



World Customs
Organization

ENFORCEMENT AND
COMPLIANCE

Illicit Trade Report 2019



ILLICIT TRADE REPORT

2019



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Foreword

Dear Reader,

The year 2019 was earmarked as the year of sustainability for the international Customs community. The World Customs Organization's (WCO) theme for the year "Customs fostering sustainability for People, Prosperity and the Planet" was a call for action to contribute to the establishment of a sustainable future for all. Customs response to this call of duty was overwhelming. In this connection, I am proud to present the 2019 Illicit Trade Report (ITR) that provides a snapshot of the global Customs enforcement activities relating to various sectors: Cultural Heritage,

Drugs, Environment, Intellectual Property Rights (IPR), Revenue and Security.

This 2019 edition further emphasizes the essential role of Customs administrations as the "first line of defence" in the fight against cross-border illicit trade and the protection of our citizens and economies against criminal organizations operating internationally. The information contained in this Report also establishes the significance of the modern Customs administration as a key law enforcement institution, reaching far beyond

its “traditional” role of revenue collection and trade facilitation.

Each sector provides a different angle of illicit trade based on its specificity, but all reflect underlying common trends. I would like to identify some of the features and examples contained in the Report which illustrate the Customs community’s efforts to counter the illegal activities of criminals and terrorist organizations.

The Section on Cultural Heritage explains the complexity of this crime area, including the long periods of investigation, often more than ten years, and the restitution of stolen objects. The WCO PITCH training and operations offer preparedness for Customs officers. Drugs trafficking is seeing a diversification of its commodities, including New Psychotropic Substances, often produced in clandestine laboratories, using dangerous chemicals. Innovative transport means are also being exploited, for example the use of submarines. The WCO has intensified its Drugs Programme to target trafficking via general aviation, with a Project codenamed COLIBRI. The only viable way of tackling this scourge is by enhancing international cooperation, as is the case for other sectors of illicit trade. An emerging and more prevalent type of Environment crime is plastic waste trafficking, where we can observe a clear shift in destinations due to enhanced regulations. The UN Sustainable Development Goal requires Customs to deal with wildlife trafficking and cross-border movement of goods related to climate change. The Section on IPR infringements is analysed in two sub-sections, medical and non-medical items, both of which focus on improving the protection of consumers and businesses alike. Revenue fraud refers to a wide-range of threats but the Report focuses on high-value goods such as cigarettes and underlines the importance of regional cooperation, strengthened by the WCO Regional Intelligence and Liaison Offices which of course are active in all the other sectors as well. Finally, the Security Section explains the main components of the WCO Programme, tackling security-related threats of great concern to Customs. The WCO Security Programme increasingly attracts attention of the UN and the global community, owing to the worrying security situation in the world.

Over the years, the ITR has become a landmark publication for the law enforcement community and other stakeholders involved in securing trade. While data collection is still one of our major challenges, as we gather seizures data voluntarily submitted by Member Customs administrations through the WCO Customs Enforcement Network (CEN), we have noted some progress with regard to our Members’ understanding of the importance of capturing and sharing quality data in order to develop effective enforcement strategies.

As in previous years, the WCO has partnered with the Center for Advanced Defense Studies (C4ADS), a Washington DC-based non-profit organization dedicated to providing data-driven analysis and evidence-based reporting, to present the data in a format that is more intelligible.

I hope that you will find this Report inspiring and that it will serve as a reference to policy makers, academia and all those who are interested in understanding trends and patterns with regard to the safety and security of cross-border trade.

I should like to take this opportunity to thank all contributors for their input and assistance in making this ITR a reference tool for intelligence and policy development, and I encourage WCO Members who have not yet taken the leap to jump on the data analytics bandwagon and enhance the quality of this important Report.

I trust you will enjoy reading this Report.



Kunio MIKURIYA
Secretary General
World Customs Organization



Introduction

GENERAL OVERVIEW

As is tradition, the WCO publishes its yearly edition of the Illicit Trade Report. The Report offers a comprehensive study of illicit trade flows through thorough and in-depth data analysis, based on the voluntary submissions of seizure data and case studies by Member Customs administrations world-wide.

While seizures themselves cannot prevent or completely stop illicit trade, they can provide essential insight into the occurrences and study of illicit trade, thereby helping Customs administrations contribute to its disruption. The importance of comprehensive data analysis is indisputably a key component to support effective and efficient Customs enforcement activities.

This year, the analysis provided in this Report is based on data collected from 137 Member administrations, compared to 154 the previous year. With this Report, the WCO wishes to raise awareness of critical areas of Customs enforcement and also contribute to the information available on illicit trade. This will also enable policy-makers and Customs administrations around the world to set the foundations of successful policy implementation and ensuing action in order enhance their response to these threats accordingly.

The Report is composed of six sections that relate to the following key areas of risk in the context of Customs enforcement:

1. **Illicit trafficking** of stolen or looted cultural objects that include both archaeological objects and works of art;
2. **Drug trafficking**, including cultivation, manufacture, distribution and sale of substances subject to drug prohibition laws;
3. **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 areas threatens ecological balance and sustainable development;
4. **IPR and 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);
5. **Revenue risks**, including leakage, through the smuggling of highly taxed goods such as tobacco, alcohol and motor spirits, plus commercial fraud activities such as under-valuation, misuse of origin and preferential duties, misclassification and drawback fraud;
6. **Security risks**, including terrorism, proliferation of weapons of mass destruction, trafficking of small arms and explosives, and diversion of dual-use goods.



B: Mobile scanner, Courtesy: Belgian Customs.



C4ADS

innovation for peace

C4ADS is a nonprofit organization dedicated to providing data-driven analysis and evidence-based reporting on global conflict and transnational illicit networks.

We use cutting-edge technologies to manage, integrate, and analyze disparate data from diverse languages, regions, and sources, incorporating our own field research from conflict zones and fragile states. We seek to engage with local and international audiences to produce compelling and actionable analysis, and in doing so, fill a critical gap left by traditional public sector and profit-driven institutions.

C4ADS is proud to partner with the World Customs Organization to co-author the 2019 Illicit Trade Report in support of our mission to help bridge the data gap among global law enforcement authorities and the private sector.

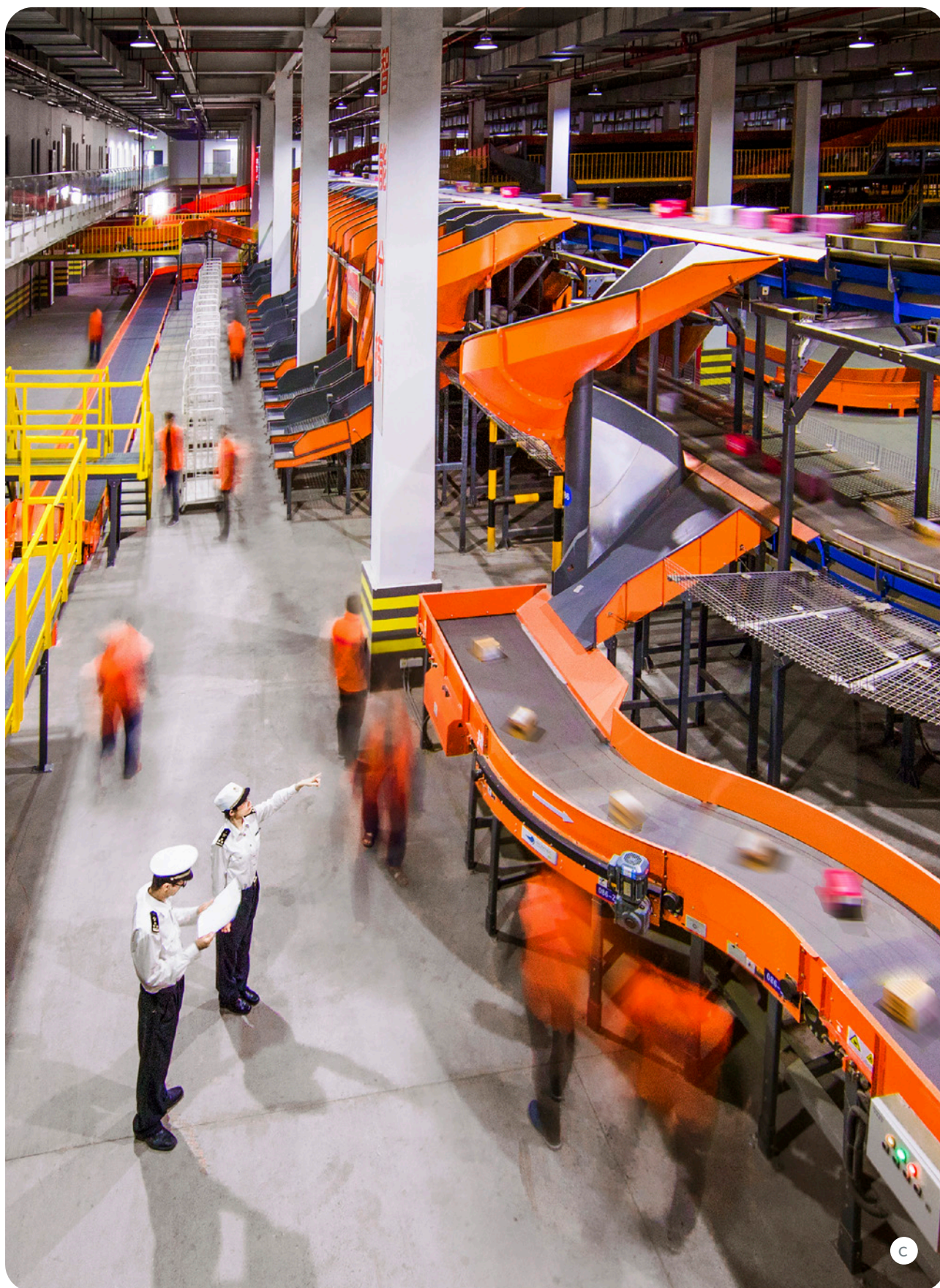
C4ADS contributors: Bridget Connelly, Maxwell Kearns, Timothy Dressel.

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. CEN data, stemming from Customs administrations around the globe, is gathered through manual input by CEN users, or through a series of electronic data interchange solutions. These solutions include the bulk upload of data from Excel files provided by Customs administrations, automated transfers of data from other WCO applications such as CENcomm or nCEN, or existing machine-to-machine (M2M) communication channels. 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.

The CEN is a vital resource, allowing 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, and defining strategies and mechanisms that render enforcement actions by Customs authorities more effective.

Intelligence exchange among all stakeholders is a fundamental part of the active collaboration to combat illicit trade. With this in mind, the WCO established a network of RILOs in six WCO regions, as an added layer of information exchange to complement the existing channels. The RILOs contribute actively to the CEN database, based on which they develop regional intelligence products, in terms of data entry on behalf of their Members, data validation and quality control. With its additional active involvement in operational activities, the RILO network remains a steadfast WCO strategic intelligence capability in meeting the global Customs goal of identifying, disrupting and dismantling transnational criminal organizations.



C: Courtesy: Chinese Customs.



A

Section 1.

Cultural Heritage

INTRODUCTION

The year 2019 was both challenging and rewarding for the global law enforcement community and its partners. Many important investigations were closed and new cases were launched. Some of these investigations took more than ten years but their results are nonetheless very telling about the complexity of fighting against illicit trafficking of cultural objects, particularly when compared with other prohibited and restricted commodities that are more common to Customs, such as drugs, weapons, tobacco and cigarettes, and IPR. In line with the previous year, some Customs administrations preferred to report a general bulk of data consisting of the number of cases and seized objects without providing details on the cases.

While this is a welcome development, since this information was not received through the WCO's Customs Enforcement Network (CEN), it is not a part of the structural analysis presented below. General statistics from the information submitted outside of WCO's CEN are presented in the Member highlights part of this Section. The WCO continues working with Members to encourage collection and sharing of seizure data in a manner that facilitates analytical perspectives on this type of illicit trade.

The WCO continued the delivery of its unique PITCH training in different regions. Particularly, Cuban Airport and Port Control Units received PITCH training in February 2019 within the framework of the WCO-UNODC Container Control Programme. In March 2019,

A: Ancient Egyptian boat seized by Italian Customs and restituted to Egypt in 2019. Courtesy: Italian Carabinieri TPC.



in cooperation with the Organisation for Security and Cooperation in Europe (OSCE) the WCO deployed the standard PITCH training to five Central Asian Customs Administrations.

In 2019, the WCO CEN recorded 227 cases involving the trafficking of cultural objects, comprised of 271 seizures, from 34 countries. While the number of reported cases marked a 12.7% decrease from the number of cases reported in 2018 (260), the number of countries reporting cases in this category increased by 11. In fact, 19 new countries reported cases in 2019 compared to 2018, including Chile, Peru, Afghanistan and Cuba. Note that any discrepancy between 2018 data in this report and data included in the 2018 Illicit Trade Report is due

to delayed case reporting; this Report contains the most up-to-date 2018 data.

Customs officers identified and recovered 9,399 artefacts in 2019, a 59.5% decrease from the 22,462 artefacts recovered in 2018. This drop was due mostly to one particularly large seizure of 10,000 coins in 2018. The largest seizure of coins in 2019, by contrast, was less than 3,000 pieces. As in 2018, a handful of cases contributed to the majority of items recovered.

While most cases were reported by countries in Eastern and Central Europe and the Commonwealth of Independent States (CIS), 2019 also saw an increase in reported cases from South America and the Caribbean.



Figure 1: Number of cases by country, 2018-2019

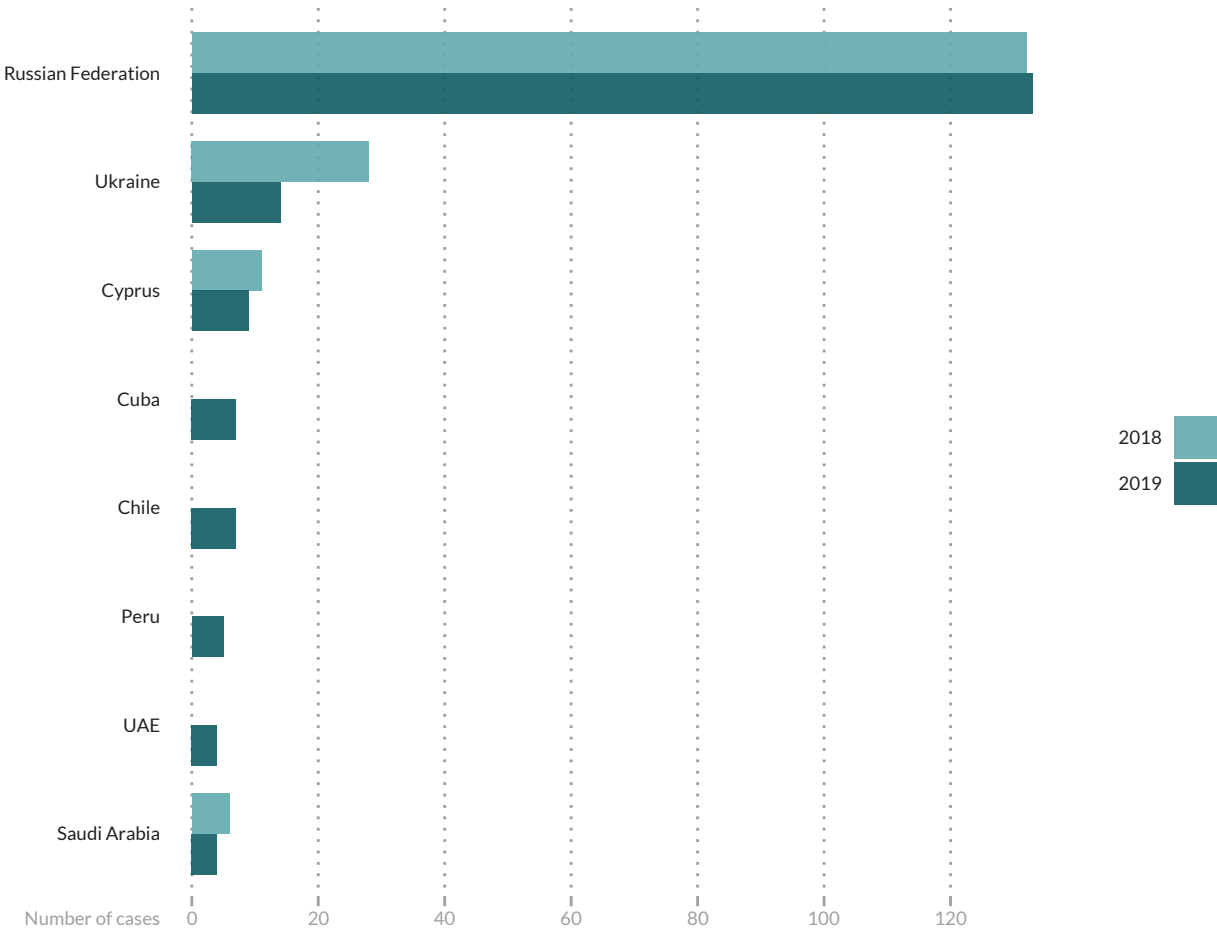


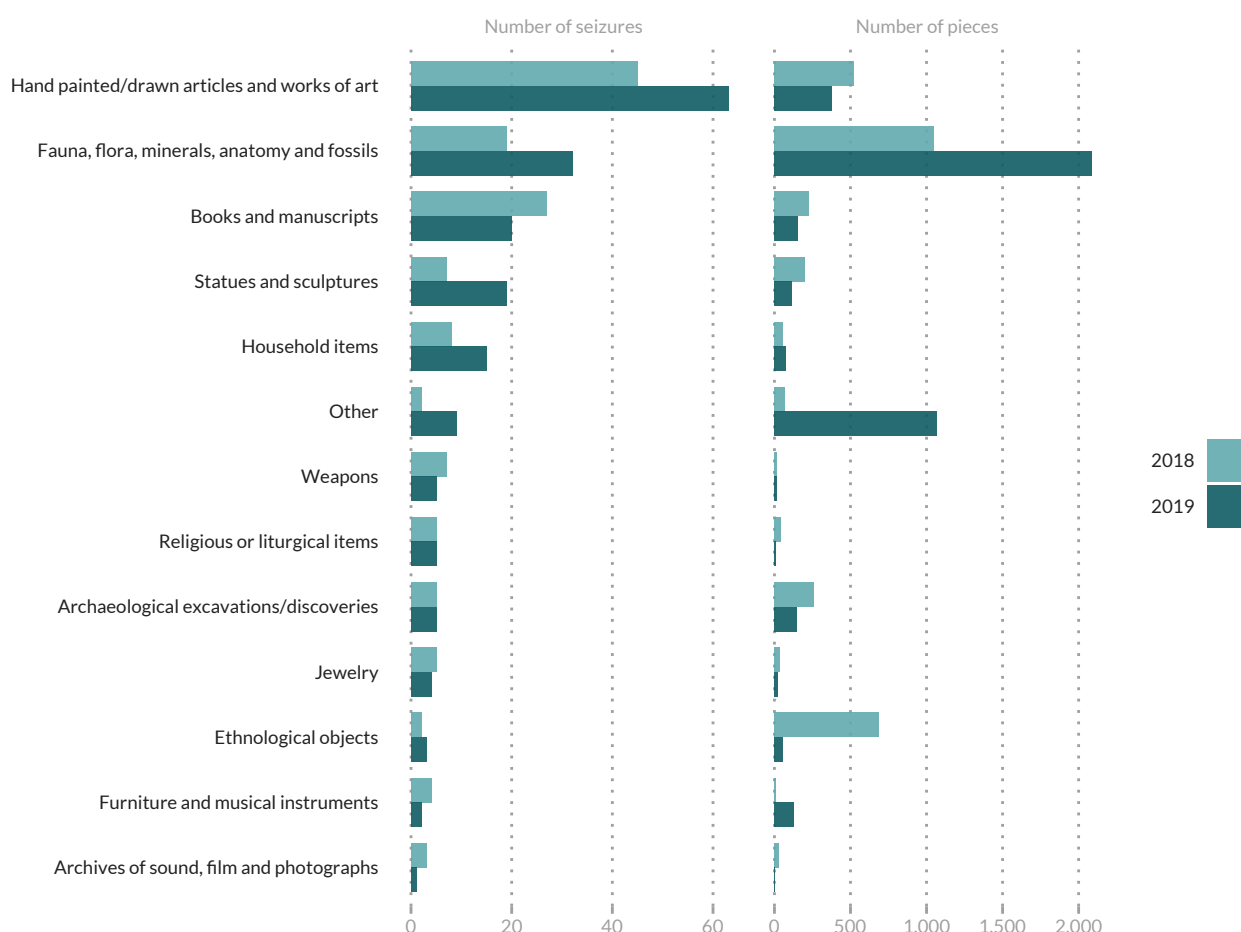
Figure 1 compares the number of cases reported by the highest reporting eight countries to the number these countries reported in 2018. Seven countries reported three cases, falling just short of the countries shown in Figure 1. While 34 countries contributed to this year’s report, compared to 23 in 2018, a relatively small number of countries contributed the majority of cases. The top eight countries reported 183 of the 227 cases (80.1%).

The Russian Federation reported by far the greatest number of cases, with their 133 reported cases representing over half (58.5%) of the global total. This number was almost identical to the 132 cases the Russian Federation reported in 2018. Ukraine, on the other hand, reported half as many cases as in 2019, dropping from 28 to 14 cases. After reporting no cases

in 2018, Cuba and Chile reported seven cases each, tying for the fourth-most in 2019.

The analysis in this Section, as with any analysis relying on seizure data, requires a few caveats. First, conclusions rely on data voluntarily submitted by WCO Member Administrations. There are many reasons Customs might choose not to report certain portions or details of their data, including the need to maintain secrecy over ongoing investigations. In addition, in some jurisdictions Customs seizure data can be shared only after restitution to the source country, a process that can take up to ten years. The involvement of other authorities, such as Police, can also have an impact on Customs’ ability to share data with the WCO. As a result, trends and patterns in this analysis serve for indicative purposes only and in no way represent all the efforts of

Figure 2: Number of seizures and quantity seized by type, 2018-2019



the law enforcement or the real volumes of illicit trade of cultural objects. Second, apparent increases in certain types of illicit trade could simply reflect improved methods and techniques of Customs officers rather than a genuine uptick in trafficking of cultural objects.

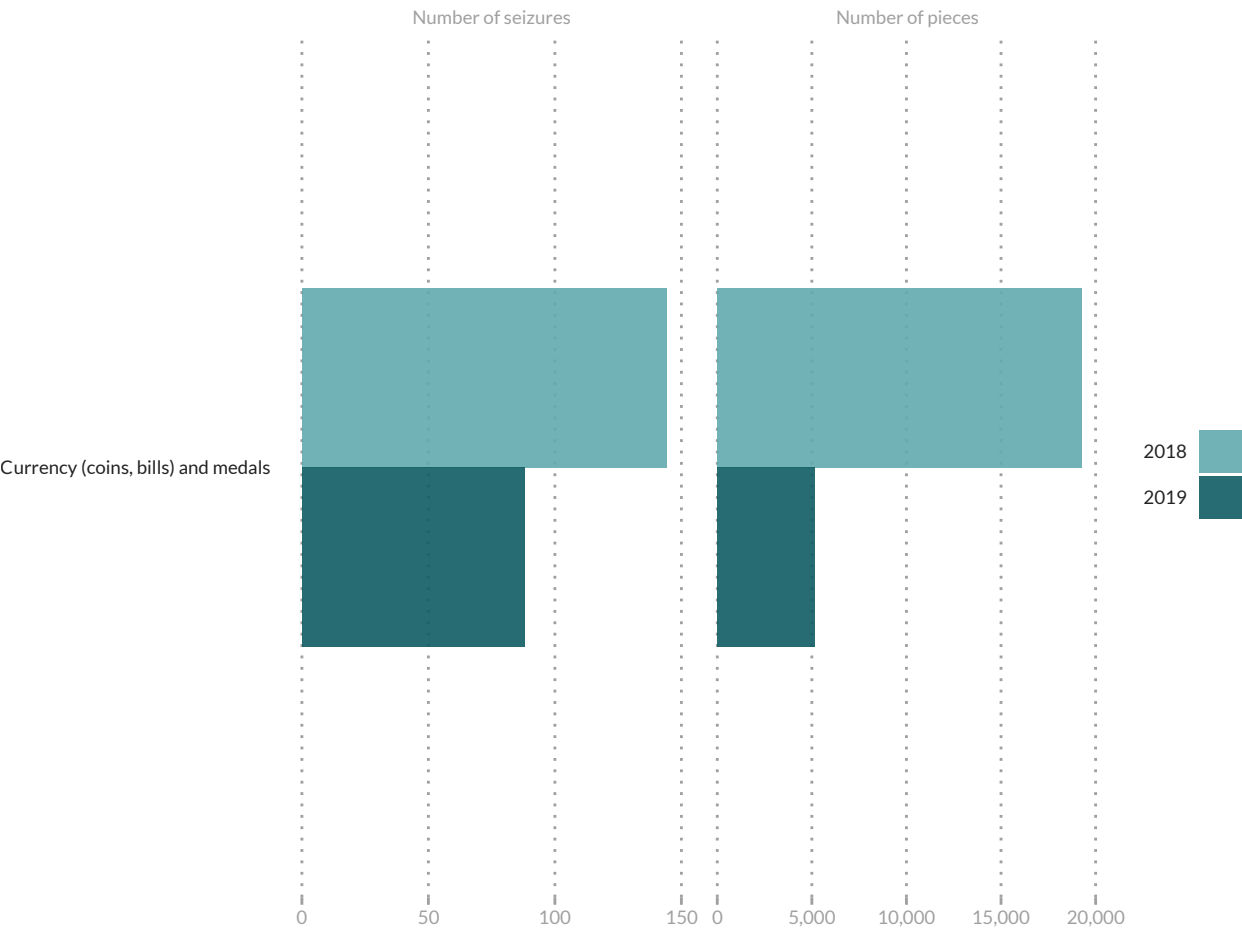
This Section is organised in the following manner:

1. Overall trends in trafficking of cultural objects.
2. Operations.

1. Overall trends in trafficking of cultural objects

Figure 2 compares the number of seizures for each category of cultural objects between 2018 and 2019 except currency and medals, shown in Figure 2A. The category designated as *other* includes objects with relatively low number of seizures, such as *porcelain*. These artefacts were combined into one category to make the data easier to visualise. While countries reported fewer seizures in 2019 - 271 seizures compared to 287 in 2018 - the number of seizures in most categories actually increased, including *hand painted/drawn articles and works of art*; *fauna, flora, minerals, anatomy, and fossils*; *statues and sculptures* and *household items*. Figure 2 explains this discrepancy - the number of seizures of currency

Figure 2A: Number of seizures and quantity seized of currency and medals, 2018-2019



and medals dropped 38.9%, from 144 to 88 seizures. There was an even more drastic decrease in the number of pieces of currency seized, which fell from 19,258 to 5,141 pieces (73.3%). Still, more than half of all items seized in 2019 (5,141 of 9,399) were mostly coins.

The number of seizures in the category *fauna, flora, minerals, anatomy, and fossils* jumped from having the fourth-most reported seizures in 2018 to having the third-most in 2019. Of the 32 seizures of this type, a plurality were carried out by the Russian Federation (15 seizures). Customs administrations reported 19 seizures of *statues and sculptures* in 2019, compared to seven in 2018. This increase is due to a larger number of countries reporting such seizures - 14 countries

reported seizures in this category in 2019, while just four did in 2018. The category with the second-most items seized was *fauna, flora, minerals, anatomy, and fossils*, which nearly doubled, from 1,049 in 2018 to 2,085 pieces in 2019.

It is important to note that in all cases the seized objects were reported in pieces. Some cases instead identified the weight of these objects. These cases are taken into account when discussing number of cases and seizures, but the weight of confiscated objects was not estimated to the number of pieces. This mostly refers to the abovementioned category of *fauna, flora, minerals, anatomy and fossils*.

Case study 1

Croatian Customs seize thousands of Byzantine coins in Bajakovo

On 7 April 2019, Croatian authorities in Bajakovo stopped a Turkish man driving into the country. The individual, who was driving a Turkish-registered Volkswagen, was found smuggling 2,963 antique Byzantine coins. The coins were stored in 25 individual bags. The intended final destination for the illicit goods was in Munich, Germany.

An initial estimate of the value by archeologists at the Vinkovci Museum found the antique goods were worth HRK 2,210,300 (roughly EUR 289,418). Authorities confiscated the coins along with the vehicle the suspect was driving. Just four days later, on 10 April 2019, the man was fined HRK 100,000 (roughly EUR 13,094).

This case represents the largest quantity of cultural objects seized in a single case in 2019. The next largest seizure of cultural objects, made in Afghanistan, was of 971 different objects, including pottery.

Sources:

Republic of Croatia Ministry of Finance Customs Administration (2019), *Na graničnom prijelazu Bajakovo spriječeno krijumčarenje antiknih novčića*, available at <https://carina.gov.hr/vijesti/na-granicnom-prijelazu-bajakovo-sprijeceno-krijumcarenje-antiknih-novcica/6547>, accessed on 5 April 2020.

Vecernji List (2019), *Nakon zapljene numizmatičar tvrdi: Ma kakva 2 milijuna, novčići vrijede tek desetak kn*, available at <https://www.vecernji.hr/vijesti/nakon-velike-zapljene-numizmaticar-tvrdi-ma-kakva-2-milijuna-novcici-vrijede-tek-desetak-kn-1312745>, accessed on 5 April 2020.

WCO CEN.

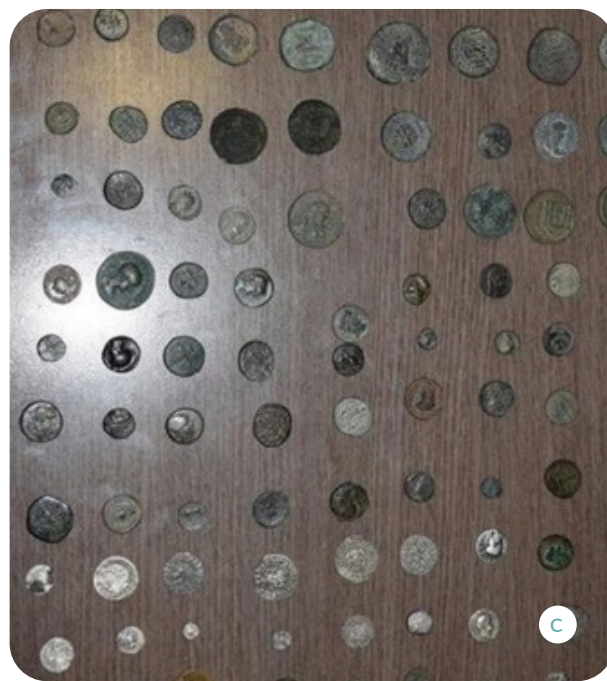
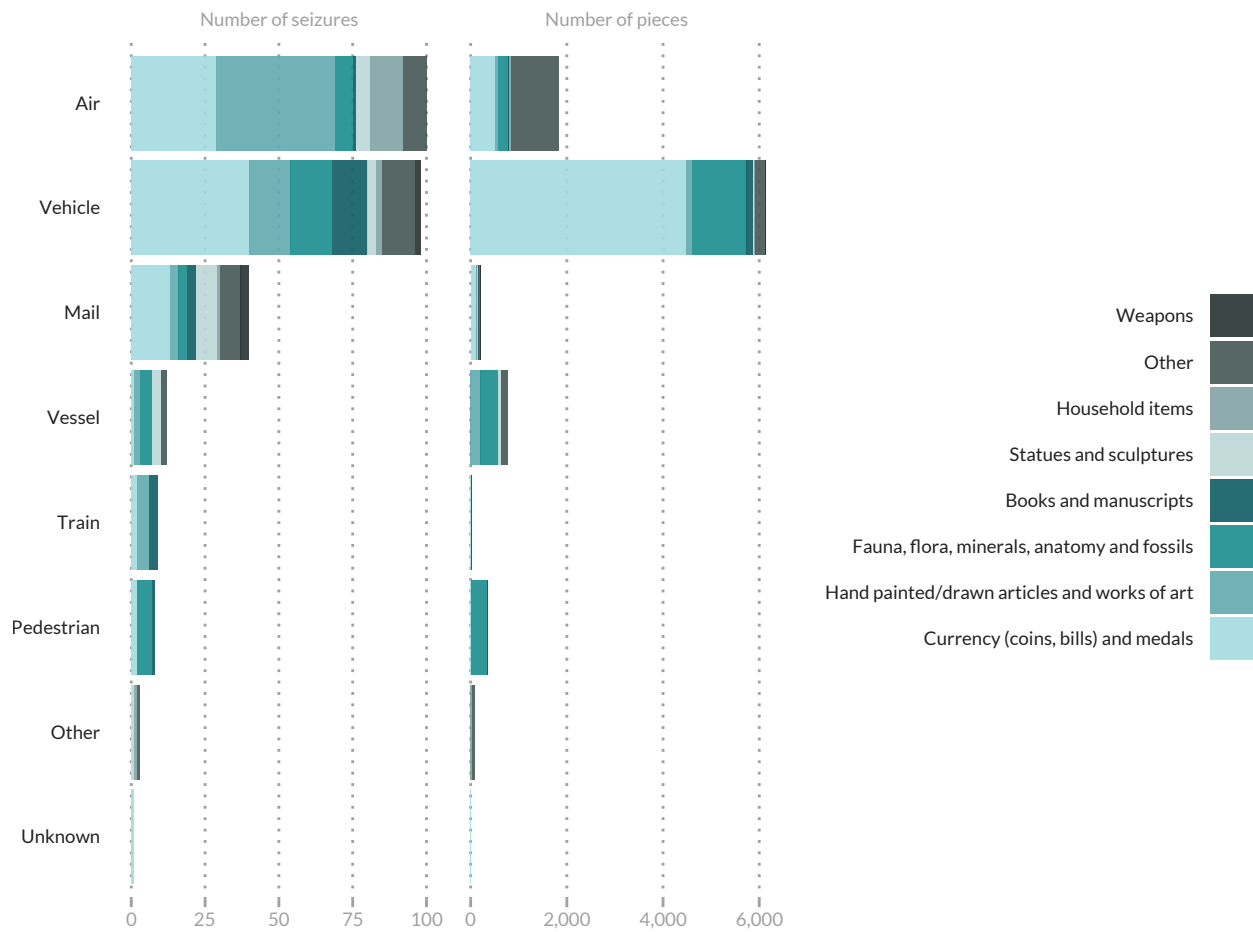


Figure 3: Number of seizures and quantity by type and conveyance method, 2019



For example, in 2019 Russia reported three smuggling attempts of the parts of mammoth tusks to China with a total weight of almost 35 kilogrammes.

Figure 3 shows the number of seizures and the number of objects recovered in 2019 by conveyance method, and further breaks down the seizures by object type. Note that for visibility purposes, seven categories of objects with the lowest number of seizures were merged into the *other* category.

The vast majority (73.1%) of seizures were recovered from the air or vehicle transport sectors. Of the 271 total seizures, 100 were associated with air transport and 98 with vehicle transport. While these two categories

yielded a similar number of seizures, 6,138 pieces were seized from vehicles, compared to 1,826 from air transport. A single seizure of nearly 3,000 pieces of antique coins reported by Croatia accounts for most of this difference.

A diverse range of items was seized from many of the conveyance methods. All eight categories of objects listed in Figure 3 were transported through mail and vehicle conveyance. Seven of the eight categories appeared in seizures involving air conveyance, and five of the eight categories appeared in seizures involving vessel conveyance. The train, pedestrian, other and unknown categories accounted for only 21, or 7.7%, of the 271 total seizures.



Figure 4: Number of cases by Customs procedure and country, 2019

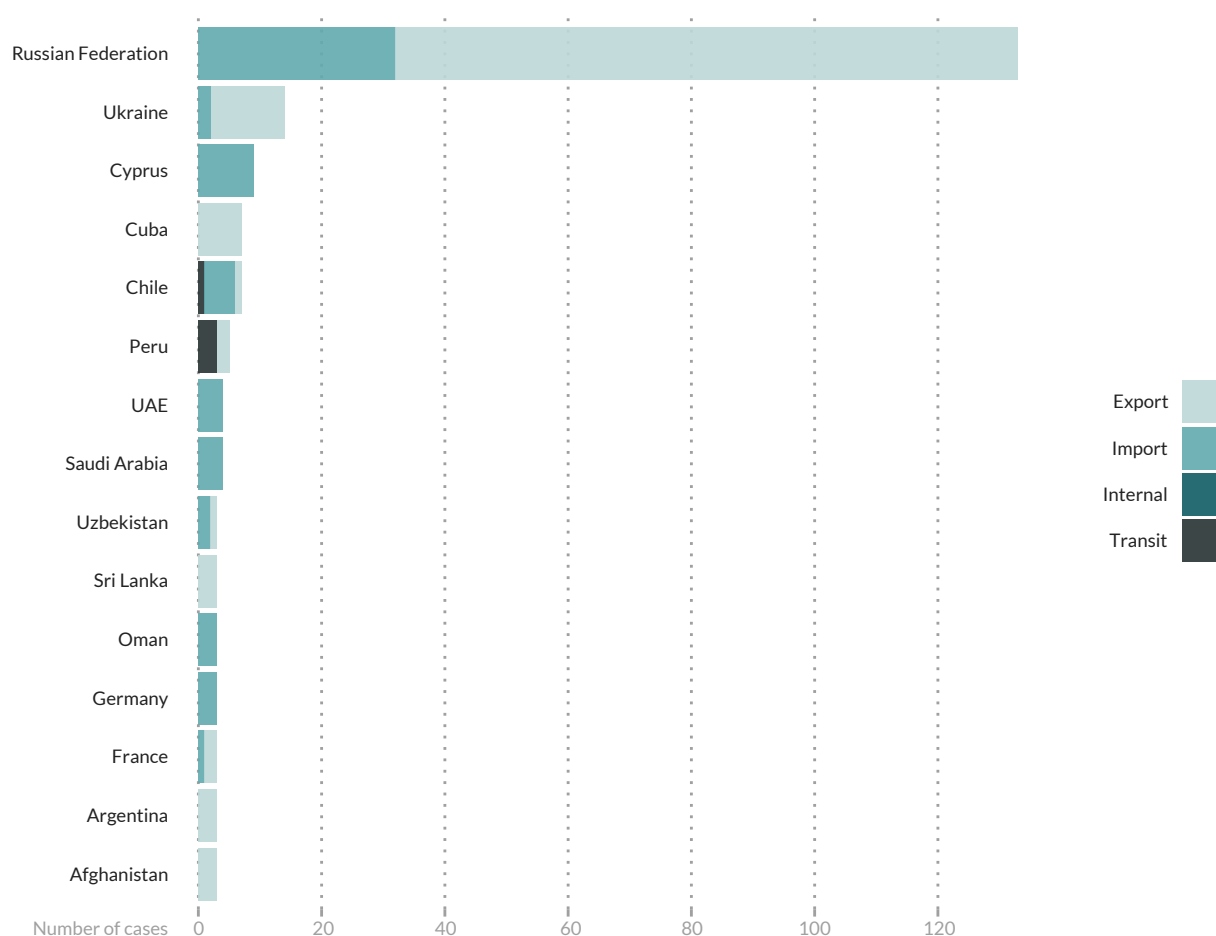


Figure 4 displays the eight countries that reported the most cases in 2019 and indicates the direction in which shipments were moving when seized. For these eight countries, the majority of reported cases involved exports (123 cases, or 67.2% of cases). Cases upon import made up an additional 30.6% of the total (56 cases). Taken together, these 179 cases made up 97.8% of the total reported by the top eight countries. There were just four cases involving transit, and no reported cases involving internal movement in 2019.

exports, compared to only 32 involving imports, and no items reported as seized either internally or in transit. Further, four countries reported cases in only one direction. Chile reported cases involving export, import, and transit and was the only country to report cases across three categories.

For many of the top eight reporting countries, the vast majority of cases was referred to one direction. The Russian Federation, which accounted for far more cases than any other country, reported 101 cases involving

Member highlight:

Smuggling by sea: Customs-Police cooperation leading to restitution of ancient artefacts

In May 2017, during a Customs inspection at the port of Salerno, Italy, a container containing 23,700 archaeological objects believed to have come from ancient Egypt, were discovered by the officers inside a shipping container. The goods were declared as household items. Customs agents informed Carabinieri TPC that launched an investigation and informed the Egyptian embassy in Rome about the case in March 2018. A special committee formed to identify the objects concluded in May 2018 that the objects were authentic but were absent from any registry and therefore may have come from clandestine excavations. The identified objects belonged to the Ptolemaic, Predynastic, and Islamic eras.

On 27 June 2018, the Italian authorities organised the restitution of a total of 23,000 ancient bronze and silver coins along with 195 archaeological objects, including funerary masks decorated in gold, a sarcophagus, a 'Boat of the Dead', amphorae, wooden sculptures, bronzes and ushabti statues to the Ambassador of Egypt in Italy. The Egyptian authorities also launched the investigation into Raouf Boutros Ghali for his alleged involvement in illicit trafficking of Egyptian artefacts and for Ladislav Otakar Skakal, the former honorary consul of Italy in

Luxor. In January 2020, Mr Skakal was charged with a 15-year-sentence in absentia and a fine of 1 million Egyptian pound (USD 63,000) for smuggling Egyptian antiquities to Italy. In February 2020, Mr Raouf Boutros Ghali was sentenced to 30 years in prison and a fine of 6 million Egyptian pounds (USD 382,000) for antiquities smuggling. Two more persons were sentenced in relation to this case.

Sources:

Italian Customs (Agenzie delle Dogane).

Comando Carabinieri per la Tutela del Patrimonio Culturale (TPC).

Ministero per i Beni e le Attività Culturali (2018), *Comunicato stampa*, 27 June, available at <https://www.beniculturali.it/mibac/multimedia/MiBAC/documents/feed/pdf/Comunicato%20Stampa-imported-80550.pdf>, accessed on 19 May 2020.

The Star (2020), *Egypt sentences ex-Minister's brother for artefact smuggling*, 15 February, available at <https://www.thestar.com/news/world/middleeast/2020/02/15/egypt-sentences-ex-ministers-brother-for-artifact-smuggling.html>, accessed on 18 May 2020.





Figure 5: Percentage of cases by detection method, 2019

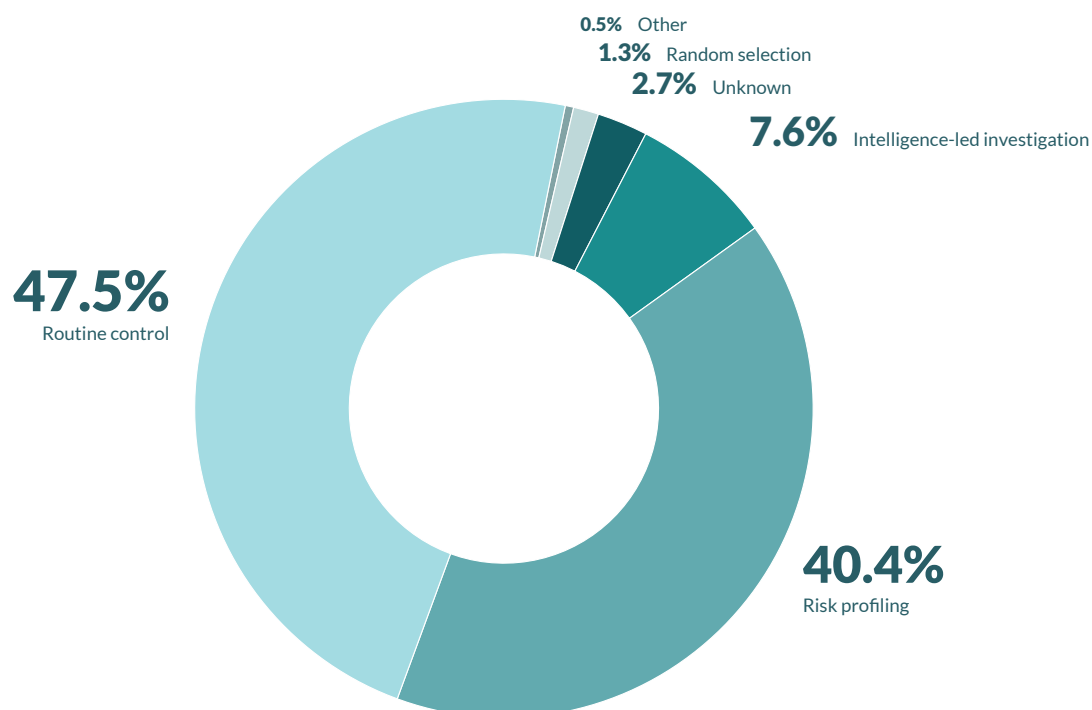


Figure 5 separates all reported cases of trafficking in cultural objects in 2019 by the method through which Customs officers detected them. About half of cases (108 of 227 cases, or 47.5%) in 2019 were the result of routine control procedures. Some of the most significant cases, in terms of reported estimates of the value of goods confiscated, were the result of routine control procedures.

Risk profiling has led to 40.5% of cases, a significant increase from 2018. Intelligence-led investigations, which led to 7.5% of cases, are also an important method of detection of cultural objects.

Member highlights:

Continuous spotlight on trafficking from countries affected by war and instability

As noticed in the previous years, a general trend of trafficking from the countries affected by war and instability is ongoing. Below are the examples of some seizures made by different Customs administrations.

On 19 June 2019, a citizen of Afghanistan attempted to import eight ancient coins into Uzbekistan. The coins were found during the Customs control at the Uzbek-Afghan border and subsequently seized.

According to the results of the examination, two coins belong to the period of the Greco-Bactrian kingdom that existed from 250 BC up to 125 BC, two other coins belong to the period of the Kushan kingdom that existed between approximately 105 and 250 years BC. Two more coins were minted 70-80 years ago in the United States, and the last two coins with Arabic inscriptions date back to the 19th century (see photo G).

On 26 August 2019, Customs officers of the border checkpoint “Ayritom” in the Surkhandarya region suppressed a smuggling attempt by the foreign citizen of 244 ancient coins and two historical figurines in his personal baggage (see photo H). According to the results of the examination, the discovered coins and figurines date back to the II-III centuries BC. The objects were seized.

Source: WCO RILO CIS.



On 21 June 2007, a search was conducted in the premises of the aforementioned gallery by the Customs investigators (SNJD), and 335 ceramic objects imported in the same way as the previous two cases were found and seized. Their total value was estimated at more than 87,000 Euro. In total, 445 statuettes, busts, vases, jars, urns, bowls, plates were seized.

The Pakistani authorities confirmed that all these objects were exported in violation of the export control regime as the appropriate licenses were absent. The verdict of the court, issued on 7 October 2009, condemned the art gallery and ordered the restitution of the seized objects to Pakistan. The verdict was also confirmed during the appeal procedure. Finally, on 2 July 2019, where after the fruitful exchanges between the French and Pakistani authorities, all 445 seized ceramic objects were restituted during the ceremony to the Embassy of Pakistan in France.



On 13 September 2006, during the control of the postal freight from Pakistan, French Customs officers at Roissy airport detected a parcel for the Parisian gallery. During the physical control, 17 terracotta ceramic vessels were discovered along with the document stating that the objects were more than 100 years old and an invoice for 1,210 Euro.

Following the archaeological expertise it was established that the objects were authentic, dating back to the II and III millennium BC and coming from the pillaged cemeteries of Baluchistan in Pakistan. The expert estimated their value at more than 7,000 Euro.

The invoice provided by the importer was not applicable for the objects and therefore, Customs officers seized the objects on the basis of the infraction related to fake value declaration. Fifteen days later a similar fraud case for 93 pottery and terracotta objects dispatched to the same gallery with a total value of more than 44,000 Euro was detected by the same Customs brigade.

Source:

Direction générale des Douanes et droits indirect (2019), *Communiqué de presse interministériel : restitution aux autorités pakistanaises d'un trésor archéologique saisi par la douane française en 2006 et 2007*, available at <https://www.culture.gouv.fr/Presse/Communiques-de-presse/Restitution-aux-autorites-pakistanaises-d-un-tresor-archeologique-saisi-par-la-douane-francaise-en-2006-et-2007>, accessed on 19 May 2020.



Figure 6: Proportion of seizures by type and country, 2019

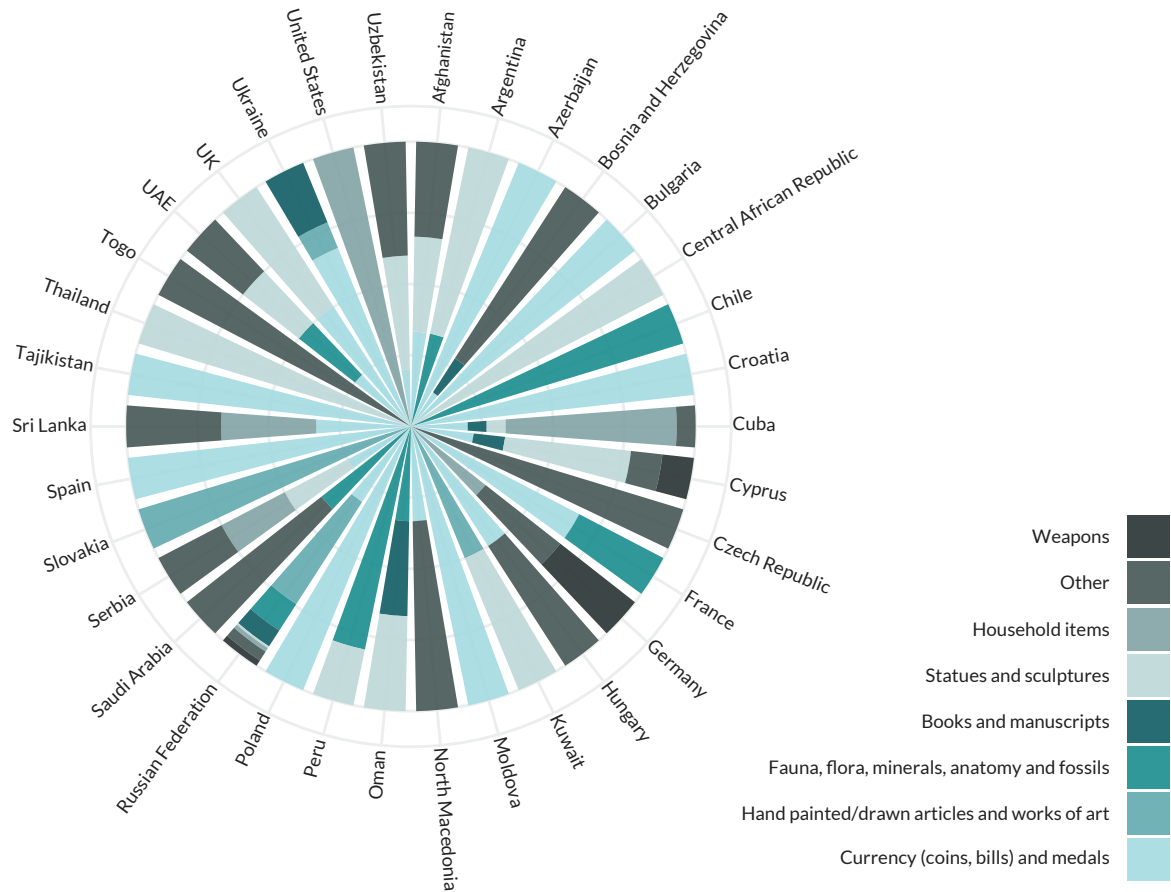


Figure 6 depicts the proportion of seizures for each category of cultural objects reported by countries. Please note that for visibility purposes, seven categories of objects with the lowest number of seizures were merged into *other*. Most of these countries' seizures spanned just one or two categories of objects, the result of 22 of the 34 countries reporting three or fewer seizures. Despite being only the fifth-most common object type, *statues and sculptures* were seized by 14 different countries. Only *currency* and *other* seizures were reported by a greater number of countries (21 and 15 countries, respectively).

