, coming in as the second highest reporter. These countries are followed by the Russian Federation, which remains in the same position when compared to 2014. In 2015, the Russian Federation was followed by the Czech Republic and Hungary, which was the second highest reporting country in 2014. Brazil was included among the top five reporting countries in 2014, but due to a reduced number of seizures reported in 2015, it is not included in the current Chart.

Concerning the top departure countries in the year 2015, there were a large number of seizures where the departure country was indicated as 'unknown'. This category has been excluded from Chart 3, as it does not add visibility regarding the route of provenance. Four of the top five departure countries in 2015 were also listed in 2014, confirming the established trend.

Table 4 shows seized cigarettes by location, taking into consideration both the number of seizures and the quantities seized. In 2015, the majority of the seizures reported were made in seaports, inland and at land boundaries. Overall, in 2015 there was a decrease in the number of seizures and quantities seized in seaports.

In 2015, the quantity of cigarettes reported as seized 'inland' dropped dramatically compared with 2014 (by approximately 86%). The number of seizures dropped too, but not in the same proportion – an estimated 22% decrease was noted.



G

CHART 2.

Top 5 reporting countries by number of seizures

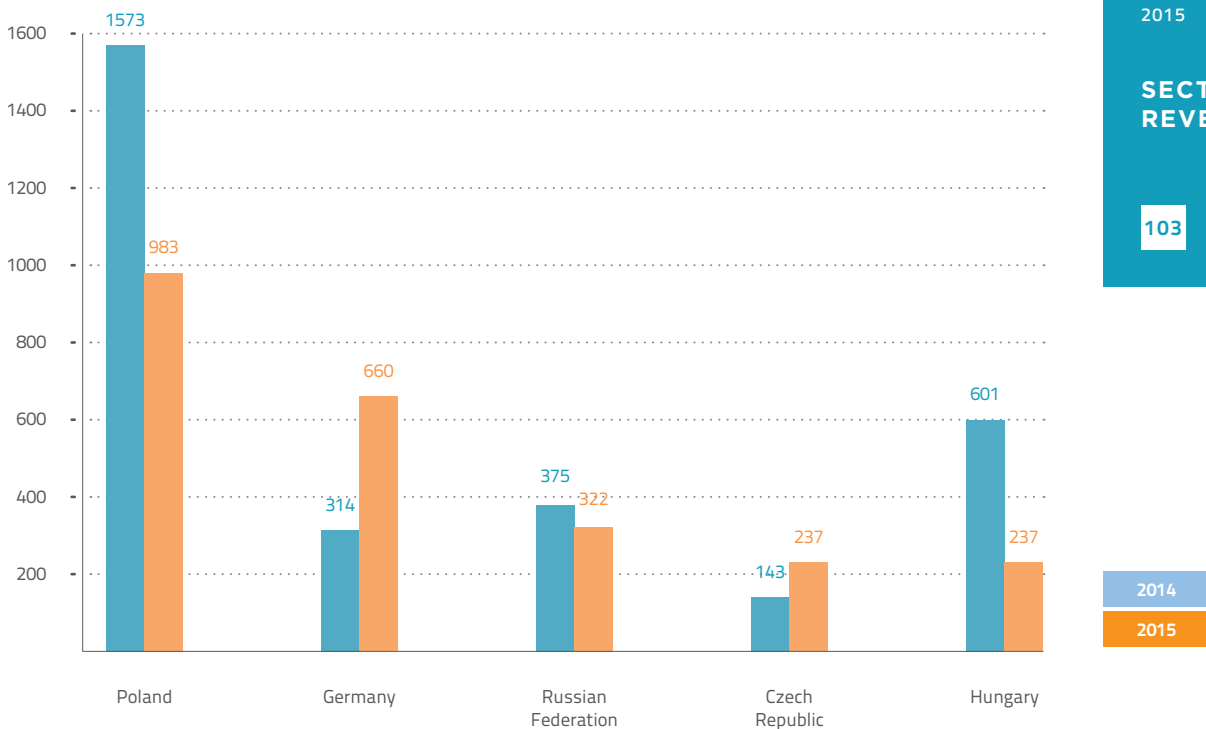
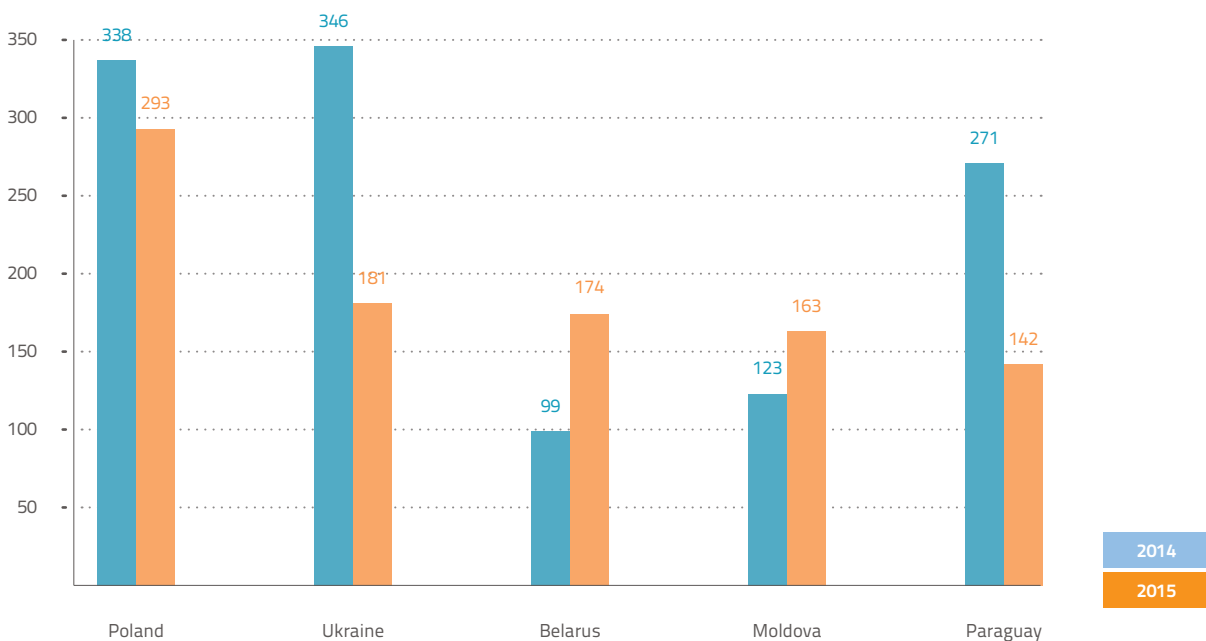


CHART 3.

Top 5 departure countries by number of seizures



Concerning seizures reported at the land boundary, a decrease in seizures and quantities seized (of 28% and 48%, respectively) has been identified.

A positive trend which was already observed in the previous edition of this Report is that there are significantly fewer seizures reported under

the 'unknown' category; this provides more clarity regarding locations of seizures and makes the analysis more complete.



TABLE 4. CIGARETTES BY LOCATION

| Location | 2014 | | 2015 | |
|---------------------------|--------------------|----------------------|--------------------|----------------------|
| | Number of seizures | Quantity (pieces) | Number of seizures | Quantity (pieces) |
| Airport | 244 | 5,665,860 | 243 | 4,423,180 |
| Border of free trade zone | 5 | 4,098,840 | 6 | 582,200 |
| High seas | 2 | 75,964,980 | 3 | 3,132,000 |
| Inland | 3,237 | 7,497,534,423 | 2,524 | 1,007,870,945 |
| Land boundary | 1,239 | 826,659,652 | 895 | 429,855,563 |
| Mail centre | 15 | 2,940,590 | 34 | 2,402,448 |
| Other | 63 | 309,724,680 | 56 | 97,035,280 |
| Rail | 68 | 10,358,436 | 110 | 29,783,199 |
| River | 44 | 4,861,140 | 11 | 2,232,670 |
| Seaport | 260 | 1,133,271,794 | 159 | 1,080,546,477 |
| Unknown | 5 | 1,661,950 | 1 | 400 |
| Total | 5,182 | 9,872,742,345 | 4,042 | 2,657,864,362 |

H / Seizure of 32,520,000 cigarettes. Photo courtesy of Turkish Customs.

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

To give greater context to the data that was analyzed, a distinction was made for reported cigarette seizures above and equal to 100,000 pieces.

As is evidenced in Table 5, the largest quantities seized were reported by Brazil in 2015, followed by Greece and Poland. Brazil and Greece were also the top two reporting countries in 2014.

In terms of the concealment methods for seizures above and equal to 100,000 pieces (Table 6), in 2015 the highest detection rates were observed in transport and freight, which is

consistent with the findings in 2013 and 2014. As previously outlined, this is usually attributed to the space required in order to conceal larger quantities of cigarettes.

The seizures reported in this category appear to have decreased in terms of both number of seizures and quantities seized (25% and 73%, respectively), when compared with the previous year.

TABLE 5. TOP 10 REPORTING COUNTRIES FOR CIGARETTES ABOVE AND EQUAL TO 100,000 PIECES

| | | 2014 | |
|-------------------|--------------------|-------------------|--|
| Reporting country | Number of seizures | Quantity (pieces) | |
| Brazil | 269 | 1,311,576,790 | |
| Greece | 28 | 358,650,440 | |
| Jordan | 11 | 164,438,400 | |
| Poland | 261 | 155,637,653 | |
| Spain | 64 | 135,317,580 | |
| Germany | 69 | 102,606,629 | |
| Ukraine | 71 | 86,589,200 | |
| Netherlands | 20 | 75,214,379 | |
| Hungary | 240 | 75,146,614 | |
| Italy | 39 | 72,800,580 | |
| | | 2015 | |
| Reporting country | Number of seizures | Quantity (pieces) | |
| Brazil | 132 | 682,665,100 | |
| Greece | 22 | 397,115,000 | |
| Poland | 244 | 267,686,767 | |
| India | 12 | 121,144,535 | |
| Lithuania | 79 | 113,139,800 | |
| Spain | 47 | 104,133,740 | |
| Belgium | 9 | 98,714,280 | |
| Jordan | 7 | 96,949,000 | |
| Latvia | 33 | 91,951,100 | |
| Hungary | 77 | 52,238,389 | |

TABLE 6. CONCEALMENT METHOD FOR CIGARETTES ABOVE AND EQUAL TO 100,000 PIECES

| Concealment method | 2014 | | 2015 | |
|--------------------|--------------------|----------------------|--------------------|----------------------|
| | Number of seizures | Quantity (pieces) | Number of seizures | Quantity (pieces) |
| Forest cover | 1 | 165,000 | - | - |
| In baggage | 31 | 12,634,720 | 6 | 1,671,220 |
| In freight | 226 | 4,788,500,450 | 167 | 856,609,151 |
| In mail | 5 | 2,979,920 | 8 | 3,183,800 |
| In premises | 145 | 143,929,522 | 129 | 157,961,281 |
| In transport | 774 | 3,915,523,727 | 618 | 816,060,574 |
| Not concealed | 193 | 677,166,540 | 110 | 653,951,700 |
| On market places | 4 | 1,005,880 | 2 | 474,400 |
| On the person | 12 | 1,975,200 | - | - |
| Unknown | 106 | 98,309,308 | 19 | 59,694,600 |
| Total | 1,497 | 9,642,190,267 | 1,059 | 2,549,606,726 |

Cigarette seizures (excluding counterfeits) below 100,000 pieces

Table 7 shows the top ten reporting countries for seizures below 100,000 pieces. Countries are ranked in terms of the quantities seized. In 2014, Poland appeared as the highest reporting country in terms of both the quantities seized and the number of seizures. Germany, being the third highest reporting country for cigarette seizures below 100,000 pieces in 2014, moved up to second place in 2015.

Czech Republic and Hungary, also listed in the top 10 in 2014, reported a higher quantity seized in 2015, becoming third and fifth respectively in 2015. Lithuania has remained in fourth place both years.

In terms of concealment methods for reported seizures below 100,000 pieces, in 2015 the largest quantities were found in transport, amounting to a total of 31,669,096 pieces (Table 8). This remains consistent with what was observed in previous editions of this Report.

The seizures reported in this category appear to have decreased in terms of both number of seizures (18% fewer) and quantities (26% less) when compared with the previous year, but the drop is not as extreme as that observed in the category of seizures above and equal to 100,000 pieces.

TABLE 7. TOP 10 REPORTING COUNTRIES FOR CIGARETTES BELOW 100,000 PIECES

| | | 2014 | |
|-------------------|--------------------|-------------------|--|
| Reporting country | Number of seizures | Quantity (pieces) | |
| Poland | 1,312 | 18,815,978 | |
| Hungary | 361 | 10,922,914 | |
| Germany | 245 | 5,606,582 | |
| Lithuania | 95 | 4,342,660 | |
| Spain | 136 | 3,420,696 | |
| Italy | 113 | 2,337,425 | |
| Czech Republic | 118 | 2,091,951 | |
| Ukraine | 77 | 2,029,690 | |
| Moldova | 111 | 2,011,940 | |
| Brazil | 57 | 1,871,710 | |
| | | 2015 | |
| Reporting country | Number of seizures | Quantity (pieces) | |
| Poland | 739 | 12,047,483 | |
| Germany | 591 | 10,488,816 | |
| Czech Republic | 186 | 3,245,827 | |
| Lithuania | 93 | 3,162,960 | |
| Hungary | 160 | 3,055,332 | |
| Spain | 89 | 2,387,420 | |
| Moldova | 146 | 1,648,518 | |
| Bangladesh | 81 | 1,326,000 | |
| Latvia | 17 | 1,180,980 | |
| Ukraine | 29 | 1,155,740 | |

TABLE 8. CONCEALMENT METHOD FOR CIGARETTES BELOW TO 100,000 PIECES

| Concealment method | 2014 | | 2015 | |
|--------------------|--------------------|-------------------|--------------------|-------------------|
| | Number of seizures | Quantity (pieces) | Number of seizures | Quantity (pieces) |
| In baggage | 528 | 5,098,331 | 273 | 3,392,424 |
| In freight | 86 | 3,085,271 | 49 | 1,671,300 |
| In mail | 24 | 569,950 | 24 | 215,748 |
| In premises | 919 | 14,068,308 | 649 | 9,309,976 |
| In transport | 1,516 | 33,679,901 | 1,428 | 31,669,096 |
| Not concealed | 148 | 4,143,660 | 137 | 1,727,808 |
| On market places | 88 | 783,794 | 127 | 911,559 |
| On the person | 31 | 1,174,450 | 60 | 414,062 |
| Unknown | 295 | 5,637,603 | 218 | 1,133,083 |
| Total | 3,635 | 68,241,268 | 2,965 | 50,445,056 |

I, J /
Illegal production.
Photos courtesy
of Albanian Customs.

It is interesting to note that the number of seizures reported as 'unknown' is only 218, serving as evidence of an improvement in the quality of the data submitted.

Counterfeit cigarettes

Counterfeit cigarettes are those manufactured illegally and 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 previous editions of this Report. Table 9 presents the top eight reporting countries for counterfeit cigarettes, and the quantities seized.

In 2015 the largest seizure of counterfeit cigarettes was reported by Saudi Arabia, totaling 33,100,000 'Capital' and 'Golden Deer' cigarettes seized in the Jeddah seaport. The consignment was coming from Malaysia and the final destination was Jordan. The second largest seizure was reported by Poland, amounting to 10,000,000 pieces of counterfeit 'American Legend' cigarettes. The third-largest case was reported by Chile, accounting for 8,540,000 counterfeit 'Belmont' cigarettes.



TABLE 9. TOP 8 REPORTING COUNTRIES FOR COUNTERFEITED CIGARETTES

| | | 2014 |
|-------------------|--------------------|-------------------|
| Reporting country | Number of seizures | Quantity (pieces) |
| Spain | 8 | 21,673,000 |
| Belgium | 3 | 21,164,000 |
| Malta | 3 | 18,060,000 |
| Luxembourg | 1 | 11,880,000 |
| Netherlands | 6 | 11,145,820 |
| Italy | 2 | 9,599,900 |
| Chile | 1 | 7,689,000 |
| Sweden | 2 | 5,273,800 |
| | | 2015 |
| Reporting country | Number of seizures | Quantity (pieces) |
| Saudi Arabia | 1 | 33,100,000 |
| Poland | 1 | 10,000,000 |
| Chile | 1 | 8,540,000 |
| Austria | 1 | 4,150,000 |
| Germany | 1 | 1,260,000 |
| France | 2 | 524,800 |
| Brazil | 7 | 215,680 |
| United States | 4 | 22,100 |

TABLE 10. TOP REPORTED COUNTERFEITED BRANDS BY NUMBER OF SEIZURES AND QUANTITIES

| Brand | 2015 | |
|--|--------------------|-------------------|
| | Number of seizures | Quantity (pieces) |
| Various brands (Capital, Golden Deer) | 1 | 33,100,000 |
| American Legend | 1 | 10,000,000 |
| Belmont | 1 | 8,540,000 |
| Regal | 2 | 4,550,000 |
| Prince | 1 | 1,260,000 |
| Record | 2 | 201,400 |
| Silk Cut | 1 | 124,800 |

Table 10 highlights cigarette brands for which at least 100,000 pieces have been reported. It is important to observe that most of the brands reported in 2015 were not listed as top counterfeit brands in 2014.

As observed in previous editions of this Report, the most frequent locations for seizures of counterfeit cigarettes were at seaports and inland (Charts 4 and 5).

CHART 4.
Counterfeit cigarettes by location: number of seizures

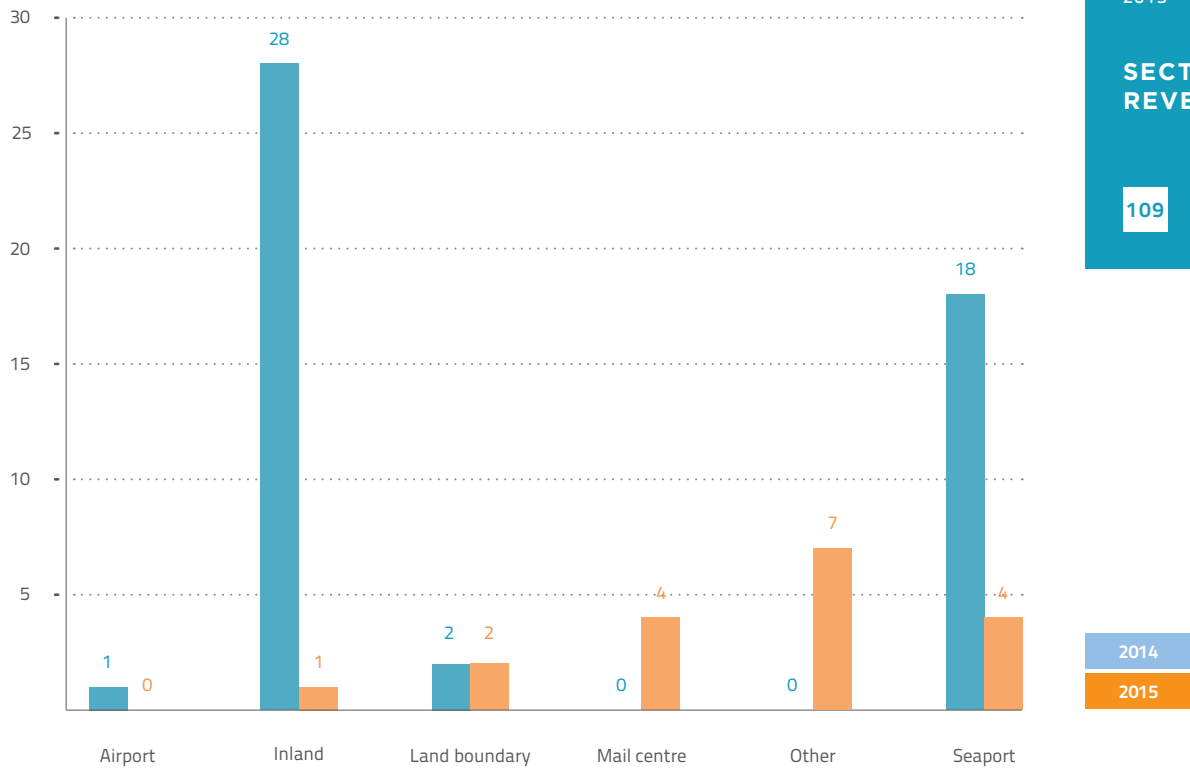
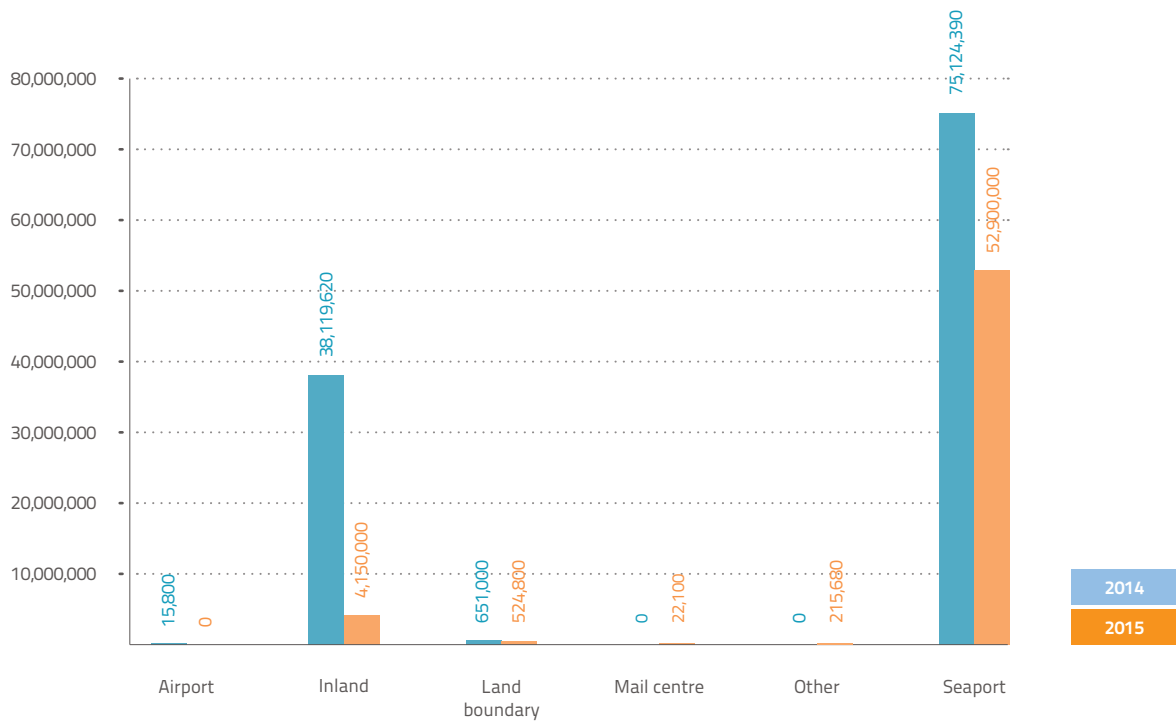


CHART 5.
Counterfeit cigarettes by location: quantity (pieces)



K /
Illegal production.
Photo courtesy
of Brazilian Customs.

In 2015 the largest quantities of seized counterfeit cigarettes were detected in freight, followed by detections in premises (Table 11). This trend is consistent with data reported in the previous edition of this Report.

A total of 57,812,580 seized cigarettes were reported to be counterfeit in 2015; that corresponds to a decrease of 64% when compared with the quantity reported in 2014, which totalled 162,310,810 cigarettes. A proportional decrease in the number of seizures has been recorded: 18 seizures in 2015, compared to 50 in 2014.



TABLE 11. CONCEALMENT METHOD FOR COUNTERFEIT CIGARETTES

| Concealment method | 2014 | | 2015 | |
|--------------------|--------------------|--------------------|--------------------|-------------------|
| | Number of seizures | Quantity (pieces) | Number of seizures | Quantity (pieces) |
| In baggage | 1 | 15,800 | - | - |
| In freight | 10 | 38,474,090 | 7 | 53,624,800 |
| In mail | - | - | 4 | 22,100 |
| In premises | 18 | 15,713,620 | 1 | 4,150,000 |
| In transport | 19 | 86,627,300 | 6 | 15,680 |
| Not concealed | 1 | 9,600,000 | - | - |
| Unknown | 1 | 11,880,000 | - | - |
| Total | 50 | 162,310,810 | 18 | 57,812,580 |

PROJECTS AND OPERATIONS

Operation Gryphon II

Initiated and coordinated by the WCO, 101 Customs administrations took part in the initiative codenamed Gryphon II, a two-month Operation focusing on Customs controls associated with shipments of tobacco products.

The Operation, conducted from 1 March to 30 April 2016, was built on the success and lessons learned from Operation Gryphon I. This new initiative was aimed at coordinating and boosting efforts for the application of core Customs legislation, powers and competencies across the entire range of Customs control and clearance processes, including checks on duty free

outlets, free zones, bonded warehouses, as well as express and postal shipments in relation to illicit trade in tobacco.

In addition to Member administrations, officials from the six WCO Regional Intelligence Liaison Offices (RILOs), as well as OLAF and Europol, contributed to the success of the Operation, in particular by facilitating and coordinating information and intelligence exchange. Her Majesty's Revenue & Customs of the United Kingdom, as well as the Australian Border Force, provided support to the initiative through the secondment of specialized Customs officers to the regional WCO network.



Throughout the operational period, participants were requested to monitor cross-border shipments of tobacco products; notify exported shipments that posed a high risk of being illegal or being diverted; provide feedback on information received from other parties; and report all seizures of tobacco products.

This initiative, once again, confirmed the unique role that Customs administrations play in tracking and monitoring cross-border movements of goods, people and conveyances. It demonstrated that the most effective way to counter the cross-border smuggling of high value consignments by organized crime groups is to ensure a coordinated approach to the sharing of intelligence across the Customs community.



The Operation was also focused on establishing who was behind the smuggling attempts, with the aim of the WCO, in partnership with relevant national authorities, being to disrupt, dismantle and prosecute crime groups involved.

This reflects the new ambition within the WCO, where it is felt that the only effective way of dealing with the illicit trade in tobacco is to actually identify the guiding minds and not simply rely on seizures as a deterrent. It is the WCO's view that sophisticated, well-funded crime groups accept that there will be some minor disruption to their activity and therefore care little about the occasional loss of a consignment.

Preliminary results

Operation Gryphon II resulted in the seizure of 729 million cigarettes, 287,000 cigars, and 250 tonnes of other tobacco products. They included genuine branded cigarettes, counterfeit cigarettes, and cigarettes of brands categorized as 'cheap whites'. Components of machines used to manufacture cigarettes were also seized, along with bulk cash and more than 12 million excise duty stamps².

Moreover, eight illegal tobacco factories were dismantled, over 50 criminals were arrested and several investigations are still ongoing in an effort to disrupt and break down the criminal networks behind this trade.

Preliminary analysis of the seizures indicates that smugglers used sophisticated concealment methods, camouflaging illicit tobacco products in a variety of cover loads including scrap metal, furniture, sneakers, timber, cement, charcoal and plastic housewares. Many of these cover loads were often of low value and were used by the criminal network to ensure the highest profit margin.

L /
Operation Gryphon II:
Seizure of 954 kg
of chewing tobacco
concealed beneath
bags of cement.
Photo courtesy
of Oman Customs.

M /
Operation Gryphon II:
Seizure of 12,500,000
Russian Federation
excise duty stamps
concealed within a cover
load of aluminum metal
constructions.
Photo courtesy of
Ukrainian Customs.

2 /
Please note that this data
will be analysed in more
detail in the 2016 edition
of the Illicit Trade Report.

N, O /

Operation Gryphon II:
Seizure of 2,048,200
cigarettes hidden inside
declared goods – pipes.
Photos courtesy
of Polish Customs.

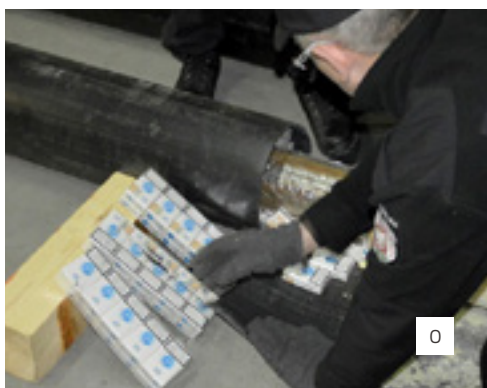
3 /

Text provided by RILO AP.

Operation Gryphon II confirmed a well-known fact that free trade zones are used for illicit trade. Consignments travelling between free zones were reported to have been 'lost' or to have disappeared.

During the Operation, several shipments of cigarettes were targeted as their supply chains had no commercial logic. Analysis revealed that in some cases shipments were departing from Asian countries, transiting through the Suez Canal into the Mediterranean region before going on to South America, and then returning back to Asia. It is of the utmost importance to remain vigilant about the risks posed by these types of routings as they frequently result in the consignment being diverted.

It also became apparent that some consignments of cigarettes were transhipped through conflict areas or sensitive zones where Customs controls were weak or ineffective. This demonstrates once again how adaptable organized criminal groups are in exploiting vulnerabilities or shortcomings in Customs controls.