The Russian Federation reported 58 of the 63 seizures of *hand-painted/drawn articles and works of art*. The rest

were reported by Ukraine, Kuwait and Slovakia. The Russian Federation, Germany, Turkey and Cyprus were the only countries to report *weapons* seizures. Germany and Cyprus reported one such seizure apiece, while the Russian Federation reported an additional three seizures.

Of the nine countries that reported five or more seizures, only the Russian Federation reported seizures across all eight categories. Other countries that reported fewer seizures also reported in several categories. Cyprus's nine seizures spanned all categories except for *household items*; *hand-painted/drawn articles and works of art*; and *fauna, flora, minerals, anatomy and fossils*. All seven seizures Chile reported, on the other hand, were of *fossils*.

Figure 7: Number of seizures and pieces by category and region, 2018-2019

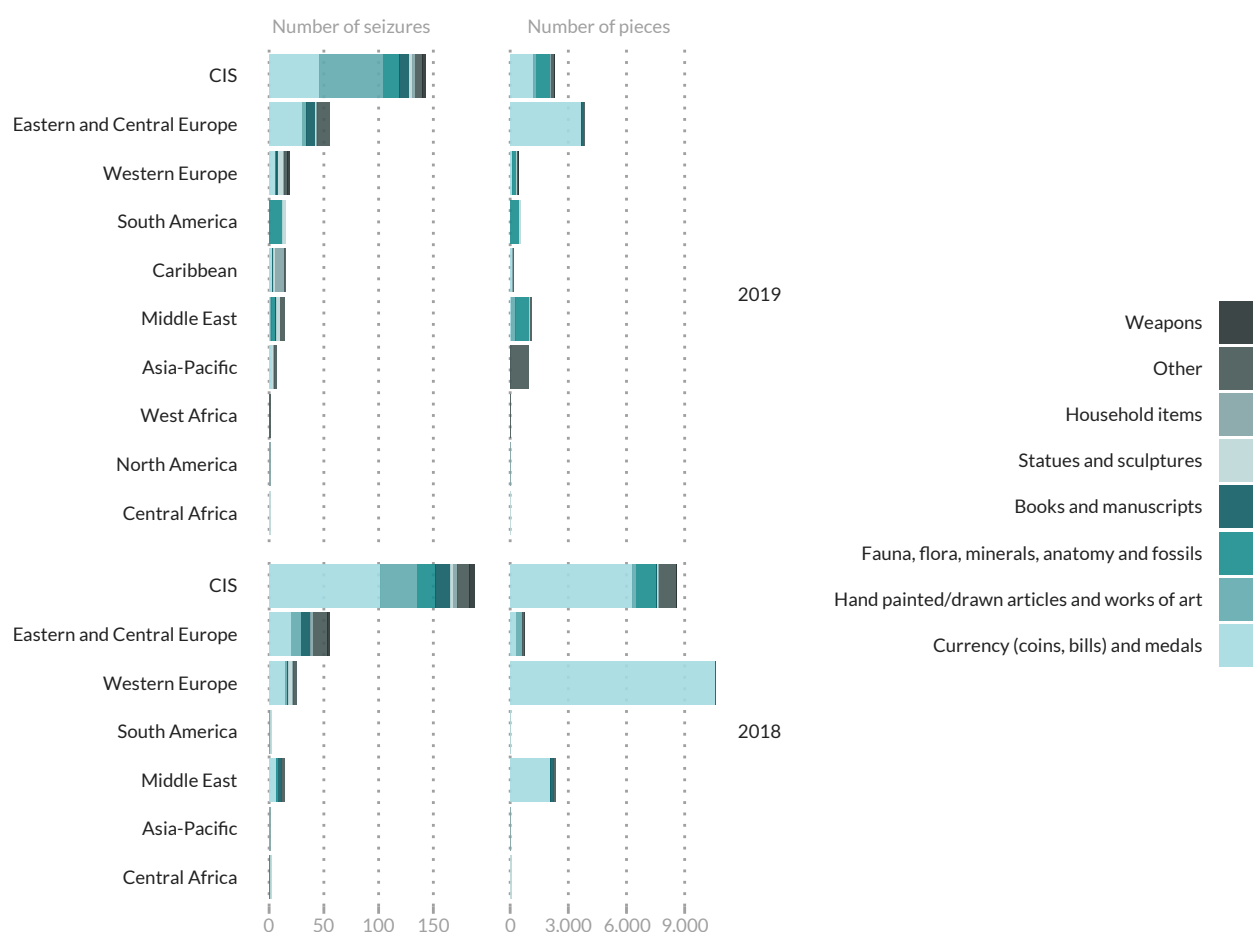


Figure 7 compares the number of seizures in 2019 and 2018 by region and category of object. Please note that for visibility purposes, seven categories of objects with the lowest number of seizures were merged into *other*. As in 2018, the CIS reported the highest number of seizures due to the large number of seizures reported by the Russian Federation. The CIS reported 143 of 271 seizures (51.8%) in 2019 and 188 of 287 (65.5%) seizures in 2018. In both years, single seizures also had an outsized impact on the number of pieces recovered. In 2018, this was a large currency seizure in Western Europe, while in 2019 it was a currency seizure in Eastern and Central Europe.

A more diverse set of regions reported seizures in 2019. The CIS, Eastern and Central Europe and Western Europe reported 93.4% of all seizures in 2018, but this percentage dipped to 80% of all seizures in 2019. Due to reporting by Cuba, in 2019 there were 15 seizures recorded in the Caribbean. Additionally, South America also reported 15 seizures in 2019 (from Argentina, Chile and Peru) after reporting just two seizures in 2018.

Most regions also saw a wider diversity of categories reported in 2019 compared to 2018. The CIS, for example, reported the majority (70.8%) of *currency* seizures in 2018, while reporting mostly (40.5%) *hand painted/drawn articles and works of art* in 2019.



Member highlights: Trafficking of cultural objects in CIS countries

On 25 October 2019, during Customs inspection of the hand luggage of an Azerbaijani citizen who was on the flight Ganja-Baku, seven coins and three spoons (see Photo K) that have cultural value were found and seized.

On 23 September, 2019 during the Customs inspection in the Bryansk mail center 20 coins were found in the international postal parcel that was sent from Germany to Russia (see Photo L). According to the conclusion of the expert, these twenty coins belong to the category of cultural property, as coins minted more than 100 years ago.

Officers of the Customs border checkpoint Krupets of Kursk found two ancient icons and an altar cross, in the personal belongings of a Russian citizen. A passenger car with a Russian license plate drove in Krupets to leave Russia. During the Customs inspection of the vehicle using a mobile inspection and inspection complex equipment, the car interior was deemed suspicious. During the subsequent search, a cardboard box with modern icons and household items was found among personal belongings. Among the icons, two ancient icons and a yellow metal cross attracted the attention of the Customs officers. They were seized and sent for examination. According to experts, the picturesque icon of the Mother of God "The Burning Cupid", the icon "Nikolai the Miracle Worker" and the altar cross "The Crucifixion of Christ" (see Photo J) belong to the category of cultural property, like objects of worship, created more than 50 years ago. Their export from the territory of the Eurasian Economic Union (EAEU) is possible only with the permission of the Ministry of Culture of Russia.

On 9 August 2019, a crime report was registered under Part 1 of Art. 226¹ of the Criminal Code of the Russian Federation with respect to a UAE citizen departing for Dubai from the Domodedovo airport, Moscow, on the fact of smuggling a "tusk of a woolly mammoth,

fossil animal" with the weight of 4 kilogrammes and 1 meter long. The tusk belongs to the category of cultural property as an object of interest to science (paleozoology) and is a collectible in paleontology.

On 14 April 2019, the Customs officers of the Domodedovo airport, Moscow, registered a crime report under Part 1 of Art. 226 of the Criminal Code in respect of a 65-year-old Russian citizen who had arrived from Dubai on the fact of smuggling porcelain figurines, 49 of which belong to the category of cultural property. The passenger acquired the objects in different countries for the purpose of collecting: Great Britain, USA, Germany, and Switzerland. Miniature figurines are made according to the models of the XVIII century. Fifteen figures are from the series "Gardeners and Viticulture Children", 31 figurines are from the series "Dressed Cupids," three figurines are animal figures made at the porcelain manufactories "Meissen" in Germany and "Herend Hungary" in Hungary in the XIX-XX centuries. The goods were seized (see Photo M).

On 2 November 2019, officers of the Khujand Airport Customs in Tajikistan detained a citizen of the Russian Federation during the Customs control of passengers travelling from Khujand to Moscow. During the inspection of the passenger's hand luggage, 13 copper coins dated by the period of 1900-1939 were found. According to experts, the seized coins represent numismatic and cultural-historical values, the export of which is prohibited outside the Republic of Tajikistan without the permission of the relevant authorities.

In 2019, Uzbekistan registered a total of 121 cases of illicit trafficking of cultural objects resulting in seizures of more than 1,860 cultural objects¹.

On 26 March 2019, Customs officers of the Termez International Airport in the Surkhandarya Region discovered cultural property adorned with ten silver coins during the Customs inspection of the passenger's

¹ Please note that these cases and number of seized objects are not a part of the statistical analysis presented in this Section.

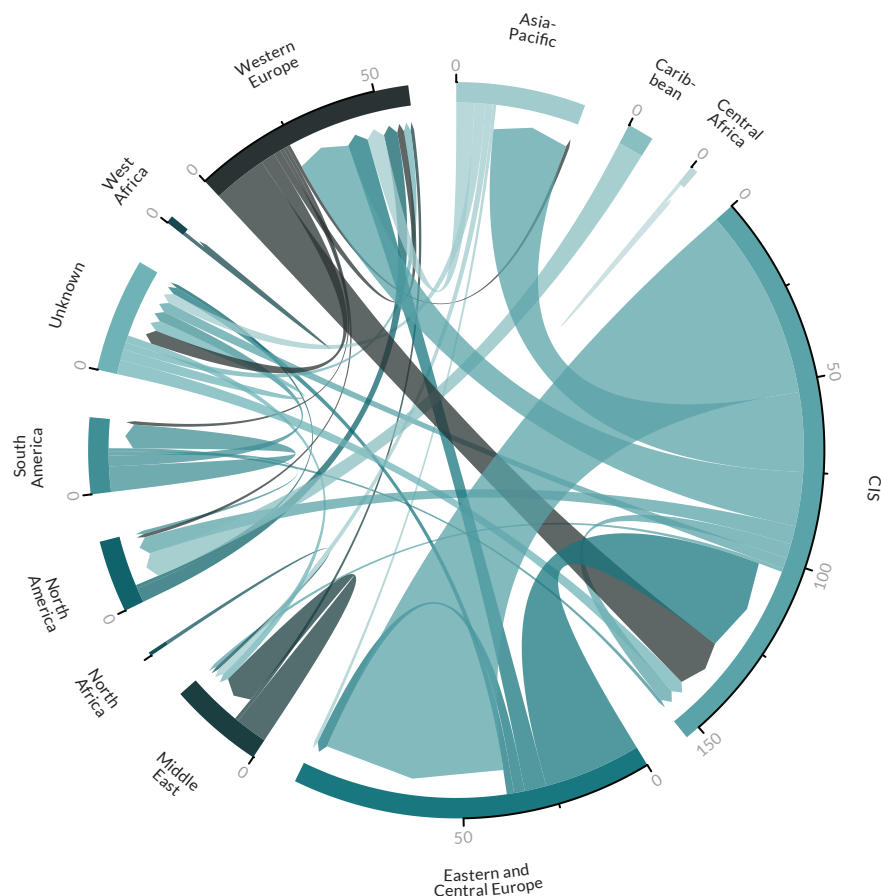
baggage on the Termez-Vnukovo (Moscow) flight. According to the results of the examination, the silver objects dates back to the late 19th and early 20th centuries.

On 1 June 2019, officers of the Customs checkpoint "Gishtkuprik" in the Tashkent region prevented an attempt of the Uzbek citizen to smuggle three gold coins with the profile image of Nicholas II minted during his reign in her hand luggage. The total weight of the discovered coins was 16 grammes.

Source: RILO CIS.



Figure 8: Trafficking flows by number of cases and region, 2019



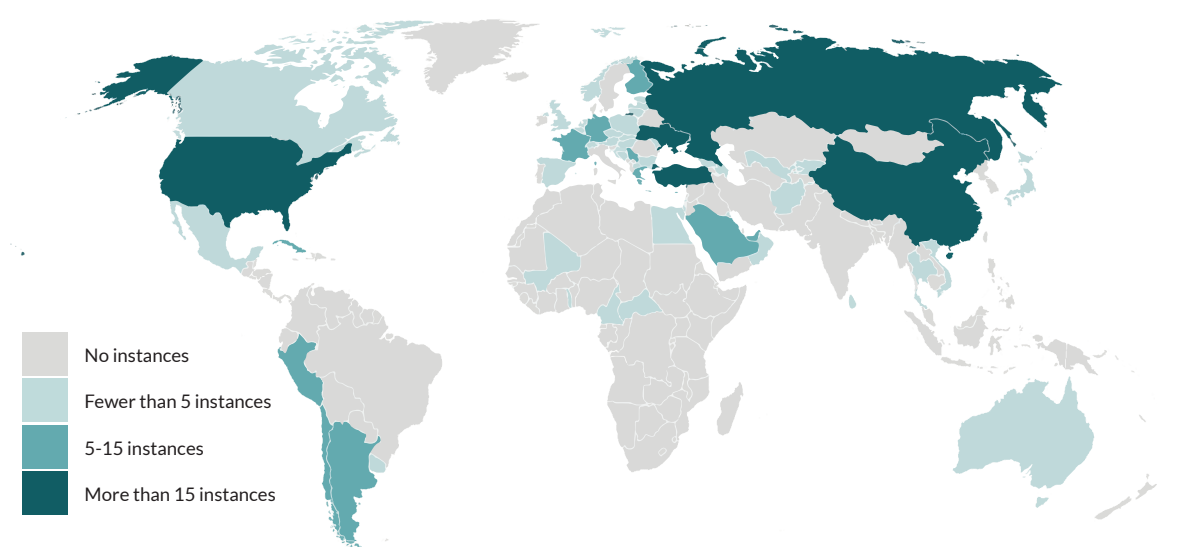
In Western Europe, the percentage of reported seizures that were of *currency* dropped from 60% in 2018 to 31.5% in 2019. Of the regions with more than one seizure in 2019, every region except South America, Central Africa, North America and West Africa reported seizures across at least four categories.

Figure 8 shows intended trafficking flows of cultural objects to, from, and within reporting regions in 2019. The CIS, Eastern and Central Europe and Western Europe were the most popular origin regions, with 103 flows starting in the CIS, 38 in Eastern and Central Europe and 24 in Western Europe. These three regions were also the most popular destinations, with 51 flows ending in the CIS, 56 ending in Eastern and Central Europe and 35 ending in Western Europe.

Cases departing from or arriving in one of these three regions accounted for 81.6% of total cases. While these figures may indicate the popularity of these routes for trafficking, they also reflect significant reporting in these three regions.

The most common flow was from the CIS to Eastern and Central Europe, a direction that was reported in 53 cases. The second-most common direction, with 27 flows, was simply in the opposite direction. Some regions with lower reporting were involved in a higher number of trafficking flows. Despite a relatively small number of total cases, for example, Asia-Pacific was the origin region reported for flows to four other regions. North America only reported one seizure in 2019, but the region was identified as the arrival region for 14

Figure 9: Heat map of trafficking instances by country, 2019



cases starting in four different regions.

Figure 9 is a heat map of trafficking instances coloured by frequency in 2019. Each country indicated was either the origin, destination or transit point for one or more seized shipments of cultural objects, regardless of where the seizure took place or which country reported it. By disaggregating individual seizures in this way, Figure 9 depicts all countries through which cultural objects are known to have been, or were intended to be, trafficked in 2019.

Five countries were reported as an origin, destination or transit point more than 15 times: the Russian Federation, Turkey, Ukraine, China and the USA. For the Russian Federation and Ukraine, which reported more

cases than any other countries in 2019, this may be a result of higher reporting.

In total, 60 countries appeared as an origin, destination or transit point in reported trafficking flows, compared to 33 countries that reported cases. Half (50%) of the countries named appeared only once or twice. The 17 countries that appeared at least five times were spread relatively evenly across regions, with nine countries from the CIS, Eastern and Central Europe and Western Europe and eight countries from Asia-Pacific, North America, the Caribbean, South America and the Middle East. Nine countries from the CIS, Eastern and Central Europe and Western Europe, however, appeared in 264 instances, compared to 83 instances for the other eight countries.



Member highlight: Crackdown on the international trafficking ring - Operation Agenor

On 20 December 2016, a company vehicle registered to an antiques gallery was stopped and checked soon after entering Swiss territory. The search uncovered an antique oil lamp and a contract for the leasing of two warehouses by an antiquities restorer. The Customs authorities launched a criminal investigation from which it emerged that, in the early morning of 21 December 2016, the spouse of the art gallery owner, assisted by various individuals, had shifted the contents of the warehouses to another clandestine location. A search of that warehouse ultimately uncovered in excess of 3,000 ancient items of illicit provenance.

Raids on the galleries, workshops and homes concerned uncovered other illegal antiquities, totalling 2,642 objects seized. The Customs investigation has covered some 4,000 objects imported illegally into Switzerland before being offered for sale, following their “laundering”. The laundering operations were carried out by a specialist team of art restorers, archaeologists and experts in the creation of falsified documents. Their role was to invent a history for every artefact of particular significance, to have it conveyed throughout the world, including across borders, with all the necessary Customs paperwork, and to put it on display in the most prestigious exhibitions before finding a buyer for it for a good price. Like in the case of money, the traceability of such artefacts was disguised by a network of companies located in different countries, in particular those established offshore. The entire operation was overseen by the gallery bosses.

Many artefacts of museum importance have been laundered through this channel and have been sold on to collectors of the highest renown, as well as to museums, on a worldwide scale.

The objects originate predominantly from illicit excavations in Mediterranean and Middle Eastern countries. Turkish, Lebanese, Bulgarian, Romanian, Greek and Italian supply channels were used primarily.

Most modes of transportation were used to cross the borders (private or commercial aircraft, train, car, lorry, postal traffic), the artefacts having been concealed or itemized on false declarations of goods upon presentation at Customs. A number of seizures at the border, which appeared insignificant at the time, subsequently turned out to relate to objects bound for the gallery. The individuals apprehended were, for the most part, members of organizations engaged in the illicit trafficking of cultural heritage, who were known to Customs and police authorities worldwide.

International cooperation has been vital in these circumstances to make identifying – and, in some cases, prosecuting – the suspects possible. Criminal investigations by Swiss Customs are ongoing, as is also the case in various countries affected by this organized smuggling ring.

Having recourse to international administrative and judicial assistance procedures, Switzerland has notified the countries in which the illicit cultural objects are assumed to have originated as well as the countries in which the illicit acts may have been committed.

According to the preliminary expert report of one of seized objects (see Photo N): “The ivory figurine, which can be dated to the 8th century BC, in all likelihood originates from the Nimrud region (Mosul province) of Iraq. Damaged as a result of non-expert handling, in unrestored condition and with traces of soil, it is a typical example of an artefact derived from illicit excavation.”

Source: Swiss Federal Customs Administration.

1: Please note that these cases and number of seized objects are not a part of the statistical analysis presented in this Section



Figure 10: Trafficking routes and instances by location, 2019

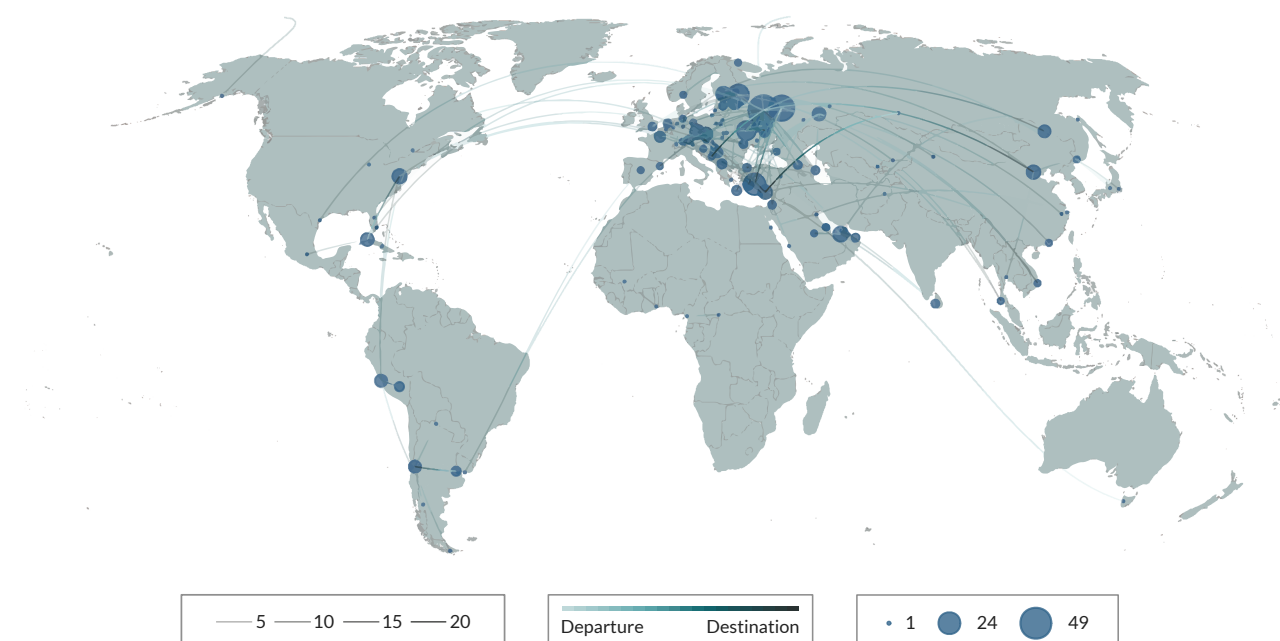


Figure 10 depicts the illicit flow of cultural objects from origin to destination, for all routes that appeared in one or more trafficking instances. Point size indicates the number of cases involving departures from or terminations within a particular city. For instances where no specific location was found in the data, the capital of a given country serves as a proxy city location. The flows connecting points on the map are light blue in colour at their origin and become darker as they approach their destination. The darker the overall tone of a flow, the more frequently that trafficking route appeared in the data for 2019. These flows do not necessarily indicate completed smuggling attempts; in many cases, contraband was seized at its origin point or while in

transit. In all cases, flows represent intended routes of transit as they were reported.

Customs administrations reported 37 unique pairings of origin regions and destination regions in 2019 across 227 total cases. The majority of these routes were between locations in Western Europe, Eastern and Central Europe and the CIS. The most frequently reported origin cities included Nizhniy Novgorod, Russia (34 cases), Yunakivka, Ukraine (17 cases), St. Petersburg, Russia (12 cases), and Blagoveshchensk, Russia (11 cases). Fourteen reported cases listed Havana airport in Cuba as the departure location. Antalya, Turkey was the most popular destination,

Member highlight: Flooding the market with fake Iraqi objects

On 1 July 2019, the officers of the UK Border Force (UK BF) inspected two suspicious metal trunks at Heathrow airport. The trunks were shipped from Bahrain to the individual in the UK. Having opened them, the officers found multiple pieces that looked like ancient Mesopotamian objects, dating between 2000 BC and 500 BC. The trunks included 190 clay tablets in cuneiform script, figurines, cylinder seals and animal-shaped pots. All objects were carefully packed. The officers immediately contacted the British Museum that identified all objects as fake: some objects were made from wrong material or in a wrong shape or size, the writing on others included upside-down characters and invented signs

etc. The cooperation between the UK Border Force and the British Museum allowed for all these objects to be seized and their circulation was prohibited on the market. The objects will be used for training purposes by the British Museum.

Sources:

UK Border Force.

British Museum (2020), *Fake antiquities made for unsuspecting collectors*, available at <https://blog.britishmuseum.org/fake-antiquities-made-for-unsuspecting-collectors/>, accessed on 20 May 2020.





appearing in reports for 23 cases. The route appearing most often (20 cases) was from Nizhniy Novgorod, Russia to Antalya, Turkey.

2. Operations

In autumn 2019, the WCO in cooperation with INTERPOL, conducted a global Customs-Police Operation Athena II. The Europe-focused regional Operation Pandora IV coordinated by Spanish Guardia Civil and Europol was run within the Athena II framework.

The Operations spanning 103 countries and involving 90 Customs administrations and 49 Police forces resulted in seizures of more than 25,000 cultural objects², 300 new investigations and 101 arrests. Seizures include coins from different periods, archaeological objects, ceramics, historical weapons, paintings and fossils. Facilitating objects, such as metal detectors were also seized. Several seizures of drugs, namely cocaine and methamphetamine, were also reported during the Operation due to enhanced Customs controls.

P: During the Operation, Chilean Customs reported seven seizures of fossils. Courtesy: Chilean Customs.

2: These are the final numbers of the Operation Athena II. During the moment of issuing the press release, not all seizure reports were available thus the numbers quoted there are lower. Please note that this is the total quantity of cultural objects seized by Customs and Police. Fake objects seized by the agencies are not a part of the total quantity. Only Customs seizures are a part of the analysis in the Part I of this Section.



In order to boost inter-agency cooperation, two pre-operational meetings were held: one regional pre-operational meeting for Europe was led by Europol within the framework of Pandora IV and one regional pre-operational meeting for Asia-Pacific was led by INTERPOL and WCO. The meetings resulted in closer cooperation between Customs and Police and better reporting from these regions.

Given the proliferation of illicit trade in cultural objects on the internet, the European cyber-patrol week (within the framework of Pandora IV). Hosted by the Italian Carabinieri, the representatives of Police, Customs, Europol, INTERPOL and WCO as well as invited experts from the academia worked on identification of cultural objects on the internet leading to multiple investigations. A number of countries that were not a part of the Pandora IV regional action, organised cyber-patrols on the national level. During the cyber week, experts mapped active targets and developed intelligence packages. As a result, 8,670 cultural objects for online sale were seized. This represents 28% of the total number of artefacts recovered during this international crackdown.

The organization and coordination of Athena II was carried out by the WCO and INTERPOL Secretariats in close collaboration with the WCO RILO Network³, participating Members (including those not currently covered by the RILO network) and Police National Central Bureaus (NCBs). A virtual Operational Coordination Unit was established on the WCO CENcomm platform. In order to secure continuity and 24/7 coverage, INTERPOL used the 'follow the Sun' approach by engaging its Command and Coordination Centers in Buenos Aires (Argentina) and Singapore as well as its Headquarters in Lyon (France).

As mentioned above, Operation ATHENA II was complemented by the European Operation Pandora IV. Both efforts ran during the same time period and information exchange mechanisms among the parties involved were established accordingly.

Several Customs administrations targeted and detained suspicious goods that were later determined not to be cultural heritage objects and that were, therefore, released. The identification was made either due to the local networks of experts and the engagement of national stakeholders or with the support of the WCO and INTERPOL. Checks in the INTERPOL Works of Art Database were performed on all objects reported as detained during the Operation. Additional checks were made in other international and national databases. In a number of cases, the WCO activated the network of experts in order to conduct a preliminary identification of the objects based on their description and photos. In most cases, these identification results were available within 24 hours following the receipt of the request through the Athena II CENcomm platform.

Many Customs administrations and Police counterparts joined forces and also invited representatives of other governmental agencies, specifically the Ministries of Culture, to either actively participate in the Operation during the searches or to be available in case of inquiries regarding the documentation or identification of objects. Some Customs administrations initiated a dialogue with the Ministry of Culture prior to the Operation to ensure that Customs was aware of the national and international legislation regulating the import and export procedures of cultural goods. Other countries also reported developing joint Police-Customs national Operational Plans.

In general, Athena II/Pandora IV demonstrated the commitment of Customs and Police to work on the protection of cultural heritage. The WCO regional and national PITCH trainings over the last two years also raised awareness and enhanced Customs capacity leading to a higher number of detections and seizures.

3: Seven RILOs supported the Operation: CIS, Eastern and Central Europe, Western Europe, East and Central Africa, Middle East, North Africa and South America.

Operational highlights

- Afghan Customs seized 971 cultural objects at Kabul airport just as the objects were about to depart for Istanbul, Turkey (see Photo Q).
- The Spanish National Police (Policia Nacional), working together with the Colombian Police (Policia Nacional de Colombia), recovered at Barajas airport in Madrid very rare pre-Columbian objects illegally acquired through looting in Colombia, including a unique Tumaco gold mask and several gold figurines and items of ancient jewellery (see Photo R). Three traffickers were arrested in Spain, and the Colombian authorities carried out house searches in Bogota, resulting in the seizure of a further 242 pre-Columbian objects (see Photo S), the largest ever seizure in the country's history.
- The investigation of a single case of online sale led to the seizure of 2,500 ancient coins by the Argentinian Federal Police Force (Policia Federal Argentina), the largest seizure for this category of items, while the second largest seizure was made by Latvian State Police (Latvijas Valsts Policija) for a total of 1,375 coins.
- Six European Police forces reported the seizure of a hundred and eight metal detectors, demonstrating that looting in Europe is still an ongoing business.
- Chilean Customs reported cases resulting in seizures of 214 fossils during the Operation. Most smuggling attempts were from Argentina.
- Moldovan Customs reported a seizure of 326 ancient coins smuggled from France by car.





5



Section 2.

Drugs

INTRODUCTION

Although organized crime groups have significantly diversified their modus operandi and sources of income, drug trafficking remained a highly profitable enterprise in 2019 and continues to be the flagship activity of traffickers of prohibited goods.

Even today, in spite of the strong international commitment to combating the trafficking of narcotics, this illicit activity is becoming ever more prevalent on account of the tremendous drive by criminal groups to supply consumers worldwide with new psychotropic substances made up exclusively of chemicals that are becoming increasingly more powerful and entail devastating health implications.

Clandestine laboratories are thriving worldwide, creating new routes and complicating even further the daily work of inspection authorities.

Customs authorities have to tackle a myriad of strategies devised by traffickers who, on a daily basis, challenge the risk analysis and targeting techniques in place. New psychoactive substances are coming onto the market at a sustained pace and, now that they have devastated the United States, some of these substances, such as fentanyl and its variants, appear to be pervading all corners of the world.

In light of this situation, international cooperation and coordinated measures between administrations appear to be the only possible way forward towards curbing

this – essentially transnational – illicit trade. Although national efforts designed to step up control measures and streamline criminal investigations with a view to dismantling the national networks are a major focus in the fight against narcotics, the intensified sharing of intelligence between authorities conducting initial control measures must continue to underpin Customs strategy worldwide.

In the spirit of serving the Customs community, the WCO has adopted this strategy of maximizing international cooperation and coordination between administrations. Having committed itself over a number of years, in collaboration with other international organizations (UNODC, INTERPOL, UPU, etc.), to programmes promoting the enhanced oversight of international trade, such as the Container Control Programme (CCP) or the Airport Communication Programme (AIRCOP), the WCO is seeking to mobilize its Members by disseminating modern methods for analyzing and targeting shipments or passengers posing a risk and by organizing coordinated international operations. Fully aware of the resourcefulness shown by organized crime groups in their use of every available conveyance method, the WCO joined forces in 2019 with the European Union to improve the monitoring and control of general aviation. The COLIBRI Project is intended to bolster the WCO's monitoring and surveillance mechanism operating in the aviation sector.

In its consistent pursuit of innovation, the WCO is continuing to boost efforts with a view to promoting dialogue between its Members as well as discussion with their partners which play a part in combating drug

trafficking, in particular by organizing the biannual Global Canine Forum and setting up a network of Regional Dog Training Centres. Such initiatives enable these experts, who are not inclined to step outside their national environment, to share their experiences and consequently to disseminate with the utmost speed the best practices which have proven effective.

Combating drug trafficking is akin to struggling to hold back a flood: extremely fluid like water, it seeps through any gaps or holes in the established control mechanisms and circumvents barriers by constantly using new routes to reach its final destination, namely the consumer markets. These dynamics compel us to conceive of tackling this fight on a global scale, with the exchange of information at the heart of any global strategy. Relying on its trusted Customs Enforcement Network (CEN), the WCO has at its disposal a database of statistical information on Customs seizures forwarded voluntarily by Member administrations. Analysis of these data contributes to improving our understanding of the evolving trafficking routes used for different drugs, thereby making the CEN the principal tool for understanding trafficking trends.

In 2019, 119 countries reported 36,264 drug trafficking cases made up of 40,017 individual seizures. These numbers declined slightly from 2018, when 129 countries reported 45,264 drug trafficking cases and 49,780 seizures. Cases dropped 19.8% in 2019 and seizures dropped 19.6%. The United States reported most (47.8%) of the cases in 2019, submitting 17,369 cases. Drug seizures submitted to the WCO CEN are split into six broad categories: cannabis, cocaine, khat, new psychoactive substances (NPS), psychotropic substances, and opiates.



B: Participants of the 5th WCO Global Canine Forum held in Melbourne, Australia. Courtesy: Australian Border Force.



Figure 1: Percentage of seizures by category, 2019

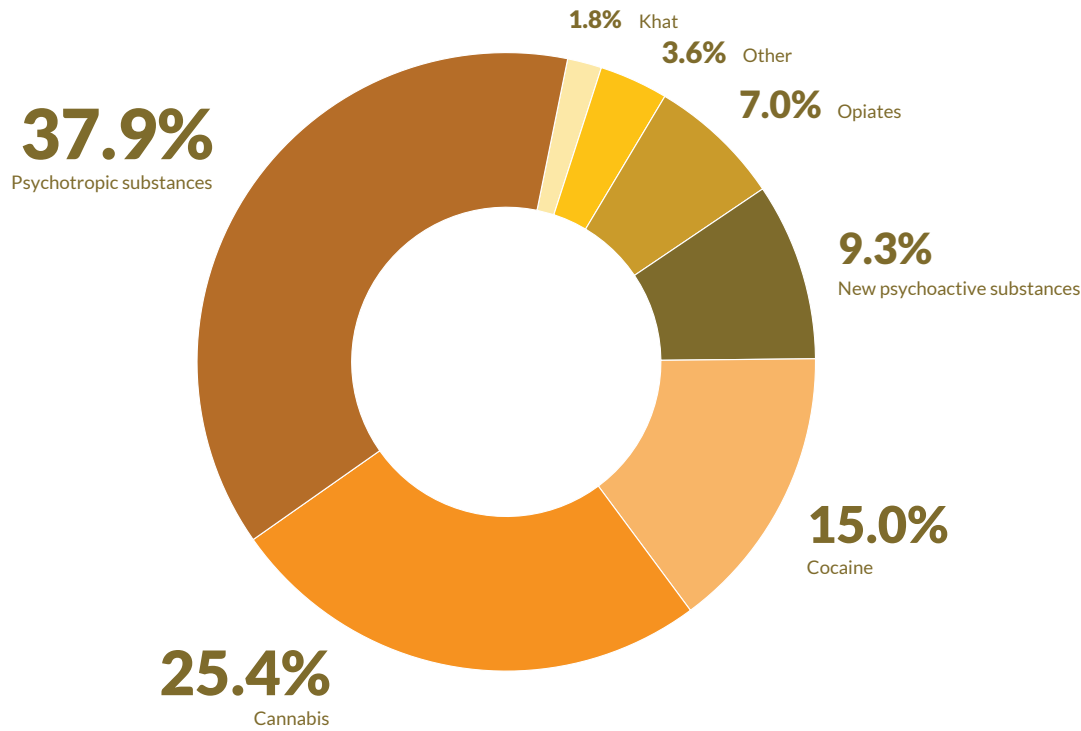
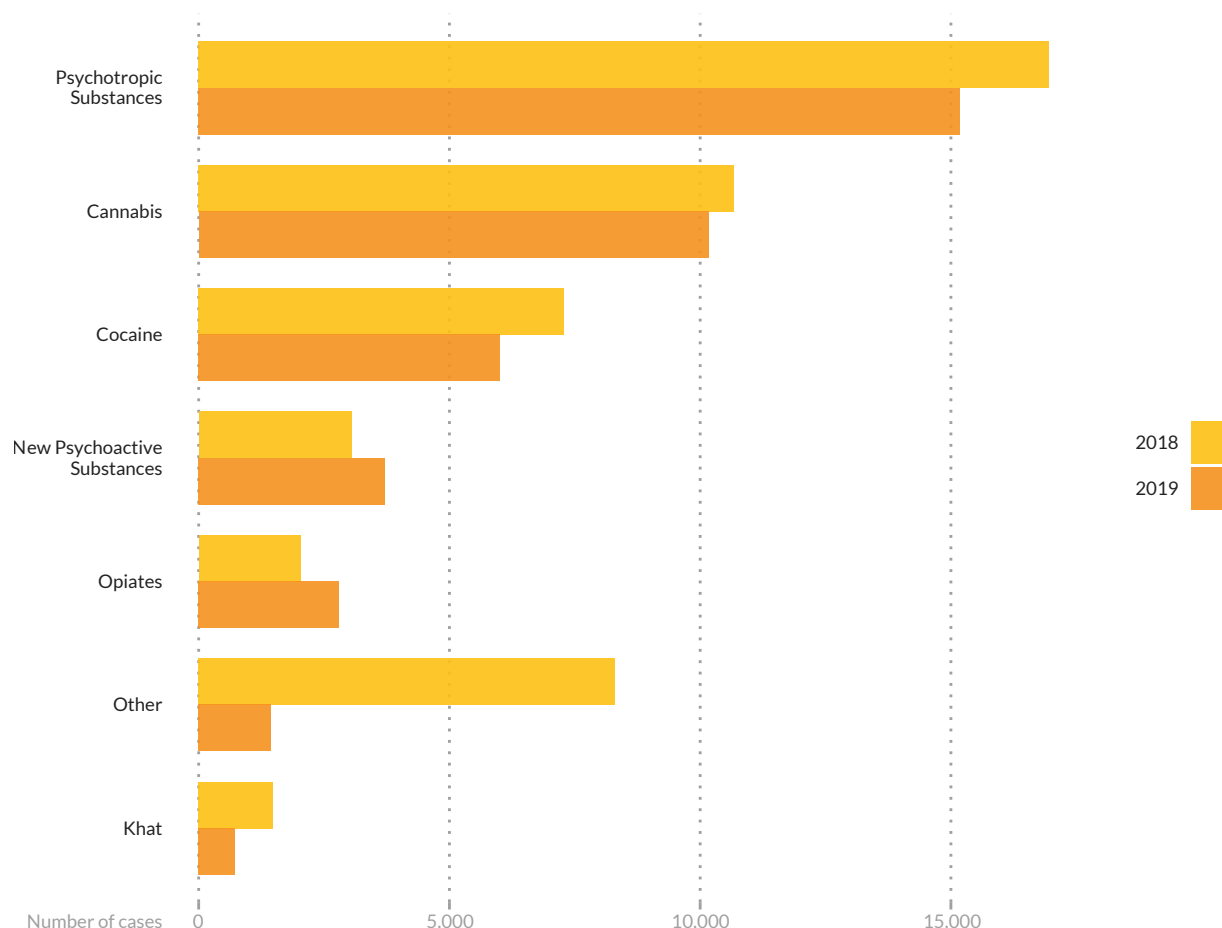


Figure 1 separates seizures reported in 2019 by drug type. There were more seizures of *psychotropic substances* (15,177 seizures, or 37.9% of all seizures) than of any other type, followed by *cannabis* (10,168, or 25.4%), *cocaine* (6,005, or 15%) and *new psychoactive substances* (3,716, or 9.2%). Seizures of *opiates* accounted for 6.9% of all seizures, *other* drugs for 3.5% and *khat* for 1.7% in 2019. *Psychotropic substances* and *cannabis* also accounted for the most seizures in 2018 (34% and 21.4%, respectively).

Figure 2 compares the number of seizures of different types of drugs from 2018 to 2019. The total number of drugs seizures decreased in 2019 (to 40,017 from 49,780), and most individual categories of drugs dropped as well. Only seizures of *opiates* and *new psychoactive substances* increased in 2019. *Opiates* seizures increased 37.6%, from 2,030 to 2,795 seizures, and *new psychoactive substances* seizures increased from 3,049 to 3,716 (a 21.8% increase). The most dramatic changes from 2018 to 2019 were decreases, however. Seizures of *other* drugs dropped from 8,305 to 1,438 (an 82.6% decrease), and *khat* dropped 51.4%, from 1,480 to 762 seizures.



Figure 2: Number of seizures by category, 2018-2019



Analyses of such trends require a few caveats. First, all conclusions are only as valid and complete as the case and seizure data submitted by WCO Members. There are reasons Customs administrations may decide not to report parts of their data, including the need to maintain confidentiality for ongoing investigations. Consequently, the Figures in this Section may not necessarily portray a comprehensive view of the global illicit drug trade.

A second caveat is that the data reflects trafficking activity that failed. As a result, changes in the data may reflect changes in enforcement efficacy rather than changes in trafficking activities.

This Section is organised in the following manner:

1. Overall trends in trafficking of narcotics.
2. Trafficking trends for each category of drug data collected by the WCO: Cannabis, Cocaine, Khat, New Psychoactive Substances (NPS), Psychotropic Substances and Opiates.
3. Programmes and Projects.

1. Overall trends in trafficking of narcotics

Figure 3: Quantity of drugs seized by category, 2018-2019

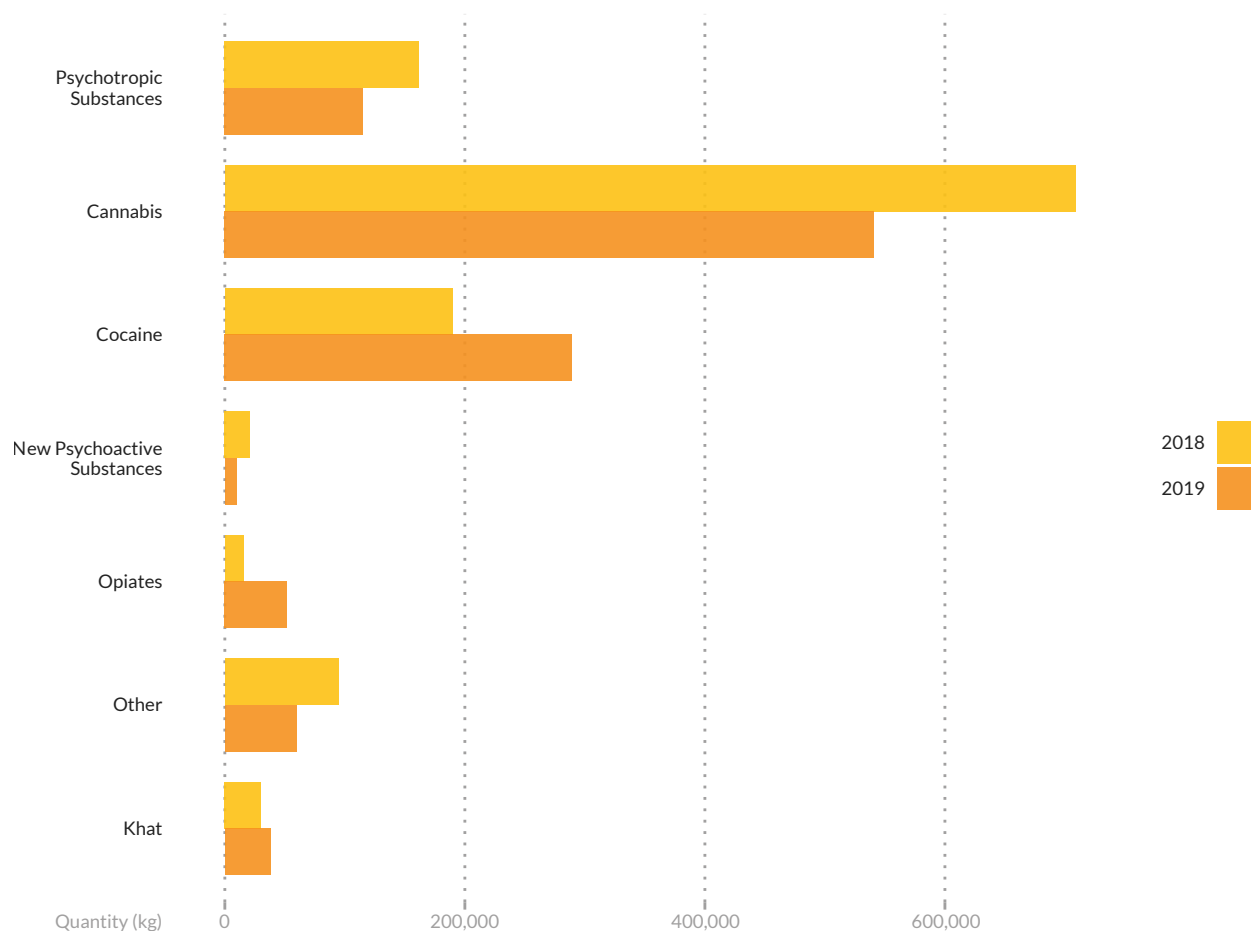


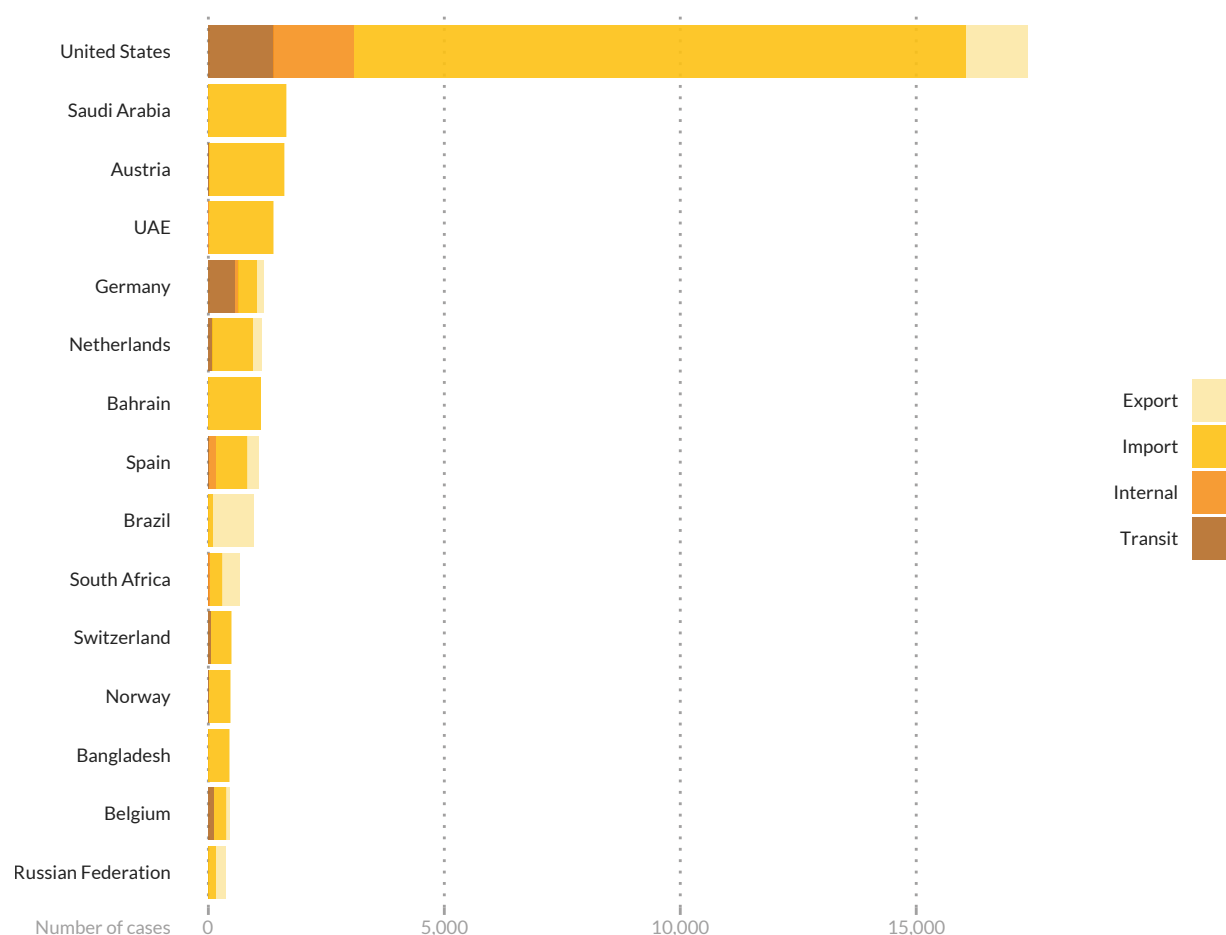
Figure 3 compares the quantity (in kilogrammes) of seized drugs reported in 2019 versus those seized in 2018. Echoing the decrease in the number of seizures from 2018 to 2019, the total number of kilogrammes seized also fell, from 1,221,650.9 to 1,104,561.7 kilogrammes (a 9.5% decrease). *Cannabis* made up the plurality of quantity seized in both 2018 (when it was 59.4% of the total quantity seized) and 2019 (when it made up 48.9% of the total). *Cocaine* accounted for 26.1% of the quantity seized in 2019 and *psychotropic substances* accounted for 10.4%, despite accounting for 37.9% of all seizures. Only 9% of the quantity seized was of either *new psychoactive substances*, *opiates* or *khat*.

Cocaine saw the largest increase in total quantity seized from 2018 to 2019, with a 99,781.3 kilogramme increase (52.6% growth). The quantity of *opiates* seized more than tripled, from 15,612.3 to 51,689 kilogrammes. Not all categories increased, however. The quantity of *cannabis* seized fell, from 708,612.5 to 540,847.1 kilogrammes (a 23.6% decrease), as did the quantity of *psychotropic substances* (by 28.7%). Less than half the quantity of *new psychoactive substances* were seized in 2019 compared to 2018, a drop from 21,070.1 to 9,558.5 kilogrammes.