Participating administrations monitored cross-border shipments of tobacco products using risk assessment techniques and profiles which were based on the results of Operation Gryphon I. Overall, strong support by WCO Members, enhanced exchange of intelligence and information, and the use of risk management tools were the key contributors to the success of Operation Gryphon II.

A detailed analysis of the results and findings of Operation Gryphon II has been finalized and made available to WCO Members. This analytical product is not available to the public as it contains sensitive law enforcement information.

Project Crocodile³

Project Crocodile aims to track down suspicious cigarette shipments through a mechanism of export and arrival notifications between departing and destination countries. Since 2004, RILO Asia-Pacific (AP) has been playing the role of a coordinator and regional intelligence hub for combating illicit cross-border trade of tobacco and tobacco products. Crocodile is an ongoing Project producing export, arrival and seizure notifications on suspicious shipments through a standardised notification pro forma.

Currently, 23 Customs administrations from RILO AP have participated in this Project. They are: Australia; Bangladesh; Bhutan; Brunei; China; Fiji; Hong Kong, China; Indonesia; Iran; Japan; Korea; Macau, China; Malaysia; Maldives; New Zealand; Pakistan; Papua New Guinea; Philippines; Singapore; Sri Lanka; Thailand; Tonga and Vietnam. Tonga Customs joined the Project in May 2015.

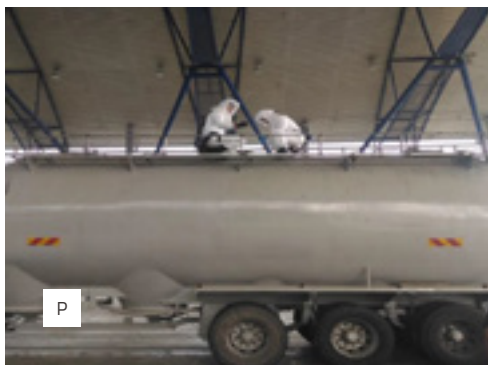
In 2015, RILO AP handled 481 export notifications and 236 arrival notifications in respect of suspicious cigarette shipments. When the shipments were intended for export to non-AP countries, RILO AP liaised with the relevant RILO offices or international enforcement organizations for the further dissemination of

information and monitoring the movement of the shipments. Through this Project, Member administrations have timely monitored suspicious cigarette shipments and successfully suppressed cigarette smuggling within and across the AP region.

In 2015, Members reported over 53 million pieces of cigarettes seizure. Quantities of seizures increased almost fourfold when compared to 14.1 million pieces in 2014. This was mainly due to a coordinated approach to the dissemination of intelligence, first class cooperation between Members as well as the synergistic effect of working together with one common aim.

Seizure cases that had displayed effective intelligence exchange and cooperation within the AP region or across the global network, as well as liaison with other law enforcement agencies, are highlighted in ensuing paragraphs.

Acting on tip-off intelligence from China Customs, RILO AP disseminated information on a suspicious cigarette shipment to Guatemala via RILO South America and U.S. Immigration and Customs Enforcement (ICE). With the



assistance of the WCO-UNODC Container Control Programme (CCP) team in Guatemala, the shipment was inspected and a total of 10.12 million pieces of counterfeit cigarettes were seized on 1 February 2015.

In April 2015, China Customs relayed a suspicious cigarette shipment to both Malaysia Customs and Singapore Customs for monitoring

purposes. During the tracking of movement, it was found that the shipment was destined for Egypt. With effective liaison with Member administrations, RILO AP relayed the findings to RILO Middle East and North Africa for their follow-up action with Egyptian authorities. A total of 22.65 million pieces of counterfeit cigarettes were seized on 8 April 2015.

In September 2015, Malaysia Customs provided details of a suspicious cigarette shipment with false Customs declaration to RILO AP. As the shipment was destined for Spain, RILO AP liaised with RILO Western Europe (WE) for onward communication with Spanish Customs. Subsequently, on 28 September 2015, Spanish Customs seized almost 10 million pieces of cigarettes, which were falsely declared as "article of methacrylate".

CASE STUDIES AND COUNTRY HIGHLIGHTS SUBMITTED BY MEMBERS

Ant smuggling

The phenomenon known as "Ant smuggling" is the smuggling of small quantities of tobac-



co products, and it continues to be reported by several Member administrations as a growing challenge. It has been reported that in Croatia cigarettes are still being smuggled in small quantities, particularly in personal vehicles and vans where special hiding places (in or under the bottom of the vehicle) are constructed.

P, Q /
Seizure of 2,000,000 cigarettes concealed in a cement bowser. Photos courtesy of Singaporean Customs.

4 / This particular technique is described in detail in the 2013 Illicit Trade Report.

R / Cigarettes concealed in passenger seats in vehicle. Photo courtesy of Omani Customs.

Greece has also reported a growth in smuggling of small quantities of tobacco products in general.

Hong Kong Customs reported that in addition to commercial vehicles, private cars were also used to smuggle illicit cigarettes by frequent travel between Hong Kong, China and mainland China. For passenger couriers, they mainly adopted the “ants-moving-home”⁴ tactic to bring in illicit cigarettes by mixing the loads with personal belongings or by body-packing.

Latvia also noted an increase in the number of cases when undeclared cigarettes are smuggled by hiding them in the structure of the vehicle (both trucks and passenger cars). Undeclared cigarettes in motor vehicles were detected on both the Russian and Belarusian borders. Likewise, Slovenia also reported a trend of cigarettes being mainly smuggled overland from Eastern and Southern Europe in small quantities hidden in secret compartments within vehicles.

The transfer of small amounts of tobacco products or other excise products over the border where there is intense passenger traffic and border traffic, was also identified by the Customs administration of Montenegro as a major risk to law enforcement. This fuels the illicit market.

Operation Poniente

In February 2015, Spanish Customs and National Police dismantled a criminal organization focused on smuggling tobacco from Gibraltar. During the course of the Operation, 18 individuals were arrested as suspects in illicit trafficking and for belonging to a criminal organization. A total of 67,790 packs of cigarettes were seized along with three rigid boats, three inflatable boats, two short weapons, vehicles, sophisticated transmissions equipment and 115,000 Euros.

The individuals belonging to this well-organized criminal network had access to numerous boats under different names, which they used every night to move large quantities of cigarettes from Gibraltar. As the investigation progressed, it was discovered that many individuals had been previously detained for hashish trafficking.

During the enquiry, the authorities identified that before initiating illicit operations, the criminal group would conduct counter-surveillance. They also found that all transport operations were always performed before dawn. It is estimated that 150,000 packs were moved every week – a very significant quantity which would annually amount to more than 7.5 million packs.

“Just-in-time” smuggling

The smuggling of cigarettes across the land boundary between Hong Kong, China and mainland China remained prevalent in 2015. The illicit cigarette trade became increasingly sophisticated, with penetration into global supply chains. Instead of keeping large, local warehouses to stock illicit cigarettes, syndicates applied the “just-in-time” concept for fast delivery of smuggled cigarettes to different locations across the Hong Kong, China territory. In effect, illicit cigarettes of different brands were first pre-sorted according to advance orders. Upon being smuggled into Hong Kong, China, they were immediately disseminated by local vehicle fleets to distributors in different regions of Hong Kong for sale on the black market.



Anonymous fake calls

In Hungary, the most popular smuggled tobacco product is cigarettes. At border control points, smuggling is the most prevalent type of illicit tobacco movement, but most of the illegal consignments are coming through the green border. Master cases were brought by dealers through the border fields, or by boat, including in a special cage fixed on to the bottom of a boat, through the river Tisza at the border with Ukraine. The organized perpetrators often make anonymous fake calls claiming that illegal activities are occurring in another location, in an attempt to confuse the Customs authorities.

flavoured cigarettes made in Indonesia, such as 'Gudang Garam'. However, cigarettes made in Korea and Malaysia have also been seized over the past few years. Smuggling of cigarettes largely takes place in cargo by mis-declaration and concealment, in contravention of the various legal provisions, namely mandatory declaration of the name and address of the importer, MRP (minimum retail price) on each of the "retail packages", specified graphic health warnings, etc. Apart from the evasion of due revenue, smuggling of cigarettes also poses a threat to the Tobacco Control Policy of the Government of India.

S /
Cigarettes concealed in a specially built compartment within a car bumper. Photo courtesy of Croatian Customs.

T, U /
Seizure of 420,760 cigarettes concealed inside timber poles. Photos courtesy of Ukrainian Customs.



Rail transport

Latvian Customs reported that in the rail transport sector, undeclared and hidden tobacco products (usually cigarettes) are found in the structure of wagons, in empty wagons and buried in coal freight in open-type wagons. Packages of cigarettes, usually wrapped in black polyethylene, are attached to the structures of the wagon both by using adhesive tape and with magnets. In 2015, the highest number of undeclared goods was found in rail transport arriving from Belarus.

Increasing levels of tobacco smuggling in India

Intelligence input and seizures made by Indian Customs indicate that smuggling of cigarettes in cargo, in baggage and in express shipments has increased considerably. The most popular type of cigarettes for smugglers is the clove aromatic



Abandoned tobacco

In New Zealand, tobacco concessions were changed with effect from 1 November 2014, resulting in the duty free allowance for arriving international travellers being reduced from 200 to 50 cigarettes or 50 g of other tobacco products. In addition to this measure, all tobacco sent by freight and mail became subject to duty. Customs reported that the majority of tobacco interceptions are considered to have been for personal use.

There were 41% fewer tobacco interceptions in 2015 compared with 2014, although there were 208% more interceptions where passengers or importers chose to abandon tobacco at the border rather than pay duty. Customs intercepted 29% fewer cigarettes and cigars, and the most common seizure location changed from airports to Customs controlled areas. Customs intercepted 86% less loose tobacco. Finally, a 221% increase in the amount of abandoned tobacco products was reported; this resulted from the concessions reductions.

Transit baggage

In August 2015, Russian Customs officers intercepted contraband of 48.15 kg of tobacco products being transported under the guise of transit baggage. The offender was an employee of a company carrying out its activities at Vnukovo International Airport. He arrived in Russia on a transit flight departing from New York via Moscow and destined for Tashkent. He used opportunities with his colleagues to move his baggage from the transit baggage area to the baggage claim belt for internal flights. When the offender received his baggage he was detained, and a criminal case was launched against him.

Cigarettes concealed in concrete barriers

Officers from Singapore Customs and Singapore's Immigration & Checkpoints Authority (ICA), suspecting that illegal cigarette activities were being undertaken in an industrial warehouse, raided the unit. They identified

four Malaysian men and found 3,700 cartons of duty-unpaid cigarettes, which had been retrieved from the hollow spaces within 12 concrete barriers. The concrete barriers had an opening beneath, through which the cigarettes could be retrieved. The four men were arrested and the cigarettes, worth more than USD 409,000, were seized. The total duty and Goods and Services Tax evaded exceeded USD 334,000. Two Singapore-registered vehicles (a van and a lorry) were also seized.

Smuggling of tobacco for non-smokeable purposes

The United Kingdom reported that the issue of raw tobacco and illicit production on its territory continues, with some organized crime groups smuggling and declaring raw tobacco, which attracts no excise duty if used for non-smokeable purposes. This situation has led Her Majesty's Revenue and Customs (HMRC) in the UK to introduce, in 2016, a registration scheme for users and dealers in raw tobacco to enable more robust enforcement.

Misuse of the addresses and stamps of a legitimate operator

In Estonia, during a joint Customs and Border Guard operation and based on risk analysis, a truck driven by an Estonian citizen was stopped in the northern port of Paldiski. The truck and the trailer were supposed to board a vessel destined for Sweden. Both economic operators confirmed that their addresses and stamps on the CMR (International Consignment Note) document were no longer in use, and thus were fictitious. After inspecting only one row of the declared goods, Customs discovered 7,500,000 cigarettes of the brand «Ducal». The cigarettes were lacking the necessary excise stamps, were labeled with «GI» (Gibraltar), and the packages bore Spanish writing.

INITIATIVES

The Protocol to Eliminate Illicit Trade in Tobacco Products is an international treaty aimed at eliminating all forms of illicit trade in tobacco products. It provides tools for preventing illicit trade by securing the supply chain, including by establishing an international tracking and tracing system, and by countering illicit trade through dissuasive law enforcement measures and a raft of controls to enable international cooperation.

The Protocol was developed in response to the growing levels of cross-border illegal trade in tobacco products, which poses a serious threat to public health as it increases access to – often cheaper – tobacco products, thus fueling the tobacco epidemic and undermining tobacco control policies.

Any Party to the WHO FCTC may become a Party to the Protocol. The Protocol will enter into force on the 90th day following the deposit of the 40th instrument of ratification, acceptance, approval, formal confirmation or accession with the Depositary. Up to the date of completion of this Report, the Protocol has been ratified by Austria, Burkina Faso, Congo, Côte d'Ivoire, Ecuador, European Union, France, Gabon, Iraq, Latvia, Mali, Mongolia, Nicaragua, Portugal, Saudi Arabia, Spain, Sri Lanka, Turkmenistan and Uruguay.

ILLICIT TRADE IN ALCOHOL PRODUCTS

GENERAL REMARKS

Tackling the illicit trade in alcohol products remains a serious challenge, and is at the forefront of priorities for many Customs administrations across the globe. Illegal production and smuggling of alcoholic beverages leads to significant loss of government revenues, distorts markets and impacts legitimate businesses. It also may

have an adverse impact on public health and safety, for example when dealing with fake or illegally produced alcohol.

In most countries, alcohol and alcohol-related products have been traditionally subject to Customs duties and/or excise duties. Excise duties rates applicable to such products tend to vary from country to country, and from product to product. In many cases the type of product, for example, beer, wine or distilled spirits, as well as the percentage of alcohol the product contains, are the criteria which explain variations in the rates applied. In other jurisdictions, alcohol and alcohol products are in general banned from importation due to national prohibitions and restrictions.



V, W /
Seizure of 16,000 litres of undenatured ethyl alcohol. Photos courtesy of Sri Lankan Customs.

Illicit trade in alcohol products can be conducted in various ways, ranging from 'classic' methods such as false Customs declarations and/or accompanying documents, to concealment in vehicles and containers, and the misuse of excise suspension regimes in single markets, where bonded warehouses are established across different jurisdictions to aid alcohol diversion.

In addition to the revenue and commercial implications, fake or illegally produced alcoholic beverages add another dimension to the problem, as they may pose a serious danger to consumers due to the absence of production control that ensures the end-products are compliant with sanitary, quality and safety regulations.

Fake or illegally produced alcohol is alcohol that is produced in unlicensed distilleries or people's homes and intended for sale. In many instances, these products are produced using other, cheaper types of alcohol which can have serious adverse health effects.

Commonly used substitutes for ethanol include chemicals used in cleaning fluids, nail polish remover and automobile screen wash, as well as methanol and isopropanol which are used in antifreeze and in some fuels.