Figure 4 shows the 15 countries that reported the most cases in 2019, with those cases separated by the direction in which shipments were moving when they were



Figure 4: Number of cases by Customs procedure and country, 2019



confiscated. Across all countries, 74.5% of seizures occurred at import, 12% at export, 7.1% in transit and 6.2% internally. The United States reported far more drugs cases than any other country, its 17,369 cases accounting for 47.8% of all cases. Of the other top reporters, Saudi Arabia reported 1,648 cases (4.5% of all cases), Austria 1,624 (4.4%) and the UAE 1,376 (3.7%).

Because of the high number of cases it reported, the United States saw the greatest number of cases for all categories of Customs procedure, with 74.6% of its cases occurring at import, 9.8% internally, 7.9% in transit and 7.5% at export. Several of the countries in the top 15 reported more than 95% of their cases as occurring at import. Saudi Arabia reported 99.2% of cases at

import, Austria 97.7%, the UAE 99.1%, Bahrain 99.9%, Norway 96.7% and Bangladesh 98%. The Netherlands (75.2%) and Switzerland (87.6%) also reported the vast majority of cases at import.

Germany reported a greater percentage of cases as occurring in transit (47% of its cases) than any other country in the top 15, and Belgium reported the second-greatest percentage (27.4%). Only Brazil, South Africa and the Russian Federation reported more export cases (89.7%, 55.7% and 57.3% of their cases, respectively) than cases of any other category. Spain reported a greater percentage of internal cases than any other country (13.6% of its cases).



Figure 5: Percentage of seizures by detection method, 2019

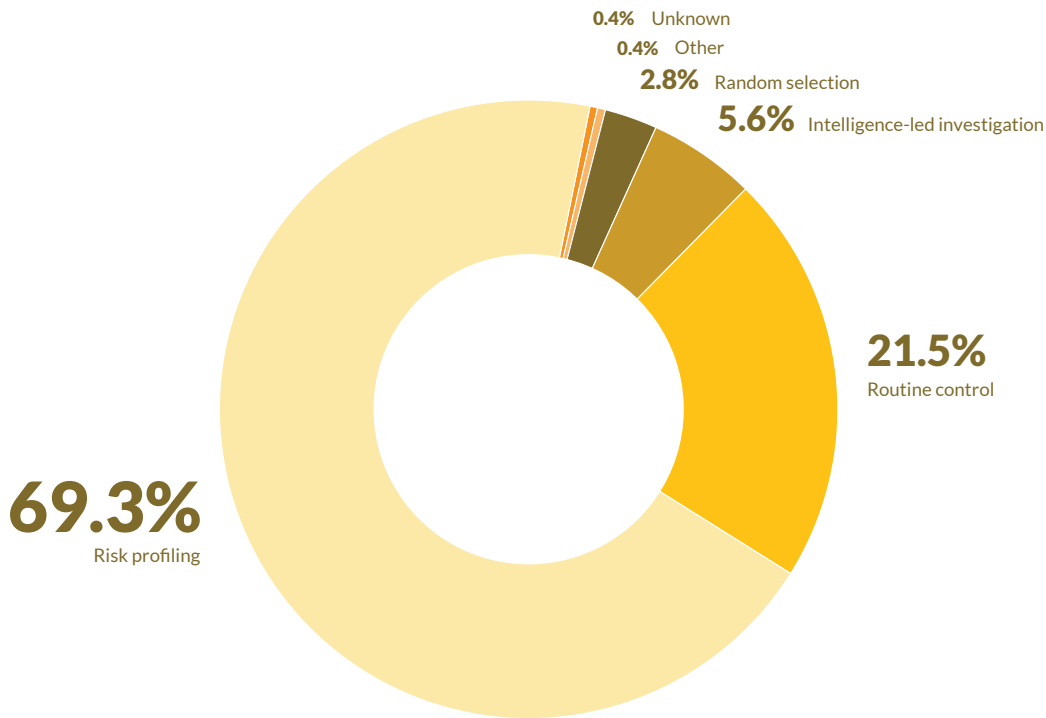
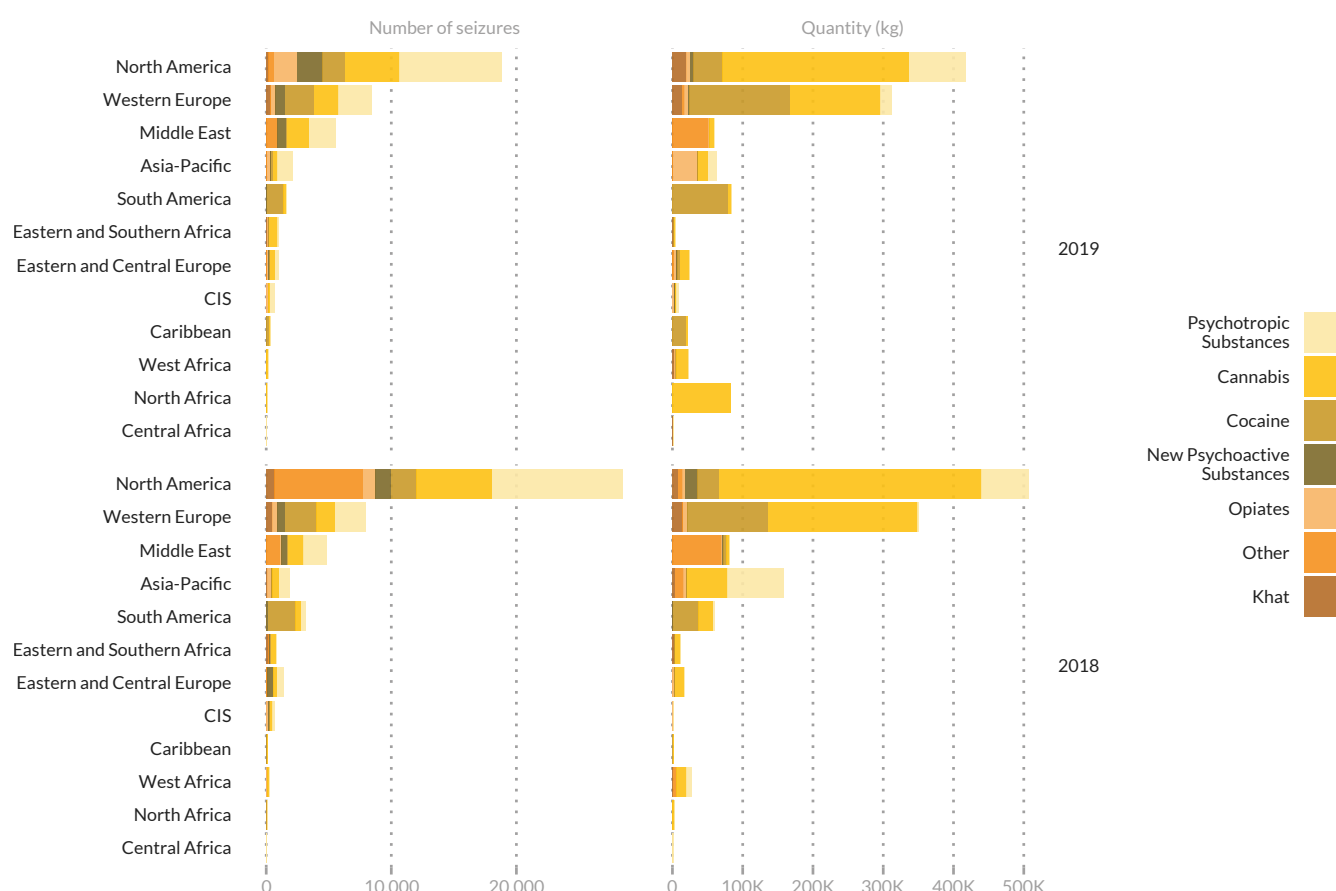


Figure 5 categorizes all reported cases by the detection method Customs administrations employed in seizing the drugs. Of the cases reported in 2019, most (69.2%) were detected using risk profiling, routine control methods accounted for 8,040 cases (21.5%), intelligence-led investigation 2,101 cases (5.6%), random selection 1,029 cases (2.7%) and other methods 157 cases (0.4%).

Figure 6 compares the number of seizures of drugs and the quantity seized (in kilogrammes) by reporting region between 2018 and 2019. As in 2018, North America reported the greatest number of seizures (18,828, 47% of all seizures) in 2019, but this marked a 33.9% drop in the region’s seizures from the previous year. Western Europe (which had 21.1% of seizures in 2019 and 15.9% in 2018) and the Middle East (13.8% and 9.7%) reported the second- and third-most seizures, respectively, in both years. North America and Western Europe also reported the greatest quantities of seized drugs both years, with their seizures accounting for 37.7% and 28.2% of all quantities seized in 2019, respectively, and 41.5% and 28.6% of all quantities seized in 2018, respectively. North Africa reported only the



Figure 6: Number of seizures and quantity seized by category and region, 2018-2019



eleventh-most seizures (0.3% of all seizures) in 2019, but the third-greatest quantity (7.5% of the total), indicating that there were relatively few large seizures in the region. South America reported the fourth-greatest quantity in 2019 (7.5% of the total), and Asia-Pacific reported the third-greatest in 2018 (12.9%).

North America reported more seizures of *psychotropic substances* in 2019 (43.4% of its seizures) and 2018 (36.6%) than of any other type. *Cannabis* accounted for a greater quantity of drugs seized in North America, however, in both years (63.6% of its quantity in 2019 and 73.6% in 2018). *Cannabis* was also seized frequently in Western Europe (41.1% of its quantity in 2019 and 60.8% in 2018), although *cocaine* was more frequently

seized in 2019 in the region (45.7% in 2019 and 32.5% in 2018). Some regions saw high proportions of one category of drugs in 2019 - *other* drugs made up 86.1% of the quantity seized in the Middle East, while 55.4% of the quantity seized in Asia-Pacific was of *opiates*, 94.5% was of *cocaine* in South America, and 99.9% was of *cannabis* in North Africa.

Figure 7: Trafficking flows by region, 2019

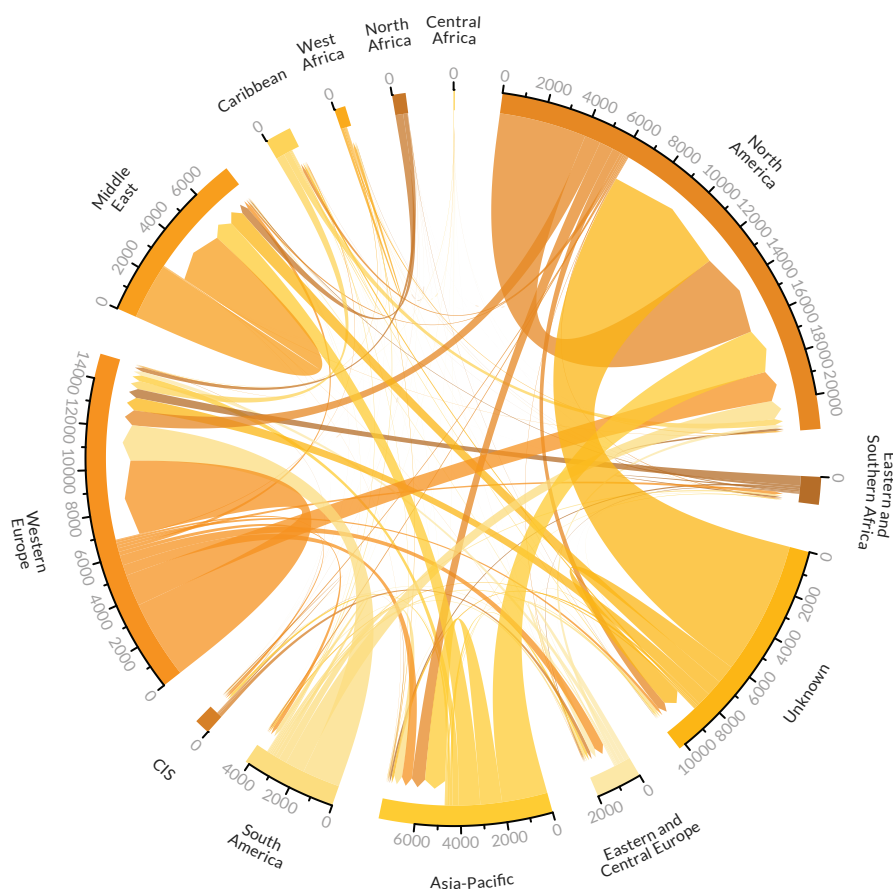


Figure 7 shows 36,256 intended trafficking flows of drugs to, from and within reporting regions in 2019. The most popular origin regions were Western Europe, the origin for 6,781 flows (18.7% of all flows), North America, the origin for 6,229 (17.1% of flows), Asia-Pacific (13% of flows), South America (10%) and the Middle East (7.3%). Most of these flows were intra-regional, including the majority in Western Europe (53.4%), North America (64.7%) and the Middle East (97.7%). More flows starting in Asia-Pacific were destined for North America (44.4%) than any other region, and more starting in South America were destined for Western Europe (47.7%) than any other region. There were 8,655 flows of unknown origin (23.8% of all flows), and 70.7% of these flows were destined for North America.

The most popular destination regions were North America, the destination for 15,266 flows (42.1% of all flows), Western Europe, the destination for 8,302 (22.8%), the Middle East, the destination for 5,064 (13.9%) and Asia-Pacific (7.8%). Flow origins were more evenly distributed among regions than flow destinations – only 48.8% of flows started in the three most popular origin regions, but 78.9% of flows ended in the three most popular destination regions. North Africa was the origin region for 575 flows, but the destination for only 17 flows. The Caribbean was the origin region for 131.8% more flows than it was a destination region.



Figure 8: Heat map of trafficking instances by country, 2019

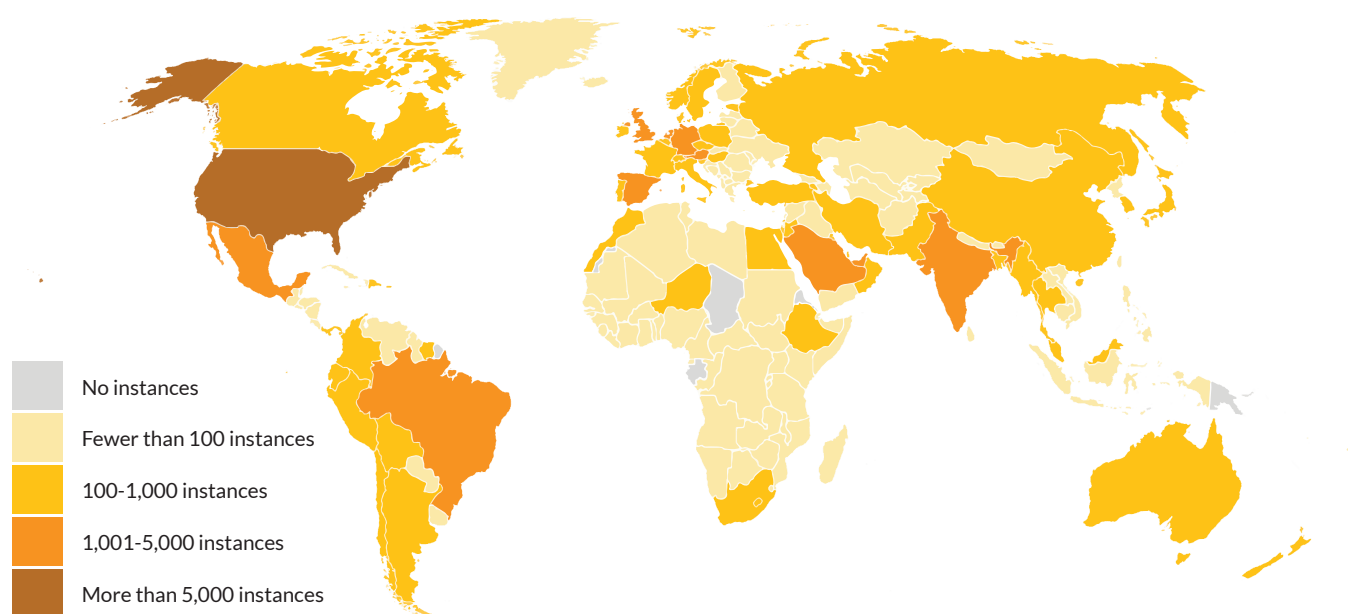


Figure 8 is a heat map of drug trafficking instances in 2019 coloured by frequency. The colouring indicates the number of times the country was either the origin, destination or transit point for one or more seized shipments of drugs, regardless of where the seizure took place or which country reported it. By disaggregating individual seizures in this way, the Figure depicts all countries in which drugs were known or intended to have been trafficked in 2019. Eleven of the 15 countries involved in the most trafficking instances were also among the top 15 countries to report cases, indicating that heavy involvement often, but not always, indicates the country has reported high numbers of cases. One exception was Mexico, which was not among the top 15 reporters, but appeared in 2,881 instances, the third-most.

The United States appeared in 18,288 instances, more than four times as many as any other country, and was the only country that appeared in more than 5,000 instances. It is important to note that the United States reported 47.8% of all cases. Of the 182 countries with instances reported, 12 had between 1,001 and 5,000 instances reported, 49 had between 100 and 1,000 and 115 had fewer than 100. Of the 13 countries with more than 1,000 instances, five are in Western Europe (the Netherlands, Germany, Spain, Austria and the UK), three are in the Middle East (Saudi Arabia, Bahrain, and the UAE), two are in North America (the United States and Mexico), two are in Asia-Pacific (India and Singapore) and one is in South America (Brazil).

2. The drug trade by category

2.1 - CANNABIS

Figure 9: Number of cannabis cases by country, 2018-2019

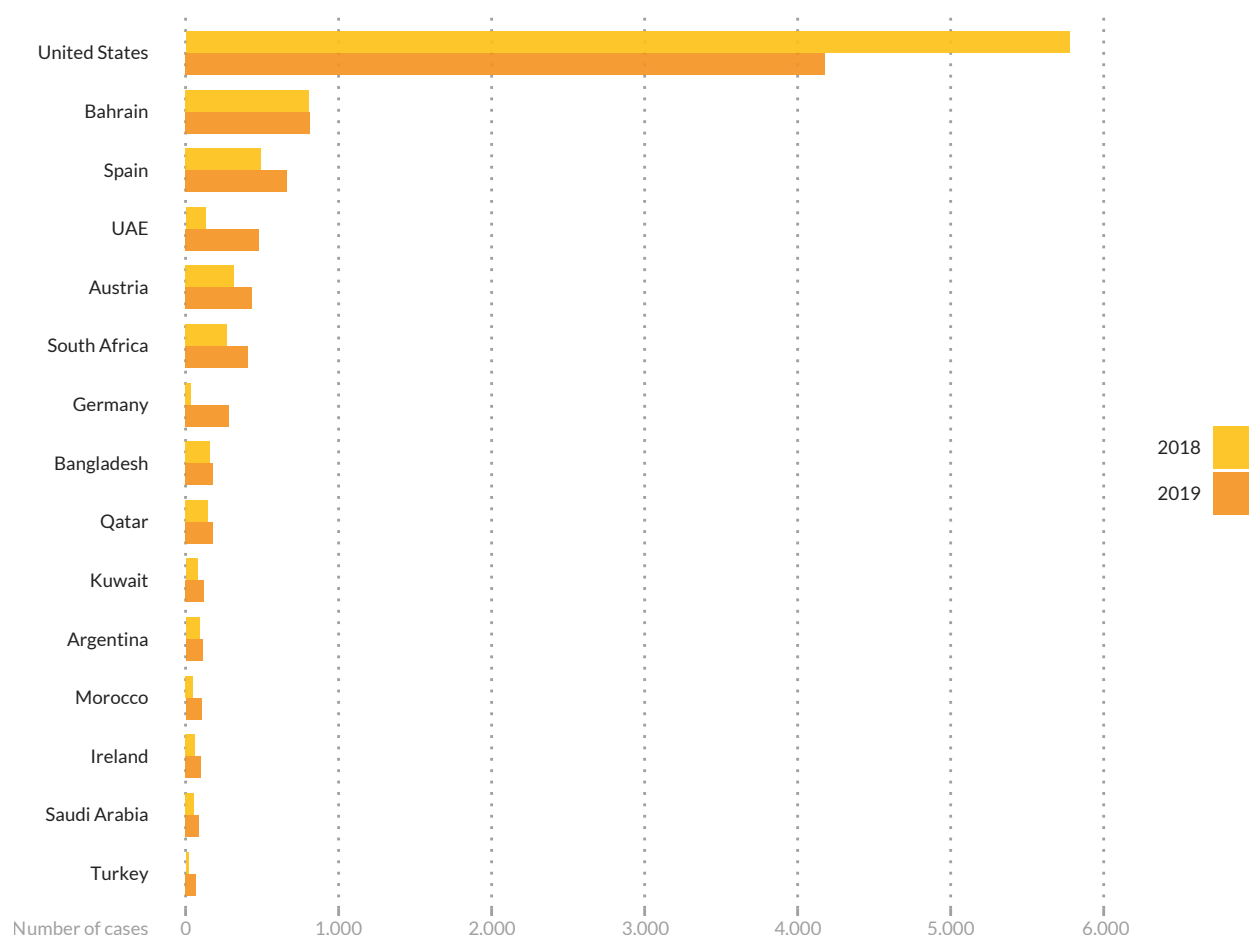
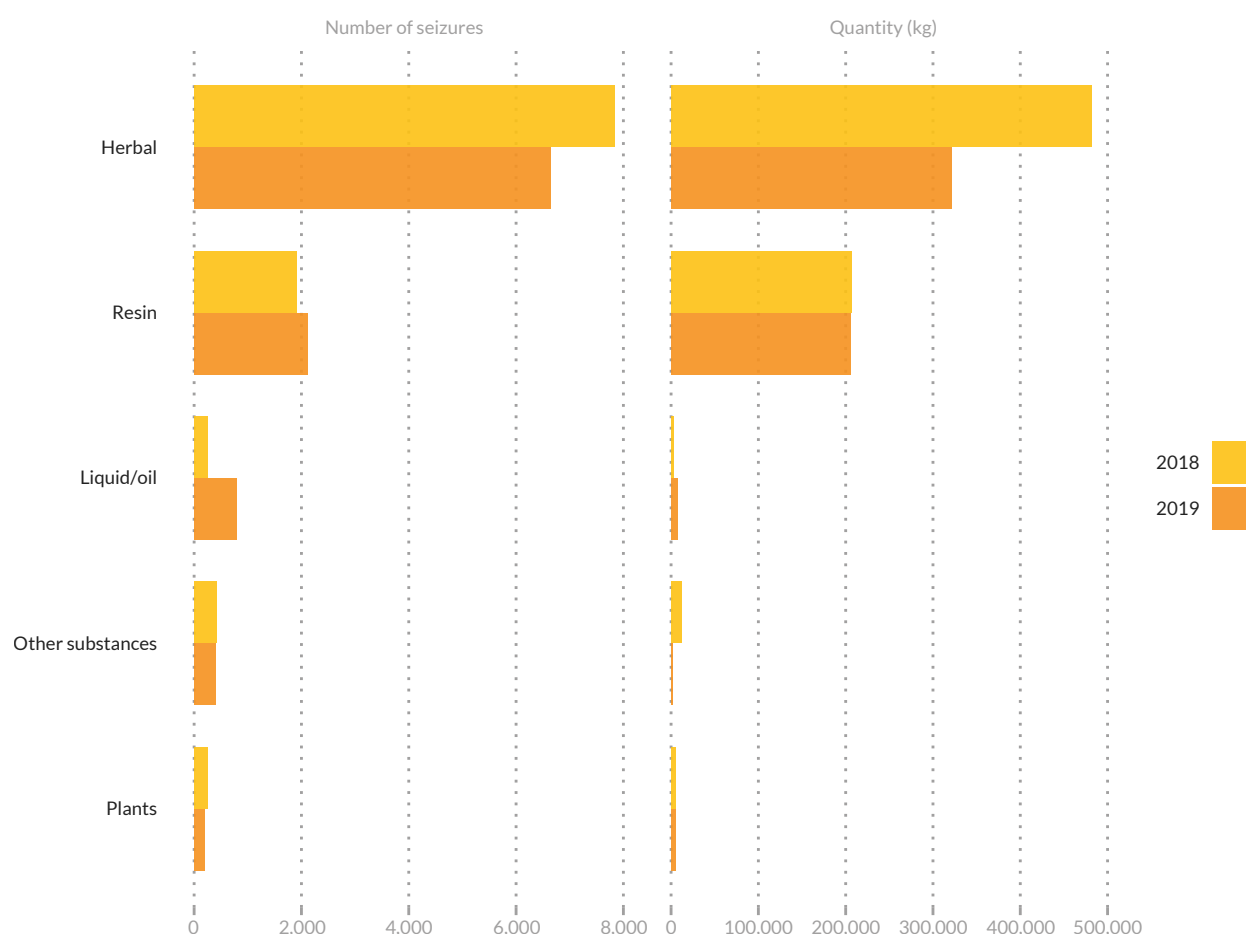


Figure 9 shows the 15 countries that reported the most cases of cannabis trafficking in 2019 and compares the number of cases from 2019 to the number from 2018. In total, there were 9,433 cases in 2019 and 10,157 cases in 2018. Reporting in every country in the top 15 other than the United States, which reported by far the most cases in 2018 and 2019, increased in 2019. The United States' cases fell 27.7%, from 5,777 to 4,176.

For the other top five countries, Bahrain's reported cases increased by 0.9% (from 807 to 815), Spain's increased by 34.8% (from 493 to 665), the UAE's by 269.2% (from 130 to 480) and Austria's by 38.5% (from 314 to 435). Other notable increases in reporting included reporting from Germany (a 650% increase), Morocco (a 108% increase) and Turkey (a 252.6% increase).



Figure 10: Number of cannabis seizures and quantity seized by type, 2018-2019



Customs administrations reported 10,168 seizures of 540,847.1 kilogrammes of cannabis in 2019, a 4.7% decrease from the 10,678 seizures in 2018 and a 23.6% decrease from the 708,612.5 kilogrammes seized in 2018. Figure 10 compares the number of seizures of cannabis and quantity seized (in kilogrammes) in 2018 and 2019 for different types of cannabis. Across all cannabis seizures in 2019, 65.4% were *herbal*, 20.8% were of *resin*, 7.7% were of *liquid/oil*, 3.9% were of *other substances* and 1.9% were of *plants*. Similarly, 59.4% of the total quantity seized was *herbal*, 37.9% was of *resin*, 1.4% was of *liquid/oil*, 0.8% was of *plants* and 0.3% was of *other substances*.

For several types of cannabis, the number of seizures and quantity seized changed relatively little from 2018 to 2019. *Resin* seizures, for example, increased by 10.9% and the quantity seized fell by 0.5%. Seizures of *other substances* and *herbs* fell by 3.1% and 15.1%, respectively. There were a few exceptions – seizures of *liquid/oil* increased by 211.8%, from 254 seizures to 792, and the quantity of *other substances* seized fell 84.9%, from 12,297.7 kilogrammes to 1,845.9.



Figure 11: Number of cannabis seizures and quantity seized by type and conveyance method, 2019

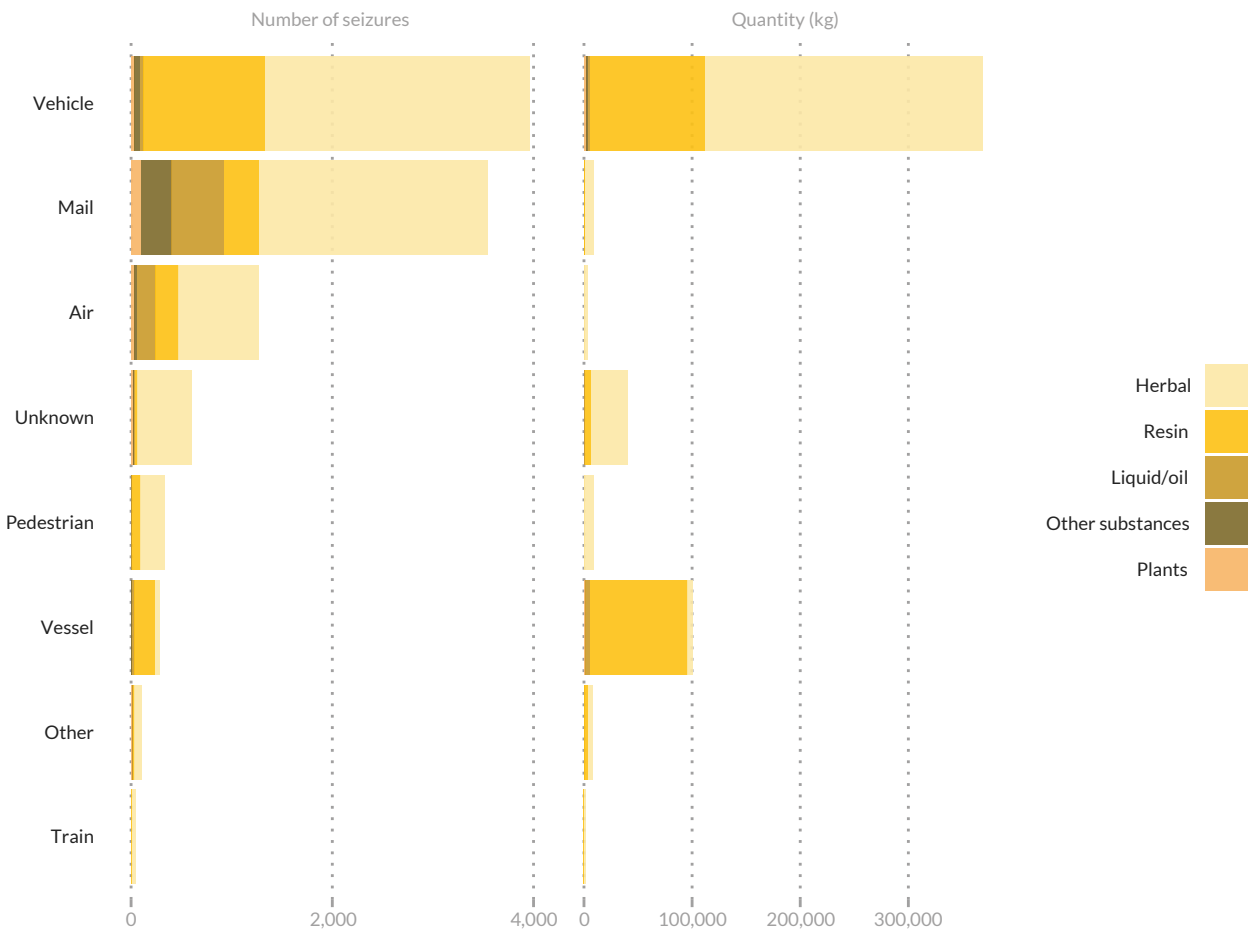
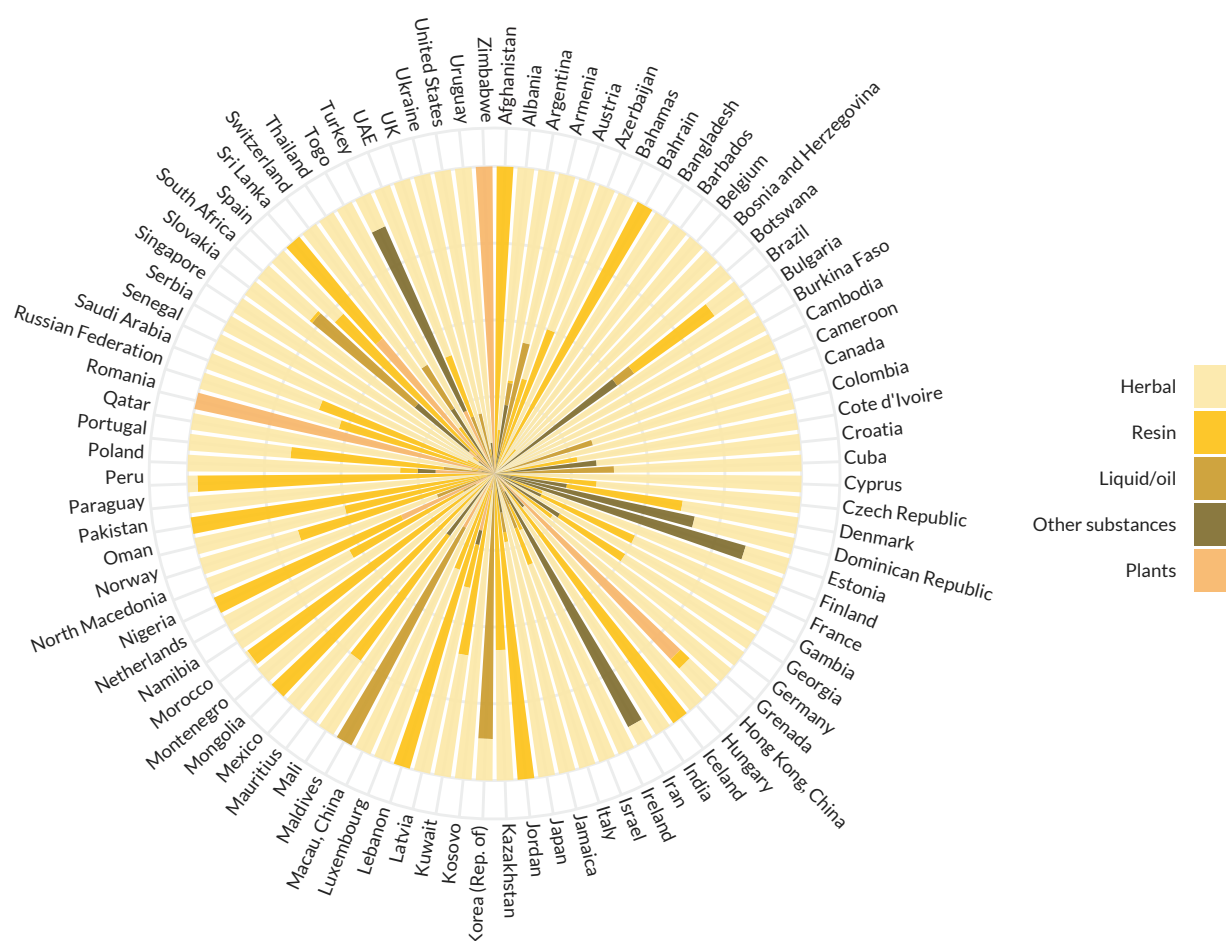


Figure 11 separates the number of cannabis seizures and quantity seized (in kilogrammes) by conveyance method and type of cannabis. Seizures from vehicles (38.9% of all seizures), mail (34.8%) and air (12.5%) accounted for the vast majority (86.3%) of all seizures. Quantities seized were more skewed towards vehicle seizures, which accounted for 68.1% of the total quantity of cannabis seized. Mail and air seizures accounted for only 1.6% and 0.6%, respectively. Vessels were the sixth-most common conveyance method, with only 2.8% of seizures attributed to this method, but trailed only vehicles with regards to quantity seized (18.6% of the total quantity).

Herbs made up the majority of seizures and the quantity seized for several conveyance methods, including vehicles (66.3% of its seizures and 69.6% of its quantity seized), mail (64.1% and 89%), air (62.6% and 84.8%) and pedestrians (71.5% and 98.2%). Most vessel seizures were of *resin* (70.8% of its seizures), as was most of the quantity seized from vessels (88.8%). A greater percentage of mail seizures were of *liquid/oil* (14.7%) than the percentage of *liquid/oil* seizures by any other conveyance method. Similarly, 14.5% of air seizures were of *liquid/oil*.

Figure 12 shows all 92 countries that reported cannabis seizures in 2019 and separates each country's

Figure 12: Proportion of cannabis seizures by type and country



seizures by type of cannabis. Thirty-five countries reported more than 25 seizures. For 21 of these countries, the most common seizure type was *herbs*. *Resin* was the most common category for eight countries, and *other substances* was the most common type for four. Many countries reported the vast majority of their seizures as being of *herbs*, including the United States (91.9% of 4,362 seizures), Qatar (92.4% of 186), Bangladesh (all 181), Senegal (90.3% of 62), Kosovo (all 56), Italy (all 55) and Mexico (all 36). The most frequent reporters of *resin* seizures included Bahrain (98.5% of its 816 seizures), Morocco (98% of 105) and Peru (30 of 31). South Africa reported the most *plants* seizures, with 10.9% of its 658 seizures being of plants. Hong Kong, China, which reported 20 *plants* seizures out of

24 total, was the highest-reporting country with a majority of *plants* seizures.

Of the 35 top-reporting countries of cannabis, only six (the United States, South Africa, the UAE, Germany, Argentina and Brazil) reported seizures of all five types. Nine countries reported seizures of four types, 11 reported seizures of three, five reported seizures of two, and four (Bangladesh, Kosovo, Italy and Mexico) reported seizures of one. Bangladesh reported the most seizures (181) of the countries to report seizures of only one type. South Africa, the UAE, Turkey, Israel and Brazil were the only five countries in the top 35 to report more than 10% of its seizures in three different categories, while eleven of these 35 countries reported more than 90% of its seizures as being of one type.

Figure 13: Heat map of cannabis trafficking instances by country, 2019

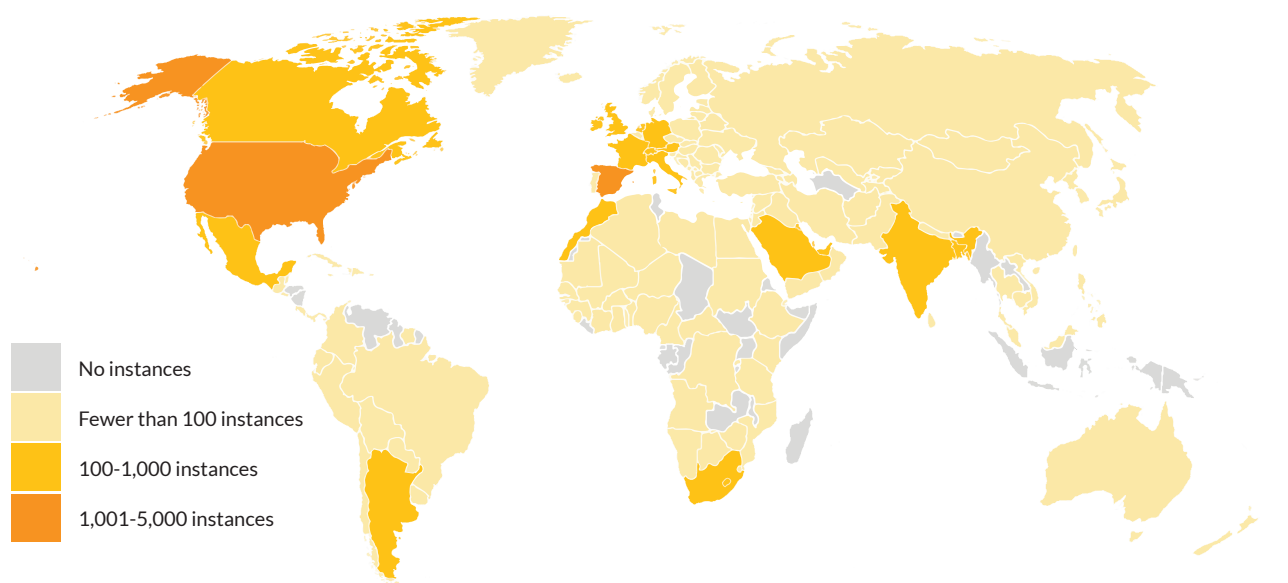


Figure 13 is a heat map of cannabis trafficking instances in 2019 coloured by frequency. The colouring indicates the number of times the country was either the origin, destination or transit point for one or more seized shipments of cannabis, regardless of where the seizure took place or which country reported it. By disaggregating individual seizures in this way, the Figure depicts all 154 countries in which cannabis was known or intended to have been trafficked in 2019. Ten of the 15 countries involved in the most trafficking instances were also among the top 15 countries to report cases, indicating that heavy involvement often, but not always, indicates the country has reported high numbers of cases. Three exceptions were the UK, Mexico and the Netherlands, who appeared in the fifth-most, sixth-most and eighth-most instances, respectively.

The UK reported three seizures (tied for 67th-most) but appeared in 674 instances, Mexico reported 14 seizures (43rd-most) but appeared in 547 instances and the Netherlands reported 43 seizures (26th-most) but appeared in 484 instances.

The United States (4,611 instances) and Spain (1,139) were the only countries to appear in more than 1,000 instances, while 20 countries appeared in 100 to 1,000 instances, and 144 appeared in fewer than 100. Of the 22 countries to appear in more than 100 instances, nine are in Western Europe, five are in the Middle East and three are in North America. Saudi Arabia (888 instances), Bahrain (840), the UK (674), Mexico (547) and the UAE (502) joined the United States and Mexico as the countries appearing in more than 500 instances.



Figure 14: Cannabis trafficking routes and instances by location, 2019

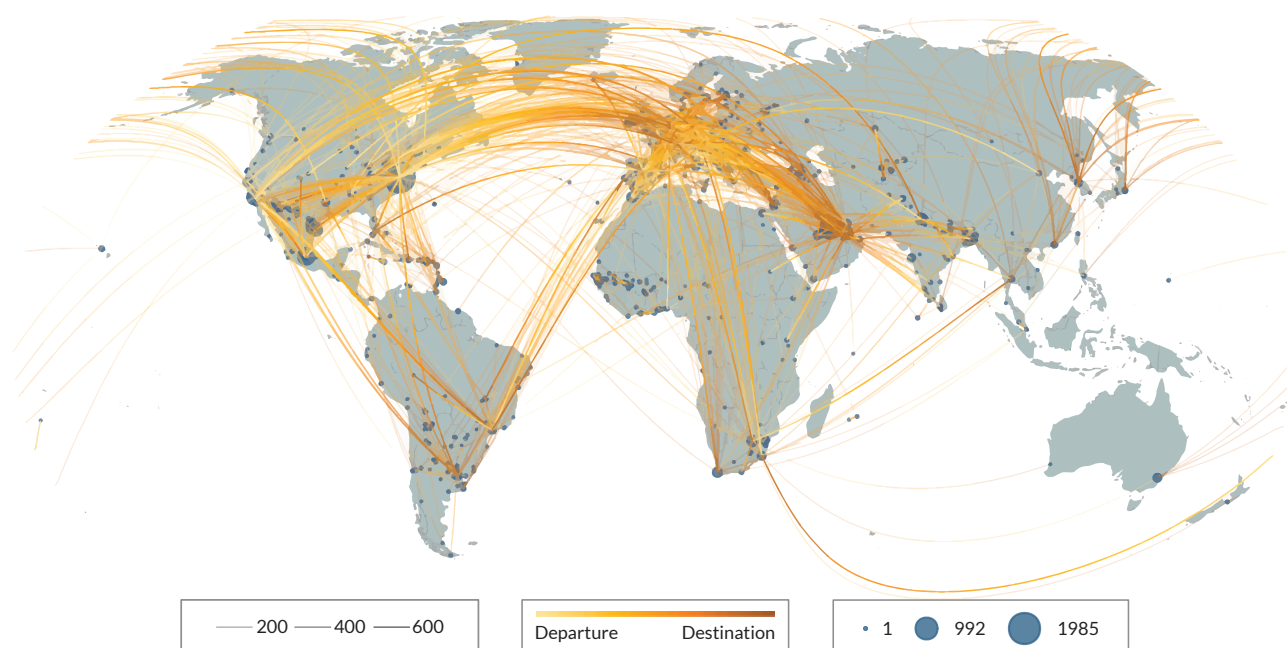


Figure 14 depicts the illicit flow of cannabis from origin to destination, for all routes that appeared in one or more trafficking instances. Point size indicates the number of cases involving departures from or terminations within a particular city. For instances where no specific location was found in the data, the capital of a given country serves as a proxy city location. The flows connecting points on the map are yellow in colour at their origin and become orange as they approach their destination. The darker the overall tone of a flow, the more frequently that trafficking route appeared in the data for 2019. These flows do not necessarily indicate completed smuggling attempts; in many cases, contraband was seized at its origin point or while in transit. In all cases, flows represent intended routes of transit as they were reported.

The Figure shows 8,263 flows of cannabis. The most popular country-level routes began and ended in the United States and accounted for 1,686 flows (20.4% of all flows). The remaining four of the five most popular country-level routes were from Saudi Arabia to Bahrain (761 flows, or 9.2% of all flows), from Mexico to the United States (528, 6.3%), from the United States to the UK (314, 3.8%) and from the Netherlands to Austria (220, 2.6%). Twelve routes had more than 100 flows and 635 fewer than ten flows. Of the 20 most popular routes, six began or ended in the United States and six began or ended in Spain. Of all flows, 43.3% either began or ended in the United States, reflecting the high number of cases reported by the United States.

Member highlights: Marijuana seized from a cross boundary passenger van in Montenegro

On 23 March 2019, officers of the Customs administration of Montenegro confiscated 233 kilogrammes of marijuana at the checkpoint Ranče on the border between Montenegro and Serbia. During Customs clearance at the exit passenger terminal of the border crossing point Ranče, based on a local risk analysis, an empty passenger van with a driven by a Montenegrin citizen was selected for a detailed clearance at the departure checkpoint. With the use of advanced drug detecting equipment, Customs officers successfully uncovered 233 kilogrammes of marijuana slabs from the space below the van seats.

Source: Montenegrin Customs.



C: Courtesy: Montenegrin Customs.
D, E: Courtesy: Hungarian Customs

Seventy-five kilogrammes of marijuana uncovered in a vehicle's false compartment on the land border of Hungary

Hungarian Customs officers on the Serbian border inspected a van driven by a Serbian citizen. The extraordinary added-on ten centimetre layer on the floor raised officers' suspicion. During the second physical check Customs officers discovered metal strings that pulled open the secret compartment, where the seizure of 75 kilogrammes of marijuana was found.

Source: Hungarian Customs.



Cannabis resin concealed in a fuel tank seized by Russian Customs

On 3 October 2019 at the international Customs border checkpoint Burachki of the Pskov Customs, a truck arrived from Latvia under the control of a Ukraine citizen. Forty-six polymer bags containing light brown briquettes rewound with brown tape were found in a specially equipped cache in a fuel tank. The total weight of the seized cannabis resin amounted to 432 kilogrammes. A criminal case has been launched under the paragraph "b" of Part 4 of Art. 229.1 of the Criminal Code of the Russian Federation.

Source: Russian Federal Customs Service.



F, G: Courtesy: Russian Federal Customs Service

2.2 - COCAINE

Figure 15: Number of cocaine cases by country, 2018-2019

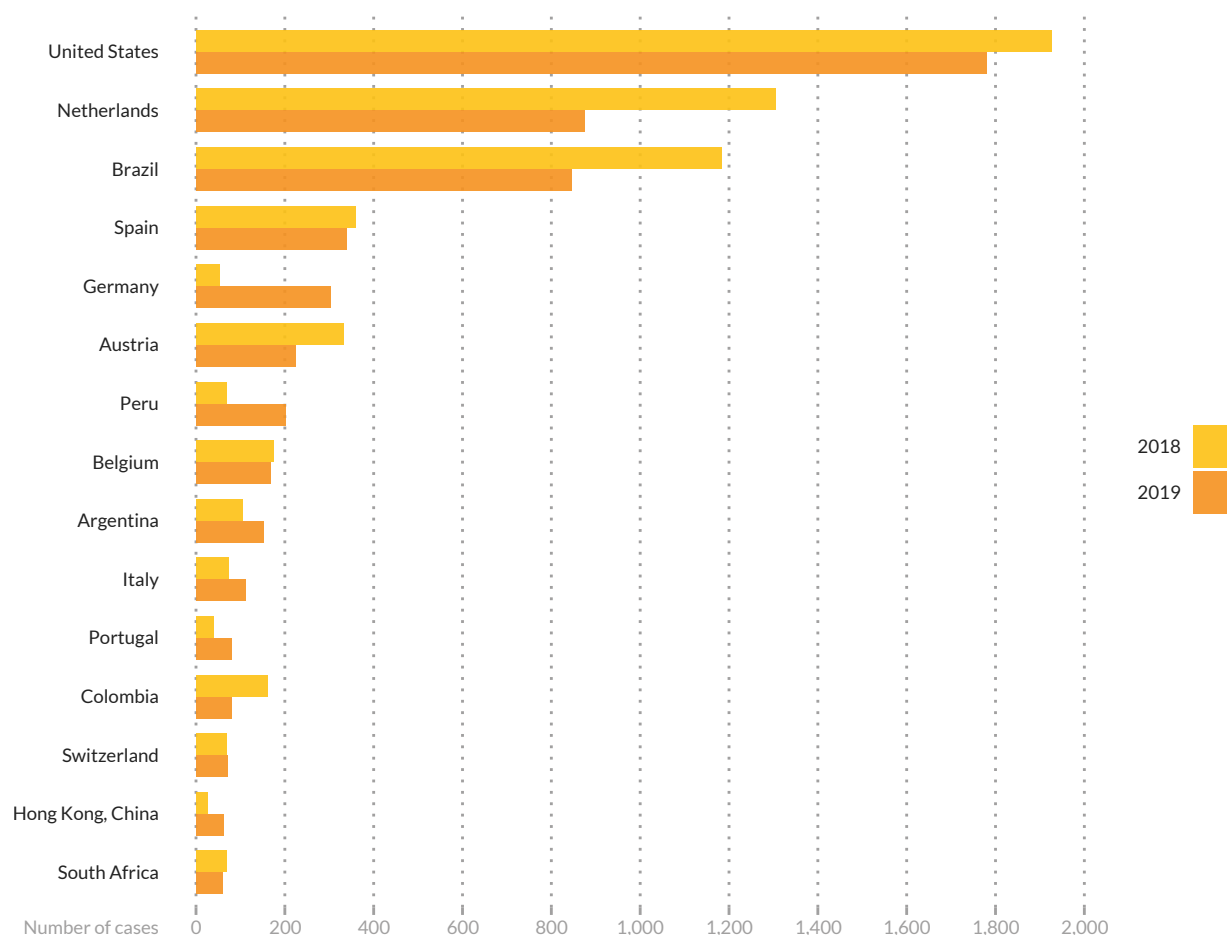
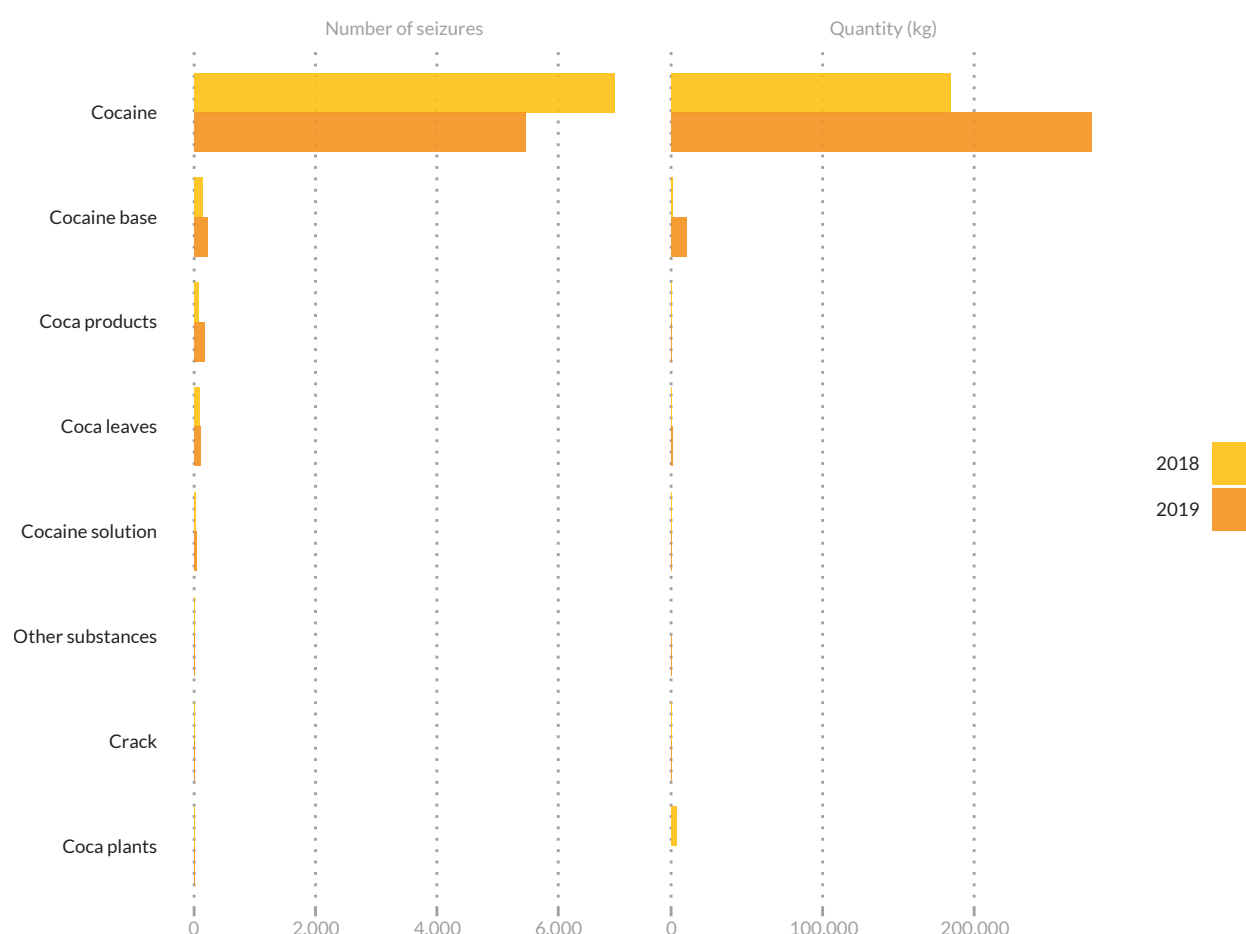


Figure 15 shows the 15 countries that reported the most cases of cocaine trafficking in 2019 and compares the number of cases from 2019 to the number from 2018. The United States, the Netherlands and Brazil reported the first-, second- and third-most cases, respectively, in both 2018 and 2019. All three reported more than 800 cases both years, and no other country reported more than 400 in either year. Despite this, all three countries' reporting decreased: the United States by 7.5%, from 1,925 cases to 1,780, the Netherlands by 32.8%, from 1,304 cases to 875 and Brazil by 28.5%, from 1,182 to 845.