The use of surrogate alcohol (i.e., alcohol not originally intended for human consumption) may additionally pose health risks due to the presence of toxic denaturants or additives (present, for example, in cosmetic alcohol).

According to the OECD, the immediate general effects of the illicit trade include major social ills such as crime and environmental degradation, and over the longer term the impact runs much deeper, undermining the rule of law, fueling corruption, and reducing government revenues and competitiveness.

GLOBAL OVERVIEW

In 2015, more than 3,000 seizures of beverages (beer, wine and other alcoholic products) were registered in the CEN database, accounting for a global figure of 595,658 litres of different categories of these products. This reflects a significant increase in the number of seizures when compared with the figures for 2014, but the data also reflects a significant reduction in terms of the quantities seized.

Only 30 countries provided input on some of their case information into the CEN for this Section. As was the case for the 2014 Report, having such limited data makes it difficult to provide a true reflection of the magnitude and scope of the phenomenon of illicit trade in alcohol. Due to its impact on revenue collection, as well as potential health and safety concerns, this is an area of high relevance for Customs, and therefore improving the input of case information into the CEN database is crucial to effectively identify trends and highlight issues of interest.

Given that CEN is a 'living' database, data is constantly being updated. Therefore, the figures in the current edition of the Alcohol Section, which are subject to checking and constant review, may differ from those taken into account in the previous Report.

When comparing the data from 2014 and 2015, a significant increase in the number of seizures of beer made from malt can be observed: from 263 seizures in 2014 to 916 in 2015 (see Table 12). The same upward trend was recorded in terms of quantity (from 91,135 litres reported in 2014 to 154,979 litres in 2015).

Whisky products continue to dominate the number of seizures, with 1,066 seizures reported in 2015, but in terms of quantities seized a strong decrease can be observed compared with 2014. The significant rise in seizures under the category: 'undenatured ethyl alcohol of an alcoholic strength by volume of 80 % or higher', where a



X / Seizure of 151 litres of vodka concealed in a specially constructed space under the floor of a vehicle. Photo courtesy of Georgian Customs.

total of 4,228,032 litres were reported for the year 2014, has been not confirmed in 2015. A significant decrease was noted, with 90,156 litres reported in 2015.

Another relevant finding relates to seizures of vodka. While the quantity seized increased slightly in 2015, the number of seizures increased considerably, rising from 117 in 2014 to

TABLE 12. SEIZURES OF ALCOHOL AND ALCOHOLIC BEVERAGES

| Alcohol and alcoholic beverages | 2014 | | 2015 | |
|--|--------------------|-------------------|--------------------|-------------------|
| | Number of seizures | Quantity (pieces) | Number of seizures | Quantity (pieces) |
| Beer made from malt | 263 | 91,135 | 916 | 154,979 |
| Gin and geneva | 0 | 0 | 6 | 14 |
| Liqueur | 20 | 479 | 37 | 15,333 |
| Other fermented beverages (i.e., cider, perry, mead) | 5 | 4,613 | 7 | 116 |
| Other | 12 | 1,757 | 13 | 85,517 |
| Rhum and tafia | 7 | 973 | 13 | 25,211 |
| Spirits obtained by distilling grape wine, e.g. cognac, grappa, brandy, etc. | 19 | 1,835 | 32 | 10,513 |
| Undenatured ethyl alcohol of an alc. strength by vol. of 80% vol. or higher | 65 | 4,227,979 | 44 | 90,156 |
| Undenatured ethyl alcohol of an alc. strength by vol. of less than 80% vol. | 15 | 3,877 | 59 | 10,447 |
| Vermouth & other wine of fresh grapes flavoured with plants or aromatic substances | 13 | 1,890 | 327 | 24,396 |
| Vodka | 117 | 36,157 | 583 | 47,757 |
| Whisky | 456 | 468,511 | 1,066 | 11,0445 |
| Wine of fresh grapes, including fortified wines | 72 | 20,798 | 123 | 20,775 |
| Total | 1,064 | 4,860,005 | 3,226 | 595,658 |

583 in 2015. Additionally, seizures of Vermouth increased drastically in terms of both the number of seizures reported and the quantity seized: 327 seizures in 2015, compared to 13 in 2014, and the number of litres seized in 2015 is almost 12 times higher than was reported for 2014.

Another increase is in the category of "Spirits obtained by distilling grape wine, e.g. cognac, grappa, brandy, etc.", where the number of seizures increased by 68%, while in terms of quantity an increase of approximately 472% was noted.

Most reported seizures relate to genuine branded alcohol, but some seizures of counterfeit alcohol or brand labels used for illicit production have also been identified.

CASE STUDIES AND COUNTRY HIGHLIGHTS PROVIDED BY MEMBERS

Estonia

Illicit alcohol is primarily brought into Estonia across its southern border from Latvia, and the quantities of home-distilled alcohol (moonshine) discovered have increased. In addition, Estonia is a transit country for illicit alcohol transported to the Nordic countries.

In a discovery made in transport en route between EU Member States, six pallets holding cardboard boxes that contained alcohol were discovered in the cargo area of a truck arriving from Latvia to Estonia. Each pallet held 64 packaged boxes of Smirnoff 40% vodka. The total discovery involved 4,608 litres of Smirnoff vodka. The alcohol did not have Estonian revenue stamps. The accompanying documents specified 'coffee syrup' as the goods, and the consignment was intended to go to customers in Sweden.

Hong Kong, China

Since 2008 Hong Kong, China has removed all duty on wine. Duty is therefore payable only on liquor with an alcoholic strength by volume of more than 30%, measured at a temperature of 20°C.

The smuggling of alcohol is mainly undertaken by passengers at the airport and at control points in Hong Kong, China. In 2015, a total of 32 cases were detected, with seizures totaling 2,000 litres of alcohol which represented an increase of 68% in the number of cases as compared to 2014 (19 cases). Over 50% of the cases detected in 2015 involved hard liquor carried by incoming passengers who were found to be taking advantage of the busy traffic at the land boundary control points in order to smuggle alcohol. The duty gradient between Hong Kong, China and mainland China is probably the main reason for alcohol smuggling activities. Nevertheless, Hong Kong Customs will continue to step up operations at the very busy boundary control points to target passengers smuggling alcohol in their baggage or personal belongings.

United Kingdom

The United Kingdom provided a general threat overview concerning the situation on illicit trade in alcohol. It was reported that alcohol tax loss represents approximately £1.3 billion of the current UK tax gap. Alcohol frauds differ, but the main modus operandi (MO) are known as 'inward diversion fraud' and 'outward diversion fraud'. Both involve the abuse of the duty suspension regime, using HM Revenue & Customs (HMRC) approved/registered businesses and excise or tax warehouses to move goods from duty suspension onto the UK market without paying the tax.

Inward diversion fraud is believed to be the most common MO at this time. This is where Organized Crime Groups (OCGs) export alcohol

Y /
Seizure totalling 155 litres
of whisky. Photo courtesy
of Turkish Customs.

duty suspended goods, normally to the near continent/EU, before importing the goods back, using false or duplicate paperwork, and diverting them onto the UK market without paying any UK tax. Outward diversion fraud is when OCGs divert the loads of alcohol, destined for overseas markets, before the vehicle reaches the UK port of export and falsify the proof of export. Alcohol is also smuggled by way of concealment within mis-described containers brought into large UK ports.

As part of the strategy to tackle this threat, the UK HMRC shares intelligence with overseas partners through their FCLO (Fiscal Crime Liaison Officer) network to identify fraud by organized crime groups based outside the United Kingdom. HMRC's Fraud Investigation Service leads operational activity with other EU Member States under the Europol (EMPACT) platform.

In May and June 2015 a joint HMRC/Border Force project was carried out over six weeks at the port of Dover as part of HMRC's planned action under the Europol (EMPACT) platform. The aim was to disrupt the supply chain of non-duty paid alcohol entering the UK through sustained enforcement activity. HMRC officers worked with Border Force and French Customs authorities to identify vehicles carrying alcohol from Calais to Dover. These vehicles were intercepted at Dover port and their paperwork examined. Any loads found to be illicit were seized along with the vehicles carrying the loads.

Over the six weeks a total of 243 vehicles were intercepted, from which there were 27 seizures. A total of 370,100 litres of beer, 120,559 litres of wine, 49,284 litres of spirits and 16,129 litres of cider with a value of £1.37 million were seized. Revenue loss prevented from the other vehicles that were intercepted and allowed to proceed to a tax warehouse was £7.66 million.

Russian Federation

In 2015, Russian officials launched six criminal and 2,170 administrative cases for alcohol smuggling. Many of the cases involved the movement of alcoholic beverages by citizens of Georgia, Ukraine, China and Japan. In addition, there have been a number of seizures of large consignments of illicitly produced alcohol transported from the UK and Baltic countries by sea. In July, 30,720,000 cigarettes and 24,646 bottles of alcoholic beverages were smuggled from the UK in transit through Latvia by a motor boat.

Uzbekistan

In 2015, the Customs authorities of Uzbekistan intercepted 1,056 boxes of illicit alcohol and seized more than 30,000 litres of alcoholic beverages. In April, 279 bottles of alcoholic beverages were seized at the city of Termez without having the necessary excise stamps and documents confirming their origin. In 2015, 21 litres of "Jack Daniels" whisky were concealed from Customs controls onboard a passenger train going from Moscow to Dushanbe at the Customs border checkpoint at "Karakalpakstan."



Y

Z /
Seizure of toluene.
Photo courtesy of
Lithuanian Customs.

ILLCIT TRADE IN FUEL PRODUCTS

Another area of major concern in the field of illicit trade of goods subject to excise is the illicit trade in fuel products, which can take on many pervasive forms.

Unfortunately no seizure cases have been submitted or reported to the CEN database, thus it is impossible to conduct a situational analysis. However, some Members have shared their experiences in this field by submitting case studies on the results of their operational activities. The smuggling of such goods as reported by Members (and as is the case with other categories of illicit trade) consists mainly in submitting incorrect declarations for shipment, the absence of declarations, or the use of fraudulent documents to avoid paying legally due revenues. The illicit trade in fuel products, as with some other commodities covered by this Report, also includes the counterfeiting dimension.



Lithuania

In March 2015, officers from Oshmiany Customs in Lithuania detected an attempt to illegally transit 956 kg of "Toluene". The consignment was being transported from Moscow to Kaliningrad in Russia by passing through Belarus, which was in violation of the import licensing regime. The consignment was confiscated.

Saudi Arabia

The Government of Saudi Arabia provides a subsidy to support petroleum derivatives, in particular petroleum and diesel. Against this backdrop, Saudi Customs is mandated to combat the smuggling of such products to some other countries where they are sold at a price ten times higher. This threat multiplies in view of challenges posed by the international syndicates and gangs behind these operations, who create new smuggling methods and modi operandi to evade all Customs and security rules and regulations and bypass Customs efforts to thwart their attempts. One of the smuggling methods used which was discovered by Saudi Customs is to mix up the petroleum products with chemicals, or construct additional tanks in trucks and vehicles.

From this perspective, Saudi Customs contributes to preserving essential components of the national economy, interdicting the exploitation of public resources and privileges intended for its citizens.

Operation Traffic

The Italian Guardia di Finanza concluded an operation codenamed Traffic which entailed a major criminal investigation in the field of international diesel fuel trafficking, resulting in 64 perpetrators being charged and 13 of them arrested.

The Operation led to the seizure of 21 articulated lorries and a total of 764,000 litres of diesel fuel with a market value of over 1,000,000 Euro. Additionally, assets totaling 3,615,000 Euro were seized, including 13 real estate properties and seven illegal fuel stations that lacked the necessary licence to operate.

In the investigation that followed, fraudulent sales of oil were identified on the national territory amounting to a total of 9,063,832 additional litres and the evasion of 5,601,612 Euro in excise duties.

Oil products were transported in articulated lorries that did not meet any safety requirements. The products, accompanied by fake documentation (indicating fictitious consignees on the international waybills – such as companies in Spain, Greece, Malta and Cyprus) to avoid payment of excise duties, came from oil refineries located in Slovenia, Hungary, Slovakia and Bulgaria. Once the border had been crossed, fuel was first stored in illegal fuel depots and later sold to private citizens without payment of excise duties.

On several occasions the loads were transported by unmarked articulated lorries, escorted by 'minder' vehicles that would inform the tanker drivers about any Customs activity or checkpoints. Before being sold, the product was mixed with vegetable oil so as to generate more profit.

The oil product, declared as lubricating oil, was tested in a laboratory which revealed it to be 80% diesel fuel and 20% vegetable oil, suitable for diesel engine carburetion. Prolonged use of this product would have had a negative impact on the engines.

The charges established were: transnational criminal association, avoiding assessment and payment of excise duty on mineral oils, commercial fraud, and falsification of transport documents.

A /
Operation Traffic. Photo courtesy of the Italian Guardia di Finanza.





Section 5.

Security

A

A /
Photo courtesy of US
Army Alaska (USARAK).

INTRODUCTION

The increasing use of illicitly trafficked arms and the acquisition of strategic goods and explosive precursors by state and non-state actors has become a cause for much concern for the international community. The international community has, in turn, identified that Customs has a pivotal role to play in preventing the smuggling of, and illicit trade in these items.

Combating terrorism and violent extremism is a priority assignment for all security authorities, Customs included. In addition to the conventional task of the Customs administration as a revenue administration, it has always attended to important tasks relating to the safety and welfare of citizens. Customs administrations

are ideally positioned to prevent the abuse of cross-border trade to illegally transport weapons and other dangerous and prohibited goods, or transport strategic goods without appropriate licences. The effective implementation of many international and national controls on weapons and ammunition, precursor chemicals and strategic goods, including at export, during trans-shipment and at the border, as well as efforts to detect, deter, prevent and combat illicit trafficking in these goods, rely critically on Customs administrations. In December 2015 the WCO Policy Commission issued the Punta Cana Resolution, which specifically acknowledges that Customs has a role to play in combating international terrorism. The Punta Cana Resolution invites Customs authorities to include security as part of their

mandate and functions, by incorporating it in their strategic plans. In addition, it endorses closer cooperation between Customs authorities and other law enforcement agencies with a view to enhancing border security.

In 2015, the WCO brought its various security-related activities under one Security Programme. Alongside long-running activities such as Programme Global Shield (PGS) and the Strategic Trade Control Enforcement (STCE) Programme, the WCO established a number of other security projects and activities. The Small Arms and Light Weapons (SALW) Project was established to help Members implement measures in the global Arms Trade Treaty (ATT) to prevent the illicit trafficking of firearms. In order to address United Nations Security Council Resolution 2178, calling on countries to focus attention on the so-called “foreign terrorist fighters” phenomenon, the WCO established a sub-initiative dedicated to utilizing Advanced Passenger Information (API) and Passenger Name Records (PNR) as part of the passenger risk assessment process. The WCO Security Programme is addressing the pressing issue of terrorist financing through work related to preventing the smuggling of cash and bearer negotiable instruments.

The illicit trade in Small Arms and Light Weapons is a major cause of instability and death all over the world. These weapons have been referred to by Ban Ki-Moon as “weapons of daily destruction”, and illegally traded weapons continue to fuel conflicts around the world as well as featuring in high-profile cases such as the kidnapping of the schoolgirls in Chibok, Nigeria and the Paris attacks in November 2015. The general analysis contained in this Section highlights a number of these cases, along with data relating to detections of industrial explosives and precursor chemicals. In 2015 a total of 5,380 cases were reported through the CEN system, the majority being pistols, ammunition and stun guns. In addition to universally recognized weapons, there are some categories of

goods that are only considered to be weapons or explosives in certain countries. There are many kinds of ‘slash and stab’ weapons that are in free circulation in Asia/Pacific, in parts of Europe and in some countries in the Americas, but fall under restrictions in other European countries, in the Russian Federation and in some states of the United States. Taking into account these differences between existing legal frameworks, this analysis is made on the presumption that goods entered into the CEN database are classified as weapons by the reporting country in accordance with its national legislation.

The Section is divided into three 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; the third part briefly covers the ongoing initiative in the field of strategic goods.

B /
Beretta 9mm and FEG
7.65 mm. Photo courtesy
of Mauritian Customs.



WEAPONS AND AMMUNITION

CATEGORIZATION BY TYPE OF WEAPON

Weapons include items considered to be offensive, restricted, prohibited, chemical, explosive or radioactive, and firearms. An important feature of this analysis is the premise that many reported cases are comprised of different types of goods. Therefore, it is impossible to calculate how many cases of a particular type of weapon

were reported in 2014. A more solid proxy would be to focus the analysis not on the quantity of cases, but on the number of occasions a particular kind of goods was seized within either a unique or a compound case. All types of goods are measured in pieces (see Table 1).

Ammunition is by far the leading category of goods, both by number of occurrences of seizure and by quantity. Ammunition includes bullets

1 / The category 'Ammunition' was split into two new categories in 2015: 'Ammunition - Firearms' and 'Ammunition - Other arms'. Therefore, more detailed information is available for 2015 on the number of seizures and quantities seized.

2 / The categories 'Assault rifle', 'Sub-machine gun', 'Shotgun', 'Bow/crossbow' and 'Stun gun' were added in 2015. Therefore, there is no recorded seizure data for these categories in 2014.

TABLE 1. CATEGORIZATION BY TYPE OF WEAPON

| Type of weapon | 2014 | | 2015 | |
|------------------------------------|--------------------|-------------------|--------------------|-------------------|
| | Number of seizures | Quantity (pieces) | Number of seizures | Quantity (pieces) |
| Aiming device / Rifle scope | 196 | 386 | 511 | 794 |
| Ammunition - Firearms ¹ | 1,393 | 5,393,602 | 801 | 1,888,478 |
| Ammunition - Other arms | | | 15 | 3,540 |
| Assault rifle ² | 0 | 0 | 73 | 378 |
| Blank gun / Alert weapon | 1 | 360 | 22 | 320 |
| Bow / crossbow | 0 | 0 | 10 | 14 |
| Gas weapon | 30 | 4,300 | 14 | 4,724 |
| Hand grenade | 21 | 32 | 11 | 21 |
| Machine gun | 80 | 239 | 22 | 90 |
| Other item | 417 | 6,307 | 289 | 165,140 |
| Part of weapon - Barrel | 21 | 161 | 26 | 83 |
| Part of weapon - Bolt | 39 | 4,073 | 6 | 540 |
| Part of weapon - Magazine | 277 | 3,564 | 516 | 7,810 |
| Part of weapon - Others | 62 | 232,401 | 118 | 498 |
| Part of weapon - Silencer | 13 | 20 | 95 | 307 |
| Pistol | 750 | 4,123 | 986 | 5,346 |
| Pneumatic weapon | 147 | 838 | 86 | 5,795 |
| Revolver | 149 | 156 | 154 | 190 |
| Rifle | 241 | 1,218 | 178 | 494 |
| Shotgun | 0 | 0 | 72 | 575 |
| Slash and stab weapon | 548 | 5,654 | 410 | 5,120 |
| Stun gun | 0 | 0 | 959 | 2,184 |
| Sub-machine gun | 0 | 0 | 6 | 13 |
| Total | 4,385 | 5,657,434 | 5,380 | 2,092,454 |



C

3 /
Pistols, revolvers, rifles,
shotguns, machine guns,
sub-machine guns.

C, D /
9 mm Ceska Zbrojovka
model 75 concealed
in the back of a car.
Photos courtesy
of Omani Customs.

of different calibers, buckshots and cartridges. This finding is not surprising for two reasons: 1) there are reports on many seizures where ammunition was seized along with weapons and 2) as this category includes different types of ammunition, which are measured in pieces, the quantity obtained is very high.

The two largest seizures were reported by Germany and Saudi Arabia, with 565,900 and 29,738 pieces of ammunition respectively. The larger of these seizures was made at a railway station when goods were in transit from Italy to Austria. The second seizure, reported by Saudi Arabia, took place at the land boundary. Out of the 26 countries that reported seizures of ammunition, the five reporting countries with the largest seizures were Germany (569,191 pieces), USA (86,148 pieces), Saudi Arabia (34,231 pieces), Mexico (17,116 pieces) and Mali (9,279 pieces). Germany in particular is in the top five

due to the large seizures mentioned above. In terms of the Customs procedure involved, in Germany 99% of the ammunition was seized in transit, the remaining 1% being seized internally or at import. These findings confirmed, as was the case in 2014, the role of Germany as a major transit country for ammunition. Based on reported seizures, the United States emerged as an export-oriented country for ammunition, while 29% of the ammunition reported by the United States was seized during import and 5% was seized internally or in transit. Saudi Arabia became the third largest reporting country in this category.

Handguns³ are the second largest group of weapons seized (7,086 pieces). The three largest seizures of handguns were reported by Saudi Arabia, Germany and the United States. Saudi Arabia reported the largest seizure, of 3,000 pistols which amounts to 42% of the total quantity of handguns seized. This particular seizure took place while the goods were in transit from Brazil, with the final destination being Djibouti. Germany reported a seizure of 500 pistols in transit from Turkey to Costa Rica, accounting for 7% of the total quantity of handguns seized. Overall, Saudi Arabia seized 49% of the total quantity of handguns, followed by the United States (29%) and Germany (10%); the rest of the handgun seizures (12%) were reported by the remaining countries.



D

E /
Silencer seizure. Photo
courtesy of Yemeni
Customs.

Parts of weapons, such as barrels, bolts, scopes and magazines, are also important categories of seized goods, but as already mentioned in the Introduction, there are a wide variety of national regulations on these items. In total, 9,949 parts of weapons were seized in 2015.

Slash and stab weapons form the next broad category: it includes various types of weapons, and 5,120 pieces were seized. In some countries, particularly in the Asia-Pacific region, certain types of slash and stab 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.

Gas weapons and parts include different kinds of gas weapons, tear gas and pepper spray. Out of 4,724 weapons in this category, Germany made a large seizure equal to 93% (4,500 pieces) of the total quantity. The seizure contained irritant spray devices discovered at the airport in air freight, in transit from the United States to the Czech Republic.

In 2015, electroshock weapons and parts were seized in larger quantities; 2,184 pieces were seized in this category; 1,308 (60%) were seized by Saudi Arabia Customs at import, and in small quantities at airports or land borders.

War weapons include grenades, rockets (including signal rockets) and other items. Out of the countries that reported results in this category, Denmark reported seizures that accounted for 49% (10 pieces) of the total, followed by Australia and Yemen with 14% (3 pieces) each. Another two countries reported 23% of the goods seized. The 'other items' category includes, primarily, bulletproof vests.

REPORTING COUNTRIES

In total, 50 countries reported seizures of weapons and ammunition in 2015. In the majority of cases the reporting country is the country that made the seizure. Since there is no specification regarding the type of goods seized by country, the total quantity of cases reported per country was taken as a proxy. The table below (Table 2) shows the top ten reporting countries and the number of seizures reported. It must also be mentioned that in 125 cases from all over the world, the weapons were seized together with drugs, currency, tobacco, beverages, other prohibited or restricted goods; alternatively, in cases of tax and duty evasion, the presence of the weapons could be an indication that perpetrators are more willing to use force to protect their illicit transactions.

TABLE 2. TOP 10 REPORTING COUNTRIES

| | 2014 | 2015 |
|----------------------|-------|-------|
| United States | 1,250 | 1,654 |
| Saudi Arabia | 896 | 1,540 |
| Germany | 284 | 268 |
| United Arab Emirates | 123 | 262 |
| Russian Federation | 431 | 235 |
| Estonia | 180 | 121 |
| Yemen | 346 | 84 |
| Argentina | 30 | 78 |
| Denmark | 111 | 78 |
| Australia | 2 | 76 |





F

DEPARTURE AND DESTINATION COUNTRIES

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

As is the case with reporting countries, the reason why the United States dominates the top 20 list is because it is one of the biggest producers of weapons in the world. Therefore, an analysis based on departure and destination countries cannot serve as a robust indication of the real situation (see Table 3).

F /
9 mm Luger ammunition.
Photo courtesy of Serbian
Customs.

TABLE 3. TOP 20 DEPARTURE AND DESTINATION COUNTRIES

| Departure country | Number of cases | | Destination country | Number of cases | |
|----------------------|-----------------|-------|----------------------|-----------------|-------|
| | 2014 | 2015 | | 2014 | 2015 |
| United States | 880 | 1,224 | Saudi Arabia | 926 | 1,546 |
| Mexico | 390 | 404 | United States | 689 | 812 |
| Indonesia | 139 | 331 | Unknown | 156 | 433 |
| United Arab Emirates | 216 | 301 | United Arab Emirates | 134 | 259 |
| Canada | 136 | 298 | Germany | 252 | 245 |
| Unknown | 159 | 273 | Russian Federation | 455 | 219 |
| Russian Federation | 170 | 175 | Estonia | 131 | 107 |
| Turkey | 141 | 137 | Mexico | 78 | 107 |
| Yemen | 338 | 109 | Australia | 4 | 82 |
| Netherlands | 73 | 99 | Canada | 58 | 80 |
| China | 131 | 95 | Argentina | 30 | 70 |
| Qatar | 68 | 94 | Denmark | 104 | 65 |
| Oman | 66 | 80 | Ukraine | 172 | 58 |
| Hong Kong, China | 81 | 77 | Cuba | 9 | 54 |
| Malaysia | 31 | 75 | China | 25 | 41 |
| Kuwait | 130 | 74 | Georgia | 25 | 32 |
| Ukraine | 68 | 72 | Jordan | 37 | 32 |
| Jordan | 40 | 66 | France | 9 | 31 |
| Singapore | 30 | 55 | Philippines | 41 | 23 |
| Germany | 78 | 50 | Brazil | 30 | 18 |

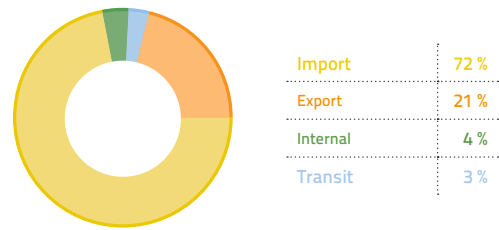
G /
Makarov and Tokarev
pistols and five unidenti-
fied submachine guns.
Photo courtesy of
Estonian Customs.

H /
Knife with integrated
knuckle duster. Photo
courtesy of Estonian
Customs.

SEIZURES BY CUSTOMS PROCEDURE

Out of the 4,761 reported cases in 2015, in 3,431 cases seizures were made at import and in 978 cases they were made at export. These are the two leading categories, with 72% and 21% respectively, followed by 190 reported cases of internal seizures (equalling 4% of cases), and 162 cases where seizures were made in transit accounting for the remaining 3% (see Chart 1). This result is not really surprising, although it is not consistent with the trends and patterns observed during previous years. Due to enhanced quality control of the data, a more realistic picture is available now. It is more than logical that most seizures will be made at import, since this is the phase where the admissibility and legality of a shipment will be controlled most thoroughly, especially as controls on goods in transit have to be supported by an adequate risk management and risk profiling system.

CHART 1.
Number of cases by Customs procedure



METHOD OF CONCEALMENT

Out of 4,761 reported cases in 2015, weapons and ammunition were found mainly: in terms of number of cases, in transport and in baggage (31% each), and in terms of quantity seized, in freight (45%). This follows the dynamics observed in 2014.



TABLE 4. REPORTED CASES BY CONCEALMENT METHOD

| Method | 2014 | | 2015 | |
|--------------------------|-----------------|-------------------|-----------------|-------------------|
| | Number of cases | Quantity (pieces) | Number of cases | Quantity (pieces) |
| In freight | 142 | 5,168,500 | 266 | 953,392 |
| In transport | 1,196 | 347,473 | 1,464 | 791,770 |
| Not concealed | 280 | 18,601 | 83 | 123,575 |
| In premises | 90 | 21,381 | 114 | 118,252 |
| In mail | 573 | 23,267 | 868 | 41,211 |
| Unknown | 149 | 15,496 | 353 | 36,495 |
| In baggage | 1,465 | 56,823 | 1,498 | 25,145 |
| On the person | 142 | 5,552 | 113 | 2,133 |
| On market places | 9 | 341 | 1 | 480 |
| Recovered from sea/beach | 0 | 0 | 1 | 1 |

I, J /
9 mm Zastava pistol
concealed in foodstuff.
Photos courtesy
of Serbian Customs.



SEIZURE LOCATION

In terms of seizure location, seizures were made mainly at airports (35%) and land boundaries (33%), followed by mail centres (19%), inland seizures (11%) and seaports (2%). In the remaining cases, which constitute approximately 1% of the total, seizures were made on railways and at other locations (see Chart 2).

CHART 2.

Classification by seizure location and number of cases

NB: for graphic purposes, the categories 'rail' and 'border of free trade zone' have been excluded from the Chart, as they constitute less than 1% when analysed separately.



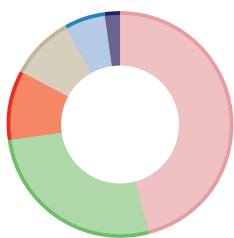
However, in order for readers not to be misled, it is necessary to include a correlation of the number of cases and the number of pieces seized (see Chart 3). Thus, the highest quantities of weapons, their parts and ammunition were seized at airports and railway stations, even though the number of reported cases at railway stations was much lower than the number of cases at airports.

homicides, suicides and gun accidents. Many of these deaths can be traced back to illicit weapons infiltrating countries from a number of sources.