Germany saw the greatest relative increase in cases reported (480.7%), from 52 in 2018 to 302 in 2019. Other countries with significant increases in cases included Peru (a 195.5% increase, from 68 to 201), Portugal (a 102.5% increase, from 39 to 79) and Hong Kong, China (a 125.9% increase, from 27 to 61). The biggest decreases outside of the top three were seen by Austria and Colombia, whose cases decreased by 32% (from 331 to 225) and 50.6% (from 160 to 79), respectively.



Figure 16: Number of cocaine seizures and quantity seized by type, 2018-2019



Customs administrations reported 6,005 seizures of 289,331.3 kilogrammes of cocaine in 2019, a 17.5% decrease from the 7,280 seizures in 2018 but a 52.6% increase from the 189,549.9 kilogrammes seized in 2018. Figure 16 compares the number of seizures of different types of cocaine and quantity seized (in kilogrammes) of each type in 2018 and 2019. The vast majority of seizures (5,464, or 90.9% of all seizures) in 2019 were of powdered *cocaine*, even though actual seizures decreased 21.1% from 2018, when 6,926 seizures (95.1%) were of powdered *cocaine*. Many of the smaller categories of products grew. There were 217 seizures of *cocaine base* in 2019 (3.6% of seizures) and

135 in 2018. *Coca products* accounted for 168 seizures in 2019 (2.7%) and 82 in 2018 (1.1%), while there were 102 seizures of *coca leaves* in 2019 (1.6%) and 87 in 2018 (1.1%).

Cocaine (powder) seizures accounted for an even greater proportion of the quantity of cocaine seized – 95.8% of the quantity in 2019 and 97.1% in 2018. The average size of a powdered *cocaine* seizure grew from 26.5 kilogrammes in 2018 to 50.7 kilogrammes in 2019. The category that yielded the second-greatest quantity was *cocaine base* in 2019 (3.6% of the total quantity) and *coca plants* in 2018 (1.7%).

Figure 17: Number of cocaine seizures and quantity seized by type and conveyance method, 2019

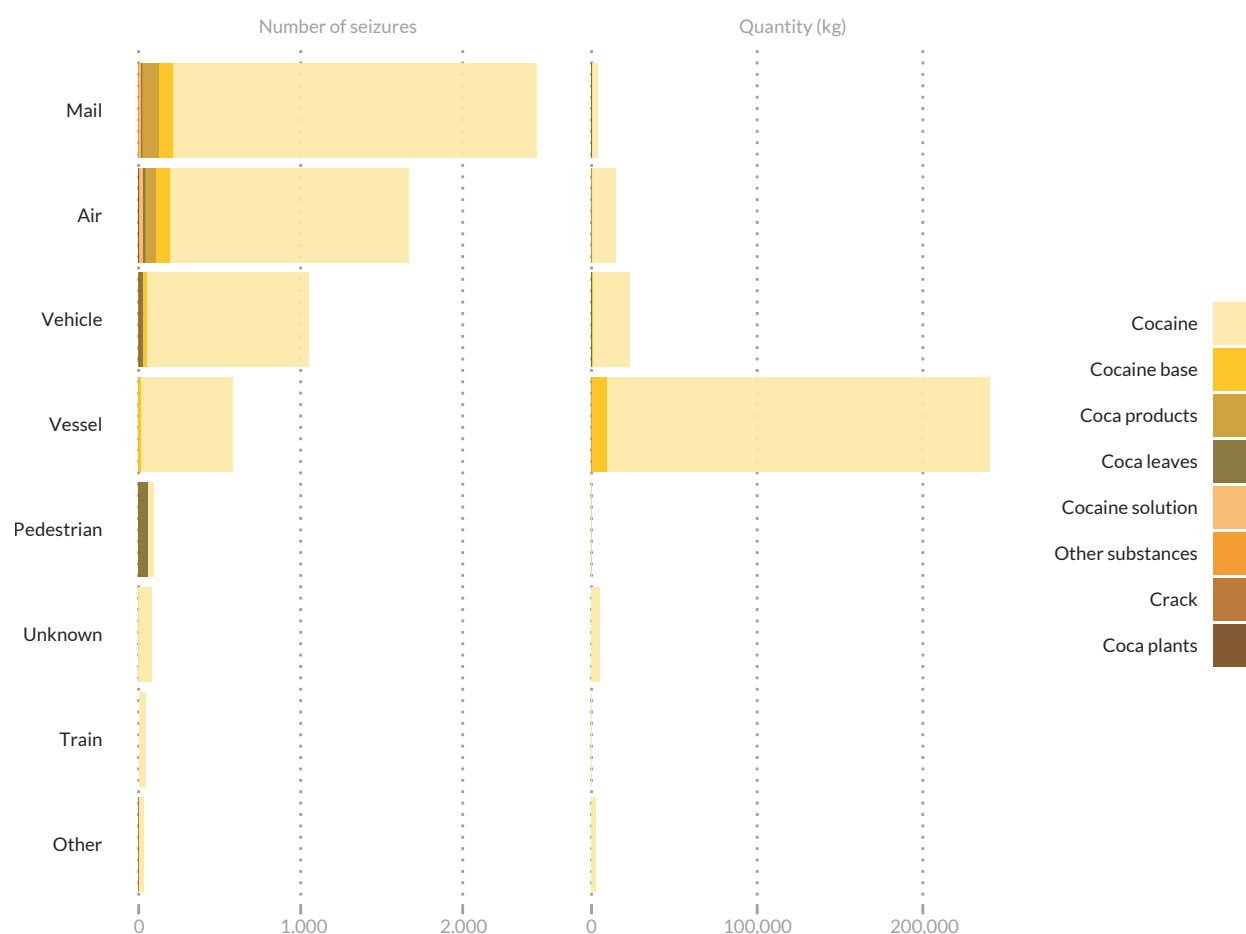


Figure 17 separates the number of cocaine seizures and quantity seized (in kilogrammes) by conveyance method and type of cocaine. Mail, air, vehicle and vessel conveyance methods yielded the first- to fourth-most seizures in order but the fourth- to first-greatest quantity seized. Mail led to 40.9% of seizures and only 1.2% of the total quantity seized, air accounted for 27.7% of seizures and 5% of quantity, vehicles made up 17.4% of seizures and 7.8% of quantity and vessels saw 9.6% of seizures and 83.1% of quantity. For all four of these categories, the vast majority of seizures were of powdered *cocaine*, as was the total quantity seized – 91.2% of seizures and 82.8% of the quantity for mail seizures, 88% and 96.5% for air, 95.2% and 95.6% for vehicles and 97.4% and 95.9% for vessels.

Coca leaves made up 76.8% of the quantity seized by pedestrian seizures, and 58% of pedestrian seizures. In fact, 52.9% of all *coca leaves* seizures were from pedestrian seizures. Many categories did not have high numbers of seizures. Mail and air seizures were 3.6% and 5.5% *cocaine base*, respectively, and 4.2% and 3.8% *coca products*, respectively, the highest percentages of seizures of these types across all conveyance methods. In vessels, 2.4% of seizures were *cocaine base*, although *cocaine base* accounted for 3.9% of the quantity seized.



Case study 1

Philadelphia cocaine haul - largest in US history: 15.8 tonnes worth \$1.1B

Federal authorities seized from a ship at the Philadelphia port 15.8 tonnes of cocaine with street value at \$1.1 billion, making it the largest cocaine haul in the history of US Customs.

The investigation resulted in the arrests of six crew members, who had all been charged with conspiracy to possess cocaine aboard a ship. Agents on Friday were still inspecting containers aboard the MSC Gayane, a cargo ship owned by Swiss firm MSC Mediterranean Shipping Co. which was sailing under a Liberian flag.

Authorities boarded the ship Sunday night for a routine screening, and detected anomalies while examining seven shipping containers on board. Agents escorted the ship into its berth in Philadelphia and a subsequent full investigation began led to the discovery of the cocaine.

Source:

USA today (2019), *Philadelphia cocaine haul is largest in U.S. history: 35K pounds and \$1.1B*, available at <https://eu.usatoday.com/story/news/2019/06/21/philadelphia-drug-bust-largest-cocaine-haul-u-s-history/1526399001/>, accessed on 24 April 2020.

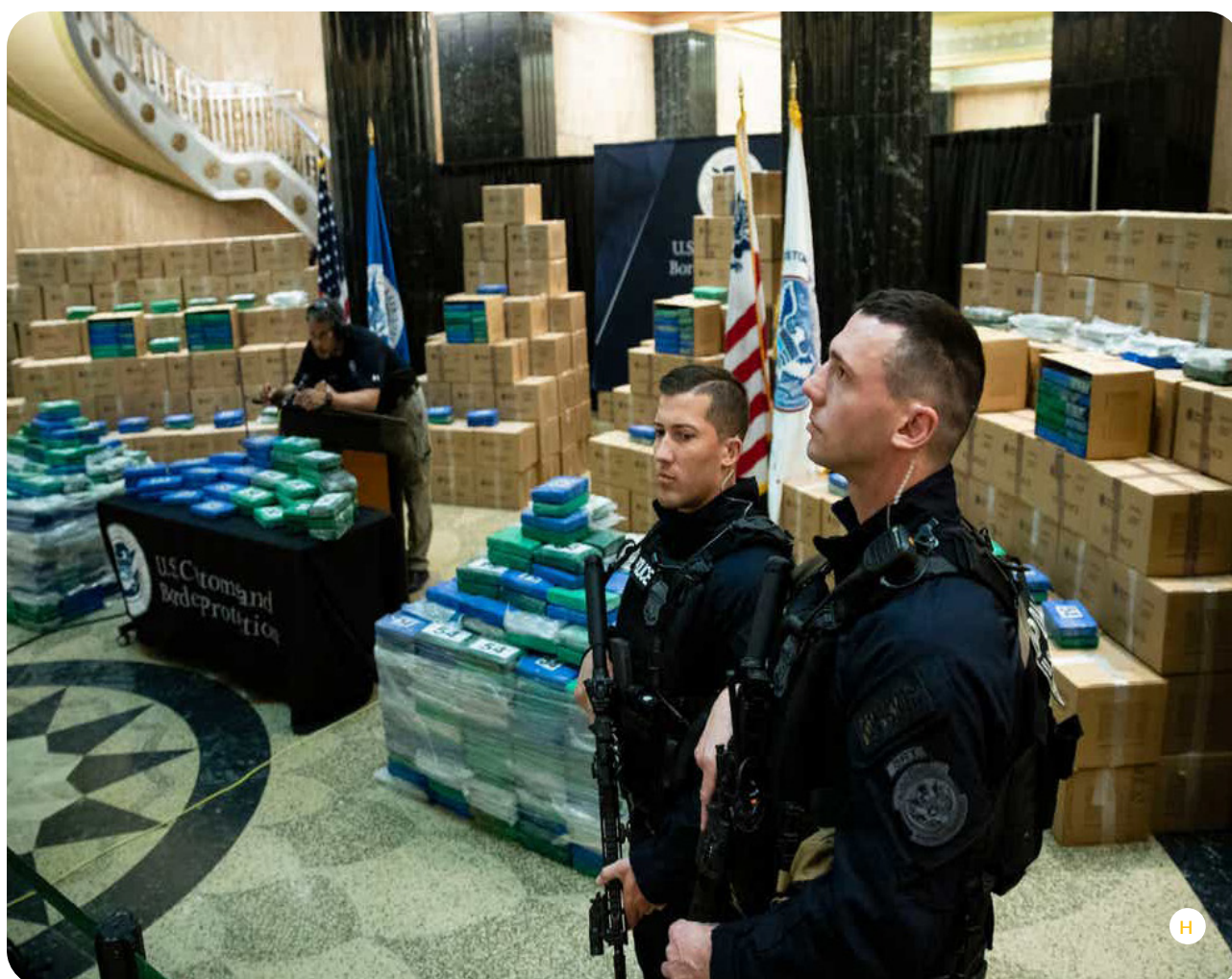


Figure 18: Proportion of cocaine seizures by type and country, 2019

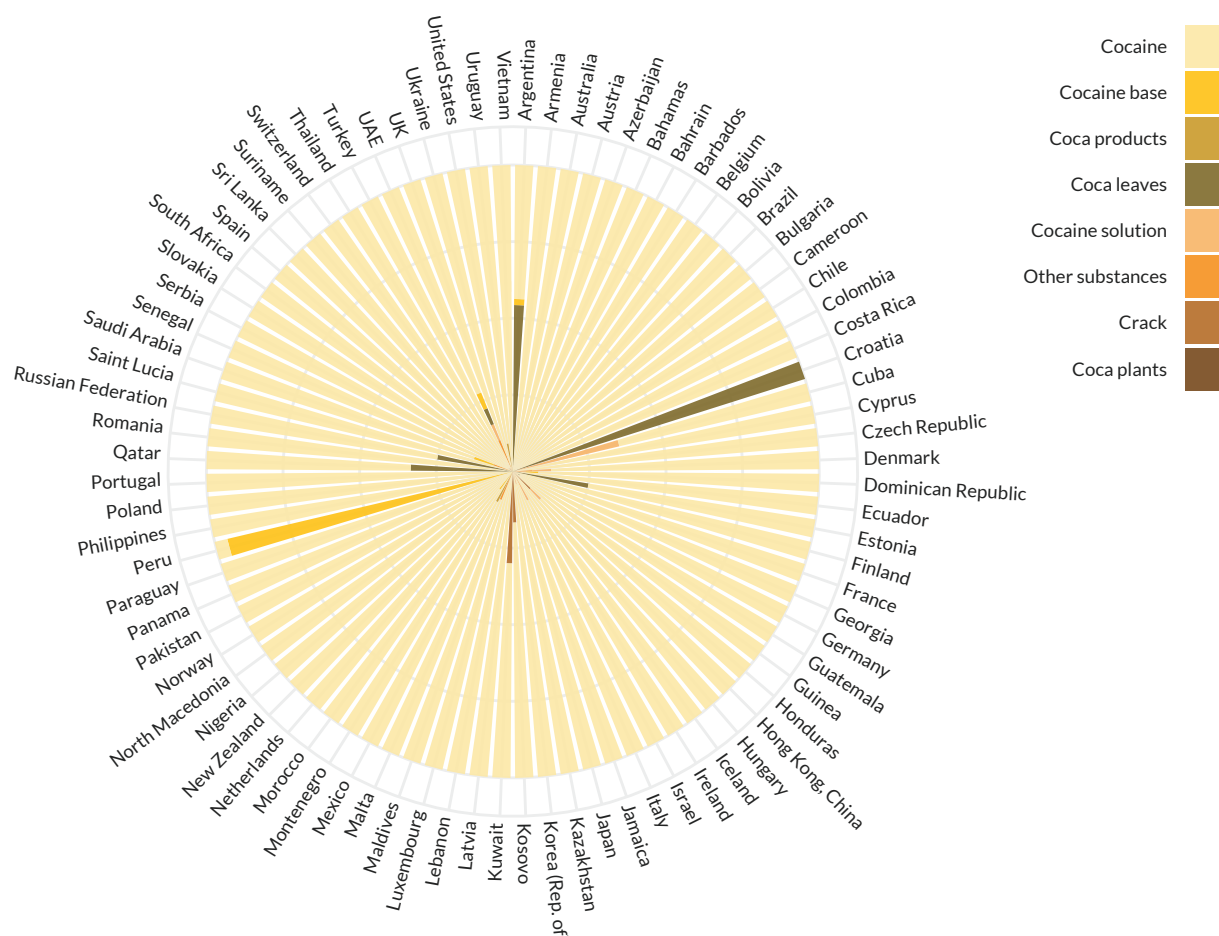


Figure 18 shows all 84 countries that reported cocaine seizures in 2019 and separates each country's seizures by type of cocaine. The United States (1,886 seizures), the Netherlands (878) and Brazil (846) together reported 60.1% of all seizures. Seven other countries reported more than 100 seizures, and 42 countries reported fewer than five seizures. The most common type of cocaine seized was powdered cocaine for all but three countries. Peru reported 202 cocaine base seizures out of 211 total (95.7%), which accounted for 93% of all cocaine base seizures. Argentina reported 79 coca leaves seizures out of 151 (52.3%), making up 77.4% of all coca leaves seizures. Croatia's one cocaine seizure was of coca leaves. At least 90% of seizures were of powdered cocaine for 69 countries.

Only ten countries reported seizures of at least three types, and only the Netherlands, Argentina and the UAE reported seizures of four or more types. The United States reported 167 of 168 total seizures of coca products, which accounted for only 8.8% of the country's total seizures. Cuba reported the highest percentage of cocaine solution seizures (35.7% of its total), and its 15 seizures of this type accounted for 44.1% of all 34 cocaine solution seizures. Hong Kong, China reported five of the nine crack seizures, while the Netherlands and Argentina reported the only two coca plants seizures.

Member highlight:

International Operation FAMILIA – cooperation between Hong Kong Customs, Europol and the US DEA

Between April and May 2019, a multilateral transnational operation code named FAMILIA was mounted among the Customs Drug Investigation Bureau of Hong Kong Customs (CDIB), the European Union Agency for Law Enforcement Cooperation (Europol) and the US Drug Enforcement Administration (DEA) who teamed up against a Balkan criminal syndicate involved in large-scale cocaine trafficking. By months of investigation and surveillance, HK CDIB smashed three major in-town storage centres with 421 kilogrammes of cocaine seized and four significant members of a Balkan syndicate arrested. CDIB, Europol and DEA mounted this operation with active exchange of live intelligence and investigation findings which

contributed to the subsequent drug raids resulting in more than one tonne of cocaine and two million Euro in cash seized with the arrest of 16 persons in Croatia, Czech Republic, Serbia and Switzerland.

Sources:

Hong Kong Customs.

Europol (2019), *Balkan cartel trafficking cocaine around the globe in private planes busted*, available at <https://www.europol.europa.eu/newsroom/news/balkan-cartel-trafficking-cocaine-around-globe-in-private-planes-busted>, accessed on 24 April 2020.



Figure 19: Heat map of cocaine trafficking instances by country, 2019

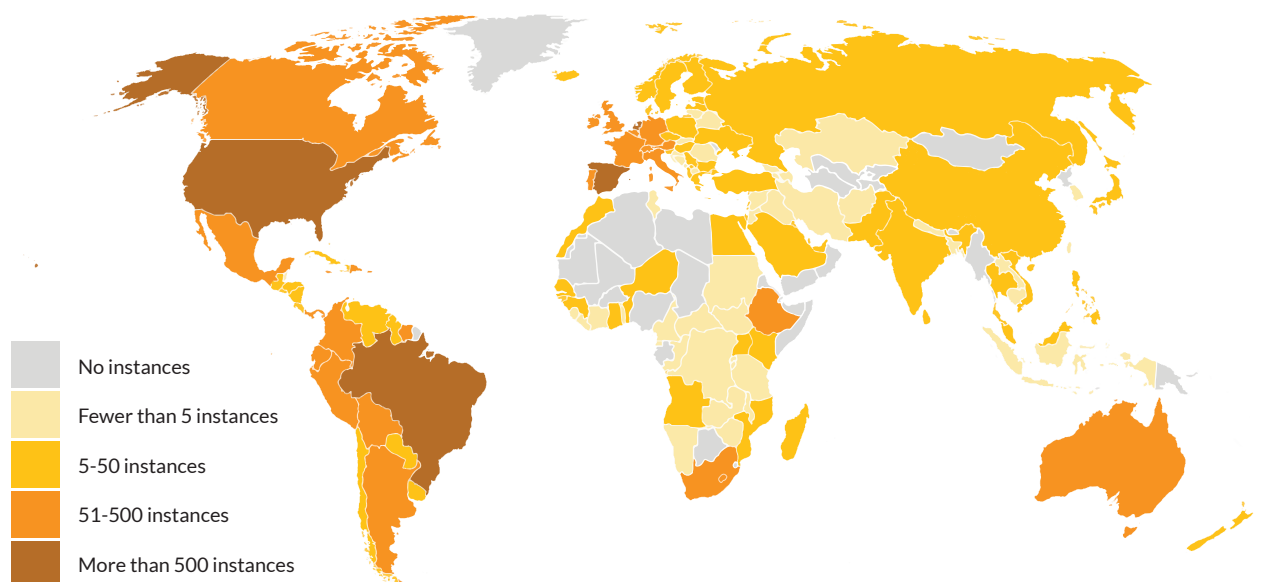


Figure 19 is a heat map of cocaine trafficking instances in 2019 coloured by frequency. The colouring indicates the number of times the country was either the origin, destination or transit point for one or more seized shipments of cocaine, regardless of where the seizure took place or which country reported it. By disaggregating individual seizures in this way, the Figure depicts all 161 countries in which cocaine was known or intended to have been trafficked in 2019. Ten of the 15 countries involved in the most trafficking instances were also among the top 15 countries to report cases, indicating that heavy involvement often, but not always, indicates the country has reported high numbers of cases. Suriname and Mexico, for example, reported only one seizure and nine seizures (tied for 35th-most), respectively, but appeared in 494

instances (fifth-most) and 448 instances (sixth-most), respectively.

The United States (1,880 instances), the Netherlands (1,340), Brazil (1,309) and Spain (542) were the only countries to appear in more than 500 instances and the four most frequent reporters of seizures. Twenty-seven countries appeared in 51 to 500 instances, 69 appeared in five to 50 instances and 61 appeared in fewer than five instances. Of the 31 countries appearing in more than 50 instances, 11 are in Western Europe, seven are in South America and six are in North America.



Case study 2

French authorities seized 1.5 tonnes of cocaine from a sailboat set ablaze upon interception

During the sailboats targeting operation LIVIE which had undergone months of investigation and intelligence profiling, the French Customs coast guard speedboat “DF24” and the French navy frigate *Germinal* mounted a joint patrol and intercepted a sailboat suspected of trafficking drugs near Martinique, a touristic French island in the eastern Caribbean Sea.

Unable to board the suspected sailboat in the rough waters, the French authorities directed the occupants to follow the Customs speedboat to an island of Saint Martin for inspection. The sailboat was all of a sudden set ablaze and the occupants took refuge in a life-raft. The fire was eventually extinguished by French Customs

and the French Navy, with 1.5 tonnes of cocaine found from the wreckage and two Canadian citizens were detained.

This exceptional haul of cocaine was allegedly trafficked from Venezuela to Canada.

Sources:

French Customs.

CTV News (2019), *Two Quebec men arrested after boat with cocaine set ablaze near Martinique*, available at <https://www.ctvnews.ca/canada/two-quebec-men-arrested-after-boat-with-cocaine-set-ablaze-near-martinique-1.4030871>, accessed on 24 April 2020.



Figure 20: Cocaine trafficking routes and instances by location, 2019

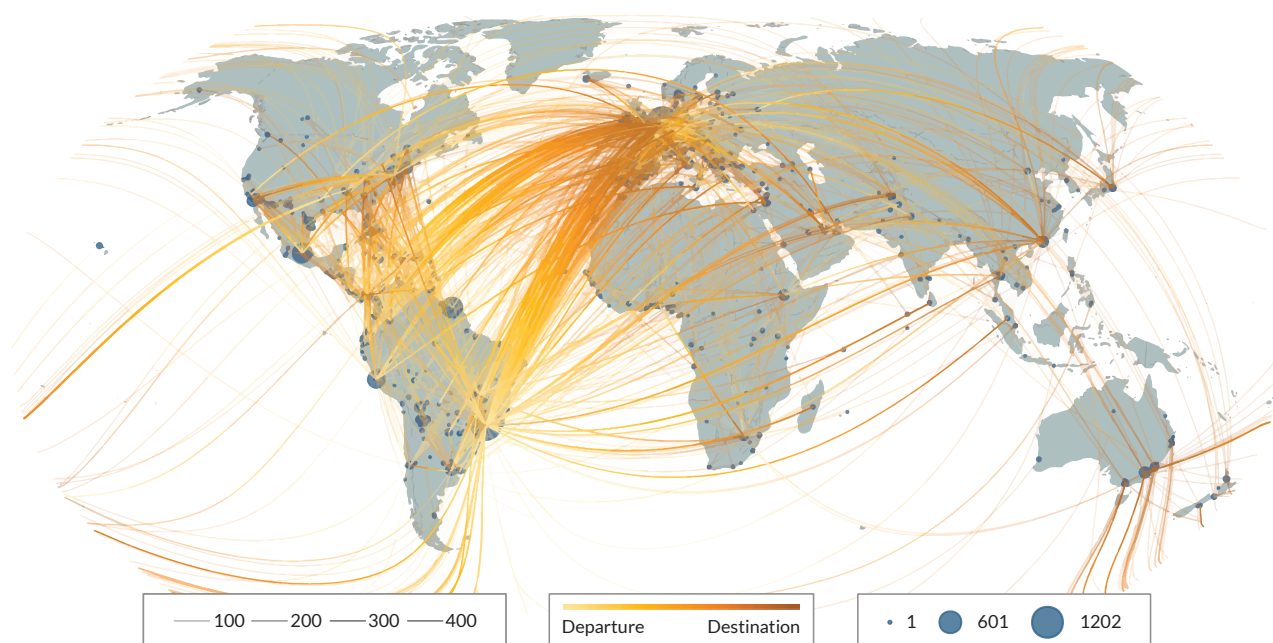


Figure 20 depicts the illicit flow of cocaine from origin to destination, for all routes that appeared in one or more trafficking instances. Point size indicates the number of cases involving departures from or terminations within a particular city. For instances where no specific location was found in the data, the capital of a given country serves as a proxy city location. The flows connecting points on the map are yellow in colour at their origin and become orange as they approach their destination. The darker the overall tone of a flow, the more frequently that trafficking route appeared in the data for 2019. These flows do not necessarily indicate completed smuggling attempts; in many cases, contraband was seized at its origin point or while in transit. In all cases, flows represent intended routes of transit as they were reported.

The Figure shows 6,322 flows of cocaine trafficking. The five most popular country-level routes were from Suriname to the Netherlands (479 flows, or 7.5% of all flows), Mexico to the United States (392, 6.2%), Brazil to locations within Brazil (334, 5.2%), the United States to locations within the United States (244, 3.8%) and Netherlands Antilles to locations within the Netherlands (199, 3.1%). The route from Suriname to the Netherlands, while being the most popular, was also the only route among these five that did not involve transit within a country, or between two countries sharing a border or in relative proximity. Twelve routes had more than 100 flows and 693 had fewer than ten flows. Of the 30 most popular routes, 12 began in Brazil and eight ended in the United States.

Case study 3

Europe's first 'narco submarine' surfaced in Spain with 3.5 tonnes of cocaine

The first 'narco sub' was detected on the European continent in **November 2019** upon an international operation among the Coast Guard, Police and Customs of authorities of Brazil, Portugal, Spain, UK and US.

Britain's Maritime Analysis and Operations Centre Narcotics alerted Spain's Intelligence Centre for Counter-Terrorism and Organised Crime about the submarine heading to Europe across the Atlantic. Portuguese, US and Brazilian authorities took part in the three-day operation to locate, track and intercept the submarine. The Maritime Analysis and Operation Centre, an inter-governmental body based in Lisbon which combats the transport of drugs at sea, and spotter planes from the US Drugs Enforcement Agency worked with the Portuguese and Spanish police to track the vessel.

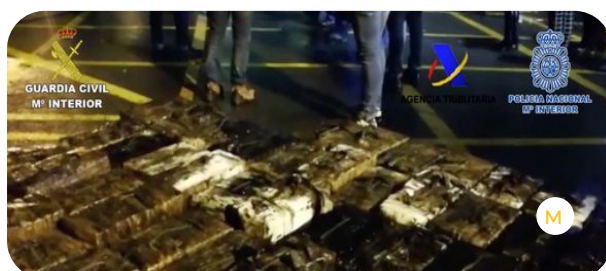
The 'narco sub' was intercepted by the Spanish authorities off the northwestern region of Galicia, Spain. Two men from Ecuador who tried to flee were arrested while the third man, said to be from Galicia, managed to escape. The 'narco sub' was opened up in the nearby port of Aldan and found carrying about 3,500 kilogrammes of cocaine with estimated street value of €100 million. Spanish reports said the 'narco sub', believed to be made in Colombia or Brazil and worth of €2.5 million, crossed the Atlantic from Guyana or Suriname.

The rivers or inlets of Galicia have long been a smuggler's paradise, but in recent years drug clans have converted them into one of the main entry points into Europe for Colombian cocaine.

Sources:

Mirror (2019), *Inside Europe's first 'narco submarine' captured carrying 3.5 tonnes of cocaine*, available at <https://www.mirror.co.uk/news/uk-news/inside-europes-first-narco-submarine-20972056>, accessed on 24 April 2020.

Al Jazeera (2019), *Submarine carrying \$110m of cocaine captured in Spanish waters*, available at <https://www.aljazeera.com/news/2019/11/submarine-carrying-110m-cocaine-captured-spanish-waters-191125143730843.html>, accessed on 24 April 2020.



M: Courtesy: Spanish Guardia Civil.
N, O: Copyright: Mirror (Salvador Sas/EPA-EFE/REX).
P: Copyright: Mirror (AFP via Getty Images).

2.3 - KHAT

Figure 21: Number of khat cases by country, 2018-2019

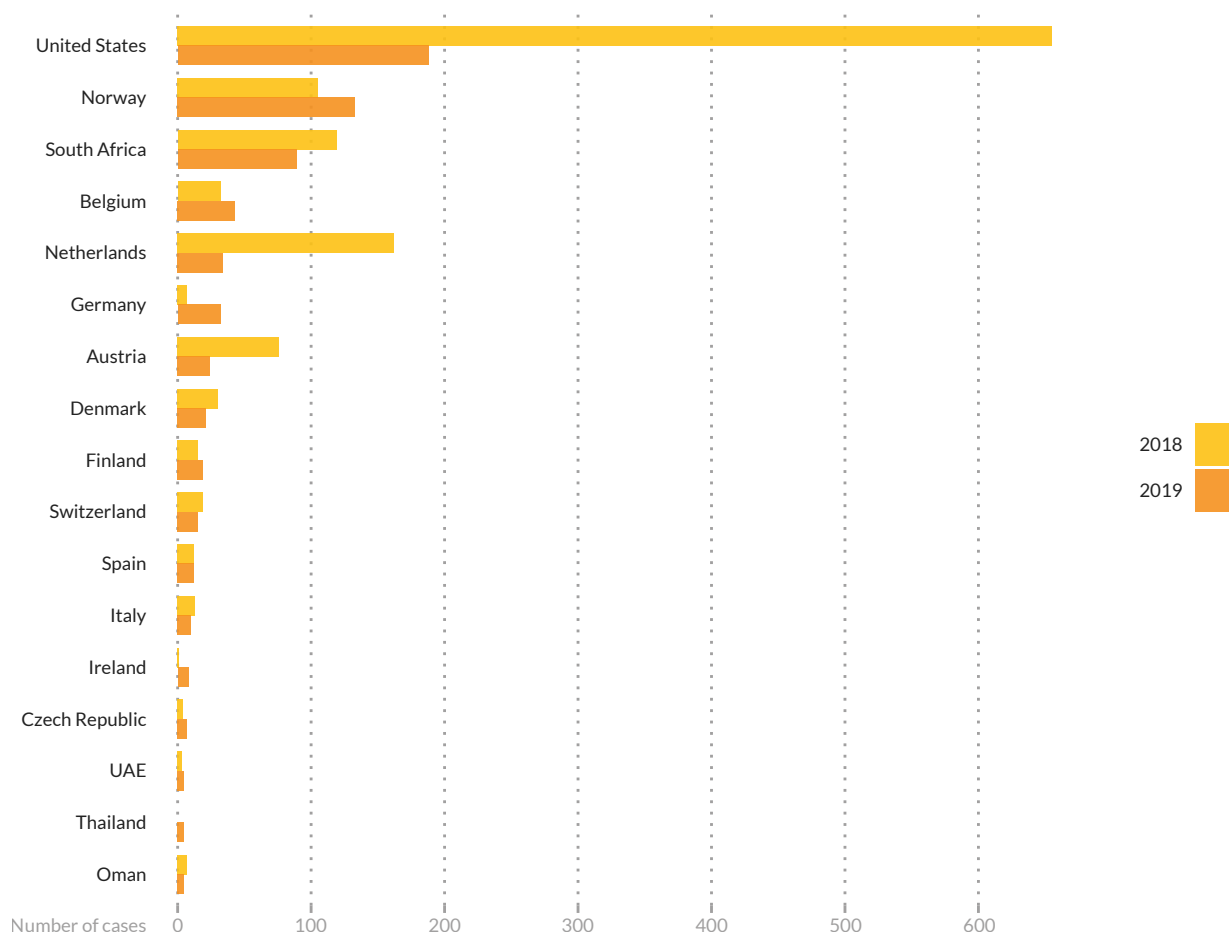
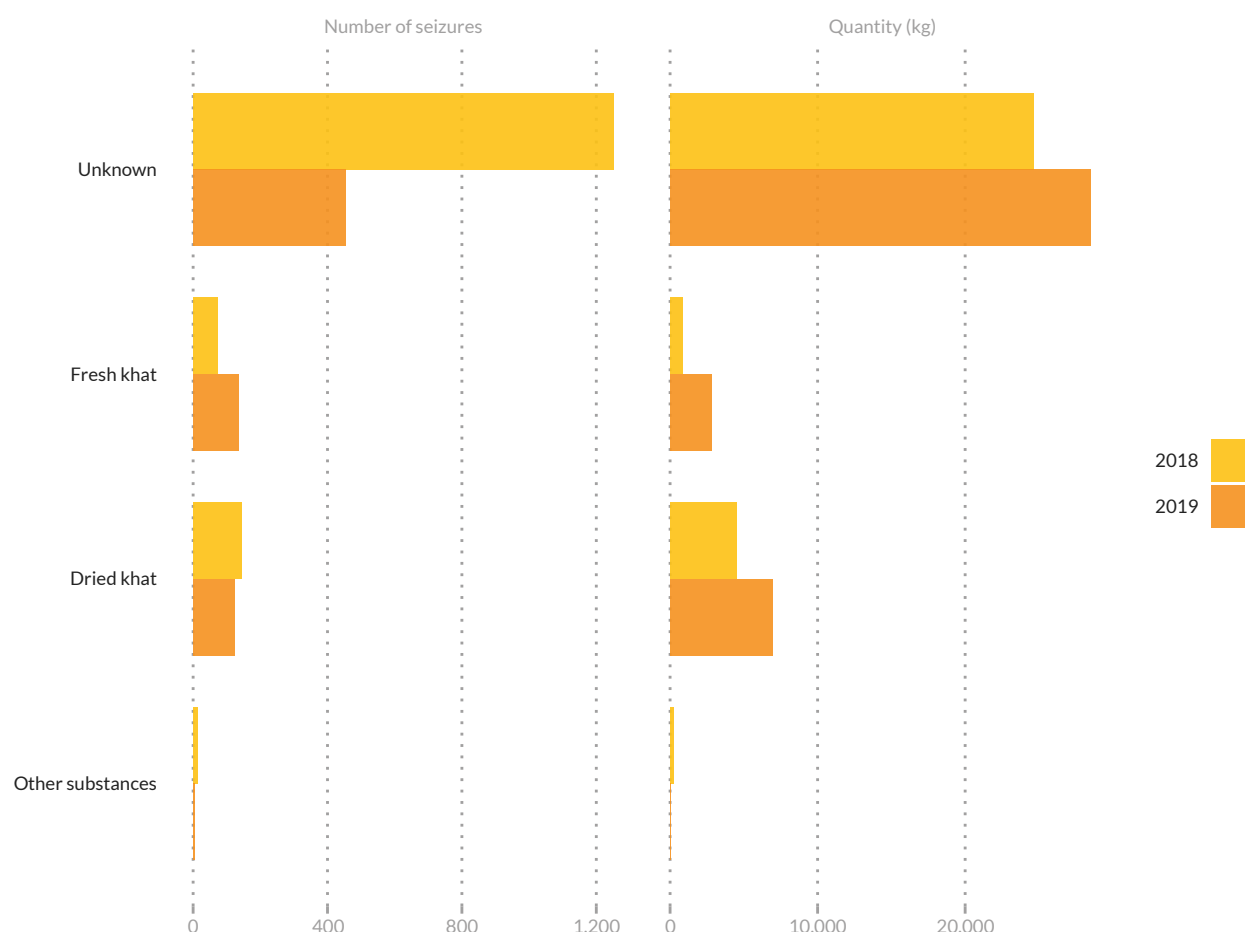


Figure 21 shows the 15 countries that reported the most cases of khat trafficking in 2019 and compares the number of cases from 2019 to the number from 2018. As was true for all other types of drugs, the United States reported more cases than any other country in both 2018 and 2019, though that number fell by 71.2%, from 655 cases in 2018 to 188 in 2019. Norway reported 133 cases in 2019, 26.6% more than in 2018, and South Africa reported 89, 25.2% fewer than in 2018. These two countries reported the second-

and third-most cases, respectively. The Netherlands reported the second-most cases in 2018 (162), but reporting fell by 79% in 2019, and the Netherlands' 34 reported cases were only fifth-most. Several countries' reporting also changed dramatically. Germany's cases increased from seven to 32 across the two years (a 357.1% increase), and Austria's fell from 76 to 24 (a 68.4% decrease). Ireland reported only one case in 2018 but eight in 2019.



Figure 22: Number of khat seizures and quantity seized by type, 2018-2019



Customs administrations reported 718 seizures of 38,298 kilogrammes of khat in 2019, a 51.4% decrease from the 1,480 seizures in 2018 but a 26.6% increase from the 30,242.7 kilogrammes seized in 2018. The average size of a khat seizure increased by 161% from 2018 to 2019, from 20.4 kilogrammes per seizure to 53.3. Figure 22 compares the number of seizures of different types of khat and quantity seized (in kilogrammes) of each type in 2018 and 2019. Khat seizures and the quantities of khat seized were mostly of an *unknown* type in 2019, with 454 seizures (63.2% of seizures) and 74.4% of the total quantity seized categorized this way. Seizures of an *unknown* type were down 63.7% from 2018, however, when 1,251 *unknown* seizures accounted for 84.5% of all seizures. The quantity of *unknown* khat seized increased by 15.5% from

2018, when 81.5% of the total quantity seized was of an *unknown* type.

Fresh khat seizures increased by 86.1%, from 72 seizures in 2018 to 134 in 2019, and accounted for 4.8% of seizures in 2018 and 18.6% in 2019. Quantities of *fresh khat* seized increased by 226.3% and accounted for 7.4% of the total quantity seized in 2019 and 2.8% in 2018. There were 143 seizures of *dried khat* in 2018 (9.6% of seizures), and while such seizures fell by 12.5% to 125 seizures, they made up a higher percent (17.4%) of seizures in 2019. Quantities of *dried khat* seized accounted for 14.8% of the total quantity seized in 2018 and 18.1% in 2019. The average seizure size in 2019 was 21.1 kilogrammes for *fresh khat* and 55.5 for *dried khat*.

Figure 23: Number of khat seizures and quantity seized by conveyance method, 2019

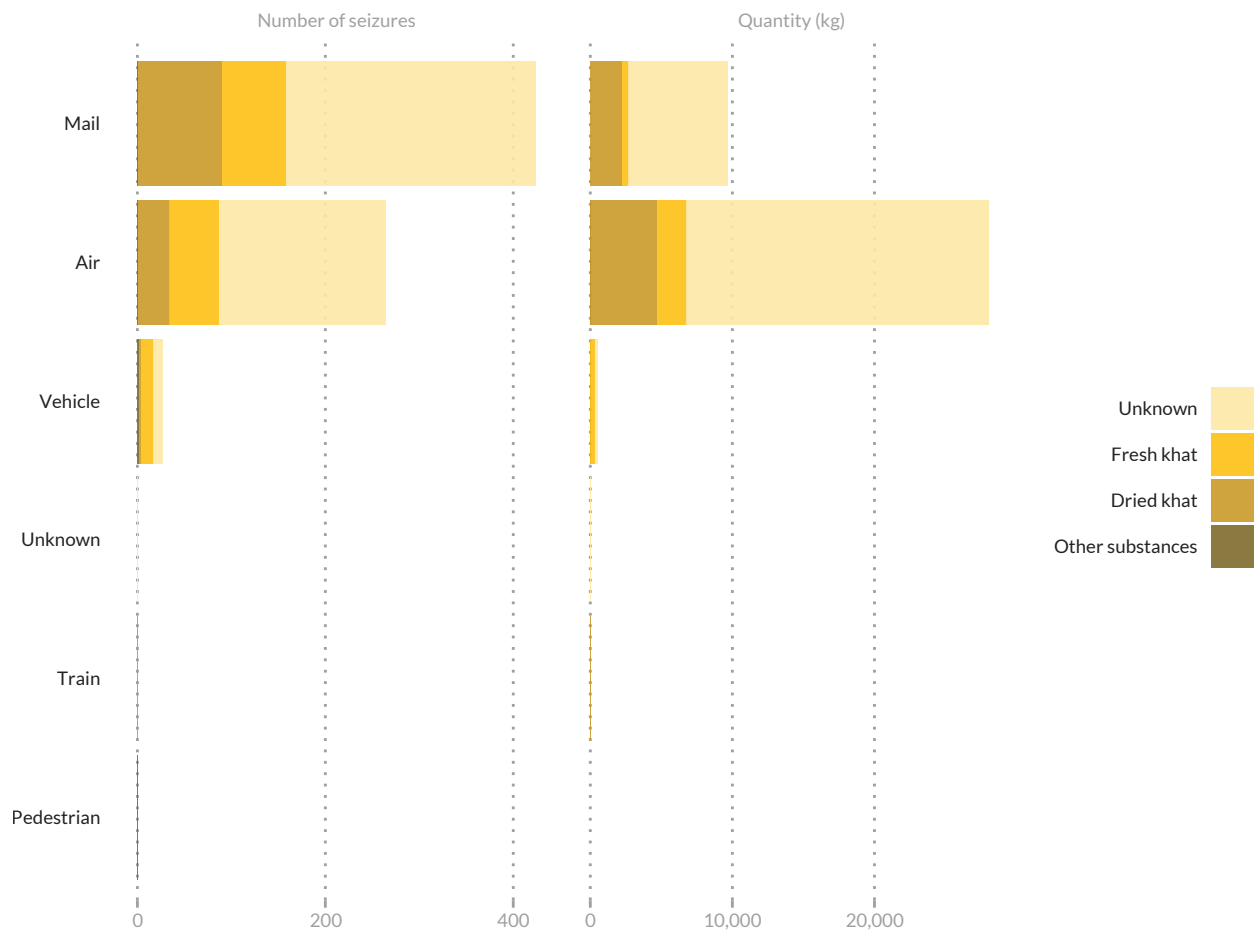


Figure 23 separates the number of khat seizures and quantity seized (in kilogrammes) by conveyance method and type. Almost all seizures of khat were either from mail (424 seizures, 59% of the total), air (264 seizures, 36.7%) or vehicles (27 seizures, 3.7%). Similarly, almost all of the quantity of khat seized was from mail (25.3% of the total), air (73.2%) or vehicles (1.3%). There was only one 16.4 kilogramme seizure from trains, one 0.006 kilogramme seizure from pedestrians and one 22 kilogramme seizure from an unknown conveyance in 2019. The average mail seizure was 22.8 kilogrammes, whereas the average air seizure was 106.2 kilogrammes.

The majority of mail seizures (62.7%) and air seizures (67%), as well as the majority of quantity seized from these conveyance methods, were of an *unknown* category of khat. *Dried khat* another frequently seized item from these methods of conveyance: it was found in 20.9% of mail seizures and 12.5% of air seizures, and made up 23.1% of mail seizure quantities and 16.7% air seizure quantities. Similarly, *fresh khat* was found in 16% of mail seizures and 20% air seizures and made up 4.4% of mail seizure quantities and 7.3% of air seizure quantities. Of the 27 vehicle seizures in 2019, 13 were of *fresh khat* (48.1%), ten were of an *unknown* type (37%) and two were of *dried khat* (7.4%).



Figure 24: Proportion of khat seizures by type and country, 2019

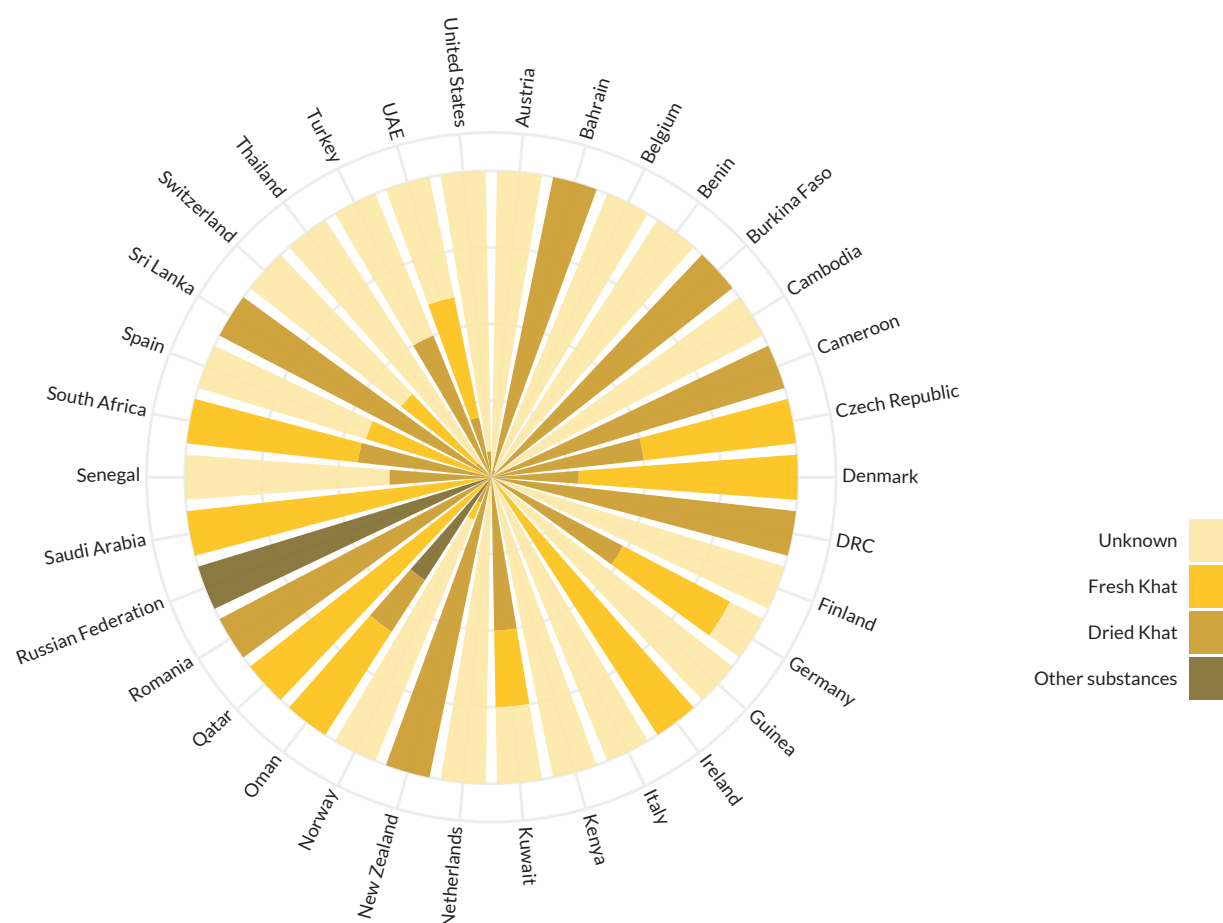


Figure 24 shows all 34 countries that reported khat seizures in 2019 and separates each country's seizures by category. The United States (189 seizures), Norway (133) and South Africa (114) reported 60.7% of all seizures and were the only three countries to report more than 50 seizures. Twelve countries reported ten or more seizures, 22 reported fewer than ten and 11 reported just one or two.