At the global level, the international community's small arms and light weapons related work is mainly coordinated by the United Nations (UN). For several years, the UN has been encouraging its Members to enforce stricter controls on the illicit trade in SALW in all its aspects. At the same time, the UN has also invited its international and regional partner organizations to join forces to prevent illicit flows of such items.

CHART 3.
Classification by seizure location and number of pieces

NB: for graphic purposes the category 'border of free trade zone' is not indicated, because it constitutes less than 1%.



| | | |
|----------------------|----------------|-------------|
| Airport | 972,257 | 46 % |
| Rail | 566,037 | 27 % |
| Land boundary | 210,903 | 10 % |
| Inland | 184,018 | 9 % |
| Seaport | 117,587 | 6 % |
| Mail centre | 41,152 | 2 % |

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 or en route to so-called 'crisis areas', countries with internal conflicts (Yemen) or strong organized crime groups (Mexico), or countries adjacent to those (Lebanon, Saudi Arabia, Kuwait, Jordan), as well as in known transit or export countries (e.g. Germany, USA). This has been a continuing trend for a number of years, which is supported by findings from other open sources.

The large seizures made by Germany in transit, and by the United States at export, do show that countries with a functioning risk assessment and analysis system support the safety and security of other nations.

According to open source statistics, small arms and light weapons kill one person in the world every two minutes, both in nations plagued by civil strife (where most of the victims tend to be civilians) and in crime- or drug-related

DUAL-USE EXPLOSIVE PRECURSOR CHEMICALS

Dual-use precursor chemicals continue to be the most popular ingredient used by Violent Extremist Organizations (VEOs) to manufacture Improvised Explosive Devices (IEDs). The free availability and widespread trading of these chemicals, allied to their effectiveness and the relatively little knowledge required to manufacture explosive substances from them, mean that they are highly sought after by VEOs for use in their IEDs. Fourteen of the most commonly used precursor chemicals are monitored under the WCO's Programme Global Shield (PGS). In addition, following changes to the Harmonized System due to take effect in January 2017, various detonators and triggers will be categorized under individual six-digit codes, greatly aiding identification.

Throughout 2015 PGS, in cooperation with the United Nations Office on Drugs and Crime (UNODC) and the International Criminal Police Organization (INTERPOL), continued its efforts to counter the illicit diversion and trafficking of explosive precursor chemicals that could be used to manufacture IEDs.

Over the past four years, PGS has developed enhanced operational capabilities within border control agencies to detect attempts to divert legally traded chemicals for illicit purposes. The Programme has introduced various WCO tools, the SAFE Framework of Standards, and Risk Management into its training curriculum. This has enabled better targeting of high risk shipments, while facilitating legitimate trade by trusted and reliable traders.

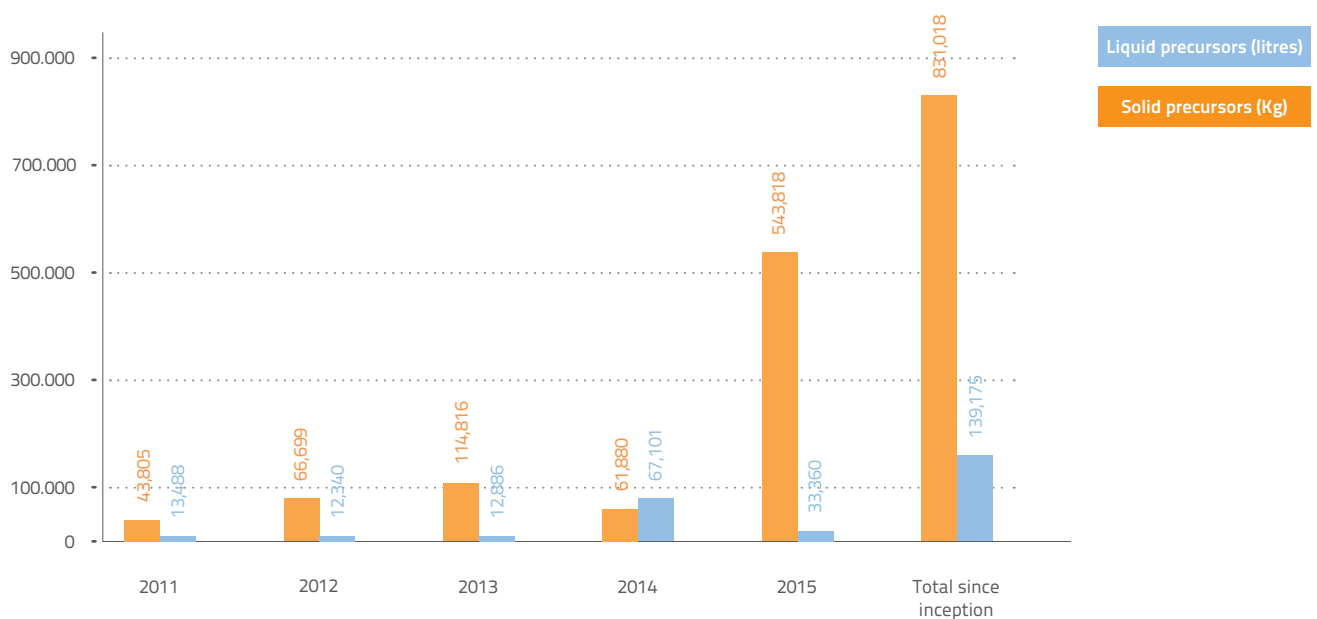
In 2015, under the PGS initiative, border control agencies seized 543,818 kg of solid precursors and 33,360 litres of liquid precursors. The quantity of solid precursors seized was significantly higher than in the preceding four years, with 2015 seizures nearly double the total amount of solid precursors seized between 2011 and 2014. The bulk of these seizures resulted from a period of sustained operational activity between Afghanistan and Pakistan in August 2015. During that time, 486,500 kg of ammonium nitrate and urea were seized by border control agencies in the region.

Since its inception, PGS has delivered impressive results. Chart 4 shows the results achieved up to December 2015. In addition to the detection of precursor chemicals, it is worth noting the large quantities of detonators, detonating cords, manufactured explosives and IEDs that have been seized as a result of PGS activity.

STRATEGIC TRADE CONTROL ENFORCEMENT

As a result of the outcomes of, and lessons learned from the introduction of the Strategic Trade Control Enforcement (STCE) Project in 2013, as well as the increasing assistance requests from WCO Members to support their national capabilities to control strategic goods⁴, the Project has now been transformed into a structured Programme, aiming to address the STCE needs of the global Customs community in the field of security and non-proliferation.

CHART 4.
Global Shield seizures by year since inception



4 /
The term strategic goods, in the context of the WCO STCE work, refers to 'weapons of mass destruction (WMD), conventional weapons, and related items involved in the development, production, or use of such weapons and their delivery systems'.

With the experience gained over the last three years of the Project, the STCE Programme has now turned into a long-term capacity building, technical assistance, and training programme, allowing the WCO to support its Members' efforts in this field with a number of different initiatives, such as:

- The development of special STCE training material intended exclusively for Customs (such material is now available to WCO Members for incorporation in their national Customs training academy programmes);
- The delivery of national and regional STCE training packages tailored to the needs of each country;
- The creation of an international network of WCO STCE certified experts to facilitate international cooperation and coordination on STCE-related topics, including training and assistance capabilities;
- The development and 24/7 availability of a secure platform for information exchange amongst Members for cases involving strategic and/or dual use goods (STRATComm);
- The provision of a help-desk function/interface via the WCO Information and Intelligence Centre (I2C) for cases involving strategic and/or dual use goods;
- The incorporation of the STCE component in WCO key instruments such as the Customs Risk Management Compendium and the Guidelines for Post-Clearance Audit;
- The organization of a second STCE Operation to build on the lessons learned from 2014 Operation Cosmo.



As part of this integrated effort, and in order to allow Members to properly analyse input related to STCE seizures conducted worldwide, the WCO has recently introduced a new commodity into the CEN database system, dedicated to Strategic Goods. This will allow the international Customs community to identify and analyse the STCE cases in a more structured and logical way, facilitating the identification of

international trends and patterns under this new topic. With this in mind, the WCO would like to encourage all Members to report all their STCE-related seizures to the CEN system as part of their normal daily reports, and this in turn will enable the WCO to provide more detailed reporting relating to the types of goods seized, as well as monitoring and highlighting trends in relation to seizures of strategic goods.



L

K, L /
The STCE Training Curriculum is available in six languages. Here, a national training event in Kyrgyzstan led by the WCO expert trainers using Russian language materials. Photos courtesy of Kyrgyz Customs.

Section 6.

Cultural Heritage



A

A /
Photo courtesy of
Sri Lankan Customs.

BACKGROUND AND RECENT DEVELOPMENTS

The illicit trafficking of cultural objects is a complex, multifaceted form of crime which involves different actors and often serves diverse purposes. Being one of the oldest forms of cross-border crime, it has recently manifested itself as a global emerging risk due to its growing scale and impact.

There is also evidence of well-established links between this type of crime and other illegal activities, such as drugs, wildlife and arms trafficking, money laundering and tax evasion - overall fuelling, and being an indisputable part of transnational organized crime.

At the national level, illicit trafficking of cultural objects has traditionally been countered by

the countries concerned. Recently, however, this issue has received a lot of international attention due to alarming reports of the widespread illegal looting, pillaging and destruction of cultural heritage in the conflict zones in the Middle East, and possible linkages between these illicit activities and terrorist financing. Customs, having a primary responsibility for the monitoring of all cross-border movements of goods, conveyances and passengers as well as controlling global supply chains, is in a unique position to prevent this type of illicit trafficking if it is well-equipped and is adequately empowered to do so.

In cooperation with the United Nations Educational, Scientific and Cultural Organization (UNESCO), the global Customs community took

a concrete step to protect cultural heritage in 2005, when it recognized the growing negative impact of the illicit export of cultural objects from the countries of origin. This led UNESCO and the World Customs Organization (WCO) to jointly develop a Model Export Certificate in order to enable the identification and traceability of cultural objects and to distinguish them from other, ordinary objects (garments, laptops, etc.). UNESCO and the WCO recommended adopting the Model Export Certificate, in its entirety or in part, by implementing national export certificates specifically for this category of objects. In a similar vein, the 1970 UNESCO Convention on the Means of Prohibiting and Preventing the Illicit Import, Export and Transfer of Ownership of Cultural Property and the 1995 UNIDROIT Convention on Stolen or Illegally Exported Cultural Objects also recommend the use of export certificates for cultural objects.

The alarming rate of pillaging and destruction of cultural property caused this topic to gain momentum within the United Nations (UN) Security Council, leading to the unanimous adoption of UN Security Council Resolution 2199 in February 2015, under the binding Chapter VII of the United Nations Charter. Resolution 2199 specifically condemns the destruction of cultural heritage in Iraq and Syria, particularly by terrorist groups, and calls upon all Member States to take measures, in cooperation with UNESCO, INTERPOL and other international organizations, in order to prevent trade in cultural objects illegally removed from either country during periods of conflict.¹ This Security Council Resolution is a unique instrument due to the fact that for the first time, a link between the protection of cultural heritage and security has been made. This link was reinforced by the adoption in December 2015 of UN Security Council Resolution 2253, which highlighted possible linkages between the illicit trafficking of cultural objects and terrorist financing, thus bringing this matter to the top of the agenda of Customs and other law enforcement agencies all over the globe.² In its Annex I, Resolution

2253 also empowered the UN Analytical Support and Sanctions Monitoring Team to consult with the WCO, other relevant organizations and Member States on the gaps and challenges in States' implementation of the Resolution³.

As a result of consultations with different parties, including the WCO, on 19 July 2016 the UN Sanctions Monitoring Team released its Eighteenth Report pursuant to Resolution 2253 (2015) concerning Islamic State in Iraq and the Levant (Da'esh), Al-Qaida and associated individuals, groups, undertakings and entities. Paragraphs 83–86 in particular refer to WCO legal instruments, such as the WCO Harmonized System Nomenclature and Classification of Goods, where it is recommended to consider revising classifications under the headings referring to cultural objects, in order to make them more specific. The WCO ARCHEO platform and CEN seizures database are highlighted as specific tools aimed at enhancing operational information exchange between Customs and other law enforcement agencies⁴. Having a reference to these WCO tools and instruments in the Report, and elevating them to the Security Council agenda, is a very positive development and is in line with the objectives of the WCO Resolution on the role of Customs in preventing illicit trafficking of cultural objects, adopted in July 2016.

Another noteworthy step in addressing the illicit trafficking of cultural objects was taken in April 2015 during the 13th UN Congress on Crime Prevention and Criminal Justice, which adopted the Doha Declaration calling on States "to strengthen and implement comprehensive crime prevention and criminal justice responses to illicit trafficking in cultural property"⁵.

The WCO has been actively engaged in a network of major international organizations that have a mandate to detect and prevent the illicit trafficking of cultural objects, along with UNESCO, INTERPOL, the UN Office on Drugs and Crime (UNODC), UNIDROIT, ICOM (International Council of Museums) and the UN Security

1 / United Nations (2015), "Unanimously Adopting Resolution 2199 (2015), Security Council Condemns Trade with Al-Qaida Associated Groups, Threatens Further Targeted Sanctions", available at www.un.org/press/en/2015/sc11775.doc.htm, accessed on 2 August 2016.

2 / United Nations Security Council (2015), Resolution 2253, S/Res/2253, available at: [www.un.org/en/ga/search/view_doc.asp?symbol=S/RES/2253\(2015\)](http://www.un.org/en/ga/search/view_doc.asp?symbol=S/RES/2253(2015)), accessed on 2 August 2016.

3 / Ibid.

4 / United Nations Security Council (2016), "Eighteenth report of the Analytical Support and Sanctions Monitoring Team submitted pursuant to resolution 2253 (2015) concerning Islamic State in Iraq and the Levant (Da'esh), Al-Qaida and associated individuals and entities", S/2016/629, available at www.un.org/en/ga/search/view_doc.asp?symbol=S/2016/629, accessed on 29 August 2016.

5 / UNODC (2015), Doha Declaration, available at www.unodc.org/documents/congress/Declaration/V1504151_English.pdf, accessed on 2 August 2016.

6 /
For further information on CEN, please consult the Introduction.

7 /
WCO (2016), WCO steps up efforts to deter illicit trafficking of cultural objects, 15 July, available at www.wcoomd.org/en/media/newsroom/2016/july/wco-steps-up-efforts-to-deter-the-illicit-traffic-of-cultural-objects.aspx, accessed on 9 August 2016.

B /
Mr. Kunio Mikuriya (WCO) and Ms. Molly Fannon (Smithsonian) signing an MOU in the WCO Headquarters.