Of the countries that reported more than ten seizures, eight reported more seizures of *unknown* khat than of any other type, two reported more *fresh khat* and one reported more *dried khat*. Countries often reported large quantities of seizures of just one or two categories

of khat. South Africa, for example, reported 64 of its 114 seizures as being of *fresh khat* (56.1%), and these seizures accounted for 47.7% of all *fresh khat* seizures. Denmark also reported a majority of its seizures as *fresh khat*, with 15 of its 21 seizures (71.4%) in this category. Germany reported 16 of its 33 seizures (48.4%) as being of *dried khat*. South Africa reported 49 seizures (42.9%) of *dried khat*, more than any country. The United States and Norway reported the greatest number of *unknown* seizures, which accounted for 91.5% and 84.9% of the countries' total seizures, respectively. Belgium reported 42 of its 43 seizures as being *unknown*, while the Netherlands reported 33 of 34 as *unknown*, Austria all 24 and Finland all 19.

Figure 25: Heat map of khat trafficking instances by country, 2019

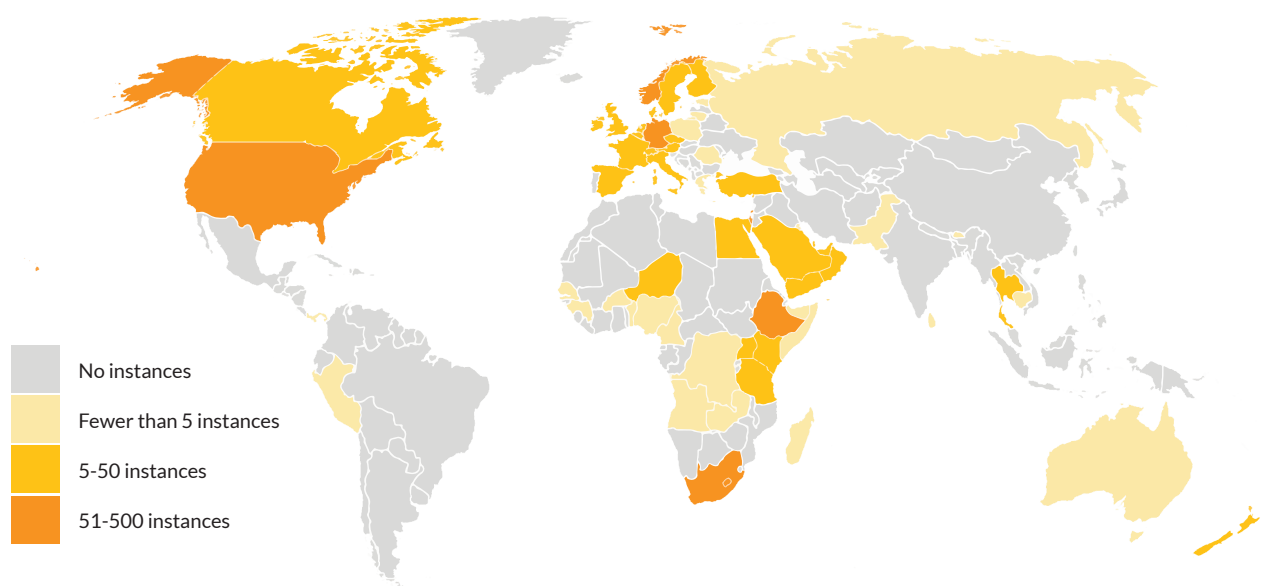


Figure 25 is a heat map of khat trafficking instances in 2019 coloured by frequency. The colouring indicates the number of times the country was either the origin, destination or transit point for one or more seized shipments of khat, regardless of where the seizure took place or which country reported it. By disaggregating individual seizures in this way, the Figure depicts all 62 countries in which khat was known or intended to have been trafficked in 2019. Nine of the 15 countries involved in the most trafficking instances were also among the top 15 countries to report cases, indicating that heavy involvement often, but not always, indicates the country has reported high numbers of cases. Israel (123 instances), Ethiopia (121) and

Niger (47) for example, did not report any seizures, but appeared in the third, fourth- and eighth-most instances, respectively. The other countries to appear in more than 50 instances were the United States (282 instances), Norway (135), South Africa (103) and Germany (54). Kenya reported just one seizure but appeared in 50 instances, seventh-most.

In total, six countries appeared in more than 50 instances, 28 appeared in five to 50 and 28 appeared in fewer than five instances. As can be seen in the Figure, many countries did not appear in any instances, particularly in South America and the Asia-Pacific region.



Figure 26: Khat trafficking routes and instances by location, 2019

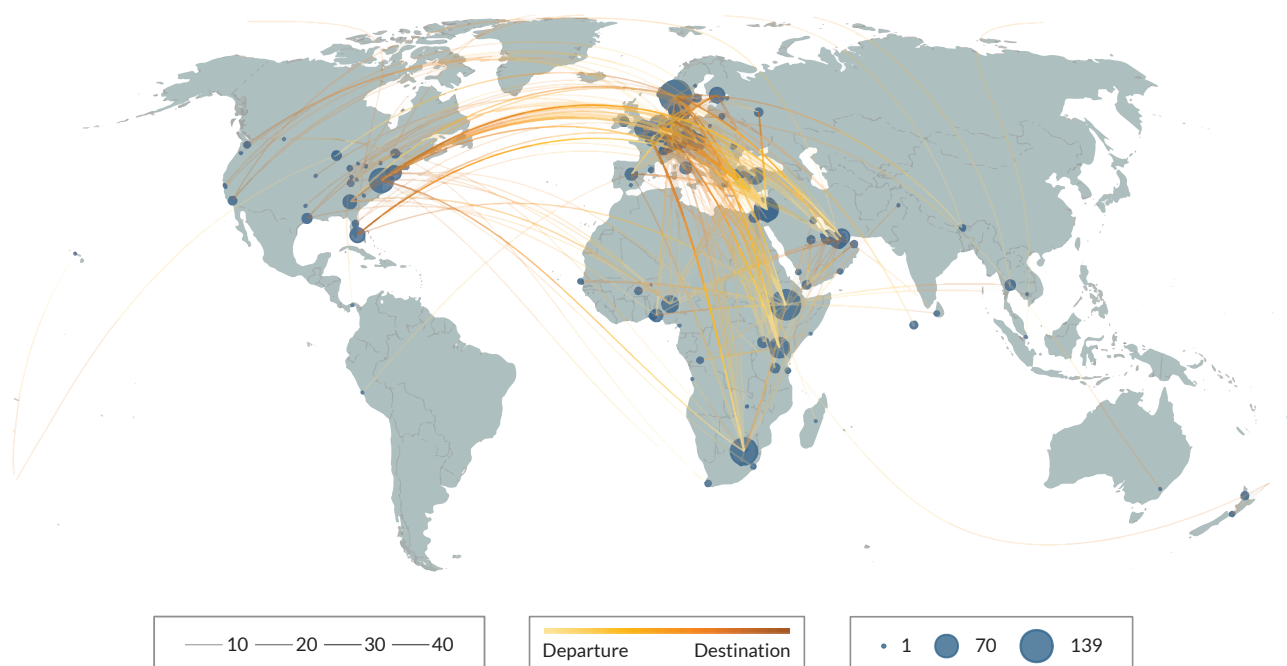


Figure 26 depicts the illicit flow of khat from origin to destination, for all routes that appeared in one or more trafficking instances. Point size indicates the number of cases involving departures from or terminations within a particular city. For instances where no specific location was found in the data, the capital of a given country serves as a proxy city location. The flows connecting points on the map are yellow in colour at their origin and become orange as they approach their destination. The darker the overall tone of a flow, the more frequently that trafficking route appeared in the data for 2019. These flows do not necessarily indicate completed smuggling attempts; in many cases, contraband was seized at its origin point or while in transit. In all cases, flows represent intended routes of transit as they were reported.

The Figure shows 765 flows of khat trafficking. The five most popular country-level routes were from Ethiopia to Norway (40 flows, or 5.2% of all flows), South Africa to the United States (37, 4.7%), South Africa to the UK (26, 3.3%), from Israel to Belgium (22, 2.8%) and Niger to the United States (22, 2.8%). These small percentages for even the most popular routes underscore the varied nature of khat flows. Of the 20 most popular routes, eight ended in the United States, seven began in Israel and four began in Ethiopia. Ethiopia and Kenya were the origin for routes to 19 other countries each, more than any other country. Norway was the destination for routes originating in 21 different countries, more than any other country, while the United States was the destination for 23% of all flows, a greater percentage than that of any other country.

2.4 - NEW PSYCHOACTIVE SUBSTANCES (NPS)

Figure 27: Number of NPS cases by country, 2018-2019

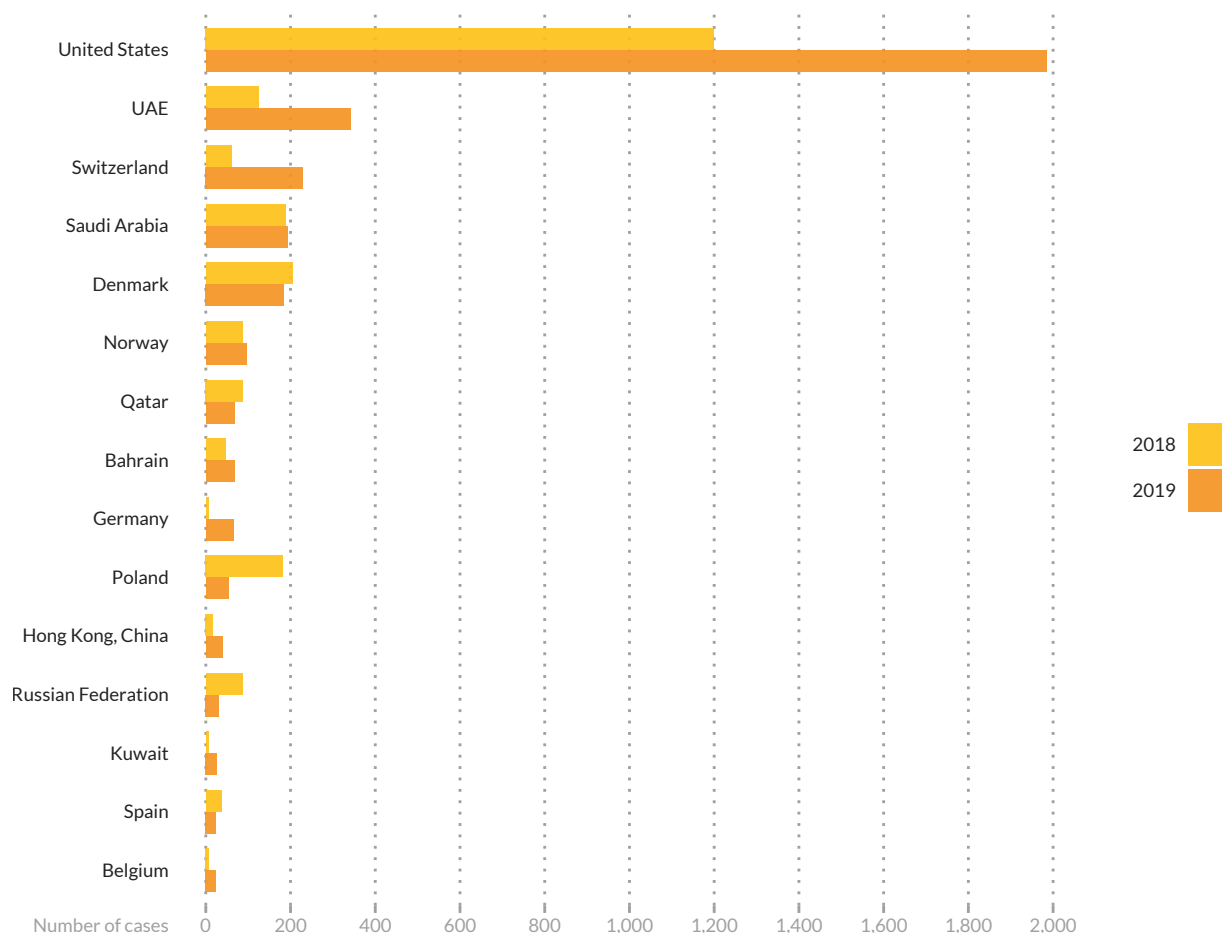
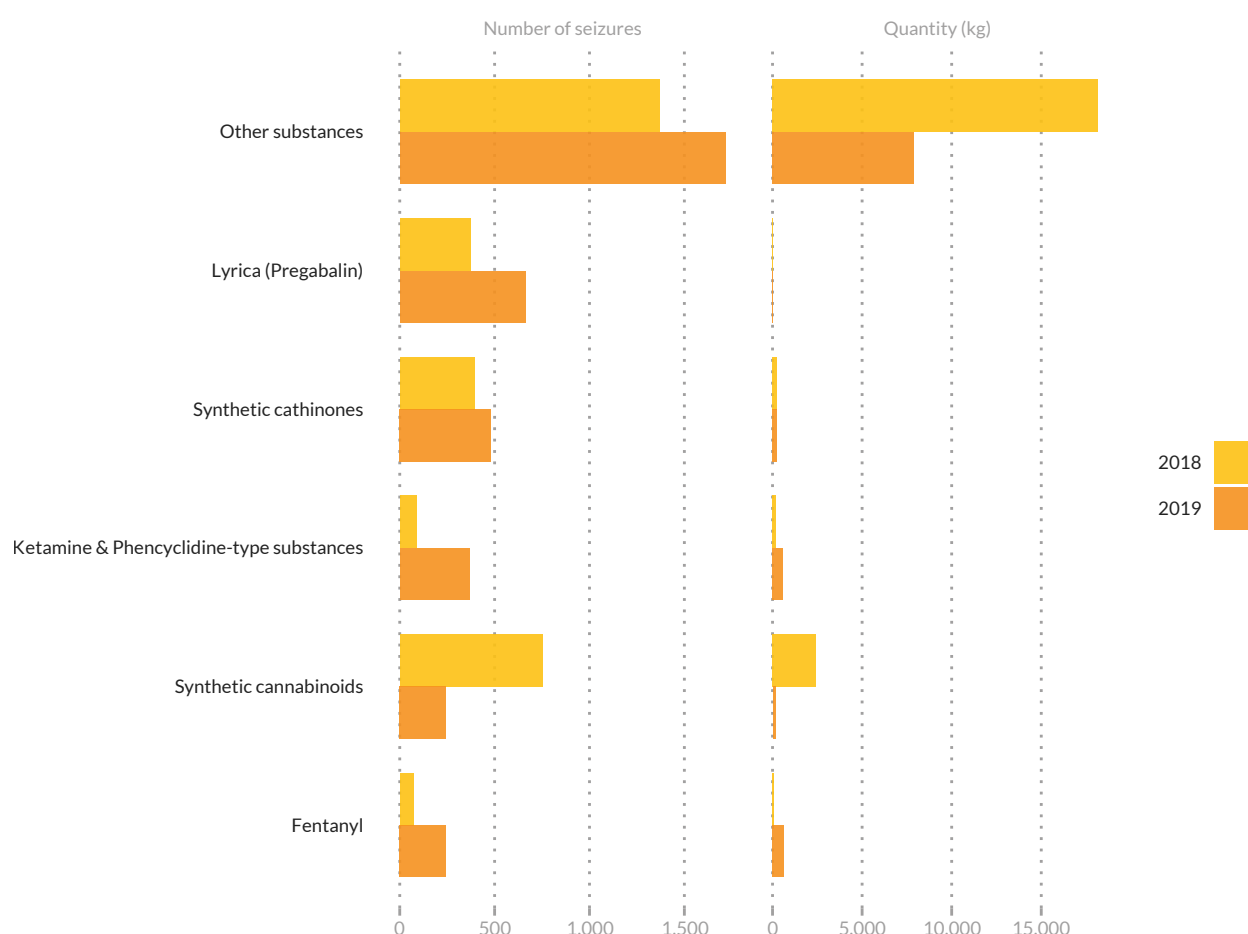


Figure 27 shows the 15 countries that reported the most cases of new psychoactive substance (NPS) trafficking in 2019 and compares the number of cases from 2019 to the number from 2018. As was true for all other drugs categories, the United States reported more cases than any country in both 2018 and 2019, and that number grew by 65.4%, from 1,200 cases in 2018 to 1,895 in 2019. The UAE also saw a significant growth in cases, from 125 in 2018 to 341 in 2019 (a 172.8% increase), as did Switzerland, from 61 to 229

(275.4%). The UAE and Switzerland reported the fifth- and tenth-most cases in 2018, respectively, but jumped to second- and third-most in 2019. Saudi Arabia and Denmark remained in the top five countries in both 2018 and 2019. Reporting from other countries changed more dramatically: Germany reported 66 cases in 2019 after reporting just six in 2018, and Hong Kong, China's cases jumped from 17 to 39.



Figure 28: Number of NPS seizures and quantity seized by type, 2018-2019



Customs administrations reported 3,716 seizures of 9,558.5 kilogrammes of NPS in 2019, a 21.8% increase from the 3,049 seizures in 2018 but a 54.6% decrease from the 21,070.1 kilogrammes seized in 2018. The average NPS seizure decreased in size by 62.7%, from 6.9 kilogrammes in 2018 to 2.5 kilogrammes 2019. Figure 28 compares the number of seizures of different types of NPS and quantity seized (in kilogrammes) of each type in 2018 and 2019.

Other substances were the most commonly seized category of NPS in both 2019 (when it made up 46.1% of all seizures) and 2018 (when it accounted for 44.8% of all seizures). While *other substance* seizures increased 25% between years, the quantity seized fell by 56.4%. *Lyrica*

was the second-most common type seized in 2019 and fourth-most in 2018, representing 17.8% of seizures in 2019 and 12.2% in 2018. Such seizures represented less than 0.1% of the quantity seized in both years. High numbers of seizures and small amounts of quantity seized indicate that there were many small seizures of these categories compared to fewer, larger seizures in other NPS categories.

The only type for which seizures declined in 2019 was *synthetic cannabinoids*, which fell from 752 seizures (24.6% of all seizures) in 2018 to 245 (6.5%) in 2019. Seizures of *ketamine* and *fentanyl* grew by 312.3% and 232.8%, respectively, between years.

Figure 29: Number of NPS seizures and quantity seized by conveyance method, 2019

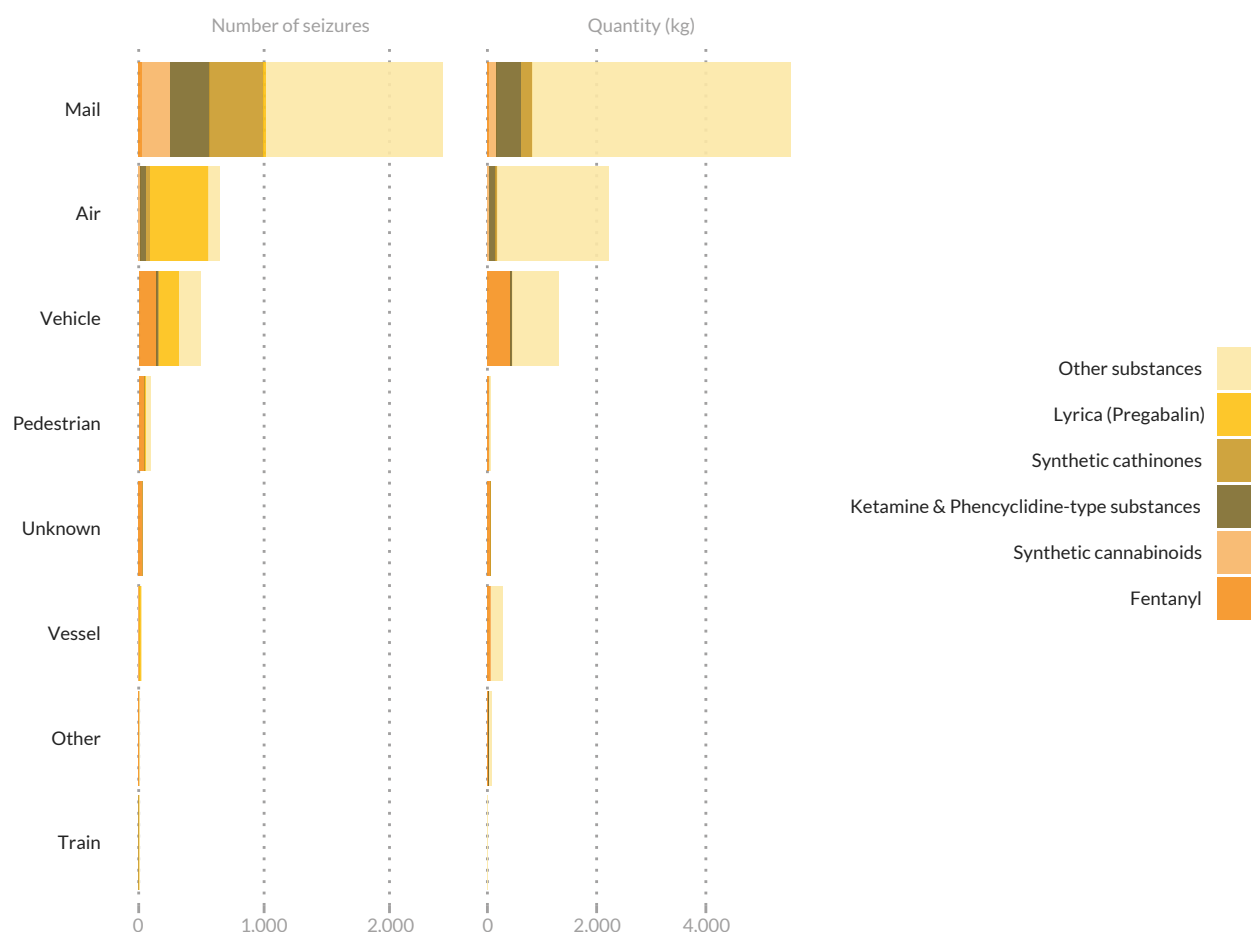


Figure 29 separates the number of NPS seizures and quantity seized (in kilogrammes) by conveyance method and type. Almost all seizures were from mail (2,422 seizures, 65.1% of the total), air (648, 17.4%) or vehicles (495, 13.3%). These seizures similarly accounted for 58.1%, 23.2% and 13.6%, respectively, of the 9,558.5 kilogrammes seized. Out of 3,716 seizures, there were 92 pedestrian seizures (2.4% of all seizures), 21 vessel seizures (0.5%) and four train seizures (0.1%).

The majority of quantity seized from the top two conveyance methods, mail and air, were of *other substances* – 85.1% of mail seizures and 92% of air seizures. The majority of mail seizures (1,408, or 58.1%) were of *other substances*, while the majority of air

seizures (469, or 72.3%) were of *lyrica*. *Other substances* also accounted for the majority of quantity seized from vehicles (65%), although vehicle seizures themselves were split relatively evenly between seizures of *other substances* (35.1%), *lyrica* (32.1%) and *fentanyl* (28.4%). Other categories had more distinct conveyance methods: 70.6% of *lyrica* seizures were from air, while 90.4% of *synthetic cathinones* seizures, 84.7% of *ketamine* seizures and 91% of *synthetic cannabinoids* seizures were from mail. Vehicle seizures accounted for 58% of *fentanyl* seizures.



Figure 30: Proportion of NPS seizures by type and country, 2019

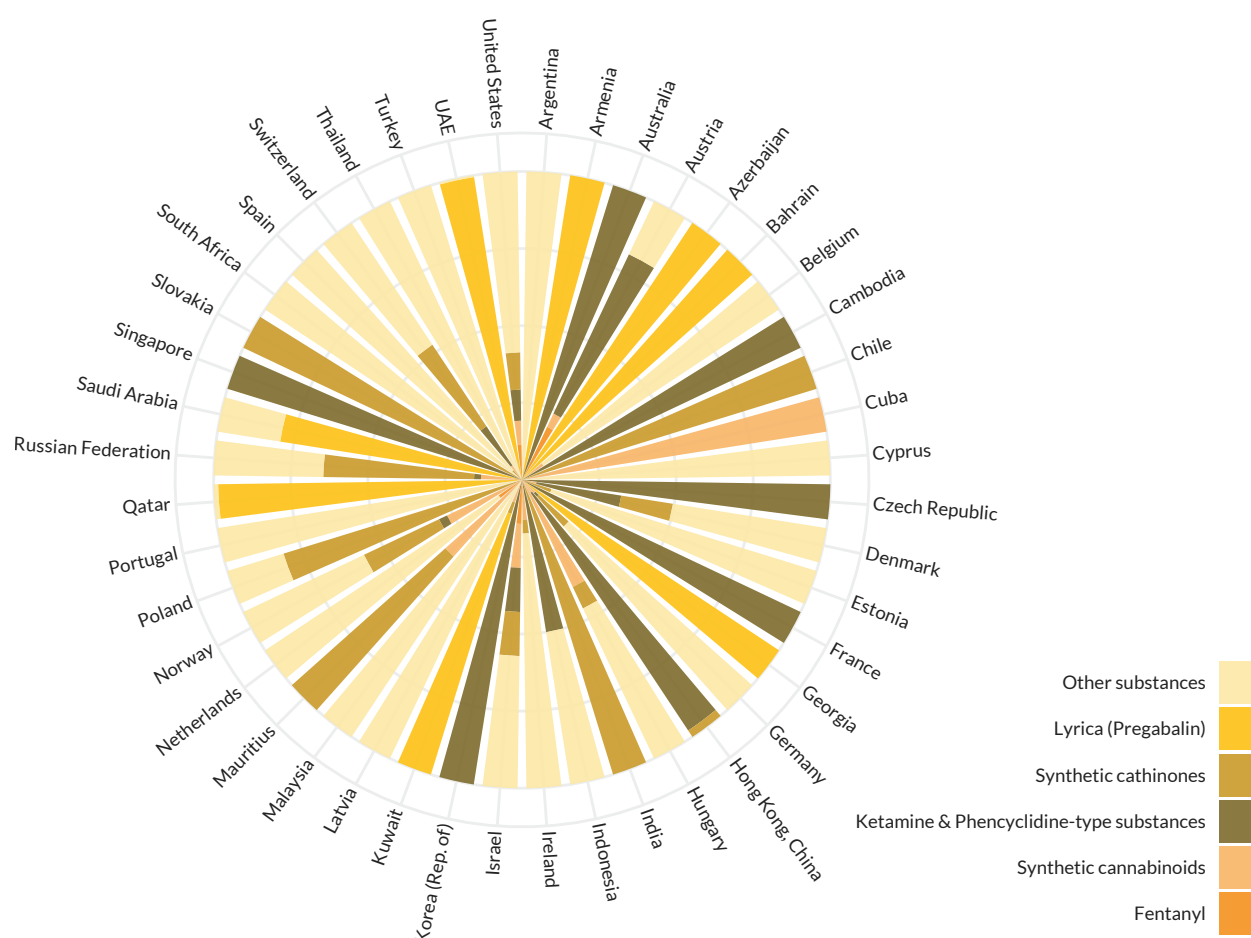


Figure 30 shows all 44 countries that reported NPS seizures in 2019 and separates each country's seizures by type of NPS. The United States reported 2,030 seizures, 54.6% of all seizures. Six countries – the UAE (341 seizures), Denmark and Switzerland (230 seizures each), Saudi Arabia (199) and Norway (104) – reported more than 100 seizures. Together, these countries reported 84.3% of all seizures. It was more common to report fewer seizures: 24 of the 44 reporting countries reported fewer than ten seizures in 2019.

Of the 20 countries reporting at least ten seizures, 11 reported more seizures of *other substances* than any other type. Belgium (22 of 24 seizures), Spain (23 of 24), the Netherlands (ten of 11) and Estonia (nine of

ten) reported at least 90% of their seizures as *other substances*. The United States reported 69.3% of all seizures of *other substances*. *Lyrica* was also commonly seized in different countries. Five of the top 20 reporting countries reported mostly seizures of *Lyrica*, all in the Middle East. Several smaller categories were primarily reported by just one or two countries. Poland reported 51 *synthetic cathinones* seizures out of 63 total (80.9%), and Hong Kong, China reported 37 *ketamine* seizures out of 40 (92%). The United States reported 95% of all *fentanyl* seizures. Eight countries reported seizures of at least four types, and seven of these countries reported more than 10% of their seizures for at least three different types.

Figure 31: Heat map of NPS trafficking instances by country, 2019

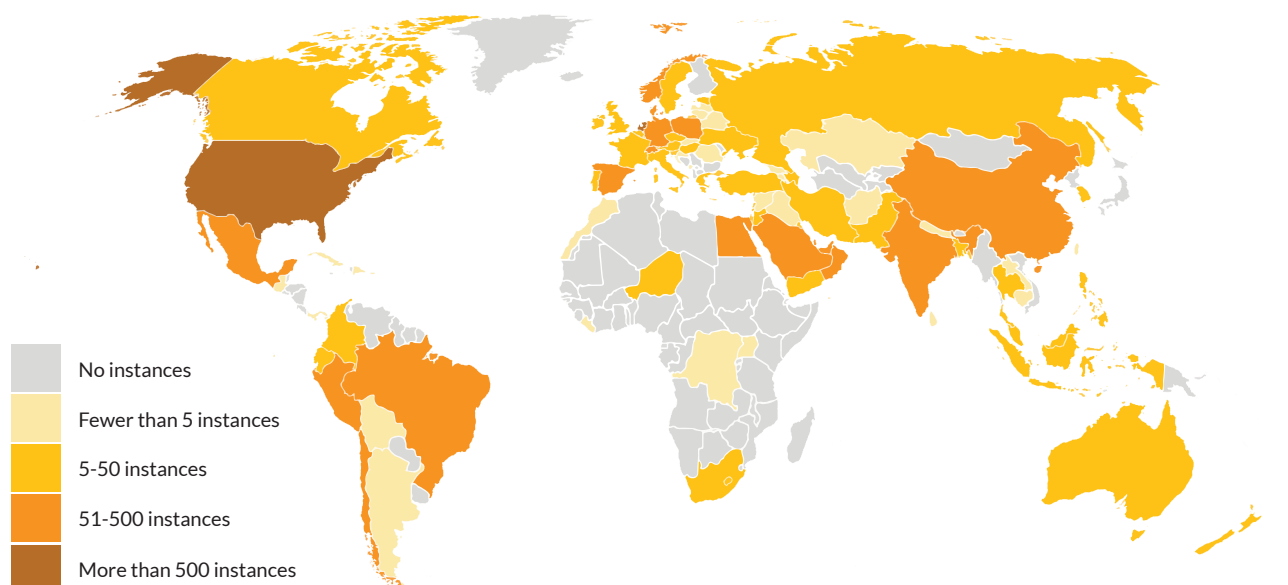


Figure 31 is a heat map of NPS trafficking instances in 2019 coloured by frequency. The colouring indicates the number of times the country was either the origin, destination or transit point for one or more seized shipments of NPS, regardless of where the seizure took place or which country reported it. By disaggregating individual seizures in this way, the Figure depicts all 98 countries in which NPS was known or intended to have been trafficked in 2019. Two countries appeared in more than 500 instances, 19 appeared in 51 to 500 instances, 38 appeared in five to 50 and 39 appeared in fewer than five instances. NPS trafficking was spread across most of the globe, except for in Africa, where only three countries (Egypt, South Africa and

Niger) appeared in more than five instances. Of the 21 countries appearing in more than 50 instances, six are in Western Europe, five are in the Middle East and three are in both South America and Asia-Pacific.

The six countries appearing in more than 200 instances were the United States (2,004 instances), the Netherlands (676), the UAE (382), Saudi Arabia (255), Mexico (244) and Switzerland (240). It is interesting to note that the Netherlands reported just 11 seizures and Mexico did not report any, meaning that they were listed as origins or destinations for seizures reported by other countries.



Figure 32: NPS trafficking routes and instances by location, 2019

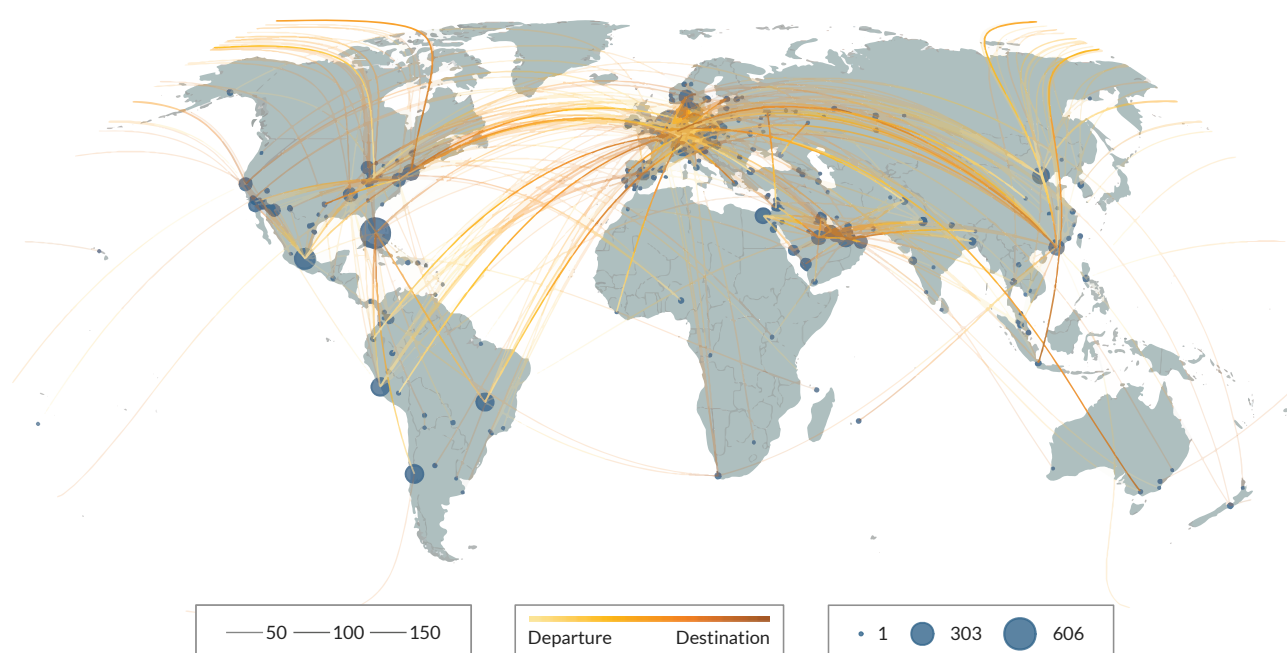


Figure 32 depicts the illicit flow of NPS from origin to destination, for all routes that appeared in one or more trafficking instances. Point size indicates the number of cases involving departures from or terminations within a particular city. For instances where no specific location was found in the data, the capital of a given country serves as a proxy city location. The flows connecting points on the map are yellow in colour at their origin and become orange as they approach their destination. The darker the overall tone of a flow, the more frequently that trafficking route appeared in the data for 2019. These flows do not necessarily indicate completed smuggling attempts; in many cases, contraband was seized at its origin point or while in transit. In all cases, flows represent intended routes of transit as they were reported.

The Figure shows 2,982 flows of NPS trafficking. The five most popular country-level routes between nations were from Mexico to the United States (235 flows, or 7.8% of all flows), the Netherlands to the United States (204, 6.8%), Denmark to locations within Denmark (182, 6.2%), Chile to the United States (180, 6%) and the Netherlands to Switzerland (176, 5.9%). Nine routes had more than 100 flows and 308 had ten or fewer flows. Of the 20 most popular routes, eight ended in the United States. In addition, 40.2% of all flows ended in the United States. More routes began in Germany or the United States than in any other country (30 each).

2.5 - PSYCHOTROPIC SUBSTANCES

Figure 33: Number of psychotropic substances cases by country, 2018-2019

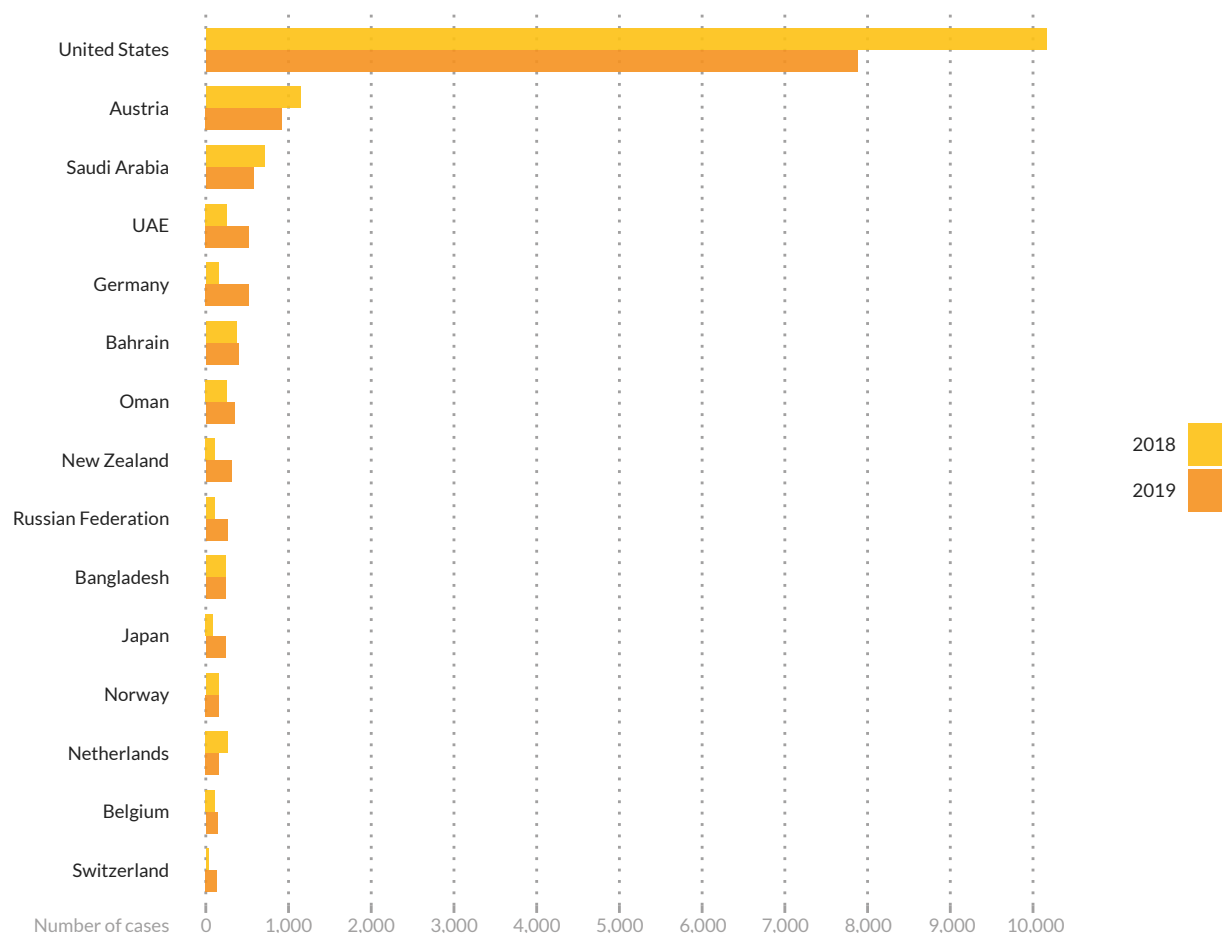
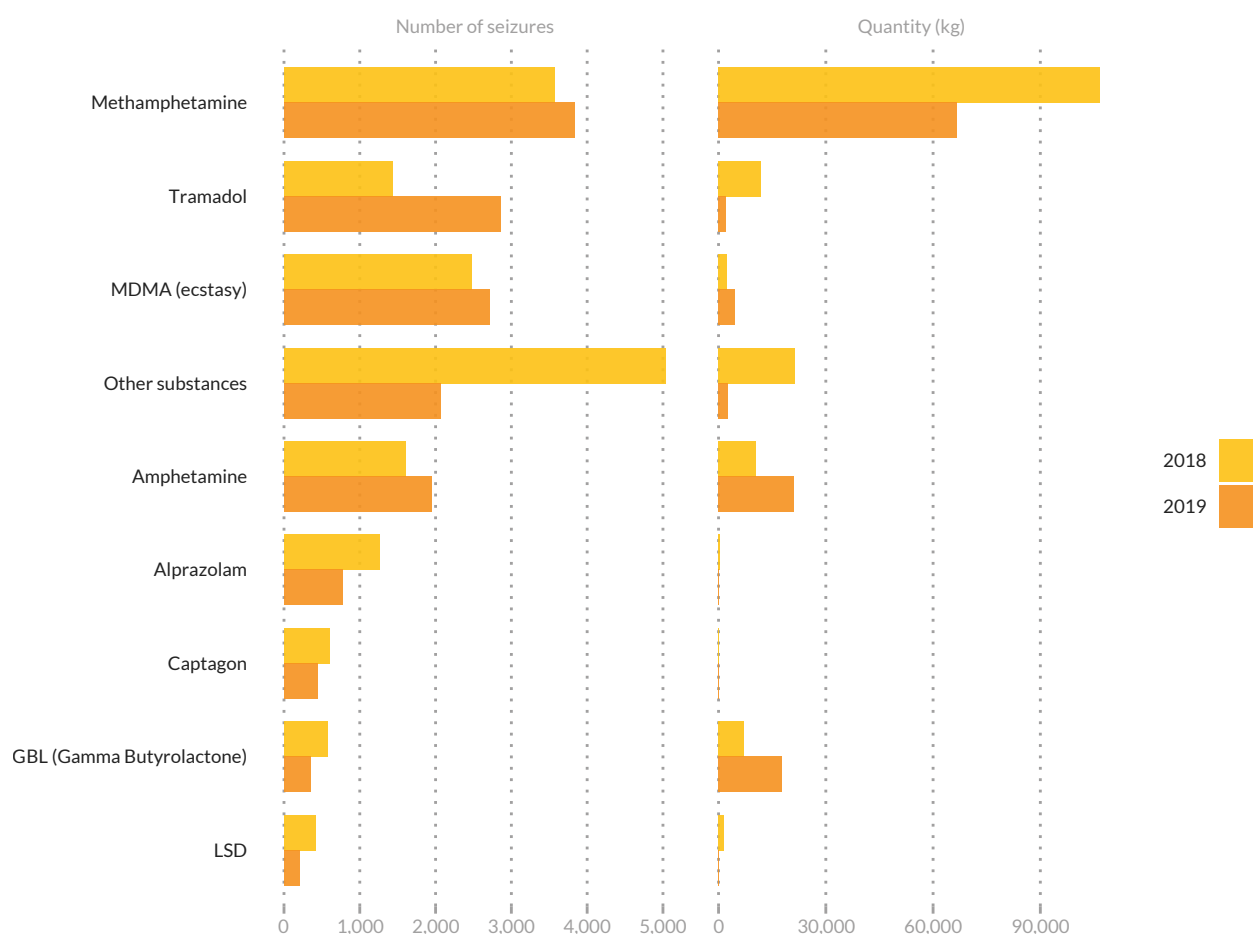


Figure 33 shows the 15 countries that reported the most cases of psychotropic substances trafficking in 2019 and compares the number of cases from 2019 to the number from 2018. As was true for all other drugs categories, the United States reported more cases than other any country in both 2018 and 2019, though that number fell 22.5%, from 10,166 cases in 2018 to 7,878 in 2019. Austria reported the second-most cases in both years. Austria reported 1,147 cases in 2018 and 919 in 2019, a 19.8% decrease. Saudi Arabia reported 709 cases in 2018 and 576 in 2019, the third-most in both years.

The UAE and Germany, which reported the seventh- and ninth-most cases in 2018, respectively, jumped to fourth- and fifth-most in 2019. Cases in the UAE grew from 254 in 2018 to 524 in 2019 (106.2% growth). In Germany, they increased from 156 to 523 (235.2%). In addition to these increases, several countries, including New Zealand, the Russian Federation, Japan and Switzerland, more than doubled their reported seizures in 2019.



Figure 34: Number of psychotropic substances seizures and quantity seized by type, 2018-2019



Customs administrations reported 15,177 seizures of 115,235.5 kilogrammes of psychotropic substances in 2019, a 10.5% decrease from the 16,958 seizures in 2018 and a 28.7% decrease from the 161,752.9 kilogrammes seized in 2018. Figure 34 compares the number of seizures of different types of psychotropic substances and quantity seized (in kilogrammes) of each type in 2018 and 2019. In 2019, there were 3,833 seizures of *methamphetamines* (25.2% of seizures), 2,860 of *tramadol* (18.8%), 2,709 of *MDMA* (17.8%), 2,070 of *other substances* (13.6%) and 1,947 of *amphetamine* (12.8%). Some categories changed significantly: seizures of *tramadol* increased by 99.4% from 2018, while seizures of *other substances* fell by 58.9%. Seizures of *alprazolam*, *GBL* and *LSD* fell by 38.9%, 39.5% and 51.4%, respectively.

Methamphetamines seizures led to a smaller percentage of the total quantity seized in 2019, although it was still the highest quantity seized, accounting for 66% in 2018 but just 57.9% in 2019. *Amphetamines* were the fifth-most common seizure type in 2019 but the second-greatest quantity seized, accounting for 18.3% of the total, while *GBL* was the eighth-most common seizure type but the third-greatest quantity seized (15.2% of the total). The quantity of *amphetamines* seized grew 103.5% from 2018, while the quantity of *GBL* grew 148.5%. A difference in the number of seizures and the quantity seized indicates that the fewer seizures were of relatively larger quantities of goods, possibly indicating more consolidation of those products.

Figure 35: Number of psychotropic substances seizures and quantity seized by type and conveyance method, 2019

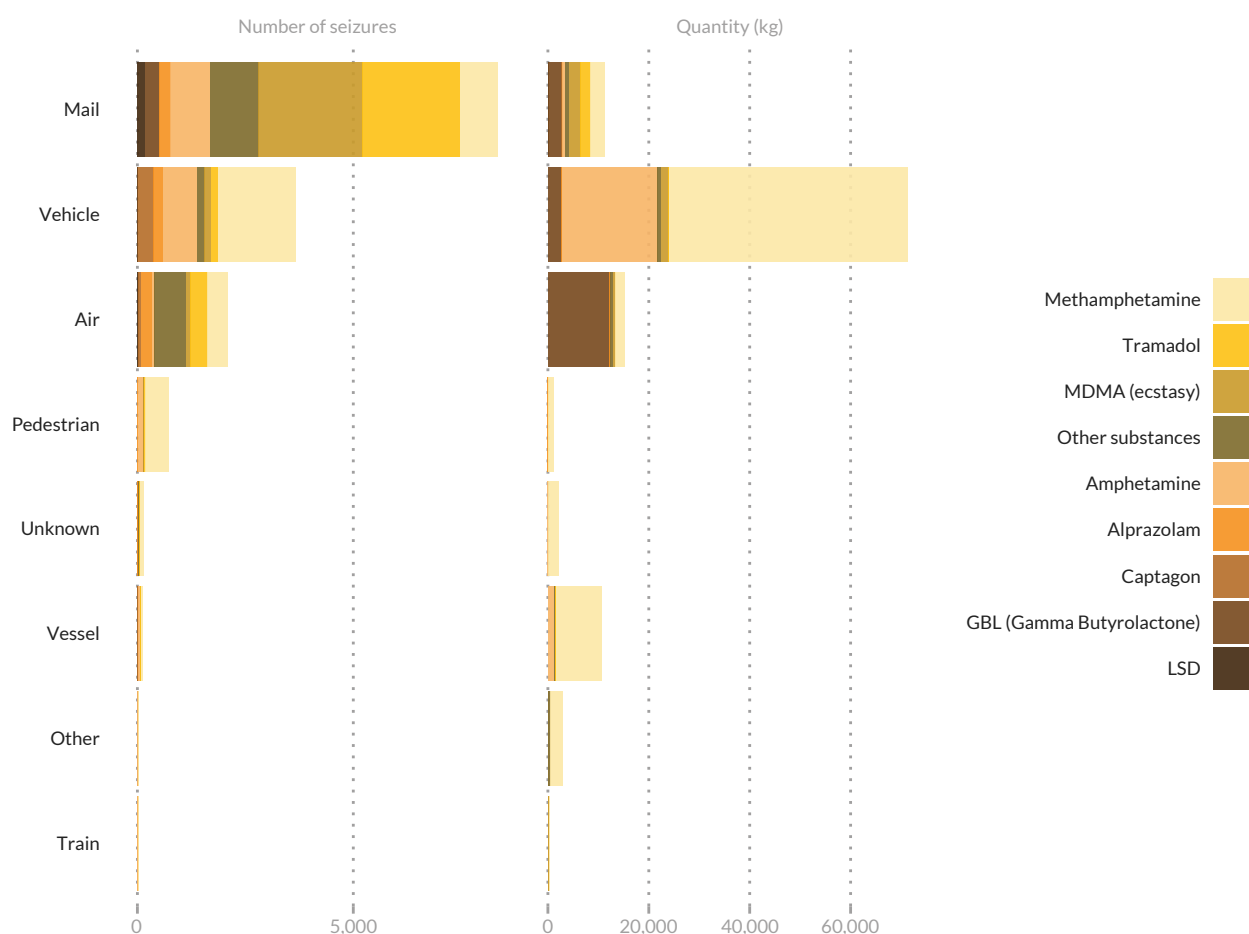


Figure 35 separates the number of psychotropic substances seizures from 2019 and quantities seized (in kilogrammes) by conveyance method. The majority of seizures (8,335, or 54.9%) were from mail, with significant numbers of seizures also from vehicles (3,676, or 24.2%), air (2,102, or 13.8%) and pedestrians (719, or 4.7%). Different conveyance methods appear to be used more frequently for different types of drugs. Mail seizures were most frequently of *MDMA* (28.9% of mail seizures) and *tramadol* (27%), *other substances* (13.4%), *amphetamines* (10.9%) and *methamphetamines* (10.3%). Vehicle seizures, on the other hand, were primarily of *methamphetamines* (49%) and *amphetamines* (21.3%). Air seizures were more evenly spread between *other substances* (34.9%), *methamphetamines* (23%), *tramadol*

(18.8%) and *alprazolam* (11.6%). Most pedestrian seizures (74.2%) were of *methamphetamines*.

Vehicle seizures yielded the majority (61.9%) of the total quantity of psychotropic substances seized, with an additional 13.2% of the total quantity coming from air seizures, 9.8% from mail and 9.2% from vessels. Most of the quantity of vehicle seizures was either *methamphetamines* (66.2% of the quantity from vehicles) or *amphetamines* (26.5%). The vast majority of the total quantity from air seizures (80.3%) and vessel seizures (85.2%) was *GBL* and *methamphetamines*, respectively. Mail seizures were more evenly distributed between *methamphetamines* (25.9%), *GBL* (23.1%) and *MDMA* (20.1%).