Council Sanctions Monitoring Team. Apart from supporting each other's awareness-raising and capacity building activities, all of the aforementioned organizations also support the WCO ARCHEO platform, which is a CENcomm-based electronic information exchange platform, originally developed by the Regional Intelligence Liaison Office (RILO) Western Europe (WE), and now open to all regions and hosted by the WCO. This network is dedicated to the prevention of cultural heritage fraud and brings together professionals and experts committed to the protection of cultural heritage through facilitating the identification of suspect items, with the goal of maximizing efficient and effective enforcement in this area.

Both CEN⁶ and ARCHEO have been used to share information on seizures of cultural objects; however, the available seizure data is very limited and does not allow for a comprehensive analysis of trends and patterns on the global level. Therefore, this analysis will concentrate on regional operational activities and key success stories reported by Member Customs administrations.

The WCO has also contributed to a number of awareness-raising activities within the global Customs community and beyond it. In order to highlight the role of Customs in preventing the illicit trafficking of cultural objects, as well as delineate available tools and instruments and necessary measures to fight effectively against this scourge, at the WCO Council sessions in July 2016 the Directors General of the 180 WCO Member Customs administrations unanimously adopted the WCO Council Resolution on the role of Customs in preventing illicit trafficking of cultural objects⁷.

The Resolution recognizes possible linkages between illicit trafficking of cultural objects, money laundering, terrorism and other criminal activities, moving this type of crime higher up the political agenda. It also underlines that international borders still offer the best opportu-

nity to intercept stolen and looted cultural artefacts, thus reinforcing the role of Customs as a vital contributor in fighting against this scourge.

The Resolution advocates the wider use of export certificates for cultural objects, based on the UNESCO-WCO Model Export Certificate. It encourages the use of CEN and its seizure database in order to be able to conduct more in-depth regional and global analyses. Acknowledging the variety of stakeholders involved in the prevention of illicit trafficking of cultural objects, the Resolution endorses cooperation on the national, regional and international levels with other law enforcement agencies, academia, non-governmental organizations and any other relevant stakeholders. ARCHEO is specifically mentioned as one of the communication platforms that could be used effectively to this end.

In recognition of the need to cooperate with cultural heritage experts, as well as the need for the development of specialized training for Customs officers, on 15 July 2016 the WCO signed a Memorandum of Understanding (MOU) with the Smithsonian Institution, the world's largest museum, education and research complex. This MOU is a stepping stone towards developing and delivering training and capacity building programmes for Customs officers, enhancing existing tools and developing new ones to address the issue of cultural property protection, expanding the network of experts in academia, and launching joint public awareness campaigns on this issue.



OPERATION ODYSSEUS

The catalyst for Operation Odysseus was Operation Colosseum⁸, which was the first Operation conducted in the European region focusing on the prevention of illicit trafficking of cultural objects. The Operation was co-ordinated by the RILO WE and Italian Customs, with the participation of INTERPOL, the European Anti-Fraud Office (OLAF), the European Commission's Taxation and Customs Union Directorate-General (TAXUD), ICOM, the Italian Ministry of Cultural Heritage and the Italian Guardia di Finanza. This Operation resulted in 32 seizures and led to heightened awareness of this problem at the European level.

Operation Odysseus, organized by RILO WE and the WCO, took place from 5 May to 6 June 2014. It was a joint Customs Operation which included a 15-day enforcement phase. The focus of this Operation was specifically placed on smuggling routes from the conflict zones to Europe. Forty Customs administrations, three WCO RILOs, INTERPOL, UNESCO, ICOM, UNIDROIT and UNODC participated in the Operation and contributed to its success. The RILO WE hosted the Operational Coordination Unit (OCU) during the operational and post-operational phases.

Operation Odysseus resulted in 43 seizures, involving a total of 44,235 objects. More than 25 different categories of cultural objects were seized. The top five artefacts seized were coins, antiquities, lithographs, ceramics and archaeological items.

The seizure data was impacted by an extraordinary seizure of 42,000 coins by Bulgarian Customs, accounting for more than 90% of the objects seized throughout the Operation. This seizure took place at the border with Romania. Cyprus, France, Russia, Turkey and Uzbekistan also reported seizures of coins, which brought the total number of pieces in this category to 43,340.

The second largest category of seized objects was antiquities, thanks to a large seizure of 403 objects reported by Turkish Customs. The third highest category, lithographs, was reported by France, with seizures amounting to 118 objects. In total, France reported 26 seizures of 1,594 objects during the operational period, thus becoming the most active contributor to the success of the Operation in terms of the number of seizures and objects seized (with the exception of the seizure of coins by Bulgaria), while other countries reported between one and four seizures each.

The quantities of objects in the fourth and fifth categories, i.e., ceramics and archaeological items, amounted to 50 and 43 pieces respectively.

In terms of the countries of origin or departure, it is important to highlight that Turkish Customs reported two particular seizures of objects where Syria was identified as a country of origin/departing country. These seizures related to 11 coins and two Christian manuscripts.



8 / For more information on Operation Colosseum see European Commission (2013), Joint Customs Operation: COLOSSEUM, available at ec.europa.eu/dgs/home-affairs/financing/fundings/projects/stories/colosseum_en.htm, accessed on 2 August 2016.

C / An amphora seized during Operation Odysseus. Photo courtesy of Spanish Customs.

9 /
RILO ECE includes the following countries: Albania, Bulgaria, Croatia, Estonia, Greece, Hungary, Latvia, Lithuania, FYR Macedonia, Moldova, Montenegro, Poland, Romania, Serbia, Slovakia, Slovenia, Turkey and Ukraine.

10 /
Unlike other categories of goods (such as cigarettes or objects seized because of suspected IPR infringement), where there is an established minimum limit of goods seized in order to be reported, in the case of cultural objects every case entered into the CEN is analysed, even if it relates to just one small object.

Another important seizure was reported by Spanish Customs; it related to 36 different archaeological items that included amphorae, pots, vases and other ceramic objects. The seizure was made in a container on a vessel travelling from Egypt to Valencia seaport. After an analysis was conducted, some of the objects were identified as authentic, and others as fakes.

On the African continent, Burkina Faso reported one seizure of Calao statues.

Most seizures were made by Customs at import (21), followed by internal seizures (9), seizures at export (8) and in transit (5).

REGIONAL HIGHLIGHT: EASTERN AND CENTRAL EUROPE

Headquartered in Warsaw, Poland, RILO Eastern and Central Europe (ECE) coordinates the work of 18 countries⁹. It is one of the most active RILOs in the area of cultural heritage protection. The analysis below is based on information provided by the countries in this region in 2014 and 2015. It is important to mention that the region covered by RILO ECE does not set a quantitative reporting limit on works of art or antiquities¹⁰, therefore the analysis takes into account all cases entered into the CEN during the aforementioned time period.

Overall, an increase in seizures was reported in 2015 compared to 2014, with 47 cases

versus 39. However, it is also important to mention that in 2015 only six countries in the region reported seizures to the CEN database. The largest contributor was Ukraine with 30 reported cases, followed by Serbia (8 cases), Hungary (4 cases), Turkey and the Former Yugoslav Republic of Macedonia (2 cases each) and Poland (1 case). In preceding years, Ukraine also reported more cases of cultural objects than other countries. Compared to 2014, the number of cases reported by Serbia increased from three to eight, while the number of cases reported by Hungary dropped from nine to four.

Looking at the type of location for seizures of cultural objects, it is worth noting that the situation in this respect did not change significantly compared to 2014 (see Chart 1). Most cases are still being recorded at land border crossings, and in 2015 the number of such seizures was even larger than in 2014. However, a decrease in the number of seizures at airports was observed: in 2014 there were 12 seizures of cultural objects at airports, compared to only seven in 2015. The number of cases in mail centres remained at about the same level for the two years concerned, amounting to seven in 2014 and eight in 2015. Few attempts to smuggle cultural goods were recorded in rail transport (in 2015 there were only three), inland (three in 2015) and at seaports (one in 2015).

Moving on to methods of concealment, it can be observed that in the vast majority of cases (62%) the cultural objects were not hidden (see

CHART 1.
Number of seizures by location

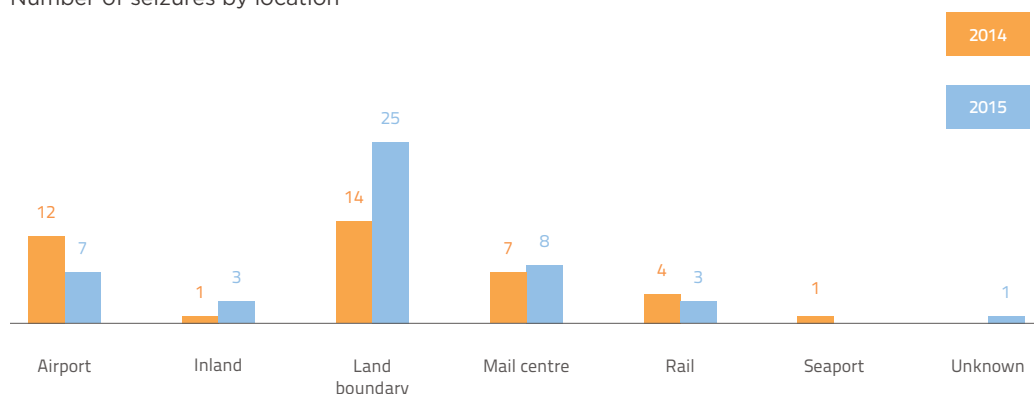
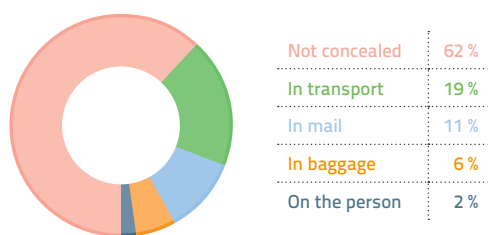


Chart 2). In 19% of cases the objects were hidden in the means of transportation. The prevalence of this concealment method is closely related to the seizure location, and is reflected in the high proportion of seizures carried out at land boundaries. Cultural objects are usually hidden in vehicles, mainly passenger cars – especially in various types of compartments inside vehicles, but also in the structure of the vehicles. In 11% of cases, cultural objects were discovered in parcels. Other methods of concealment include in baggage and on the person, representing 6% and 2% respectively.

In terms of the most frequently reported departure countries in 2015, the majority of the cases registered related to objects coming from

CHART 2.
Method of concealment in 2015



Ukraine (24 cases), Hungary and Serbia (4 cases each). As regards the most frequently reported countries of destination, Russia was indicated in 14 cases, while Ukraine figured in four cases, followed by Poland, Austria, Belarus and Turkey, named in three cases each.

Among the most notable cases in the region, several seizures attracted special attention. In 2014, Serbian Customs prevented the smuggling of a piece of sculpture by a famous modern artist, Keith Haring, and an ivory relief of Hercules leading Cerberus (or Kerberos) out of the Underworld. An offender was detained at Belgrade airport upon his arrival from London, United Kingdom. On completion of the expert analysis, it was established that both objects were original and were very valuable.



D

D, E /
The sculpture by Keith Haring and the ivory relief of Hercules leading Cerberus (or Kerberos) out of the Underworld, seized by Serbian Customs. Photos courtesy of Serbian Customs.



E

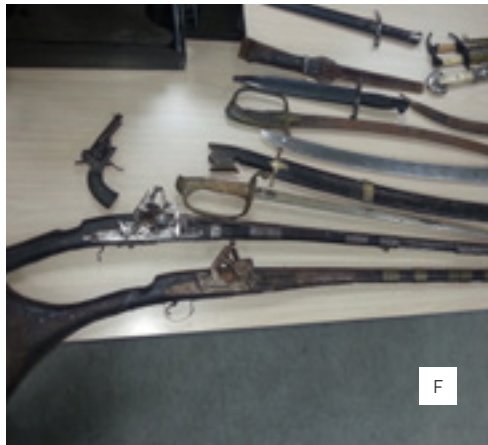
On 12 February 2015, at the border crossing in Batrovci, Serbian Customs officers foiled an attempt to smuggle valuable cultural objects in a passenger van travelling from France via Croatia and Serbia, and destined for Bulgaria. During a routine inspection, the following items of historical importance were found in the back seat of the vehicle and in its trunk: 2 rifles, 1 pistol, 7 knives, 4 swords, 6 watches, 5 candlesticks and 5 saucers, teapots and cups (see photos F and G).

On 1 September 2015, Turkish Customs officers foiled an attempt to export a considerable quantity of ancient coins from Turkey to the Netherlands. The seizure took place in Istanbul, where Customs officers found 3,300 coins in the structure of a Volvo truck (see photo H).

F, G /
Antiquities and antique
weapons seized
by Serbian Customs.
Photos courtesy
of Serbian Customs.

H /
Coins seized by Turkish
Customs. Photo courtesy
of Turkish Customs.

I, J /
Different shipments
of coins intercepted
by Serbian Customs.
Photos courtesy
of Serbian Customs.



SMUGGLING OF SMALL OBJECTS VIA POSTAL CARRIERS

In October 2015, the Serbian Customs Administration observed an interesting phenomenon in relation to investigations on different postal consignments. In two days, Customs officers discovered several postal consignments that contained dozens of small antique coins. Altogether, there were 13 consignments which looked very similar. The modus operandi was also the same: unknown sender, and 13 different recipients (8 in USA and 1 each in Poland, Sweden, Italy, Germany and Canada). Apparently, the sender was the same person. Each consignment contained dozens of coins, which bore clearly visible traces of soil as well as mechanical damage. Information on these seizures was reported through the ARCHEO network.



FRENCH CUSTOMS ON GUARD TO PROTECT CULTURAL HERITAGE

Historically, French Customs has had the mission of monitoring and protecting cultural heritage, through established controls of the licit movements of cultural objects and the prevention of illegal trafficking. French Customs' actions in this domain are firmly grounded within the framework of cooperation with other institutional actors, notably the Ministry of Culture and Communication (MCC), an authority responsible for the issuing of export certificates for cultural objects, and the Central Office for the fight against trafficking of cultural property (OCBC).

In 2015, French Customs intercepted a total of 20,886 cultural objects. Below are some examples of notable seizures made during the period 2012–2015.

COOPERATION BETWEEN CUSTOMS AND MCC TO FIGHT AGAINST ARCHAEOLOGICAL PILLAGING

In 2012, the operational division of Customs conducted controls on a vehicle, followed by controls in the house of the owner of the goods. This led to the discovery of an important collection of different objects related to the Gallo-Roman and medieval periods, all of which had been the subject of illicit excavations. Having consulted with the Regional Directorate of Cultural Affairs of the Ile de France, it was established that the pieces were indeed cultural



objects. Since no justification was given as to the provenance of the objects, they were seized.