Figure 36: Proportion of psychotropic substances seizures by type and country, 2019

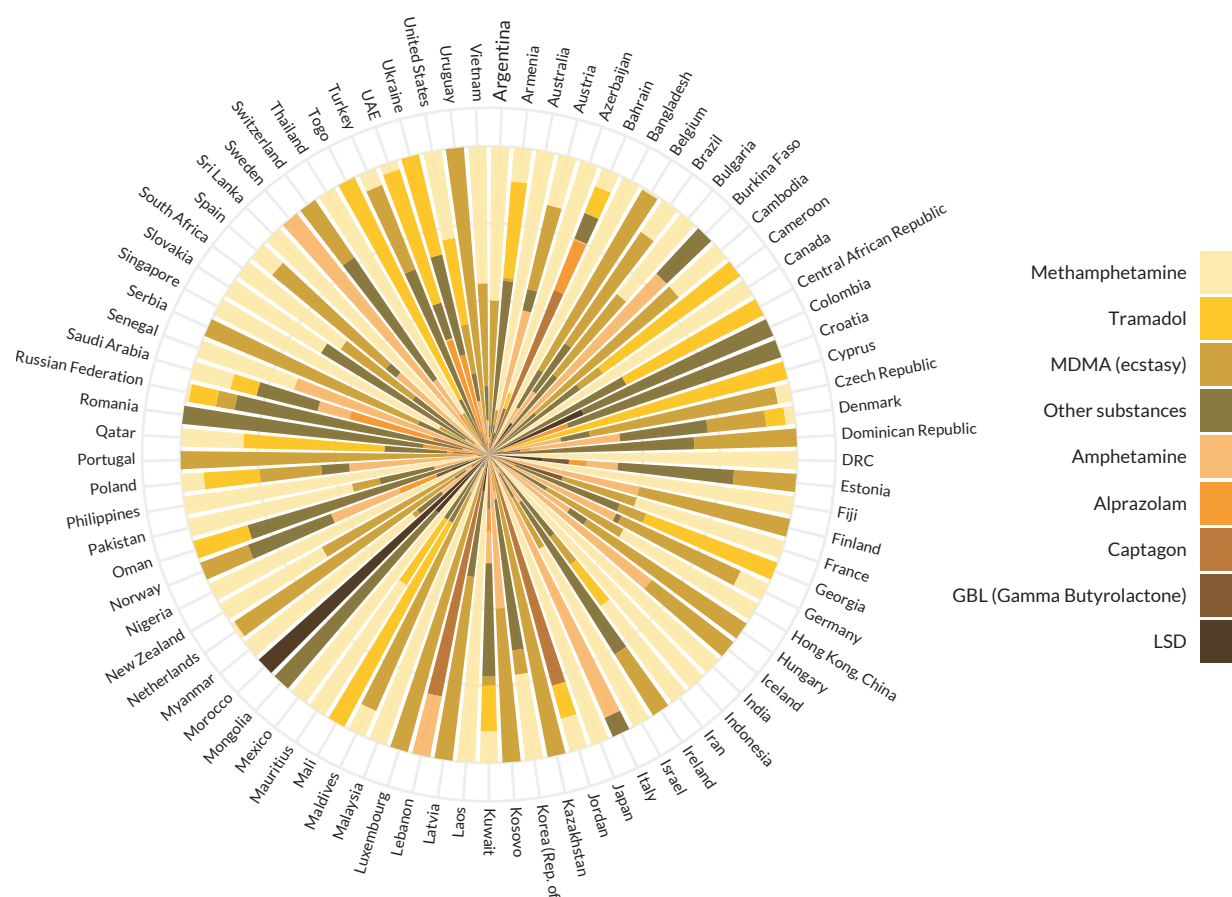


Figure 36 shows all 85 countries that reported psychotropic substances seizures in 2019 and separates each country's seizures by type of psychotropic substance. The United States reported 8,187 seizures, representing 53.9% of all seizures. Austria (1,086 seizures, 7.1% of all seizures), Germany (643, 4.2%), Saudi Arabia (617, 4%) and the UAE (530, 3.4%) reported the second- to fifth-most seizures. Eighteen countries reported more than 100 seizures, 29 reported more than 50 and 36 reported fewer than ten. Of the 29 top-reporting countries, nine most frequently reported seizures of *other substances*, eight of *methamphetamines*, five of *MDMA*, three of *amphetamines* and two of *tramadol*.

Note-worthy reporters of *methamphetamine* seizures include the United States (2,364 seizures, 28.8% of its

seizures), Japan (259, 97.7%) and Bangladesh (241, 100%). Other than the United States, the most frequent reporters of *other substances* seizures were Oman (273, 75% of its seizures) and the Russian Federation (209, 78.8%). The countries that reported the greatest number of *MDMA* seizures - the United States (1,315 seizures, 16%), Germany (274, 42.6%) and Austria (304, 27.9%) - did not have the highest proportion of *MDMA* seizures overall. New Zealand (184, 59.7%) and the Netherlands (141, 85.4%) reported a higher proportion of seizures as being of *MDMA*. Bahrain reported 259 seizures of *captagon*, which made up 56.5% of its seizures and 58% of all *captagon* seizures. Of the 29 countries reporting more than 50 seizures, 23 reported seizures of at least five types, and 16 countries reported at least 10% of its seizures for three or more categories.

Figure 37: Heat map of psychotropic substances trafficking instances by country, 2019

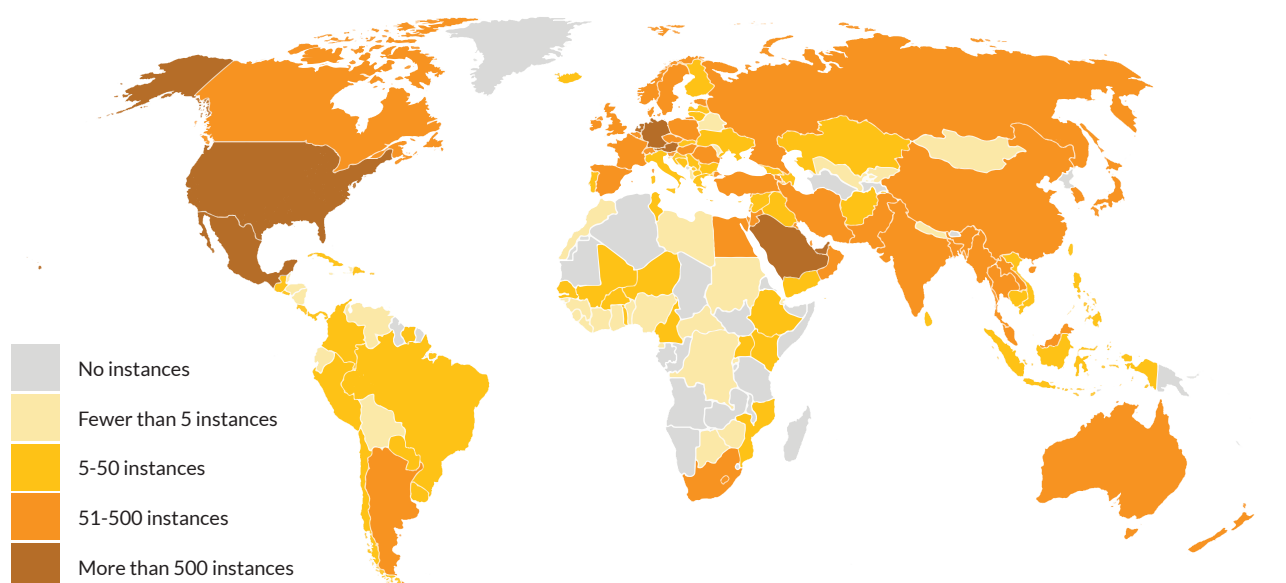


Figure 37 is a heat map of psychotropic substances trafficking instances in 2019 coloured by frequency. The colouring indicates the number of times the country was either the origin, destination or transit point for one or more seized shipments of psychotropic substances, regardless of where the seizure took place or which country reported it. By disaggregating individual seizures in this way, the Figure depicts all 147 countries in which psychotropic substances were known or intended to have been trafficked in 2019. Twelve of the 15 countries involved in the most trafficking instances were also among the top 15 countries to report cases, indicating that heavy involvement often, but not always, indicates the country has reported high numbers of cases. Mexico and Singapore, for example, reported only three and eleven seizures, but appeared in

1,726 instances (third-most) and 1,149 (fourth-most), respectively.

In total, eight countries appeared in more than 50 instances: the United States (8,142 instances), Netherlands (1,953), Mexico and Singapore, Austria (968), Saudi Arabia (939), Germany (846) and the UAE (645). Forty-two countries appeared in 51 to 500 instances, 59 in 5 to 50 and 48 in fewer than five. Of the 50 countries appearing in more than 50 instances, 14 are in Asia-Pacific, 14 are in the Western Europe, eight are in the Middle East and six are in Eastern and Central Europe.



Figure 38: Psychotropic substances trafficking routes and instances by location, 2019

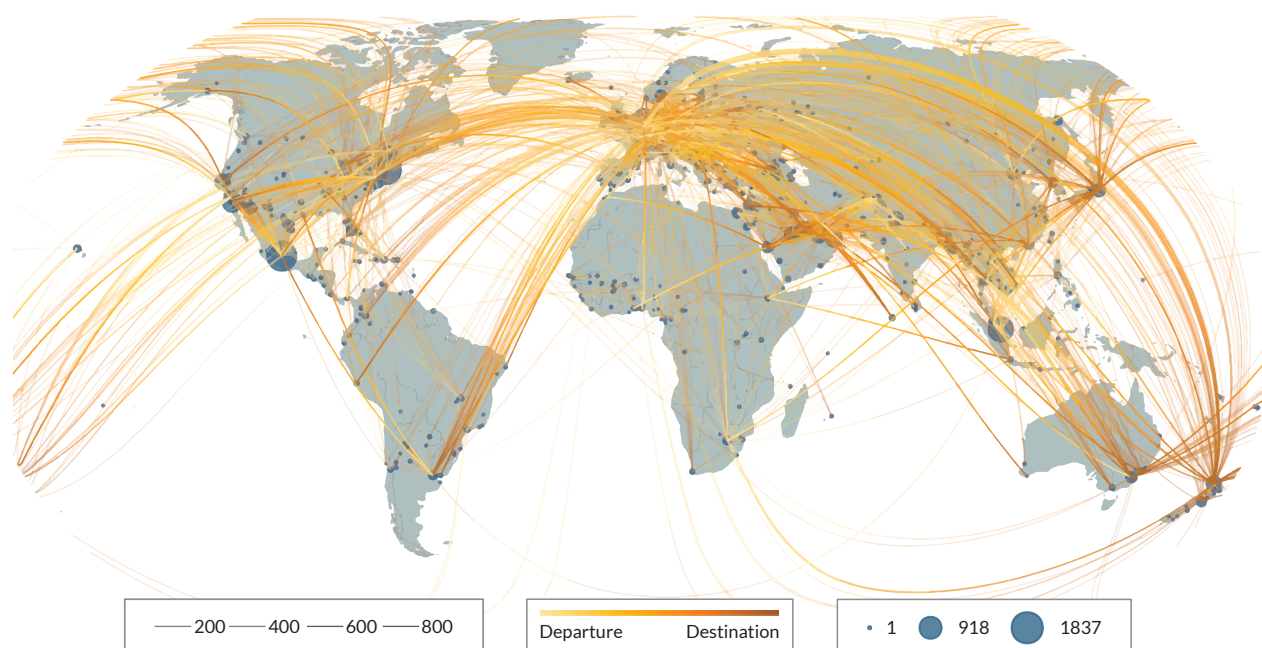


Figure 38 depicts the illicit flow of psychotropic substances from origin to destination. Point size indicates the number of cases involving departures from or terminations within a particular city. For instances where no specific location was found in the data, the capital of a given country serves as a proxy city location. The flows connecting points on the map are yellow in colour at their origin and become orange as they approach their destination. The darker the overall tone of a flow, the more frequently that trafficking route appeared in the data for 2019. These flows do not necessarily indicate completed smuggling attempts; in many cases, contraband was seized at its origin point or while in transit. In all cases, flows represent intended routes of transit as they were reported.

The Figure shows 11,717 flows of psychotropic substances trafficking. The five most popular country-level routes between nations were from Mexico to the United States (1,677 flows, or 14.3% of all flows), Singapore to the United States (1,118, 9.5%), the Netherlands to Austria (834, 7.1%), the United States to locations within the United States (367, 3.1%) and Germany to locations within Germany (305, 2.6%). Twenty routes had more than 100 flows and 794 had fewer than ten flows. Of the ten most popular routes, five ended in the United States and three began in the Netherlands. Of all flows, 38.9% ended in the United States. Germany was the origin for routes destined for 72 other countries, more than any other country.

Case study 4

Europe's largest crystal meth bust: 2.5 tonnes seized in Rotterdam

The Dutch police made Europe's biggest ever seizure of methamphetamine by discovering 2.5 tonnes of the drug stashed behind a wall in a building in the port city of Rotterdam in June 2019.

The investigation continued after this massive discovery of crystal meth and it led the police to a warehouse in Utrecht. There they found a total of 17,500 litres of chemicals used for washing cocaine and the production of synthetic drugs, as well as hollowed out rocks which were suspected being used to smuggle drugs.

Sources:

WSB TV (2019), *Police make Europe's biggest meth bust EVER*, available at <https://www.wsbtv.com/news/national-news/ap-top-news/police-make-europe-s-biggest-meth-bust-ever/961579427/>, accessed on 24 April 2020.

NLTimes.nl (2019), *Europe's largest crystal meth bust: Rotterdam find nets 2,500 kilos*, available at <https://nl-times.nl/2019/06/26/europes-largest-crystal-meth-bust-rotterdam-find-nets-2500-kilos>, accessed on 24 April 2020.





2.6 - OPIATES

Figure 39: Number of opiates cases by country, 2018-2019

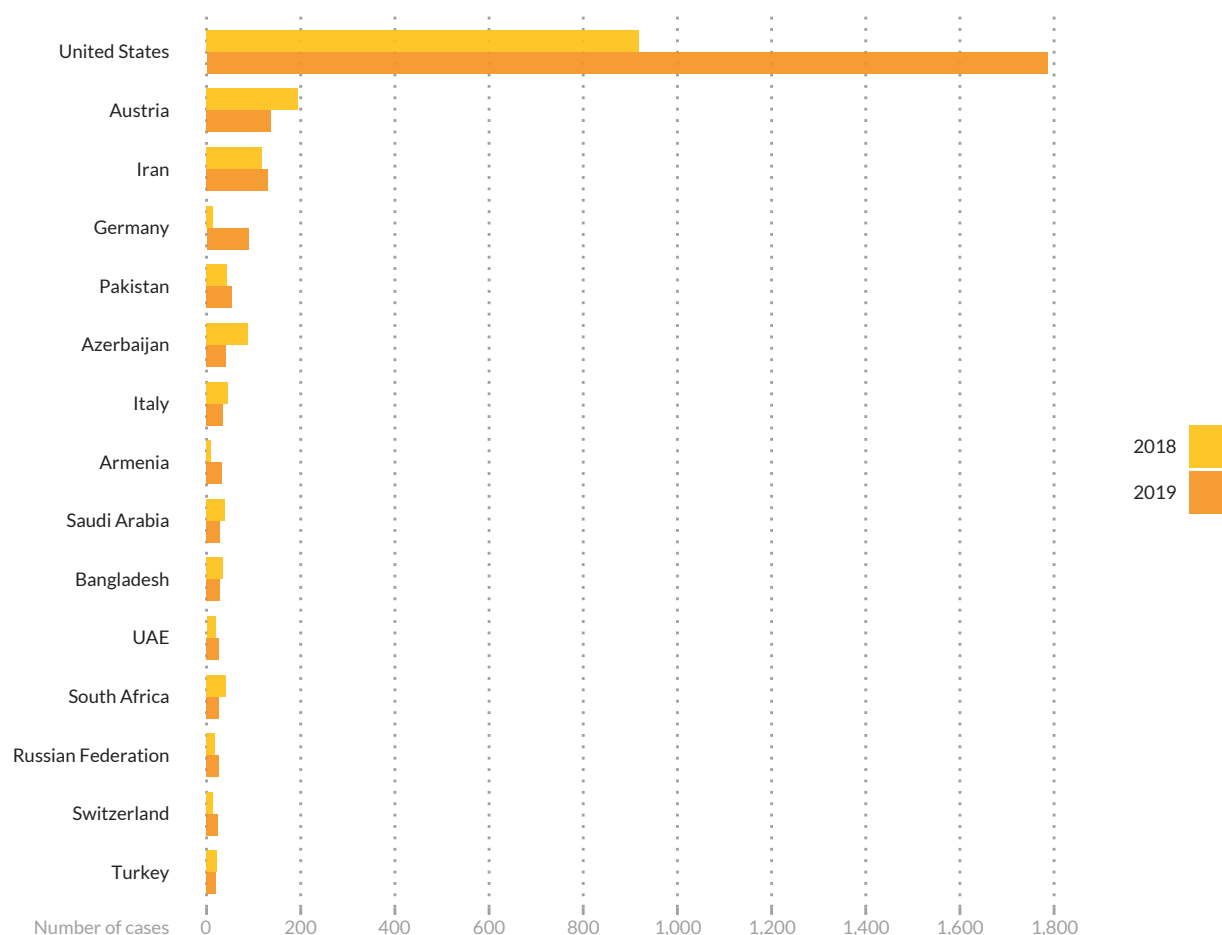
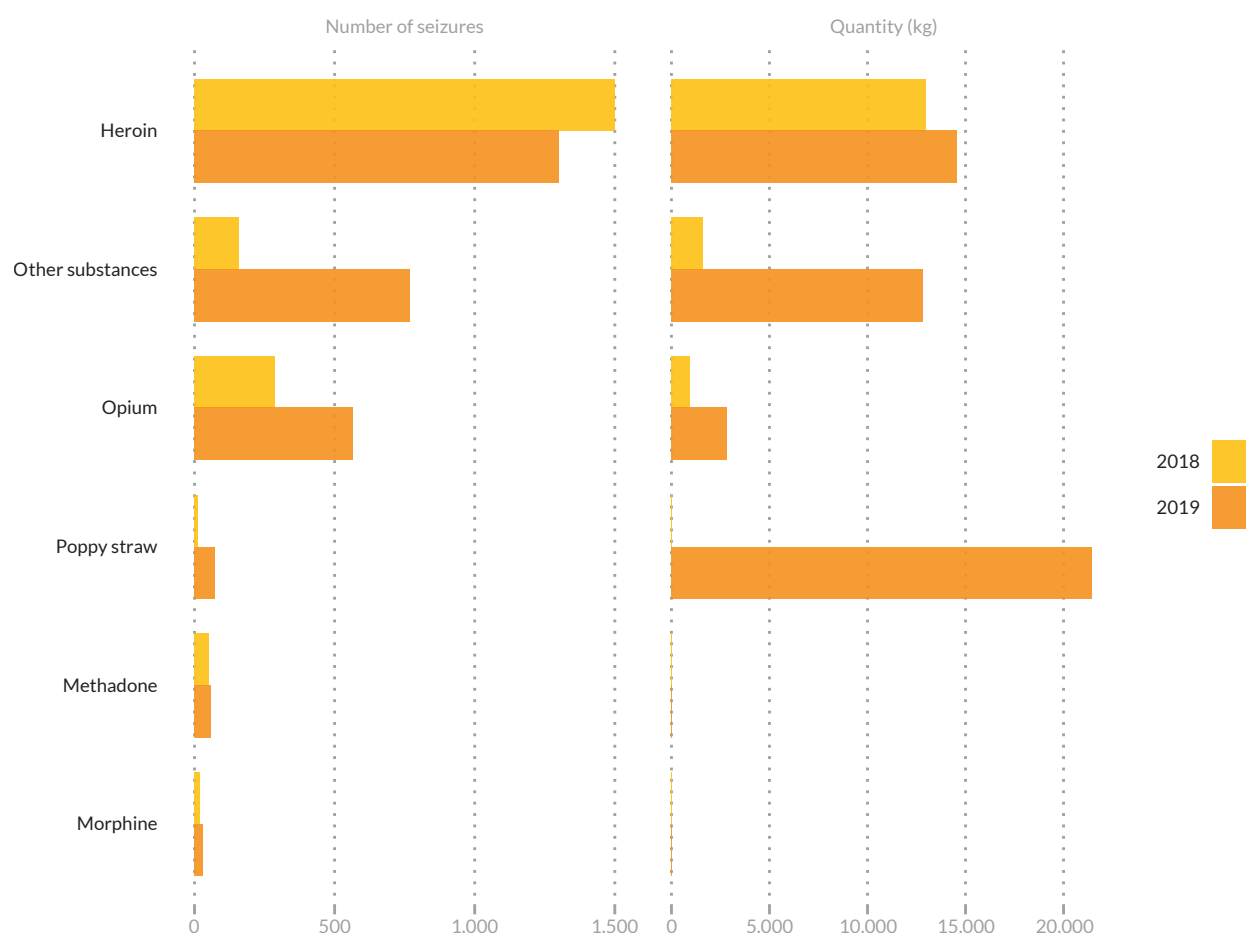


Figure 39 shows the 15 countries that reported the most cases of opiates trafficking in 2019 and compares the number of cases from 2019 to the number from 2018. As was true for all other drugs categories, the United States reported more cases than any country in both 2018 and 2019, a number which grew 94.3%, from 919 cases in 2018 to 1,786 in 2019. The United States reported 473.7% more cases in 2018 and 1,213.2% more in 2019 than the second-highest reporting

country, Austria. Austria reported 194 cases in 2018 and 136 in 2019, a 29.8% decrease. Iran reported 117 cases in 2018 and 130 in 2019, the third-most in both years. Other notable increases in the number of cases reported include Germany, which changed 535.7% from 14 cases in 2018 to 89 in 2019, and Armenia, which grew from nine to 32 cases. The number of cases reported by Azerbaijan, on the other hand, fell by 53.4%, from 88 to 41.

Figure 40: Number of opiates seizures and quantity seized by type, 2018-2019



Customs administrations reported 2,795 seizures of 51,689 kilogrammes of opiates in 2019, a 37.6% increase from the 2,030 seizures reported in 2018 and a 231% increase from the 15,612.3 kilogrammes seized in 2018. Figure 40 compares the number of seizures of different types of opiates and the quantity seized (in kilogrammes) of each type in 2018 and 2019. The vast majority of seizures in 2019 were of *heroin* (1,300 seizures, 46.5% of all seizures), *other substances* (768, 27.4%) and *opium* (566, 20.2%). Seizures of *other substances* and *opium* grew by 383% and 97.9%, respectively, from 2018.

While *poppy straw* seizures accounted for only 2.5% of seizures in 2019 and 0.1% of the quantity of *opiates* seized in 2018, they made up 41.4% of the quantity seized in 2019. This is mainly due to a particularly large seizure of 20,200 kilogrammes of *poppy straw* seized in Iran in 2019. *Heroin* seizures made up 28.1% of the quantity seized in 2019, *other substances* 24.8% and *opium* 5.4%. The quantity of *other substances* and *opium* seized grew by 705.3% and 191.9%, respectively, from 2018.



Figure 41: Number of opiates seizures and quantity seized by type and conveyance method, 2019

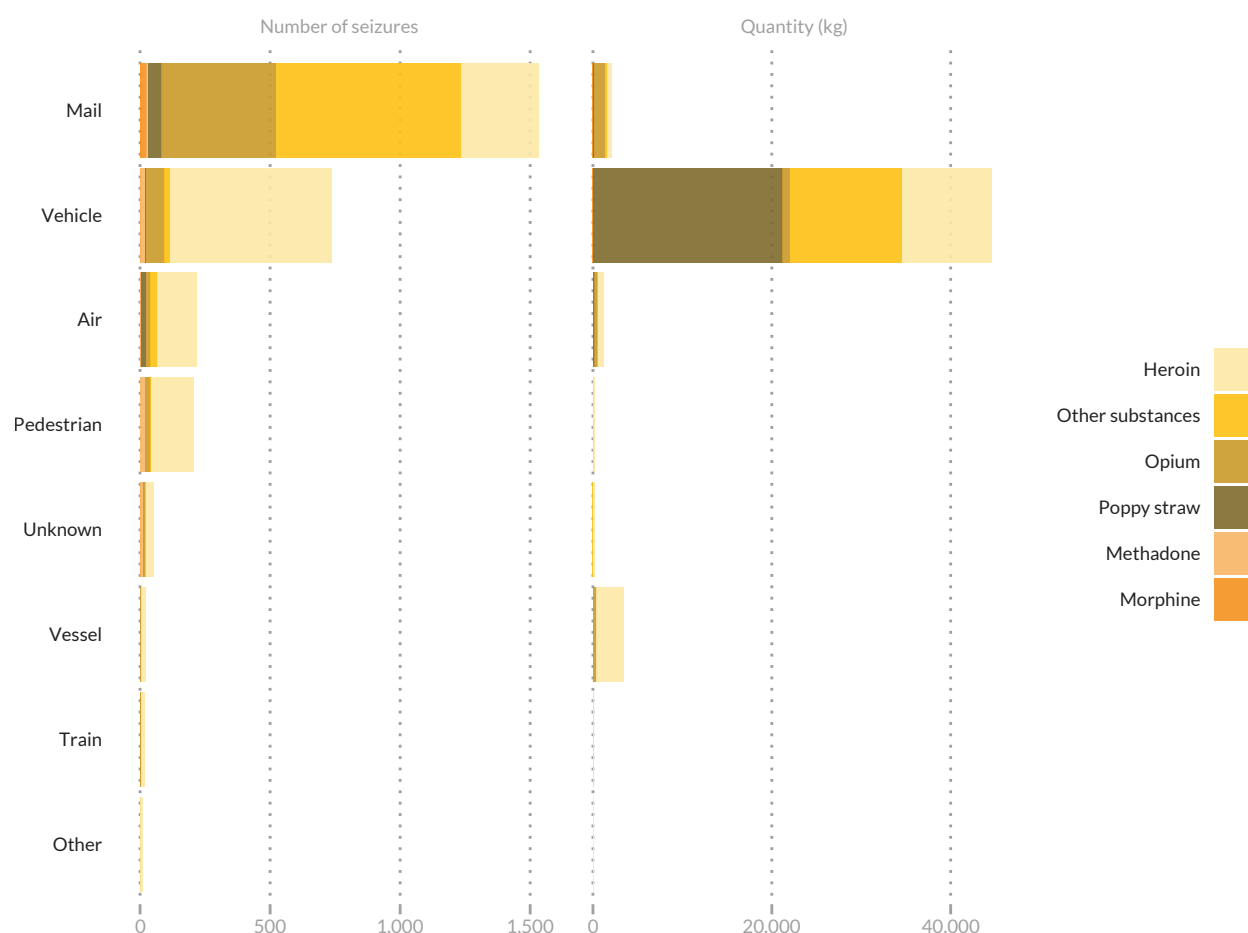


Figure 41 separates the number of opiates seizures from 2019 and quantities seized (in kilogrammes) by conveyance method. Most seizures of opiates were conveyed via mail (1,532 seizures, 54.8% of all seizures), vehicles (737, 26.3%), air (219, 7.8%) or pedestrians (204, 7.2%). Mail seizures were primarily of *other substances* (46.5% of mail seizures), *opium* (28.7%) and *heroin* (19.3%). *Heroin*, on the other hand, was the most seized category in vehicle seizures (84.3%), air seizures (68.9%) or pedestrian seizures (79.4%). Mail seizures accounted for 50 of 72 *poppy straw* seizures (69.4%) and 24 of 30 *morphine* seizures (80%).

The vast majority (86.1%) of the quantity of opiates seized were from vehicles, with an additional 6.6% seized from vessels, 4.1% from mail and 2.2% from air. Most of the quantity of opiates seized from vehicles was *poppy straw* (47.5%), *other substances* (28%) and *heroin* (22.4%). Other conveyance methods saw other categories of opiates. The vast majority of the quantity seized from vessels was *heroin* (88.7%). The quantity seized from mail was mostly split between *opium* (57.1%), *heroin* (24.4%) and *other substances* (13%).

Figure 42: Proportion of opiates seized by type and country, 2019

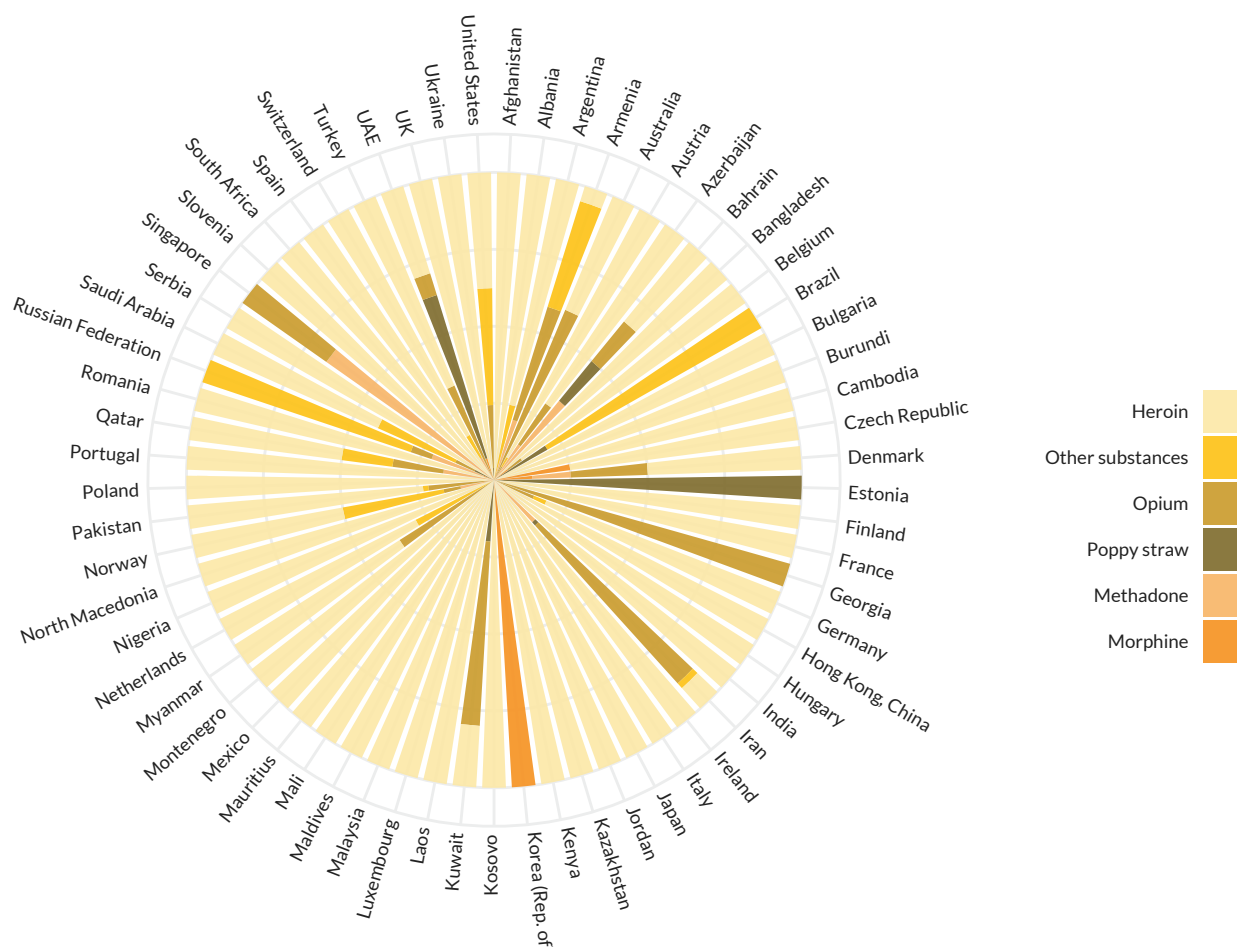


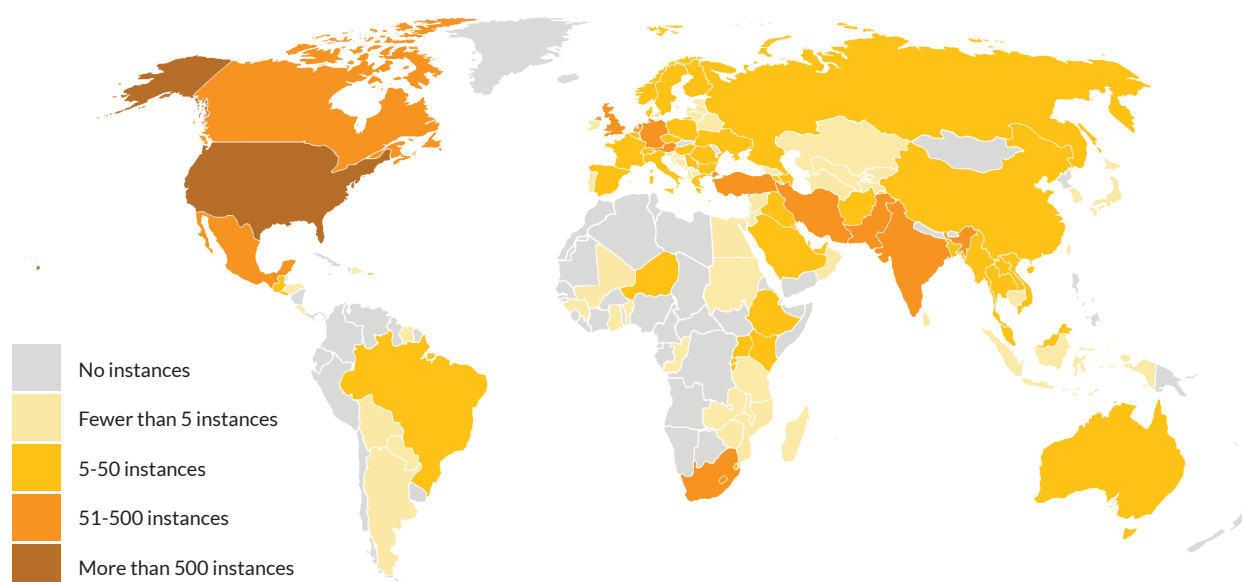
Figure 42 shows all 65 countries that reported opiates seizures in 2019 and separates each country's proportion of seizures by type of opiates. The United States reported 1,835 seizures, or 65.6% of all seizures. For comparison, this was 1,1556.8% more than the second-highest reporting country, Iran (146, 5.2% of all seizures). The three other most frequent reporters were Austria (142, or 5%), Germany (93, 3.3%) and Pakistan (56, 2%). Thirteen countries reported more than 25 seizures, and 43 reported fewer than ten. Countries with fewer reported seizures often reported just one or two categories of opiates, causing the proportion shown in the Figure to look high. Brazil and the Russian Federation, for example, reported the highest proportion of *other substances* (80% and 71.4%, respectively) while reporting relatively few seizures (five and 28, res-

pectively). The most frequent reporters of *other substances* seizures were Austria (130 of its 142 seizures), Germany (76 of 93) and Pakistan (43 of 56).

Heroin was the most widely reported opiate seized in 2019. Of the 22 countries reporting ten or more seizures, 16 reported more seizures of *heroin* than any other type. Six reported only *heroin* seizures: Italy (35 seizures), Bangladesh (30), South Africa (26), Spain (14), Mauritius (11) and Serbia (11). The United States reported the greatest number of seizures of *heroin* (690), *other substances* (697, 90.7% of all seizures of this type), *opium* (376), *poppy straw* (49) and *morphine* (21). Thirteen of the 24 top-reporting countries reported seizures of at least three types of opiates, but only four of these countries (the United States, Azerbaijan,



Figure 43: Heat map of opiates trafficking instances by country, 2019



Armenia and Norway) reported at least 10% of their seizures for at least three types.

Figure 43 is a heat map of opiates trafficking instances in 2019 coloured by frequency. The colouring indicates the number of times the country was either the origin, destination or transit point for one or more seized shipments of opiates, regardless of where the seizure took place or which country reported it. By disaggregating individual seizures in this way, the Figure depicts all 119 countries in which opiates were known or intended to have been trafficked in 2019. Ten of the 15 countries involved in the most trafficking instances were also among the top 15 countries to report cases, and all of the top 15 reporters were among the top 25 involved in the most instances, indicating that heavy in-

volvement often, but not always, indicates the country has reported high numbers of cases. India, Mexico and the UK, for example, reported only a combined seven seizures, but appeared in 475, 314 and 291 instances, respectively, second- to fourth-most.

The United States appeared in 1,794 instances, the only country to appear in more than 500. Eleven countries appeared in 51 to 500 instances, 49 in five to 50 and 58 in fewer than five. The other countries appearing in more than 50 instances were Germany (253), Iran (211), the Netherlands (183), Austria (164), Pakistan (80), South Africa (78), Canada (74) and Turkey (54). Of these 12 most frequently appearing countries, four are in Western Europe, three are in North America and two are in Asia-Pacific.

Figure 44: Opiates trafficking routes and instances by location, 2019

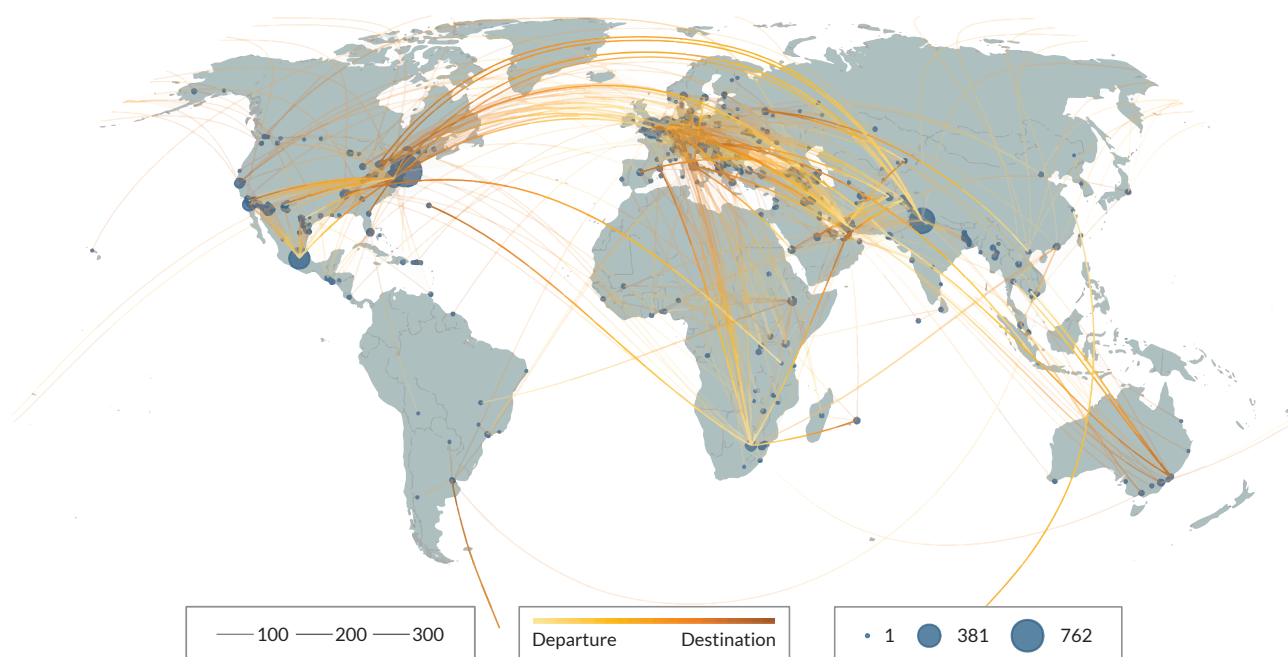


Figure 44 depicts the illicit flow of opiates from origin to destination. Point size indicates the number of cases involving departures from or terminations within a particular city. For instances where no specific location was found in the data, the capital of a given country serves as a proxy city location. The flows connecting points on the map are yellow in colour at their origin and become orange as they approach their destination. The darker the overall tone of a flow, the more frequently that trafficking route appeared in the data for 2019. These flows do not necessarily indicate completed smuggling attempts; in many cases, contraband was seized at its origin point or while in transit. In all cases, flows represent intended routes of transit as they were reported.

The Figure shows 2,469 flows of opiates trafficking. The five most popular country-level routes between nations were from India to the United States (419 flows, or 16.9% of all flows), Mexico to the United States (314, 12.7%), the UK to the United States (244, 9.8%), Germany to the United States (130, 5.2%) and the United States to locations within the United States (125, 5%). Six routes had more than 100 flows and 338 had fewer than ten flows. Of the 20 most popular routes, nine ended in the United States and five began in Iran. Of all flows, 56.3% ended in the United States. Germany was the origin for routes destined for 24 other countries, and Iran and South Africa were the origin for 23 each, more than any other country.



Member highlights:

Azerbaijani Customs canine units found 925 kilogrammes of heroin in kiwi fruit

Based on the intelligence-led Customs approach, a truck en-route from Iran to Ukraine was intercepted for inspection on **29 November 2019** at the Astara Customs post of the Southern Territorial Main Customs Directorate of the State Customs Committee of the Republic of Azerbaijan. The truck was driven by an Azerbaijani citizen who transported kiwi fruit. During Customs inspection of the 471 boxes of kiwi on-board, 925 kilogrammes of heroin covered underneath the fruits were confiscated.

Source: Azerbaijani Customs.



Heroin concealed in film rolls seized in Slovenia

In **October 2019**, the officials of the Financial Administration of the Republic of Slovenia discovered the largest amount (729 kilogrammes) of heroin in the Port of Koper. The heroin was found during Customs clearance of the goods declared as 437 film roles disguised as packaging material. The shipment arrived in the Port Koper with final destination Hungary. The x-ray of the shipment hinted at some irregularities and upon physical examination 1,421 packages of heroin were found. According to findings of the investigation, the target country of the whole heroin shipment was Hungary.

Source: Slovenian Customs.



R, S: Courtesy: Azerbaijani Customs.
T, U: Courtesy: Slovenian Customs.

THE AIRCOP PROJECT

“Real-time operational communication between international airports to combat transnational organized crime and drug trafficking and prevent terrorism”

AIRCOP is a multi-agency project implemented by the UNODC in partnership with INTERPOL and the World Customs Organization (WCO). Its aim is to destabilize criminal networks in countries of origin, transit and destination by strengthening capacities for the interception and detection of drugs and other illicit goods, as well as high-risk passengers, including foreign terrorist fighters, in international airports.

AIRCOP was set up in 2010 as part of the European Union’s Cocaine Route Programme to curb cocaine trafficking by air from source countries in Latin America to Europe via the Caribbean and Africa, on passengers, in cargo and in mail. The increase in the professional knowledge and operational capacities of the personnel trained by AIRCOP has helped to broaden the scope of the project to cover all threats affecting airports, such as other narcotic substances, the various types of illicit trafficking (involving wildlife crime, counterfeit medicines or firearms) and, more recently, terrorism and human trafficking. The project has also expanded its geographical coverage and currently includes airports in Africa, Latin America, the Caribbean and the Middle East.

The basic idea behind AIRCOP is to encourage the exchange of operational information and the establishment of relationships of trust between law enforcement agencies. As it can be adapted in line with changes in the routes taken by the various forms of trafficking and the emergence of new types of fraudulent goods, the project is steadily expanding throughout the world and is a key component in the management and securing of borders.

As of 2019, the project now numbers 25 Joint Airport Interdiction Task Forces (JAITFs), including 15 on the African continent, nine in Latin America and the Caribbean and one in the Middle East/North Africa. There have been four new evaluation missions with a view

to establishing future JAITFs in Niger (Agadez), Costa Rica, Cuba and Trinidad & Tobago.

In terms of results, 2019 was a particularly productive and encouraging year for the AIRCOP Project. The JAITFs seized 632.75 kilogrammes of cocaine, 39.3 kilogrammes of heroin, 7.85 kilogrammes of cannabis, 52.5 kilogrammes of methamphetamine and 4,000 Captagon tablets (amphetamine and theophylline), 48 kilogrammes of ketamine, 75 kilogrammes of LSD, 61.56 kilogrammes of khat and 28.1 kilogrammes of precursors (ephedrine, phenacetin, etc.). In addition, numerous seizures of other banned goods such as protected species, firearms, counterfeit medicinal products, contraband cigarettes and stolen documents, can be attributed up to the AIRCOP Project joint control units.

THE COLIBRI PROJECT

Back in the 1970s, Jamaican traffickers discovered a new speedy, discreet and appropriate means of transporting over a hundred or so kilograms of marijuana to Florida: the private plane. Then, in the 1980s, the Colombian cartels set up a fully-fledged air bridge of small aircraft for conveying Colombian cocaine to the United States, thereby forging a permanent relationship between general aviation and drug trafficking, so much so that South American observers would coin a new term for it: “narcovuelo”. The 2000s saw the use of private aircraft along the southern Cocaine Route, linking South America and Europe via the African continent. The dramatic “Air Cocaine” case involving a cargo plane from Venezuela which landed at a small aerodrome in northern Mali made the entire community of drug enforcement services sit up and consider the significance of the threat now posed by general aviation as a means of transporting drugs throughout the entire world.

Confronting this challenge, in 2019, the WCO joined forces with the European Union to launch an international initiative designed to mobilize the Customs community and its partners in their efforts to monitor and control general aviation: the “COLIBRI Project”.

The strategic aim of the project is to rally Customs ad-



ministrations in their enforcement efforts, specifically targeting both private business aviation and “leisure” aviation, in all areas exposed to the trafficking of cocaine bound for Europe, namely Latin America, the Caribbean and Africa.

The main objective of the activities envisaged within this project is to enhance the capacity building measures available to the beneficiary Customs administrations and other law enforcement agencies in Africa, Latin America and the Caribbean (LAC) in the fight against trafficking. The aim of this project is to reduce the gap in the technical skills needed to conduct effective and professional checks in this sector by implementing risk assessment and targeted control measures tailored to general aviation.

In the light of the recognition that interministerial collaboration and international cooperation are the most effective tools in the fight against drugs, the WCO-implemented COLIBRI Project appeals to all administrations committed to the struggle against drug trafficking to create, in this context, a real national, regional and intercontinental network of multi-agency expertise.

Acknowledging that there is, to date, no optimum control policy governing general aviation internationally, the WCO points out that the COLIBRI Project relies on the pooling of existing skills by mobilizing a group of some 20 experts from various administrations involved in oversight of the aviation sector in the three continents in order to draw up a comprehensive capacity building programme for the Customs authorities conducting the initial inspections and the criminal investigation services alike. This group of experts will disseminate a series of specialist training courses as well as a teaching and technical manual assisting recipient administrations to refine the technical expertise of their officers throughout their respective territories. Specialist regional training courses and tutorials will be organized on that basis for the national units. Having recourse to the expertise enjoyed by some countries already committed to tackling this problem and by participating international organizations will be essential in the training and coaching of the law enforcement agencies concerned.

The project also promotes intelligence and information sharing between services at national, regional and international level. For that purpose, 2019 saw the launch of an initiative to develop an innovative tool offering the Project’s beneficiaries specialist information, global positioning data on events and checks as well as intelligence sharing via a general aviation database. The “COLIBRI Geoportal” will be a “secure contact point” for all stakeholders committed to the fight against organized crime relying on general aviation. The WCO’s real-time secure communication tool (the CEN secure messaging system) will also be made available to the participants.

Rolled out in six African countries and six Latin American and Caribbean countries selected on the basis of their political commitment, exposure to trafficking and intervention methods, the COLIBRI Project also comprises coordinated enhanced control operations for the purpose of evaluating the impact of training courses and assimilation of best practice.

Tailored specifically to general aviation, the COLIBRI Project will complement other projects overseeing air transport involving the WCO, such as Project Aircop and Air Cargo (a segment of the Container Control Programme) which focus on passengers and commodities of interest respectively in the main airports.

With this new project firmly in hand, the WCO Members now have at their disposal a comprehensive range of options for enhancing the security of air transport.



THE 5TH WCO GLOBAL CANINE FORUM

1 – 3 October 2019, Melbourne, Australia

The WCO Global Canine Forum is a biennial global event of the World Customs Organization (WCO) on canine enforcement that has been held since 2011; with special thanks to the Australian Border Force (ABF), this year the 5th Forum was hosted in Melbourne.

The Forum brought together over 100 participants from around 30 countries across five continents to share best practices for implementing and enhancing Canine Programmes. Participants from top canine facilities of WCO members and other national law enforcement authorities as well as experts and veterinarians from international organizations actively exchanged expertise and experience towards developing a global standard and network of canine utilization in enforcement.

Principal Officials' Remarks

The Honourable Jason Wood, Assistant Minister for Customs, Community Safety and Multicultural Affairs, and Member of the Australian Parliament, welcomed the Forum participants on behalf of the Australian Government and delivered a keynote speech, emphasizing the importance of supporting Customs with the necessary resources, such as dogs that are highly trained in protecting the community while facilitating trade flows. In his opening speech, WCO Secretary General Kunio Mikuriya underscored the usefulness of enhancing the global network of Customs officers working in Canine Programmes and described the WCO policy of assisting Members in sharing best practices on the most effective Customs technology for managing risks at borders.

In his remarks, Australian Border Force Commissioner Michael Outram gave details of the contributions made by dogs in a variety of areas of Customs operations, stressing the need for regional and global cooperation between Customs and other border agencies.

The Forum

The theme of the Forum was “Canine Customs Officer: Crucial to our Border Security”, which correctly addressed the indispensable importance of canine officers during Customs duties. Being one of the best partners of our Customs officers, canine teams are widely utilized in various Customs duties, such as passenger profiling, cargo clearance and ship rummaging etc.

Together with a site visit to the National Detector Dog Programme Facility of ABF, one of the world-class canine training facilities, the Forum covered the following three sessions in three days:

1. Strategic Imperatives: Development, Capability and Utilization of Canine Units;
2. Operational Imperatives: Emerging Threats, Challenges and Solutions; and
3. Best Practices: Breeding, Training and Management of Training Facilities

In order to maintain a high standard and global network for canine enforcement, the WCO has accredited fifteen WCO Regional Dog Training Centres to share knowledge and professionalism, and more important, raise the regional capacity and cooperation in canine enforcement.

The Forum provided an opportunity to promote the network of WCO Canine Experts who made use of the CENcomm communication system to share their experiences and professional knowledge in running a canine centre. During the discussion, participants agreed to utilize the WCO K9 CENcomm group as a virtual platform for interactive sharing of knowledge, news, seizure by canine units and the latest training methodology. The hosting country of the Forum will manage the platform for two years until the next Forum takes place.

In addition, this Forum has enabled Members seeking to create canine units or enhance existing canine programmes in their country to benefit from the latest knowledge and techniques on the specialty. Moreover, it identified shared challenges in rolling out new national initiatives with the requisite canine training programmes and operational models.