PROTECTING THE CULTURAL HERITAGE OF OTHER COUNTRIES: SUCCESS STORIES

Transatlantic cooperation

Since the illicit trafficking of cultural objects is a transnational crime, international cooperation is a key success factor. In 2012, representatives of the U.S Immigration and Customs Enforcement (ICE) Homeland Security Investigations (HSI) returned 10 Nok statues and one carved tusk to the Government of Nigeria. The Nok statues, made of terracotta and dating from around 1,000 BC, are some of the most ancient in West Africa and the most treasured in Nigeria. The export of these antiquities is strictly prohibited by Nigerian law.



The objects were seized from importers by HSI special agents and US Customs and Border Protection (CBP) officers on information received from French Customs, which had earlier detained a shipment of what they identified as Nok statues from Nigeria, destined for the United States.

M /
Restitution ceremony
of the Picasso painting
seized by French Customs.
Photo courtesy of
the Spanish Guardia Civil.

N /
Spanish Guardia Civil and
French Customs officers
loading the Picasso painting
onto the plane. Photo
courtesy of the Spanish
Guardia Civil.

The French authorities, the Louvre museum, INTERPOL and the International Council of Museums (ICOM) participated in the investigation, confirming that the seized objects were antiquities and not handicrafts as stated on the import documents.

Customs-Police cooperation

In 2015 the painting by Pablo Picasso entitled *Head of a Young Woman (1906)*, worth around €25 million, was seized by French Customs in collaboration with the Spanish Guardia Civil and the Spanish Ministry of Culture.

During the search of a boat in Calvi, initiated on 30 July, French Customs discovered the painting. The captain of the ship could not provide any document authorizing the export of this object from Spain. Moreover, the Customs authority found, among other documents, the summary of a judgement issued in May 2015 by the National Audience, Spain's highest judicial authority, confirming that this painting was of cultural interest and could not leave the territory of Spain. On the basis of these findings, and within the framework of the Naples II Convention, French Customs contacted the Guardia Civil. Their investigations proved that this masterpiece was previously in Spain, at Christie's auction house in Madrid (Spain) and later on the ship ADIX. Subsequently, the Spanish

authorities sent a request for the seizure of the painting. On 31 July French Customs carried out a seizure, which was followed by the restitution of the painting to Spain.



N

SEIZURES, INVESTIGATIONS AND REPATRIATIONS - THE WORK OF THE U.S. ICE

Federal importation laws give U.S. Immigration and Customs Enforcement (ICE) Homeland Security Investigations (HSI) the authority to take a leading role in investigating crimes involving the illicit importation and distribution of cultural property and art. Customs laws allow HSI to seize cultural property and art that are brought into the United States illegally, especially when objects have been reported lost or stolen.

Specially trained investigators assigned to domestic and international offices partner with federal, state and local agencies, private institutions and foreign governments to conduct investigations. These entities share HSI's mission to protect these objects and preserve cultural heritage.



M

In 2015, ICE repatriated more than 60 cultural objects to the Republic of Iraq. These ancient treasures, including the head of a statue of the Assyrian King Sargon II, were seized as part of five different investigations involving ICE, CBP and a U.S. Attorney's Office. In one of the investigations, ICE received information that a dealer based in Dubai was selling looted Iraqi antiquities around the world. The investigation identified a transnational criminal organization dealing in illicit cultural property, whose shipments were directly linked to major museums, galleries and art houses in the United States, and led to an arrest and multiple seizures of antiquities.

One of ICE's largest and still ongoing cases, Hidden Idol, has resulted in the seizure of more than \$100 million in stolen and looted artifacts from India, Afghanistan, Pakistan and Cambodia. Some of these artifacts were supplied with false provenance documents by the importer and sold to museums across the country.

These cases are just a few examples of the many cultural property investigations that ICE conducts each year; the investigations are complex, often span several years, and may involve law enforcement and cultural property partners in multiple countries. In addition to the case work and repatriating cultural property to its lawful owner, ICE works with the U.S. Department of State to train law enforcement officers in the United States and abroad in the latest techniques and trends for conducting investigations concerning cultural property. Between 2012 and 2015, ICE pursued hundreds of cases and repatriated cultural property ranging from ancient coins to dinosaur fossils to a Picasso painting, to more than 20 different countries.

SIGNIFICANT SEIZURES REPORTED BY CUSTOMS ADMINISTRATIONS IN OTHER COUNTRIES

In April 2015 a significant seizure was made at Buenos Aires airport, where 256 coins were detected in luggage during an X-ray inspection. The coins were being taken from the U.S. via Chile to Argentina.



O, P /
Photos courtesy of
Argentinean Customs.

In June 2015, Argentinean Customs detected an attempt to smuggle three paintings by famous painter Carlos Páez Vilaró, valued at approximately 105,660 Euro. The paintings were detected in a vehicle at the land border with Uruguay.



Q to X/
Photos courtesy
of Cyprus Customs.

THE MYSTERY OF THE ODYSSEY EXPLORER

On 23 December 2015, acting on a tip-off about illegal treasure hunting and based on a search warrant secured from Court, officers of the Department of Customs and Excise of Cyprus and the Cyprus Police conducted a joint search of the research vessel *Odyssey Explorer* at Limassol port. It was known that the vessel had previously been conducting work in the Mediterranean Sea between Lebanon and Cyprus. As a result of the search, 588 artefacts, dating back as far as the 18th century, concealed in 57 plastic crates and located inside the locked hold of the vessel, were discovered and seized by the Department of Customs and Excise. After inspection by officers of the Archaeological Department of the Republic of Cyprus, the objects are believed to be antiquities illegally recovered from shipwrecks. Below are some examples of the objects seized.



24 clay tobacco pipes



Five wooden spoons (Ottoman)



One water jar (Levant)



30 water jars (Yemen)



53 glazed cups (Aegean)



Height copper coffee pots (Ottoman)



One glazed storage jar
(Unknown)



Ten four-handle storage jars
(Levant)

BIBLIOGRAPHY

- European Commission (2013), *Joint Customs Operation: COLOSSEUM*, available at: http://ec.europa.eu/dgs/home-affairs/financing/fundings/projects/stories/colosseum_en.htm
- Gresham Sykes and David Matza (1957), «Techniques of neutralization: A theory of delinquency», *American Sociological Review*, Vol. 22, issue 6.
- International Narcotics Control Board (2015), *List of Narcotic Drugs under International Control*, available at: https://www.incb.org/incb/en/narcotic-drugs/Yellowlist_Forms/yellow-list.html
- Joint Publication 2-0 (2013), *Joint Intelligence, p.1-2*, available at: https://fas.org/irp/doddir/dod/jp2_0.pdf
- United Nations (2015), *Unanimously Adopting Resolution 2199 (2015), Security Council Condemns Trade with Al-Qaida Associated Groups, Threatens Further Targeted Sanction*, available at: <http://www.un.org/press/en/2015/sc11775.doc.htm>
- United Nations Commission on Narcotic Drugs (2016), *Report on the fifty-ninth session (11 December 2015 and 14- 22 March 2016), Official Records of the Economic and Social Council, Supplement No. 8A (E/2016/28/Add.1), Resolution 59/2 Annex (d)*.
- United Nations Conference on Trade and Development (2013), *Review of Maritime Transport, United Nations*, available at: http://unctad.org/en/publicationslibrary/rmt2013_en.pdf
- United Nations General Assembly (2016), *Resolution adopted by the General Assembly on 19 April 2016, thirtieth special session, Agenda item 8*.
- United Nations Office on Drugs and Crime (2015), *Doha Declaration*, available at: https://www.unodc.org/documents/congress/Declaration/V1504151_English.pdf
- United Nations Office on Drugs and Crime (2016), *World Drug Report 2016*.
- United Nations Office on Drugs and Crime (2016), *Early Warning Advisory on NPS*, available at: <https://www.unodc.org/LSS/Page/NPS>
- United Nations Security Council (2015), *Resolution 2253, S/Res/2253*, available at: [http://www.un.org/en/ga/search/view_doc.asp?symbol=S/RES/2253\(2015\)](http://www.un.org/en/ga/search/view_doc.asp?symbol=S/RES/2253(2015))
- United Nations Security Council (2016), *Eighteenth report of the Analytical Support and Sanctions Monitoring Team submitted pursuant to resolution 2253 (2015) concerning Islamic State in Iraq and the Levant (Da'esh), Al-Qaida and associated individuals and entities, S/2016/629*, available at: http://www.un.org/ga/search/view_doc.asp?symbol=S/2016/629
- US State Department (2015), *The Global Illicit Trade in Tobacco: A Threat to National Security*, available at: <https://2009-2017.state.gov/documents/organization/250513.pdf>
- World Customs Organisation (2016), *WCO steps up efforts to deter illicit trafficking of cultural objects, 15 July*, available at: <http://www.wcoomd.org/en/media/newsroom/2016/july/wco-steps-up-efforts-to-deter-the-illicit-trafficking-of-cultural-objects.aspx>
- World Health Organization (2015), *WHO Expert Committee on Drug Dependence: thirty-seventh report (WHO technical report series; no. 998)*.

| | |
|-----------------|---|
| AEEA | Asia Environmental Enforcement Award |
| AIS | Automatic Identification System |
| AP | Asia-Pacific |
| API | Advance Passenger Information |
| ATT | Arms Trade Treaty |
| AVA | Agri-Food & Veterinary Authority |
| CBP | Customs and Border Protection (United States) |
| CCF | Customs Cooperation Fund |
| CCP | Container Control Programme |
| CEN | Customs Enforcement Network |
| CENCOMM | Customs Enforcement Network communication platform |
| CFC | Chlorofluorocarbon |
| CIS | Commonwealth of Independent States |
| CITES | Convention on International Trade in Endangered Species of Wild Fauna and Flora |
| CMR | International Consignment Note |
| CTC | Carbon tetrachloride |
| DEA | Drug Enforcement Administration (United States) |
| DPILAN | Intellectual Property, Money Laundering and Drug Trafficking Division (Uruguay) |
| DR CONGO | Democratic Republic of the Congo |
| ED | erectile dysfunction |
| EMCDDA | European Monitoring Centre for Drugs and Drug Addiction |
| EMPACT | European Multidisciplinary Platform against Criminal Threats |
| EPD | Environmental Protection Department (Hong Kong, China) |
| EU | European Union |
| EUROPOL | European Police Office |
| FCLO | Fiscal Crime Liaison Officer |
| FCTC | Framework Convention on Tobacco Control |

| | |
|-----------------|---|
| GBL | Gamma butyrolactone |
| GCI | Green Customs Initiative |
| GDSN | Global Data Synchronisation Network |
| GHB | Gamma hydroxybutyrate |
| GSMA | Global System Mobile Association |
| HBFC | Hydrobromofluorocarbon |
| HCFC | Hydrochlorofluorocarbon |
| HCFC-22 | Chlorodifluoromethane |
| HMRC | Her Majesty's Revenue & Customs (United Kingdom) |
| HMS | heavy melting scrap |
| HSI | Homeland Security Investigations (United States) |
| I2C | WCO Information and Intelligence Centre |
| ICA | Immigration & Checkpoints Authority (Singapore) |
| ICCWC | International Consortium on Combating Wildlife Crime |
| ICE | Immigration and Customs Enforcement (United States) |
| ICOM | International Council of Museums |
| IED | Improvised Explosive Device |
| IMEI | International Mobile Equipment Identity |
| INCB | International Narcotics Control Board |
| INL | Bureau of International Narcotics and Law Enforcement Affairs (United States) |
| INTERPOL | International Criminal Police Organization |
| IPM | Interface Public-Members |
| IPR | Intellectual Property Rights |
| IRU | International Road Transport Union |

ABBREVIATIONS

| | |
|-----------------|--|
| JAITF | Joint Airport Interdiction Task Force |
| JIO | Joint Intelligence Office (Caribbean) |
| LAO PDR | Lao People's Democratic Republic |
| LATF | Lusaka Agreement Task Force |
| MCC | Ministry of Culture and Communication (France) |
| MDMA | 3,4-methylenedioxy-N-methylamphetamine (ecstasy) |
| MDPV | Methylenedioxypropylvalerone |
| MEA | Multilateral Environmental Agreement |
| MEID | Mobile Equipment Identifier |
| MENA | Middle East and North Africa |
| MO | modus operandi |
| MOU | Memorandum of Understanding |
| MRP | minimum retail price |
| MT | Metric Tonne |
| NCEN | National Customs Enforcement Network |
| NPS | New Psychoactive Substances |
| OCBC | Central Office for the fight against trafficking of cultural property (France) |
| OCG | Organised Crime Group |
| OCU | Operation Co-ordination Unit |
| ODS | Ozone depleting substance |
| OLAF | European Anti-Fraud Office |
| PCU | Port Control Unit |
| PGS | Programme Global Shield |
| PNR | Passenger Name Record |
| R-22 | Chlorodifluoromethane |
| RILO | Regional Intelligence Liaison Office |
| RILO AP | RILO Asia-Pacific |
| RILO CA | RILO Central Africa |
| RILO CIS | RILO Commonwealth of Independent States |

| | |
|-----------------|--|
| RILO ECE | RILO Eastern and Central Europe |
| RILO ESA | RILO Eastern and Southern Africa |
| RILO ME | RILO Middle East |
| RILO NA | RILO North Africa |
| RILO SA | RILO Caribbean and South America |
| RILO WA | RILO West Africa |
| RILO WE | RILO Western Europe |
| SALW | Small arms and light weapons |
| STCE | Strategic Trade Control Enforcement |
| TAC | Type Allocation Code |
| TAXUD | Directorate-General for Taxation and Customs Union (European Commission) |
| TCA | methyl chloroform |
| UDEF | Unit for Economic and Fiscal Crime (Spain) |
| UFW | United For Wildlife |
| UN | United Nations |
| UNEP | United Nations Environment Programme |
| UNESCO | United Nations Educational, Scientific and Cultural Organization |
| UNGASS | United Nations General Assembly Special Session |
| UNIDROIT | International Institute for the Unification of Private Law |
| UNODC | United Nations Office on Drugs and Crime |
| USA | United States of America |
| VEO | Violent Extremist Organization |
| WCO | World Customs Organization |
| WCS | Wildlife Conservation Society |
| WHO | World Health Organization |
| WMD | Weapons of mass destruction |

PUBLISHER

World Customs Organization

Rue du Marché 30

B-1210 Brussels

Belgium

Tel. : +32 (0) 2 209 92 11

Fax. : +32 (0) 2 209 92 62

communication@wcoomd.org

www.wcoomd.org

Date of publication:

December 2016

Rights and permissions:

Cover page: photo courtesy of Korea Customs Service

Copyright © 2016 World Customs Organization

All rights reserved. Requests and inquiries concerning translation, reproduction and adaptation rights should be addressed to copyright@wcoomd.org

D/2016/0448/19