Conclusion and Way Forward

The Forum was a great success that it served as an international gallery for expertise, a discussion platform for global canine experts and a brilliant showcase of the world-class canine facilities and programme of the ABF. The next Forum will take place in late 2021, while the WCO secretariat is appealing to WCO Members to be the host.

The WCO is committed to prioritize the canine enforcement in the plan ahead. By enlarging the pool of WCO accredited canine experts, the WCO would be able to provide technical assistance and capacity building initiatives for members. Specialized regional training workshops in the WCO Regional Dog Training Centres (RDTCS) are being organized to raise the regional capacity and strengthen the canine enforcement network



V: Canine expert at the 5th WCO Global Canine Forum. Courtesy: Australian Border Force.



Section 3.

Environment

INTRODUCTION

According to the World Economic Forum, of all risks, it is in relation to the environment that the world is most clearly sleepwalking into catastrophe”.

Environmental crimes cover activities that breach environmental legislation, and is currently one of the most profitable forms of criminal activity. Illegal logging alone is costing developing countries an estimated \$ 15 billion in lost revenue and taxes.

Environmental crime is mainly trans-boundary, which places Customs at the centre of the mitigation effort. Due to its mandate and control function, but also due to the legal requirements placed on it through the various Multilateral Environmental Agreements (MEAs) negotiated by respective governments, Customs make the implementation of MEAs not an option, but a legal obligation.

Environmental crime yearly generates tens of billions of dollars for organised crime syndicates and other criminals, and an increase in criminal activities is foreseen. This is mainly due to an increase in demand, high profits, and “lenient” penalties. However, in certain jurisdictions environmental crimes are not yet regarded as priority crimes. Increasing and “competing”



demands on the resources of Customs and other law enforcement agencies, and also a concomitant increase in the demand for natural resources, leave the environment in a precarious position.

Looking towards the future, it should be acknowledged that the world is already experiencing a climate crisis, and carbon intensive goods and services are still moving relatively freely across borders. Climate change is rapidly altering the environment and if left unattended, temperatures will escalate drastically. In its Global Risks Report 2019, the World Economic Forum lists policy failures with regard to environmental matters, especially after the Paris Agreement, as a rising concern. Therefore the Customs community should rise to the challenge.

In 2019, 60 Customs administrations reported to the CEN 3,045 cases of environmental product trafficking. These cases account for 3,884 individual seizures of flora, fauna and waste. The number of cases, the number of seizures, and the number of pieces of environmental products confiscated all increased in 2019, although the weight of products seized decreased significantly. Trade in environmental products is a global phenomenon; although just 60 countries reported cases in 2019, 155 countries were implicated as either origin, transit or destination points for flora, fauna and waste products. The trade in illicit environmental products reported to the CEN included 336 unique types of flora and fauna in 2019.

Figure 1: Number of cases by country, 2018 - 2019

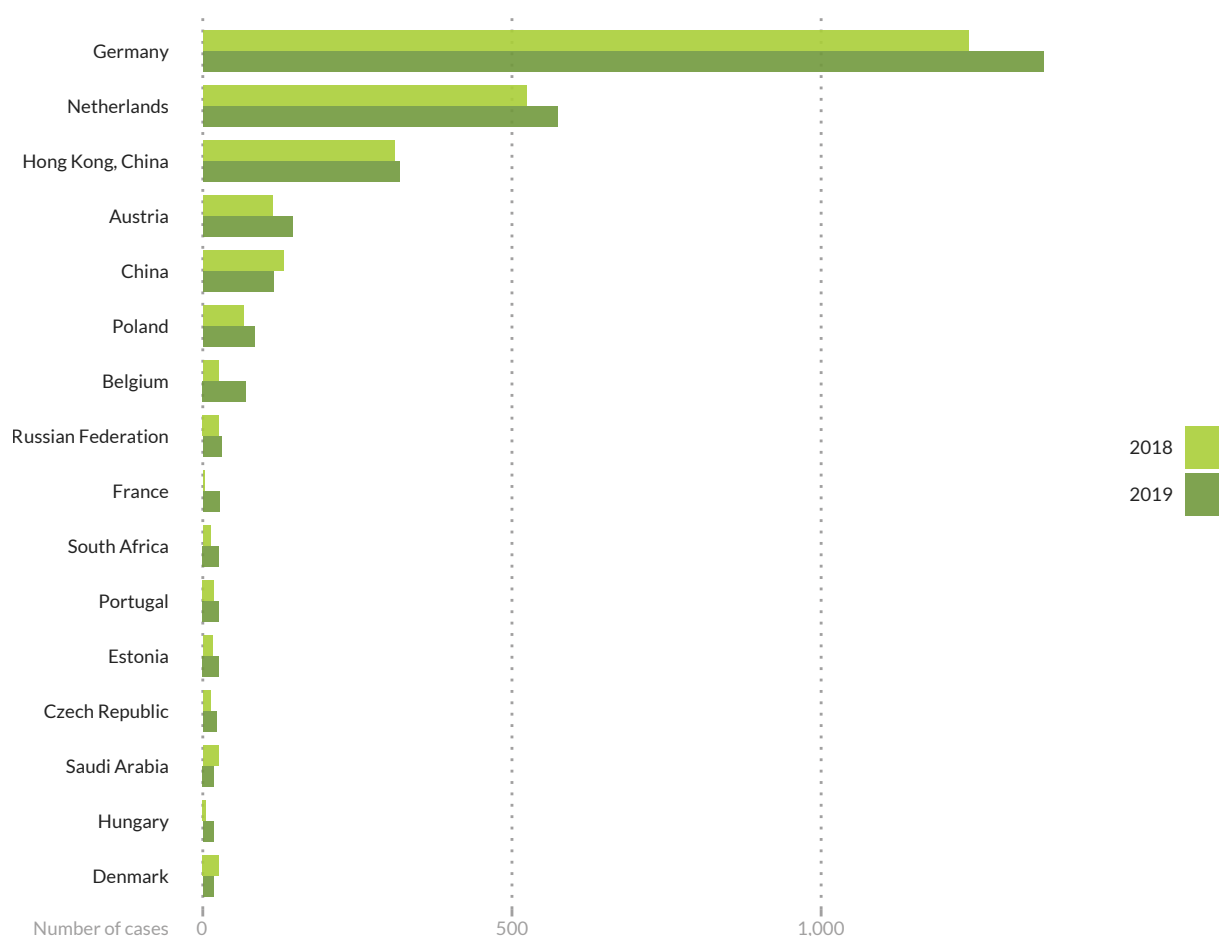


Figure 1 compares the number of cases reported by the top 15 reporting countries in 2019 with the number of cases these countries reported in 2018. Cases reported by the top 15 countries in 2019 made up 94.3% of total reported cases worldwide. Germany reported both the highest number of cases overall in 2019 (1,360 cases) and the greatest increase in the number of cases reported from 2018 to 2019 (122 more cases reported than in 2018). Cases reported by Germany made up 44.6% of overall cases in 2019.

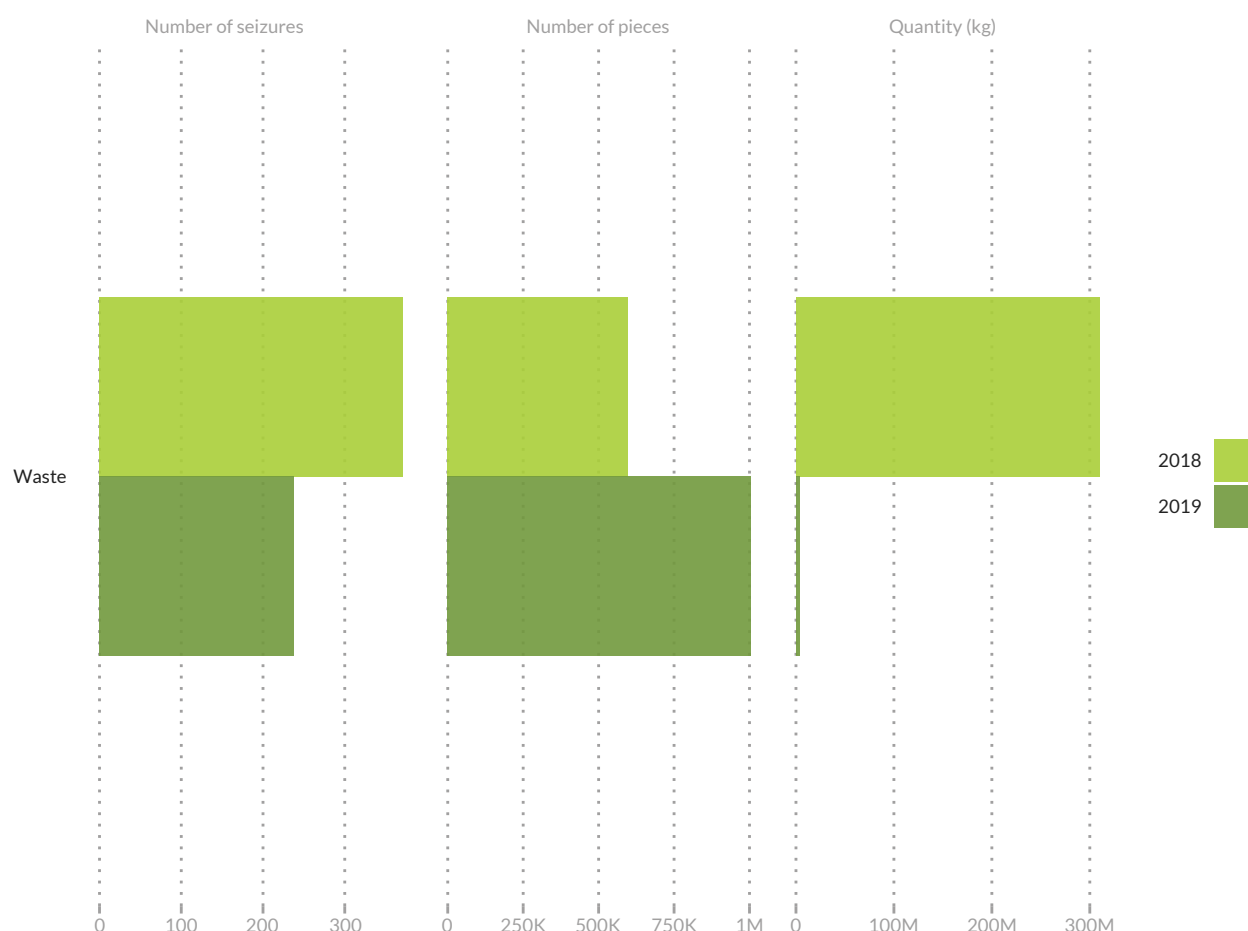
Denmark and Hungary had the smallest number of cases in this group, each reporting 17. Just three countries decreased the number of cases reported: China (114) had 17 fewer cases than in 2018, Denmark

(17) had nine fewer cases, and Saudi Arabia (18) had seven fewer cases. Note that for the purposes of analysis, Hong Kong (China) is considered separately from mainland China.

Analysis of case and seizure data such as this requires caveats. First, all conclusions rely on data involving seizures voluntarily submitted at the discretion of WCO Members. As a result, Figures in this Section representing CEN data might not afford a comprehensive view of trends in the international trade of environmental products. Second, apparent increases in certain categories or routes might simply reflect improved methods and techniques of Customs officials rather than a genuine uptick in environmental product trafficking.



Figure 2: Number of waste seizures and quantity seized, 2018-2019



This Section is organised in the following manner:

1. Overall trends in trafficking of environmental products.
2. Projects and Operations.

1. Overall trends in trafficking of environmental products

Figure 2 compares the number of seizures and the total quantity of environmental waste products seized (in pieces and in kilograms) in 2018 and 2019. The most dramatic change in 2019 was the quantity of waste

seized, which fell by over 98.8%. This is a factor of several large quantity seizures in 2018: 18 of the largest weights seized in 2018 are greater than the single largest weight seized in 2019 (1,592,250 kilograms). The number of waste seizures also decreased in 2019, decreasing from 371 seizures in 2018 to 238 in 2019. Only the number of pieces of waste seized increased in 2019, increasing from 596,769 in 2018 to 1,005,024 in 2019.

Case study 1

Cambodia finds 83 containers of waste at Sihanoukville Autonomous Port

In July 2019, Cambodian authorities inspected 83 containers loaded with 1,592.25 tonnes of illegally shipped plastic waste at Sihanoukville Autonomous Port. Seventy of the containers were shipped from the United States, and the remaining 13 were shipped from Canada. The shipment passed through ports in Singapore, Malaysia, and Vietnam, before reaching Cambodia. Cambodian authorities report that fake import documents labelling the shipment as “recyclable plastic” were used to smuggle the shipment. The content was confirmed as being unprocessed plastic waste.

Prior to 2018, China was a major importer of waste products globally. Since China banned the importing of various categories of waste, new destinations for such shipments are sought. Waste shipments – especially plastic waste – have been redirected to Southeast Asia, severely impacting countries including Cambodia, Malaysia, Indonesia, Vietnam, and the Philippines. Cambodian Prime Minister Hun Sen made it clear that Cambodia was not to be one of these new destinations, telling reporters that “Cambodia is not a trash bin”, and that they would return the unwanted waste to the exporting

countries. Following this case, the Cambodian government decided to ban imports of plastic waste. The General Department of Customs and Excise of Cambodia (GDCE) ordered the repatriation of the illegal shipment to Canada and the US, and the shipment was successfully returned. Cambodia Customs officers remain on high alert to prevent and interdict any shipment of wastes.

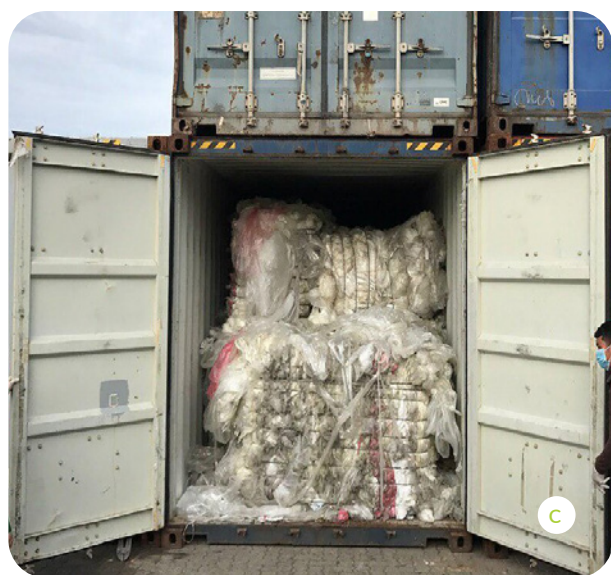
Sources:

Bamoin (2019), *Campuchia trả lại 83 container rác dồn về cảng Preah Sihanouk*, available at <https://baomoi.com/campuchia-tra-lai-83-container-rac-don-ve-cang-preah-sihanouk/c/31496884.epi>, accessed on 10 April 2020.

The Phnom Penh Post (2019), *Sihanoukville authorities find 83 rubbish-packed containers*, available at <https://www.phnompenhpost.com/national/sihanoukville-authorities-find-83-rubbish-packed-containers>, accessed on 10 April 2020.

Phys.org (2019), *Asian countries turning back wealthy world's waste*, available at <https://phys.org/news/2019-07-asian-countries-wealthy-world.html>, accessed on 10 April 2020.

The Guardian (2019), *'Not a dustbin': Cambodia to send plastic waste back to the US and Canada*, available at <https://www.theguardian.com/world/2019/jul/17/cambodia-plastic-waste-us-canada-send-back>, accessed on 10 April 2020.

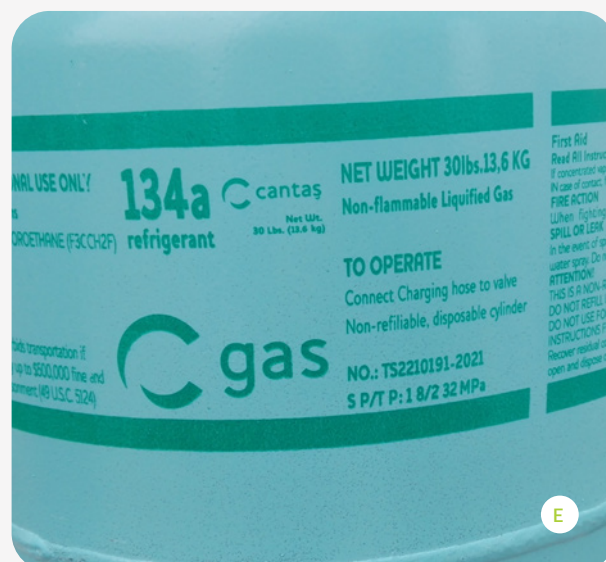


C, D: Cambodian Ministry of Environment and Phnom Penh Post.

Member highlights: Ozone-depleting substances seized in Estonia

F-gases

The Estonian Tax and Customs Board notes that the smuggling through its borders of non-refillable containers filled with fluorinated greenhouse gases (F-gases) seems to be decreasing. In 2018, Estonian Customs made 160 seizures of F-gases products, compared to 25 seizures in 2019. The smuggling pattern remains the same than in 2018: mainly private individuals departing from Russia to Estonia, attempting to smuggle non-refillable containers filled with fluorinated greenhouse gases, usually one or two at a time. Methods of transportation include cars, trucks, and busses, but F-gases products have also been seized from pedestrians.



Plant protection products

On the other hand, the smuggling of plant protection products, such as pesticides, shows an upward trend. In 2019, Estonia Customs made 66 seizures related to smuggling of plant protection products, compared to 34 seizures in 2018. In most cases, the offenders attempted to smuggle plant protection products in small quantities, departing from Russia to Estonia.

Regarding biocides specifically, the trend is also upwards. In 2019, Estonian Customs made 49 biocide seizures, compared to 4 in 2018. Similarly to other plant protection products, in most cases the offender attempted to smuggle biocides in small quantities, departing from Russia to Estonia.



Source: Estonian Customs.

Figure 3: Number of CITES seizures by category, 2018-2019

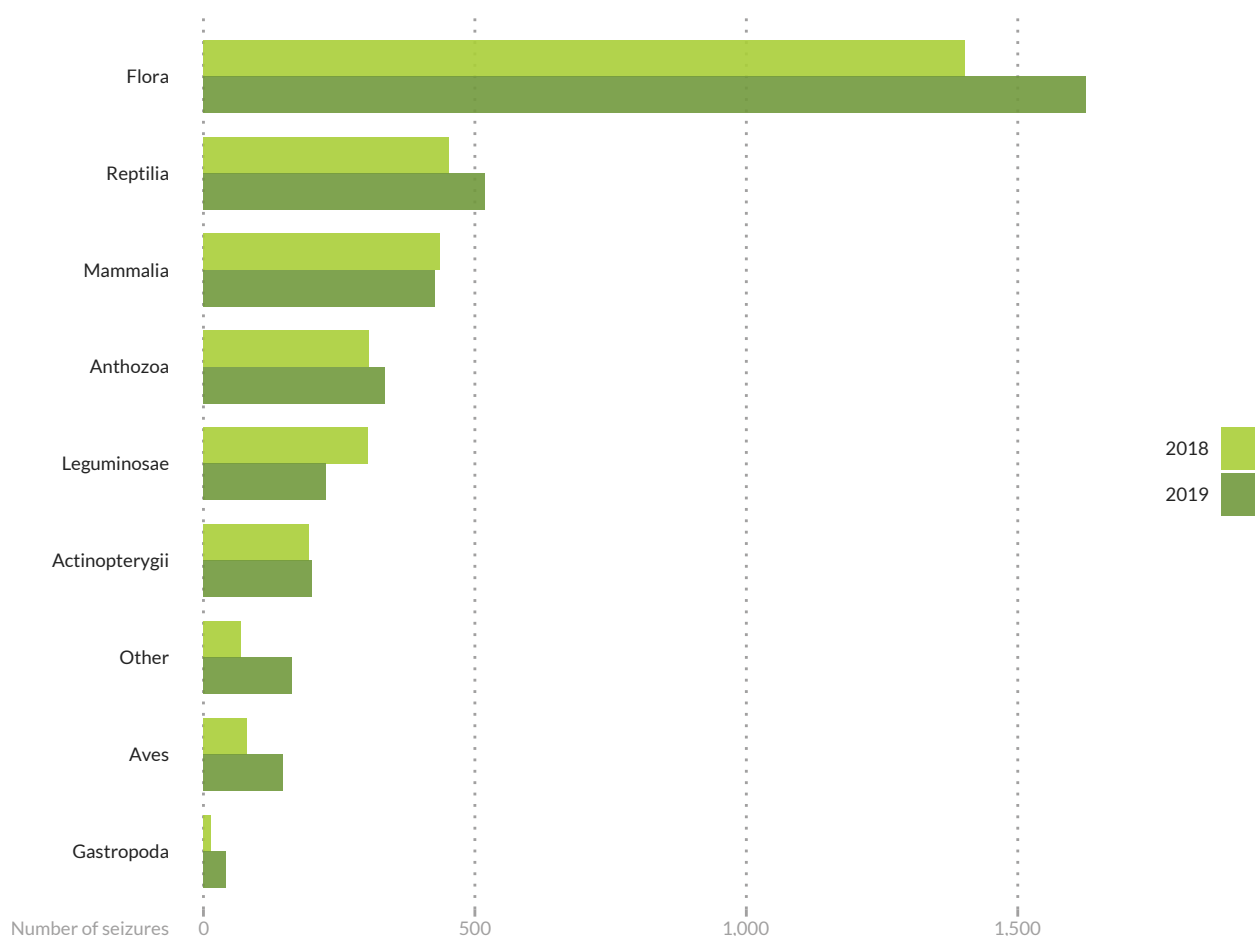


Figure 3 compares the number of seizures of CITES-designated products, by category, between 2018 and 2019. This part refers to the species of fauna by the following scientific classifications: *reptilia*, *mammalia*, *aves*, *anthozoa*, *leguminosae*, *actinopterygii* and *gastropoda*. The first three of these species — *reptiles*, *mammals* and *birds* — are familiar categories, but the remaining classes may require some explanation. *Anthozoa* refers to marine invertebrates, such as sea anemones and a variety of coral species. *Leguminosae*, or legumes, refers to a species of flowering plant that is often farmed for timber production and which, for the purposes of this Section, refers exclusively to

rosewood. *Actinopterygii* refers to ray-finned fishes, including European eels, seahorses and pipefish, as well as a variety of sturgeon. *Gastropoda* refers to snails and slugs, and in this Chapter refers exclusively to queen conch.

As in 2018, *flora* was the largest single category of CITES-designated products seized in 2019. The number of *flora* seizures reported increased by 222 seizures, from 1,403 in 2018 to 1,625 in 2019. Figure 6 provides a more detailed breakdown of the changes in *flora* subcategories between 2018 and 2019. *Flora* was not the only category to increase in



2019; in fact, all but two CITES-designated categories increased. *Leguminosae* decreased by 77 reported seizures and *mammalia* decreased by eight seizures. The overall increases in every other category explain the rise in the total number of seizures of these products, which increased from 3,251 seizures in 2018 to 3,646 in 2019.

G: Thai Customs seized more than 4,500 turtles and 35 live fish from a van during Operation Thunderball (June 2019). Courtesy: Thai Customs.

Figure 4: Number and quantity of pieces seized by category (CITES), 2018-2019

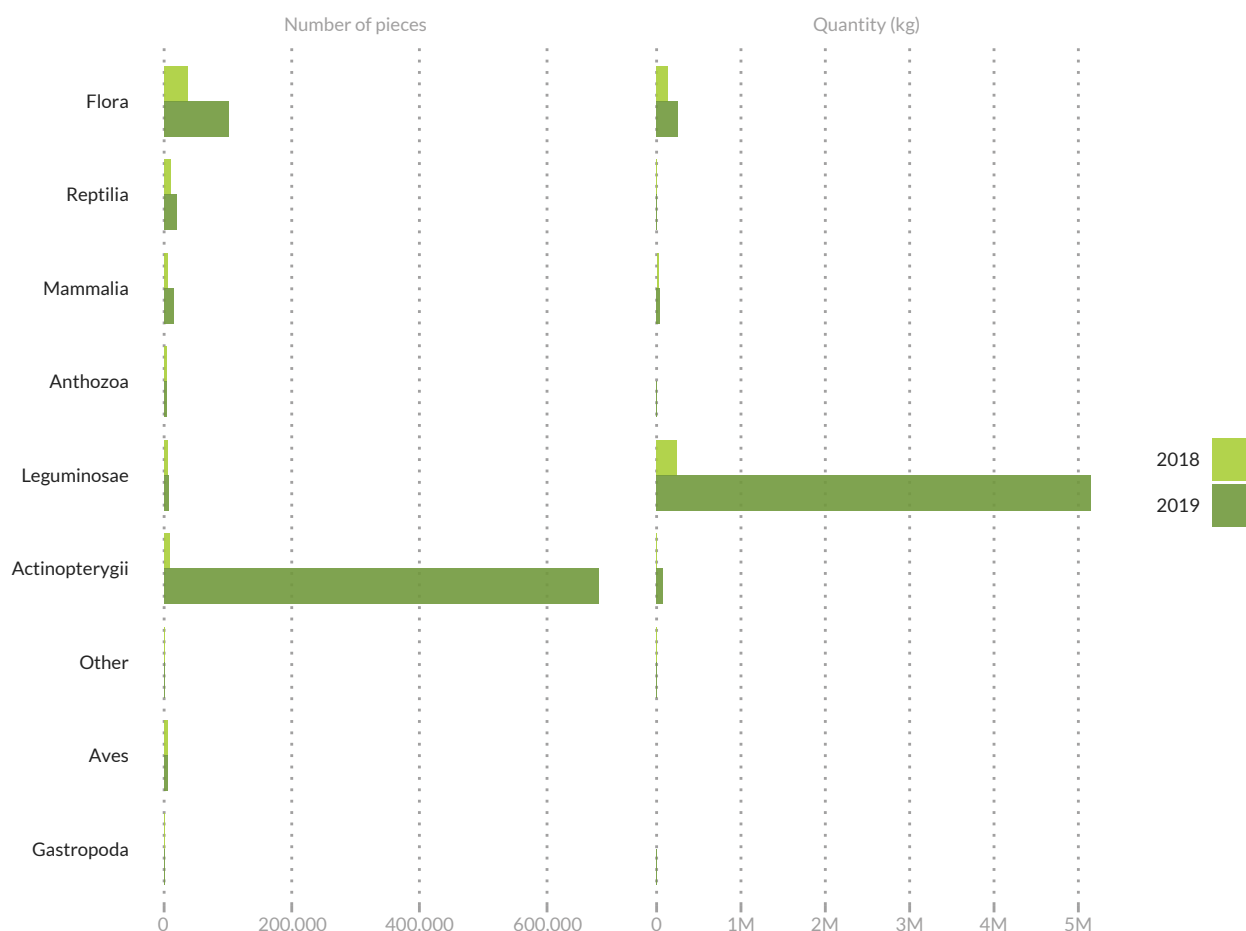


Figure 4 compares the number of pieces and quantity of CITES-designated products seized in 2018 and 2019. *Actinopterygii* stands out for the number of pieces seized in 2019 – 680,648 compared to just 8,544 in 2018. This dramatic increase is primarily a result of just four seizures in Europe that account for 74% of all pieces of CITES-designated products seized in 2019. These seizures were reported by Croatia, Germany and Switzerland, and were all of European eel, which is designated as CITES Appendix II. The *flora* and *mammalia* categories also registered significant increases in pieces seized in 2019, an increase of 173% and 163% respectively.

The quantity of products seized in the *leguminosae* category is also much higher than any other category in either 2018 or 2019. This is due in large part to six large seizures in Gabon, which account for 84% of the total weight (in kilogrammes) of CITES-designated products seized in 2019.

A caveat must be underlined regarding *flora* seizures, however, particularly relating to timber. In the CEN, several timber seizures have been reported in cubic meters. For the purpose of this analysis, all cubic meters of timber have been converted into kilogrammes. These conversions are an estimation.

Case study 2 European eels smuggled in Croatia, Germany and Switzerland

On 11 January 2019, Swiss Customs authorities seized 122,000 European eels at Zurich airport from Chinese nationals attempting to smuggle them out of the country. Just eight days later in Geneva, Swiss Customs authorities again stopped an attempt to smuggle 133,000 European eels. On 29 January, German Customs officials at Stuttgart airport stopped two men with four suitcases that contained 170,000 European eels. And finally, on 6 February, two South Korean citizens were arrested in Zagreb, Croatia, for attempting to smuggle 252,000 European eels out of the country.

The wildlife smugglers used the air transport sector to attempt to move the eels from Europe to Asia, where they are considered a delicacy and an aphrodisiac. The eels were packed in plastic bags half filled with water, and kept cool with insulation. Some of the confiscated eels were already dead, but the ones that survived were released back into their habitat.

German authorities arrested two Chinese and one Malaysian national after using a rental car to track the whereabouts of the smuggling ring to a Chinese restaurant in Hesse, Germany.

Sources:

Swiss Federal Customs Administration (2019), *An den Flughäfen Genf und Zürich beschlagnahmte Glasaale wieder zurück im Wasser*, available at <https://www.ezv.admin.ch/ezv/de/home/dokumentation/publikationen/forum-z---das-magazin-des-schweizer-zolls/nah-dran/beschlagnahmte-glasaale-wieder-im-wasser.html>, accessed on 10 April 2020.

Stuttgarter Nachrichten (2019), *Fahnder heben Stützpunkt internationaler Aal-Schmuggler aus*, available at <https://www.stuttgarter-nachrichten.de/inhalt.ehemaliges-china-restaurant-in-essen-fahnder-heben-stuetzpunkt-internationaler-aal-schmuggler-aus.b3bf485f-cedd-4e62-bba7-e3c738509e27.html>, accessed on 10 April 2020.

Rhein-Neckar-Zeitung (2019), *Männer wollten 170.000 Glasaale in Koffern nach Asien schmuggeln*, available at: https://www.rnz.de/politik/suedwest_artikel,-stuttgarter-flughafen-maenner-wollten-170000-glasaale-in-koffern-nach-asien-schmuggeln-_arid,417038.html, accessed 10 April 2020.

South China Morning Post (2019), *Squirming surprise: two South Koreans arrested for trying to smuggle 252,000 live eels out of Croatia in their suitcases*, available at <https://www.scmp.com/news/world/europe/article/2185346/squirming-surprise-two-south-koreans-arrested-trying-smuggle>, accessed on 10 April 2020.

WCO CEN.



H, I: Suitcases filled with glass eels, confiscated in Geneva Airport. Copyright: Swiss Federal Customs Administration.

Figure 5: Number of fauna seizures by type, 2018-2019

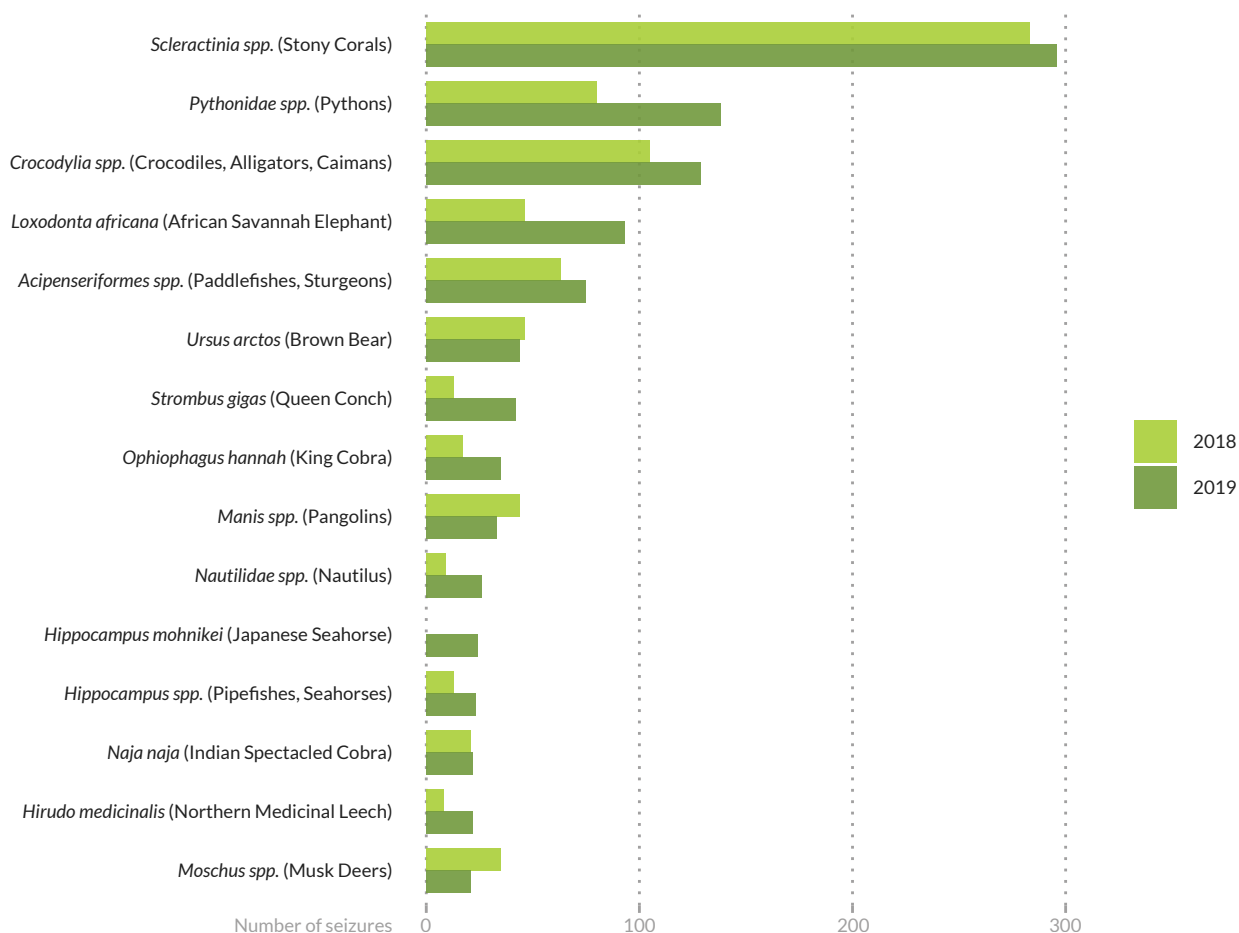


Figure 5 compares the top 15 most-seized categories of fauna in 2019 to the number of seizures involving these categories in 2018. *Scleractinia spp.* (stony corals) was again reported as the most seized category of fauna, increasing from 283 seizures in 2018 seizures to 291 in 2019. Although most categories increased in 2019, four categories - *elephantidae spp.* (elephants), *manis spp.* (pangolins), *moschus spp.* (musk deers) and *Ursus arctos* (brown bear) – decreased. *Pythonidae spp.* (pythons) showed the greatest growth in the number of seizures, increasing by 58 seizures, from 80 in 2018 to 138 in 2019. The products in these *pythonidae spp.* (pythons) seizures included both live and dead specimens, derivatives, teeth, and skin products.



J: Seizure of European goldfinches. Courtesy: North Macedonian Customs.



Figure 6: Number of flora seizures by type, 2018-2019

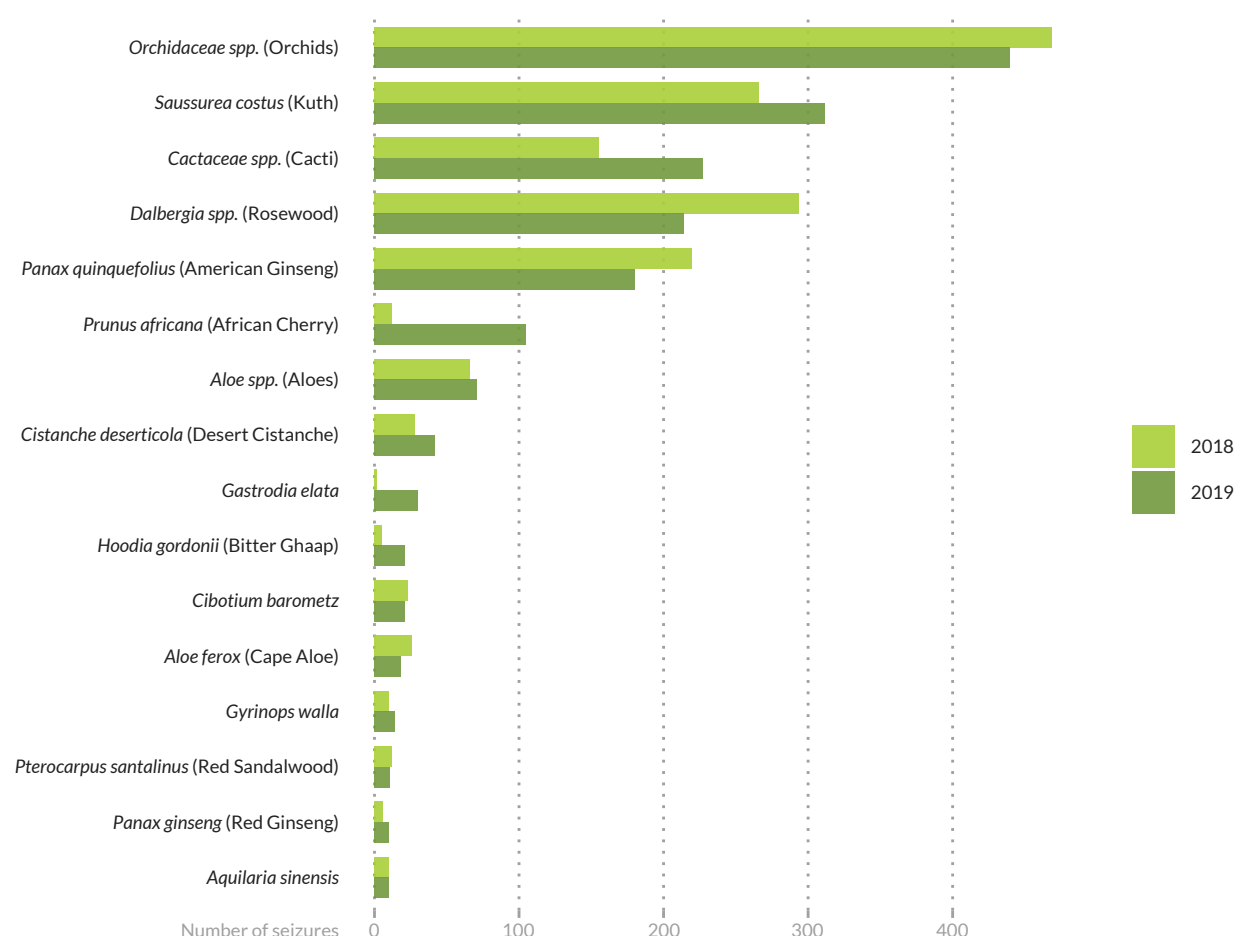


Figure 6 compares the top 15 most-seized categories of flora in 2019 to the number of seizures involving these categories in 2018. Seizures reported in these top 15 categories increased from 1,604 reported seizures to 1,726 reported seizures. The most common category reported in 2019 was *orchidaceae spp.* (orchids), which nonetheless decreased by 29 reported seizures compared to 2018. Another notable category to

decrease in 2019 was *dalbergia spp.* (rosewood), which saw 80 fewer seizures in 2019 (214) than in 2018 (294). Other categories, on the other hand, increased dramatically. Reported seizures of *Prunus africana* (African cherry) increased 775%, jumping from 12 seizures in 2018 to 105 in 2019. *Gastrodia elata*, which saw just two reported seizure in 2018, was among the top 15 most-seized categories in 2019 with 30 seizures.

Member highlight: Illegal logging in Thailand

Thailand has been experiencing deforestation and illegal logging for decades, partly due to the high demand for precious wood furniture in Asian countries. As a result, furniture made from illegally sourced timber, protected under CITES Appendixes, is flooding both Asian and European markets, as once the furniture is assembled for (re-)export, it is very difficult to trace back the origin of the wood.

Within the timber industry, Thailand positions itself as an export-focused manufacturer. Due to its geographical location, it is in close proximity to other timber exporter countries of Southeast Asia, as well as to China, the biggest importer of timber in the region. As

such, Thailand is especially vulnerable to illegal logging within its borders, but also to have illegal shipments of timber passing through its borders, destined for other countries.

In Asia, one of the most sought out precious wood is Siamese rosewood (*Dalbergia cochinchinensis*), which is regularly seized. However, in 2019, Thai authorities noticed a shift in the most commonly seized species of timber. Throughout 2019, Padauk (*Pterocarpus macrocarpus*) smuggled through borders from neighboring countries into Thailand and destined for other Asian countries was frequently seized.

Source: Thai Customs.





Figure 7: Number of CITES seizures and quantity seized by type and conveyance method, 2019

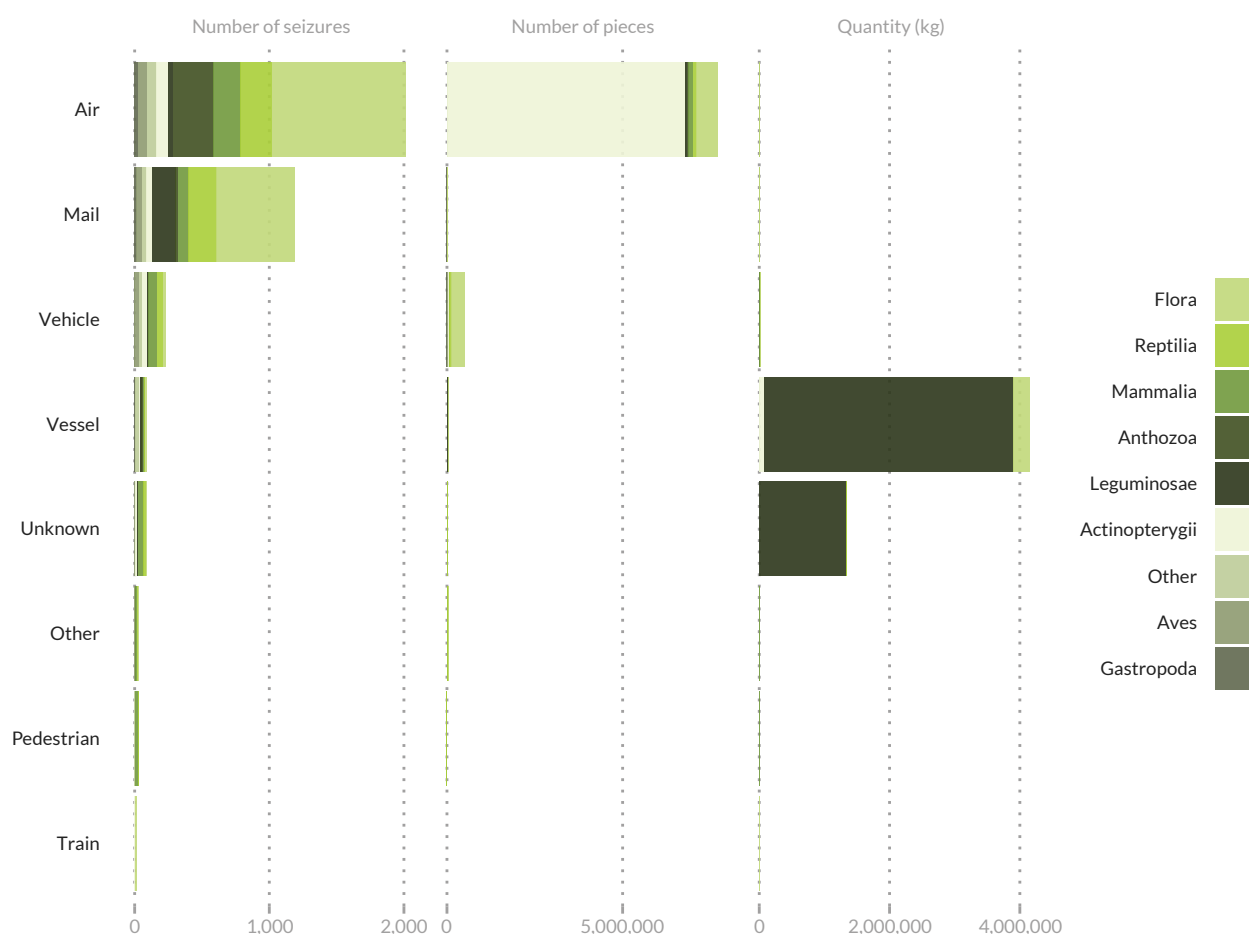


Figure 7 displays the number of seizures of CITES-designated products and the quantity seized (in pieces and in kilogrammes) in 2019 by conveyance method. The majority of seizures were reported in the air transport sector, which accounted for 54.7% of all seizures. All nine categories of CITES-designated products in 2019 were stopped while using this conveyance method; seizures made via mail, vehicle and vessel also encompassed all nine categories.

The number of pieces from air seizures also accounted for a large part of the total; 92.2% of all pieces were seized from this conveyance method. This is due in

large part to the four important *actinopterygii* seizures in Europe, discussed in Figure 4. These seizures, all made from air transport baggage, account for 81.1% of the total number of pieces seized from any conveyance method.

As in 2018, seizures made in 2019 from vessels account for the majority (75.1%) of kilogrammes in 2019, seized despite accounting for only 2.2% of the total number of seizures. This again echoes a trend seen in Figure 4: of the six large seizures in Gabon that account for 90% of the total kilogrammes seized, five were made from vessels (the other has an unknown conveyance type).

Figure 8: Number of cases by Customs procedure and country, 2019

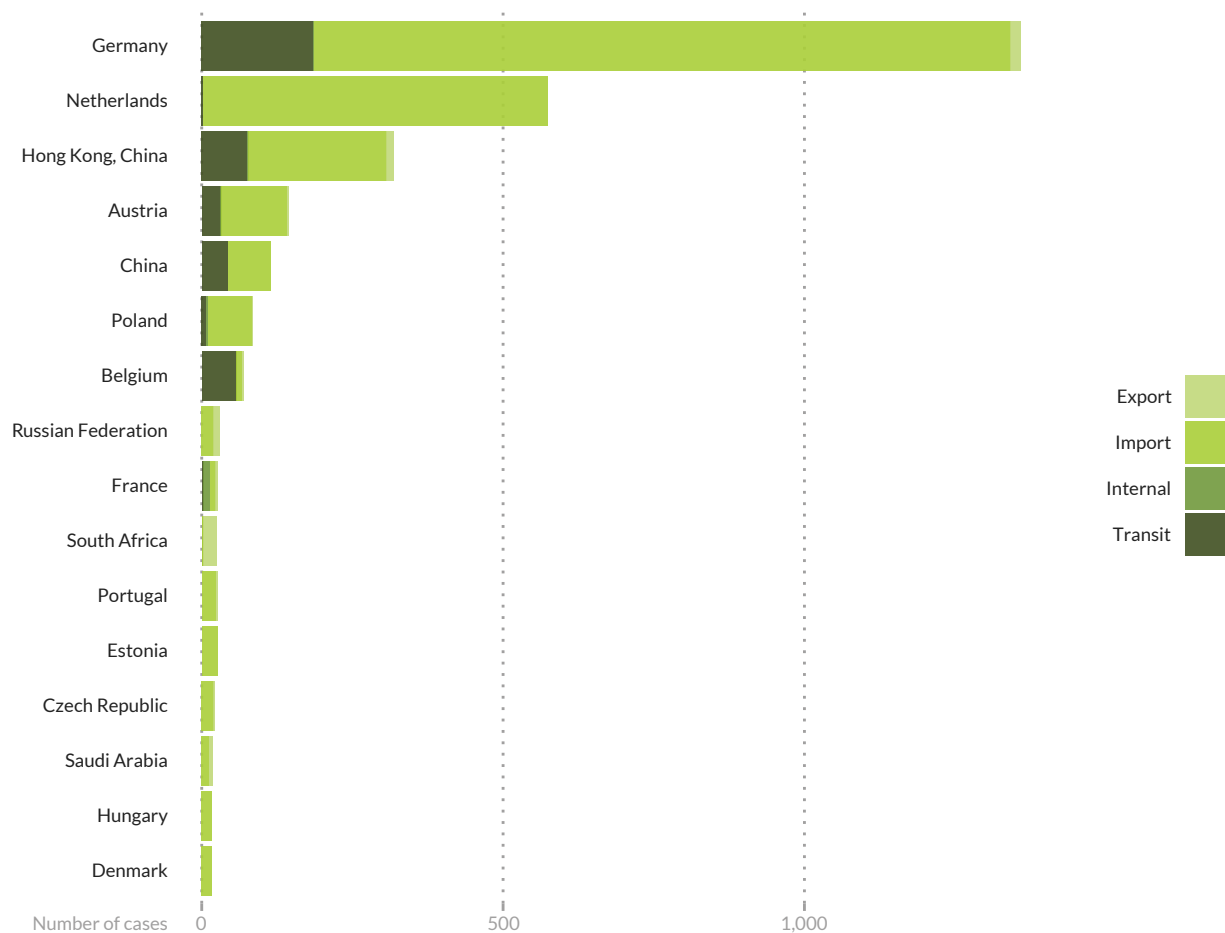
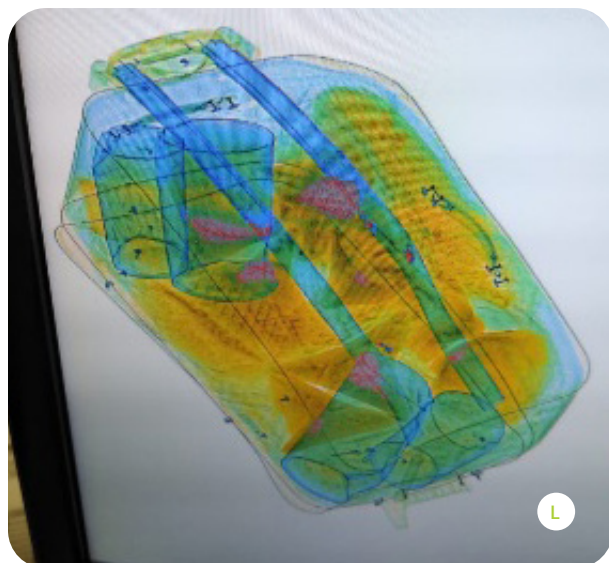


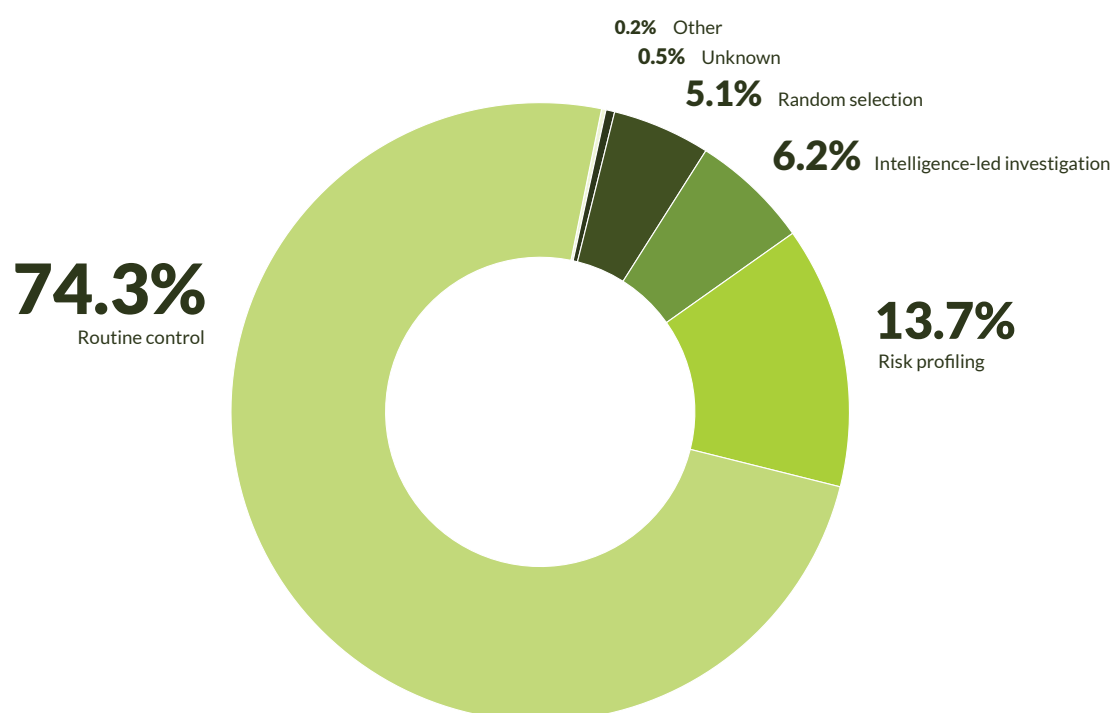
Figure 8 displays the number of cases (CITES and waste) by the top 15 reporting countries broken down by Customs procedure. As discussed in Figure 1, cases reported by the top 15 countries in 2019 made up 94.4% of total reported seizures worldwide. Of these, cases seized upon import make up the vast majority – of the 2,873 cases in this Figure, 2,365 (82.3%) were reported with this Customs procedure. The second most common procedure was transit, which accounted for 14.1% (404 of 2,873) cases reported by the top 15 reporting countries. The least reported category was internal, with just 19 cases among the top 15 reporting countries. France reported ten of these, and Poland



L: Courtesy: South African Customs.



Figure 9: Percentage of cases by detection method, 2019



reported three. Only five Customs administrations reported seizures from all four categories: Germany, Hong Kong (China), Austria, France and Poland.

Figure 9 breaks down reported cases in 2019 by detection method. The most reported detection method was routine control, which accounted for 74.2% (2,262) of cases. It is of note that even though intelligence-led investigation accounted for just 6.2% of total cases reported in 2019, it was responsible for some of the largest cases and individual seizures. All six of the large seizures of African Rosewood,

discussed in Figure 4 and Figure 7, were made thanks to intelligence-led investigation. Similarly, three of the four large seizures of European eel, also discussed in Figure 4 and Figure 7, were a result of intelligence-led investigation. The final seizure was made due to risk profiling. The average weight of seizures due to intelligence-led investigation was 25,025 kilogrammes, and the average number of pieces seized because of this detection method was 3,285. Routine control, by contrast, yielded an average of 311 kilogrammes and 271 pieces per seizure.



Figure 10: Percentage of CITES seizures by category, 2019

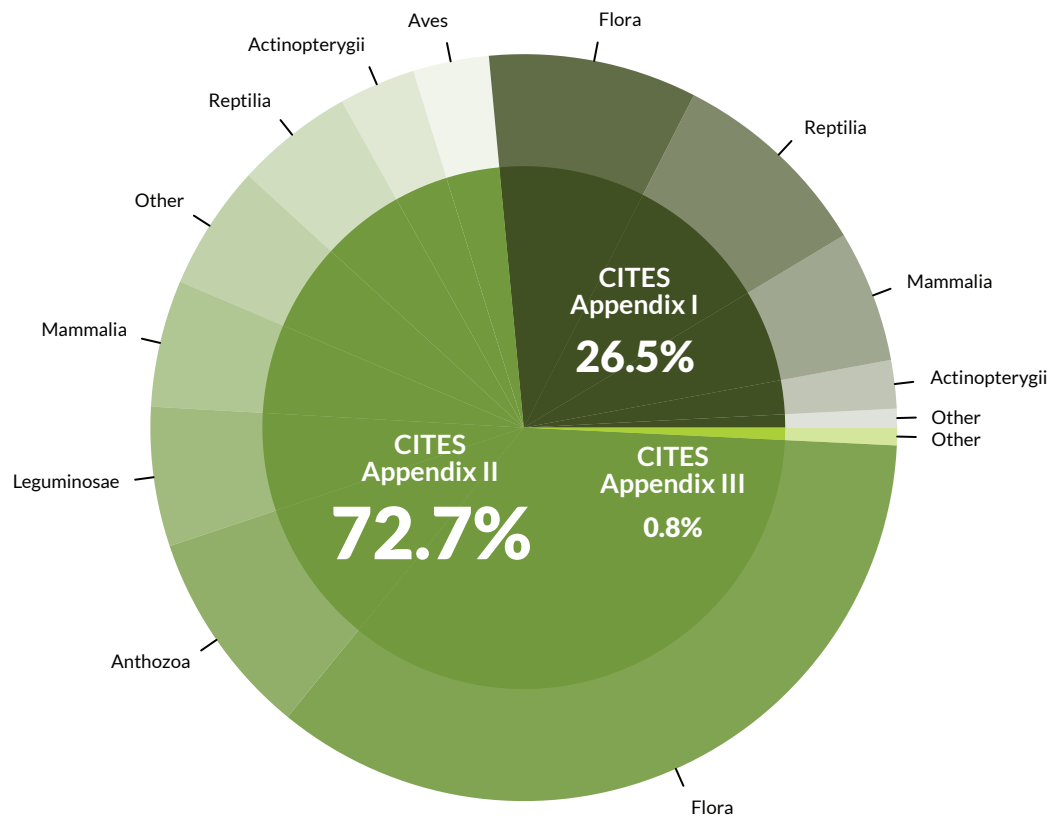


Figure 10 represents the percentage of 2019 seizures of CITES-designated products by category. Flora and fauna species listed in CITES Appendix I currently face potential extinction, those listed in Appendix II could face potential extinction if trade remains uncontrolled, and those listed in Appendix III are protected in at least one country that has asked CITES parties for assistance in controlling the trade in that species.

The largest CITES category is Appendix II, which contains all sub-categories for CITES-designated products. The largest single category was *flora*, which is broken down in further detail in Figure 6 and accounted for 35.1% of the total number of CITES-designated seizures reported. Although all trade in flora and fauna

listed under CITES Appendix I is prohibited except in the case of specific circumstances, 74 unique species under this Appendix were seized in 2019. The single largest category, with 312 seizures, was kuth, a species of thistle native to India used in traditional medicine and perfumes. There were 285 unique CITES Appendix II species seized, the largest single category of which were orchids.

Figure 11: Proportion of CITES seizures by type and country, 2019

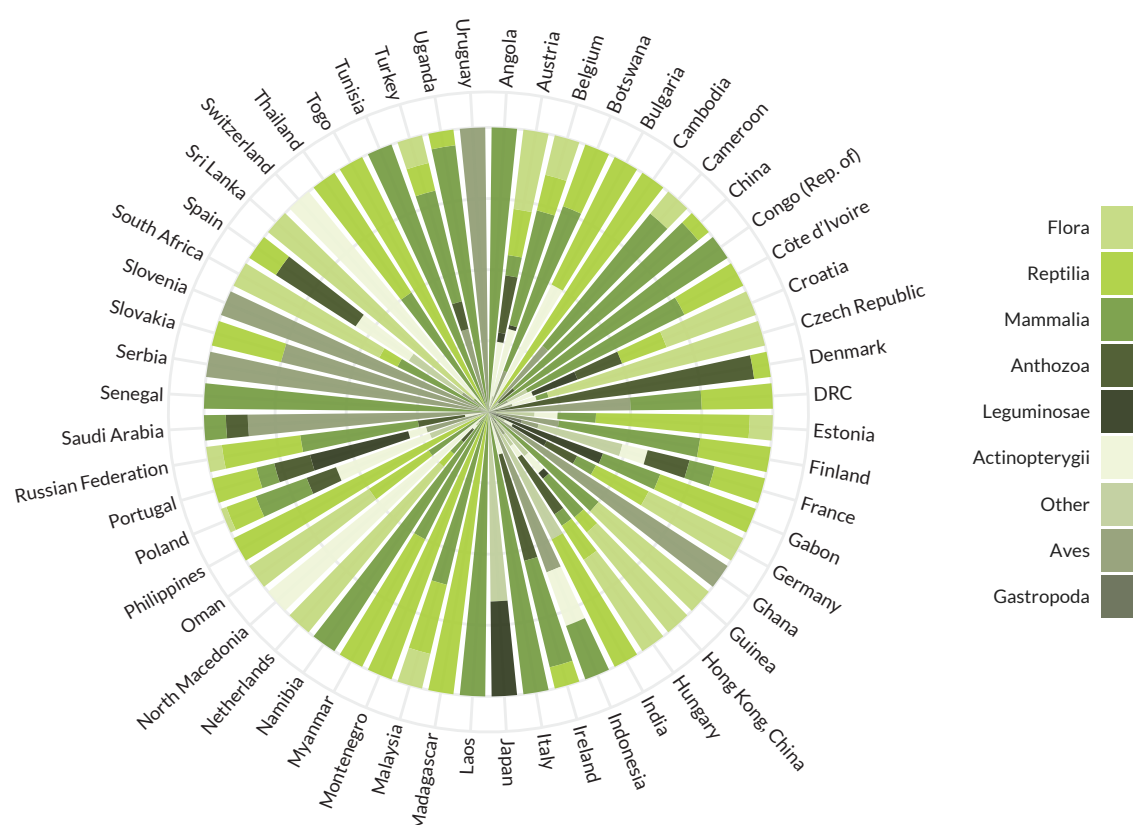


Figure 11 shows the proportion of CITES seizures by type and country. Fifty-seven countries reported CITES seizures in 2019, although a third of these reported seizures in only one category. Only two countries, Germany and the Netherlands, reported all nine of the categories listed above. This is likely due to these two countries reporting the highest number of seizures in 2019.

Although, as seen in Figure 3, *flora* was the highest-reported category of seizure in 2019, it was not reported by the most diverse set of countries. Eighteen Customs administrations reported 1,625 *flora* seizures, with especially high numbers reported by Germany, the Netherlands and Hong Kong (China). A total of 38 countries, on the other hand, reported 424 seizures of *mammalia*. Other categories, such as *reptilia* (36 countries reporting 512 seizures) and *aves* (24 countries reporting 142 seizures) were more geographically diverse as well.

Figure 12: Number of CITES seizures and quantity seized by category and region, 2018 – 2019

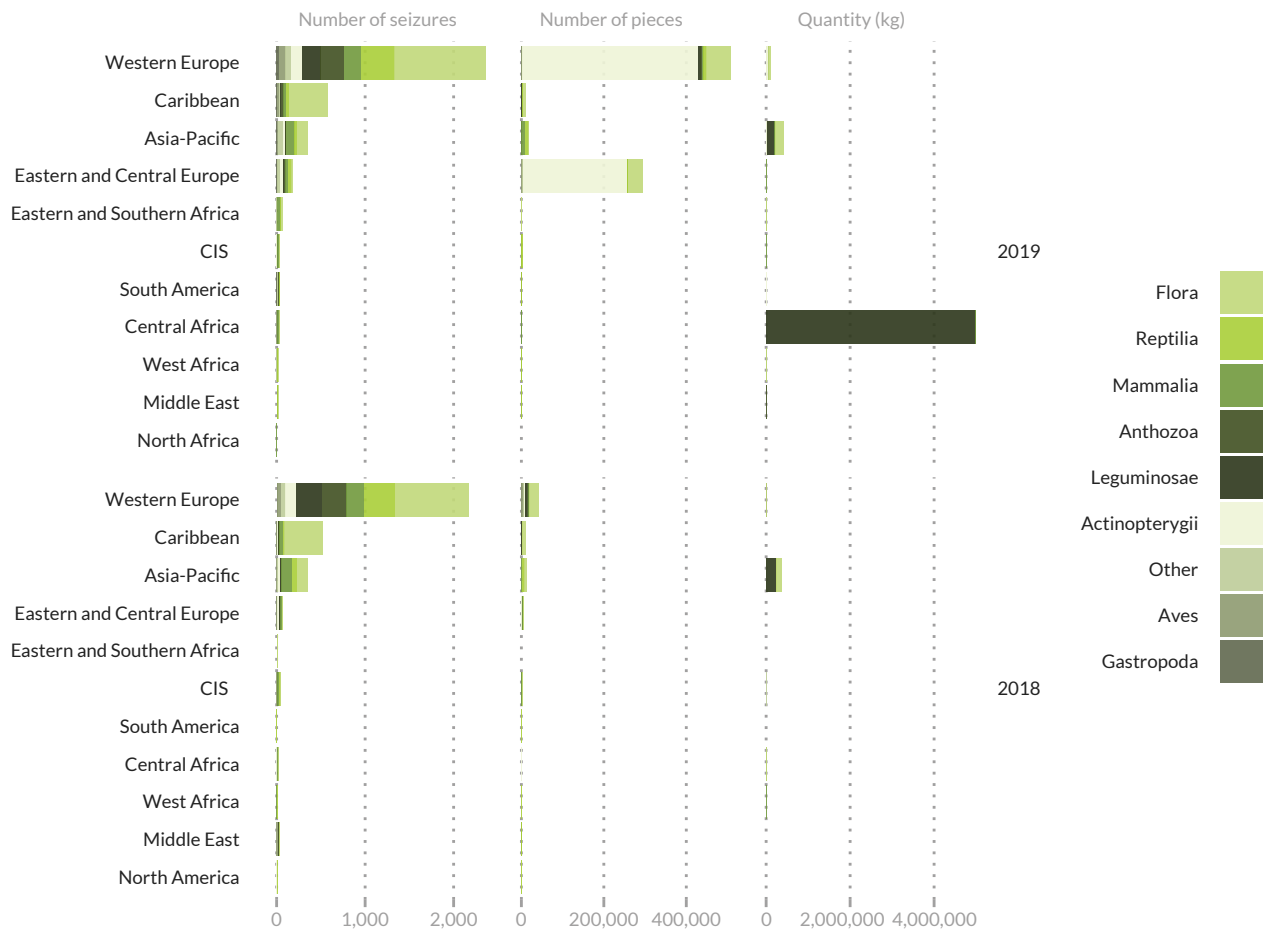


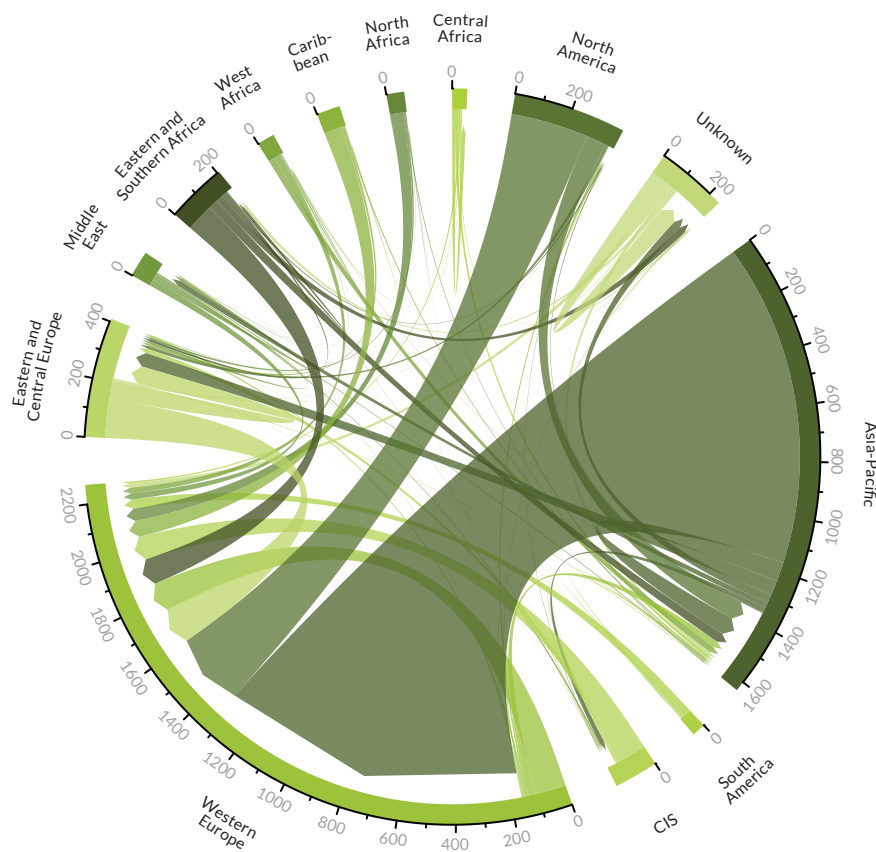
Figure 12 represents the number of CITES-designated seizures and the quantity seized (in pieces and in kilogrammes) by category and region in 2019. As discussed in Figure 4, Figure 7 and Figure 9, the dramatic increase in quantity seized in Central Africa is due to six large *leguminosae* seizures in Gabon of African rosewood. Additionally, as discussed in the same Figures above, the increase in the number of pieces seized in Eastern and Central Europe and in Western Europe are largely a result of four particularly large seizures of European eel in 2019.

All regions except North America and the Middle East individually increased the number of seizures reported between 2018 and 2019. Customs administrations in

Western Europe, for example, reported 2,362 seizures in 2019 (60.8% of the total) while they reported 2,172 seizures in 2018 (59.9% of the total).

Figure 13 displays CITES-designated environmental product trafficking flows from, to and within reporting regions for 2019. The 2,843 cases reported in 2019 flowed through 82 unique region-to-region routes. The most common of these was from Asia-Pacific to Western Europe, which was reported in 1,166 cases (41%). Western Europe and Asia-Pacific were also the regions that received product from the most diverse places, each appearing as a destination in at least one case from all 13 regions (including their own, due to internally trafficked commodities). Cases reported

Figure 13: Trafficking flows of CITES products by region, 2019



as originating in Western Europe also went to the greatest number of regions (11). The actual number of flows these diverse routes represent, however, can be relatively small: the total number of cases flowing out of Western Europe was just 163. The number of cases with origin in Asia-Pacific, by contrast, was 1,361.



M: Seizure of semi-processed reptile skins. Courtesy: UK HMRC.

Figure 14: Trafficking flows of waste products by region, 2019

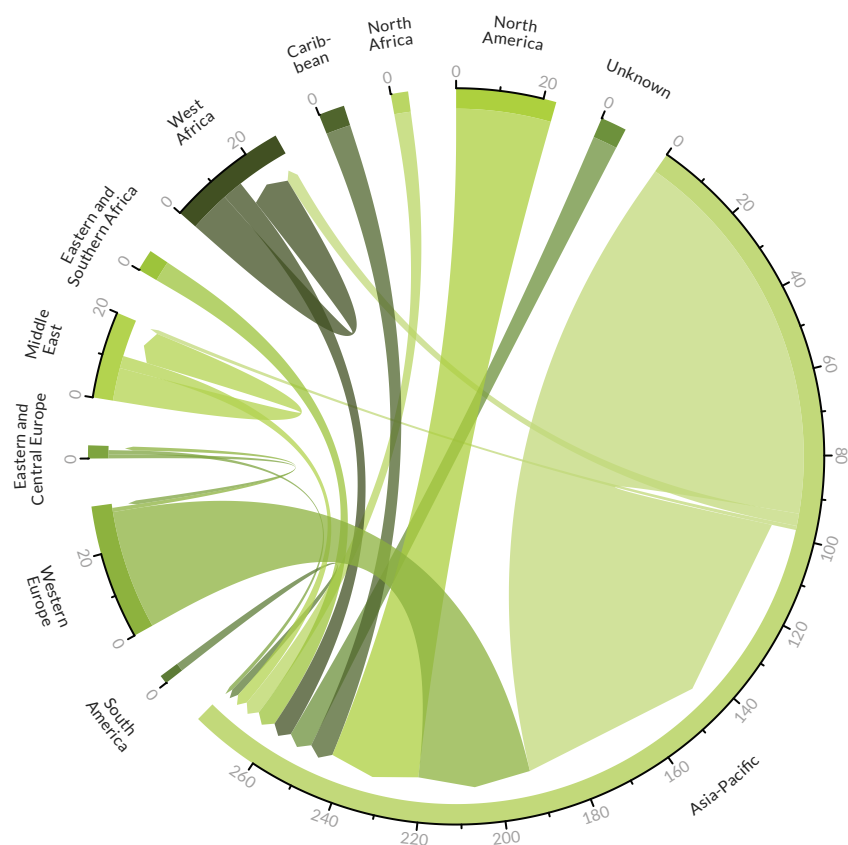


Figure 14 displays waste products trafficking flows from, to and within reporting regions in 2019. The 202 cases reported in 2019 flowed through 17 unique region-to-region routes. The most common of these was within Asia-Pacific, which was reported in 92 cases (46.5%). Western Europe and North America to Asia-Pacific were the second and third most common

trafficking flows, respectively occurring 29 and 23 times. In total, Asia-Pacific served as a destination for 178 of the 202 (88.1%) flows of waste trafficking in 2019. The three other regions serving as destinations were West Africa (13), Eastern and Central Europe (1) and Western Europe (1).

Figure 15: Heat map of trafficking instances by country, 2019

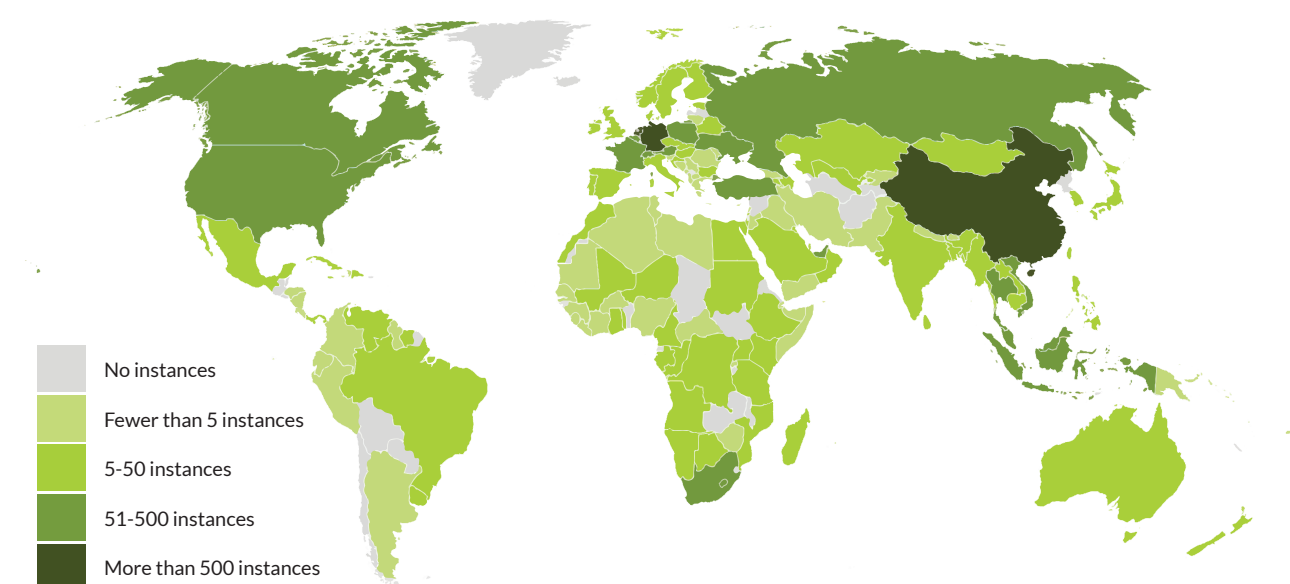


Figure 15 is a heat map of instances of environmental product trafficking (CITES and waste) in 2019, representing country and frequency. Each country indicated was the origin, destination, or transit point for one or more seized shipments of environmental commodities, regardless of which country reported it. Although 60 countries reported cases of environmental commodity trafficking, 155 countries are implicated in the trade in this Figure. It is important to note that cases where commodities were stopped before the intended destination country will still appear as a trafficking instance connected with the intended destination country.

Just three countries were reported in more than 500 instances: Germany, China, and the Netherlands. Germany and the Netherlands reported the top two greatest numbers of cases in 2019, respectively, as seen in Figure 1. Hong Kong (China), which was associated with 451 instances of trafficking, reported the third greatest number of cases (318). By contrast, mainland China, which for the purposes of this analysis is considered separately from Hong Kong (China), reported 114 cases but was associated with 627 trafficking instances. Most countries (73 of 155) were implicated in five to 50 instances of environmental product trafficking.

Figure 16: Trafficking routes and instances by location, 2019

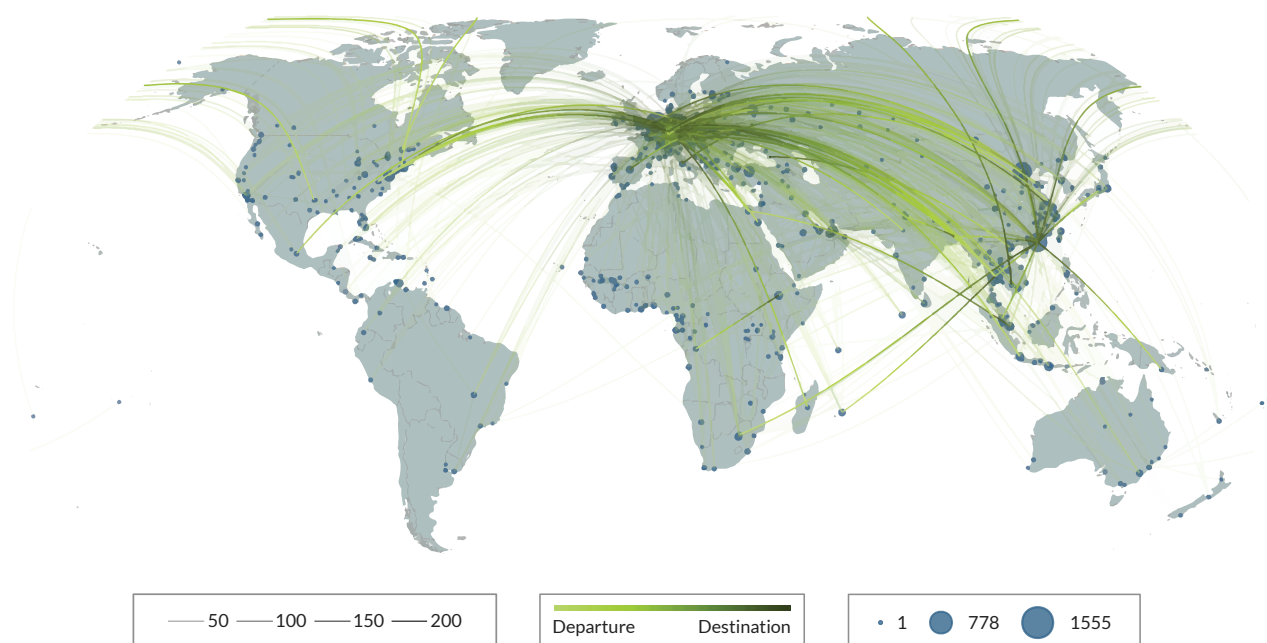


Figure 16 shows the illicit flows of environmental commodities from origin to destination. Point size indicates the number of cases in a particular city. When no specific city was reported, the capital of a given country serves as a proxy city location. The flows are light green at their origin and become darker as they approach their destination. The darker the overall tone of a flow, the more frequently that trafficking route appeared in the data. It is important to note that these flows do not necessarily indicate completed smuggling attempts; in many cases, contraband was seized at its origin point or while in transit. In all cases, flows represent intended routes of transit as they were reported.

The map above represents 4,613 flows of illicit environment commodities, moving along 689 unique flows through 155 countries. The most common route by far was intra-German trafficking, which accounted for 913 of the flows. Only four additional routes recorded more than 100 flows: Thailand – Germany (293 flows), China – Netherlands (218 flows), United States – Germany (209 flows) and China – Germany (162 flows). That Germany reported the highest number of cases overall in 2019 may account for its prevalence among the most commonly reported illicit trafficking routes of environmental commodities. Just over half (50.7%, or 350) of these routes were reported only once.



Member highlight: Singapore maintains its effort to combat illegal wildlife trade

Between April and July 2019, Singapore Customs seized three major illegal shipments of pangolin scales and elephant ivory.

On 3 April 2019, a total of 12.9 tonnes of pangolin scales and 177 kg of processed elephant ivory pieces were discovered hidden amongst packs of frozen beef in a refrigerated sea freight container, at the Pasir Panjang Export Inspection Station. It is estimated that 17,000 pangolins were killed to make the shipment. A week later, on 8 April 2019, another 12.7 tonnes of pangolin scales were uncovered during a thorough inspection of a container of cassia seeds, which was flagged out for further inspections at the Pasir Panjang Scanning Station. Subsequently, on 21 July 2019, Singapore Customs seized another container with 11.9 tonnes of pangolin scales and 8.8 tonnes of raw elephant tusks hidden amongst timber. The illegal cargo was found after a tip-off from China Customs.

Analysis of the pangolin scales have linked them to four species native to the African continent, namely the white-bellied tree pangolin, the black-bellied tree pangolin, the temminck's ground pangolin, and the giant ground pangolin. All four species are considered vulnerable by the International Union for Conservation of Nature (IUCN).

The total estimated value of the goods from the three seizures amounted to S\$170 million, and was made possible as a result of close cooperation between Singapore Customs, the National Parks Board of Singapore (NParks), Immigration & Checkpoints Authority of Singapore (ICA), and the General Administration of China Customs.

The illegal shipments were falsely declared as beef, cassia seeds, and timber, which are low risk agricultural products. Beef and cassia seeds were used as coverload

to mask the strong smell of pangolin scales. The fact that part of the ivory recovered was already processed into carved pieces suggest that the ivory was processed in Africa prior to being shipped. The quantities of pangolins involved point to sourcing, processing and distribution on an industrial scale. All shipments originated from Nigeria and the Democratic Republic of the Congo. They were destined for Vietnam, transiting via Singapore by sea freight.

Pangolins and elephants are species protected under CITES, to which Singapore is a party. Under Singaporean laws, any person who imports, exports or re-exports pangolins or ivory, including its parts such as scales and ivory, commits an offence and is liable on conviction to a fine up to S\$500,000 and/or up to two years' imprisonment.

Singapore has always been inadvertently implicated in the global illegal wildlife trade for two reasons: its global connectivity, as well as the presence of a small domestic market where pre-1990s ivory can be legally sold. As such, Singapore Customs, NParks, and ICA have a risk assessment framework in place to help target shipments involved in illegal wildlife trade. While these containers were all in transit and there was no local consignee in Singapore, seizure information has been shared with source and destination countries via secured communications channels, such as the National Central Bureaus and CEN, and international organizations such as CITES and INTERPOL for further investigations. Singapore will continue to play its part in combatting wildlife trafficking through continued collaboration and cooperation with regional and international stakeholders.

Source: Singaporean Customs.

2. Projects and operations

WCO INAMA PROJECT

The WCO INAMA Project was launched in 2014 with the objective to mitigate illegal wildlife trade by strengthening the enforcement capacities of targeted Customs administrations, focusing in particular on the enforcement of CITES. The project has two separate components and is funded by the United States (US) Department of State and the German Agency for International Cooperation (GIZ).

Under US funds, the INAMA Project contributed to two global successful operations in 2019 – Praesidio (February) and Thunderball (June). Throughout the year, ten beneficiary Administrations received national support expert missions and a Regional Customs-Police Workshop was conducted in Asia. In addition, 12 previously identified officers were accredited as Technical and Operational Advisors in the field of illegal wildlife trade (IWT). The second phase of the INAMA-US Project was concluded, and a third phase was launched as a direct continuation.

The GIZ-funded component focuses specifically on Risk Management in the field of IWT in three selected countries in Asia and Africa. In 2019, three diagnostic missions and two implementation missions were carried out, and detailed reports with findings and recommendations drafted. The GIZ-INAMA Project will come to an end in 2020.

OPERATION PRAESIDIO

With a specific focus on IWT, Operation Praesidio was conducted in February 2019 under the auspices of the INAMA Project and with the support of the RILOs, INTERPOL, the United Nations Office on Drugs and Crime-World Customs Organization Container Control Programme (UNODC-WCO CCP) and the Aircop Project. In preparation for the Operation, Customs officers together with their Police counterparts prepared a global IWT Risk matrix, outlining trends for the main commodities, and compiled a country report, which focused specifically on the nature and extent of IWT in each country. These living documents guide

enforcement operations with a focus on environmental crime.

Although only 27 Customs administrations from Asia and Africa, as well as a number of Police forces from the two continents, took part in the Operation, its impact and success exceeded all expectations. Seizures included – among other – ivory, rhino horns, pangolins and pangolins scales, reptiles, shark fins, birds, and large quantities of timber. The close collaboration between Customs and Police strongly contributed to the success of the Operation. Indeed, in order to dismantle international criminal networks, it is essential that seizures are followed by investigations, arrests, and prosecution.

THE INTERNATIONAL CONSORTIUM ON COMBATING WILDLIFE CRIME (ICCWC)

The International Consortium on Combating Wildlife Crime (ICCWC) is a collaborative effort between the CITES Secretariat, INTERPOL, the UNODC, the World Bank, and the WCO. The Consortium aims to bring coordinated support to the national wildlife law enforcement agencies and to the sub-regional and regional networks that, on a daily basis, act in defense of natural resources. WCO activities conducted under the ICCWC banner are funded by the European Union and the United Kingdom.

In 2019, the WCO, under the ICCWC auspices, co-financed Operation Thunderball, which was conducted in collaboration with its partner INTERPOL. In addition, the WCO Environment Programme started working on the development of new CITES training materials and an Environmental Guide for Customs officers, which will be completed in 2020. The WCO also attended a number of meetings and events with the purpose to raise the importance of Customs in the fight against IWT, and enhanced its cooperation with the RILOs on that matter.

OPERATION THUNDERBALL

The WCO and INTERPOL conducted jointly the global enforcement Operation Thunderball targeting IWT from 4 to 30 June 2019, as part of the Operation

Thunder series. Intelligence and risk indicators developed prior to the Operation provided valuable support to the enforcement efforts of Customs, Police and Wildlife Authority officers in targeting specific high-risk routings, conveyances and commodities.

The Operation saw the participation of 109 countries across the globe and netted an impressive 1,828 seizures, including - among others - pangolins and pangolin parts, primates, big cats, turtles and tortoises, ivory, birds, timber, marine wildlife products and plants. The close and effective collaboration between Customs and Police was especially marked by the establishment of a joint team responsible for coordinating the activities throughout the Operation, based at INTERPOL's Global Complex for Innovation in Singapore.

THE GREEN CUSTOMS INITIATIVE

The Green Customs Initiative (GCI) is a partnership launched in 2004 aiming to enhance the capacity of Customs and other relevant border control officers to monitor and facilitate the legal trade and to detect and prevent illegal trade in environmentally-sensitive commodities covered by trade related conventions and Multilateral Environmental agreements (MEAs).

The GCI Partners are the Basel Convention, OzonAction, the Cartagena Protocol, the Rotterdam Convention, the CITES Secretariat, the Stockholm Convention, INTERPOL, the United Nations Environmental Programme (UNEP), the Minamata Convention, the UNODC, the Organization for the Prohibition of Chemical Weapons (OPCW), and the WCO. The tackled commodities include - among others - ozone depleting substances (ODS), toxic chemicals, hazardous waste, endangered species and certain living modified organisms.

In 2019, under the umbrella of the GCI, the WCO participated in a number of events, kicked off with the development of a chapter for an upcoming guide for Customs officers, and supported China Customs with the organization of Operation Demeter V.

Considering the growing importance given to the fight against the illegal trade in waste and hazardous

materials, especially due to China's ban on the import of a number of solid waste, it is foreseen that the GCI-WCO activities will increase significantly in the next few years.

OPERATION DEMETER V

Operation Demeter V, conducted in September 2019, aimed to monitor and control cross-border movements of environmentally sensitive commodities - focusing on hazardous waste and ODS - and ensure compliance with MEAs. China Customs coordinated the efforts with the support of the WCO, whereas the Operational Coordination Unit was established at the RILO Asia Pacific.

Thanks to large participation - 83 Administrations and six regional and international organizations - the Operation also achieved the objective of enhancing information exchange among Customs and between Customs and competent authorities all over the world. 232 seizures were reported, including waste electric and electronic equipment (WEEE, or e-waste), plastic waste, metal scraps, waste vehicle parts, municipal waste, and ODS.



N: Seizure of electrical waste and electronic equipment (WEEE, or "e-waste").
Courtesy: China Customs.



Section 4.

IPR, Health and Safety

INTRODUCTION

The challenges that await Customs administrations in view of their role in ensuring the safety and health of populations are huge. Customs and law enforcement officials must work together to reverse the trade in counterfeit goods, such as medicines, toys, foodstuff, spare parts, which are silently killing people while criminal networks rake in colossal profits.

The World Customs Organization (WCO) through its IPR, Health and Safety programme, spares no effort to support Customs administrations in the implementation of an inclusive action plan for the fight against counterfeit products, fake medicines and others that can harm human life.

Some sixteen containers are handled every second in ports around the world, millions of postal items are routed to airports and tri-postal centres, and numerous items pass through land borders; some of these shipments contain counterfeit or illicit goods. Countries around the world are waiting to receive these types of shipments and their populations are at great risk.

The challenge is enormous for Customs administrations. However, with all the tools and instruments developed by the WCO and a high level of political will, there is hope. Today, some countries are disposed to apply the same criminal policy on drug trafficking to the trade in fake medicines, ranging from prison terms to heavy fines. The trade in counterfeit goods is dangerous and should be dealt with as a criminal act.

Many countries are on the right track and should strive for a synchronization of actions of Customs services, Ministry of Health, Justice, the Police, the order of Pharmacists, laboratories and all other stakeholders. Only through a strong collaboration can the mounting number of counterfeit goods be curbed.

The IPR, Health and Safety section of this Report examines the global illicit trade in counterfeit and medical goods in 2019. As such, this Section is divided into two broad categories. The first category, IPR Products, discusses counterfeit nonmedical goods, including clothing and accessories, cosmetics and electronic appliances. The second category, Medical Products, looks at all illicitly traded and smuggled medical goods, such as medicines, pharmaceutical products and medical technologies, as well as products that are counterfeit, genuine products that lack appropriate authorization or licenses and undeclared products.

In 2019, 50 countries reported 20,956 cases of IPR products trafficking to the WCO. These cases were made up of 37,615 distinct seizures of 47,563,639 pieces of IPR products weighing over 950,000 kilogrammes. The reporting of IPR products trafficking decreased significantly from 2018, when 65 countries reported 38,455 cases made up of 66,958 seizures. This represents 45.5% fall in the number of cases in 2019, and a 43.8% decrease in the number of seizures. The number of pieces seized fell by 19.7% from 2018, when 59,290,947 pieces were seized, although the quantity (in kilogrammes) seized increased by 753%. This dramatic increase was due to a single seizure of 800,000 kilogrammes of textiles other than clothing in 2019, making up 84% of the total quantity seized in the year.

Reported cases and seizures of medical products trafficking increased from 2018 to 2019. The 7,247 cases reported by 59 countries in 2019 marked a 40.1% increase from the 5,172 cases reported by 70 countries in 2018. The number of seizures grew by 47.2%, from 5,958 in 2018 to 8,771 in 2019. The number of pieces, on the other hand, fell by 85.8%, from 350,305,346 to 49,516,099. There were several particularly large seizures in 2018: the five largest seizures accounted for 52.1% of all pieces seized in 2018, and the number of



pieces seized in these was greater than three times the total number of pieces seized in 2019.

The analysis of the trends in this Section requires a few caveats. First, the conclusions below rely on case-and-seizure data voluntarily submitted at the discretion of WCO Member countries. There are many reasons why Customs administrations might not report or might underreport their data, including the need to maintain secrecy over ongoing investigations. As a result, the Figures in this Section might not present a comprehensive view of IPR or medical products trafficking. Second, apparent increases in seizures of certain goods could reveal the increasing efficacy of Customs officers rather than a genuinely upward trend in IPR or medical products trafficking.

This Section is organised in the following manner:

1. Overall trends in the trafficking of IPR Products.
2. Overall trends in the trafficking of Medical Products.



1. Overall trends in trafficking of IPR products

Figure 1: Number of IPR products cases by country, 2018-2019

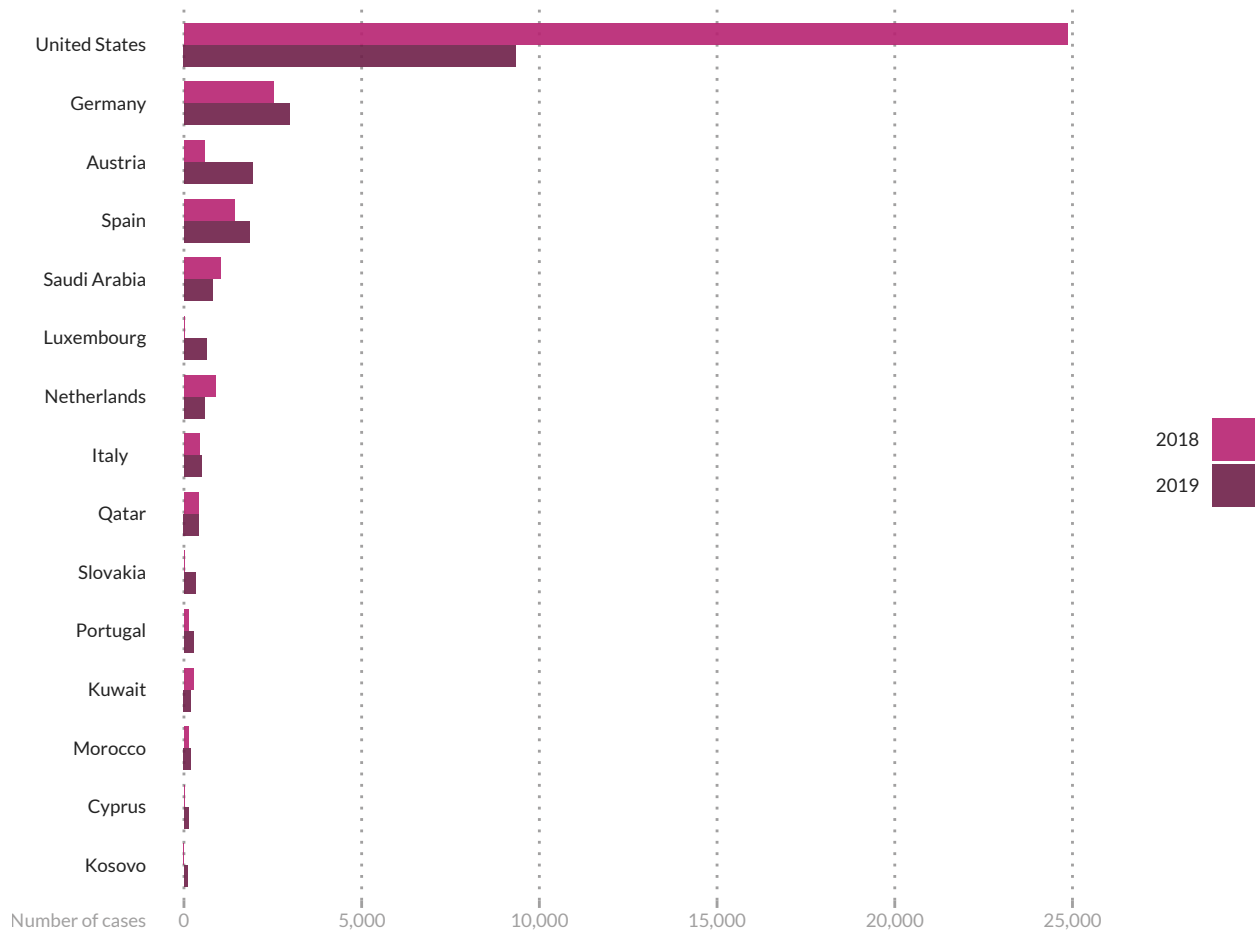


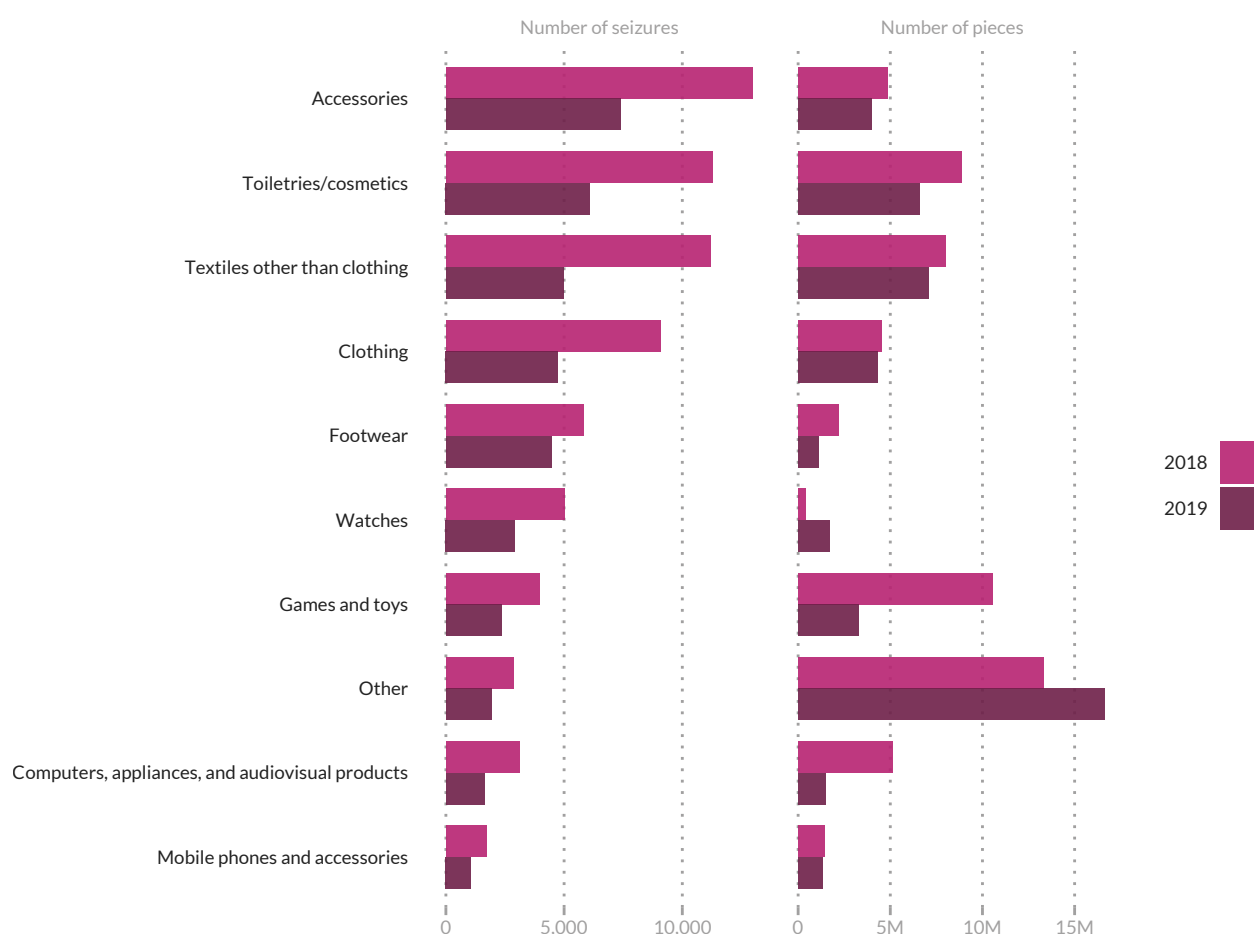
Figure 1 shows the 15 countries that reported the most cases of IPR products trafficking in 2019 and compares the number of cases from 2019 to the number from 2018. The United States reported by far the most cases in both years, though the number of cases fell dramatically, from 24,872 cases in 2018 to 9,342 in 2019 (a 62.4% decrease). Still, the United States reported 888.5% more cases in 2018 and 215.7% more in 2019 than Germany, which reported the second-most cases in both years. Germany reported 2,516 cases in 2018 and 2,959 in 2019, a 17.6% increase. Among the other top-five reporting countries, Austria reported the largest increase, a 234.6% change from 577 cases in 2018 to 1,931 cases in 2019. The number of cases in Spain also increased (by 29.1%), while the

number of cases reported in Saudi Arabia decreased by 20.8%

Several countries showed more dramatic changes between 2018 and 2019. After reporting just five cases in 2018, Luxembourg reported 637 in 2019, sixth-most. Slovakia's cases jumped from 20 to 315, marking a 1,475% increase. Cyprus and Kosovo reported just four cases and one case, respectively, in 2018 but reported 136 and 102 cases, respectively, in 2019.

Figure 2 compares the number of seizures of IPR products and the number of pieces seized in 2018 and 2019 for different categories. The total number of seizures of IPR products fell by 43.8% in 2019, which

Figure 2: Number of IPR seizures and number of pieces seized by category, 2019



is reflected in a decrease in the number of seizures in each sub-category of products. The smallest change in a category was in *footwear*, which decreased 23%. The category with the greatest change was *textiles other than clothing*, seizures of which fell 55.4% in 2019. Among all seizures in 2019, 19.6% were of *accessories*, 16.2% were of *toiletries/cosmetics*, 13.2% were of *textiles other than clothing*, 12.6% were of *clothing* and 11.8% were of *footwear*.

Pieces of *other* IPR products were most commonly seized in 2019, with the 16,651,189 pieces accounting for 35% of all pieces seized. The other categories with the greatest quantity seized were *textiles other than clothing* (14.8% of all pieces), *toiletries/cosmetics*

(13.8%), *clothing* (9%) and *accessories* (8.3%). While most categories saw a decrease in the number of pieces seized, the number of pieces of *other* IPR products seized increased by 24.8% and the number of *watches* seized increased by 328.6%. Because too few seizures reported the amount seized in terms of quantity (kilogrammes), this measure is not displayed in Figure 2. As discussed in the Introduction, however, the quantity (in kilogrammes) of pieces seized in 2019 jumped 753%, largely due to a single seizure of 800,000 kilogrammes of *textiles other than clothing* in 2019. This one seizure made up 84% of the total quantity seized in the year.

Figure 3: Number of IPR products seizures and number of pieces seized by type and conveyance method, 2019

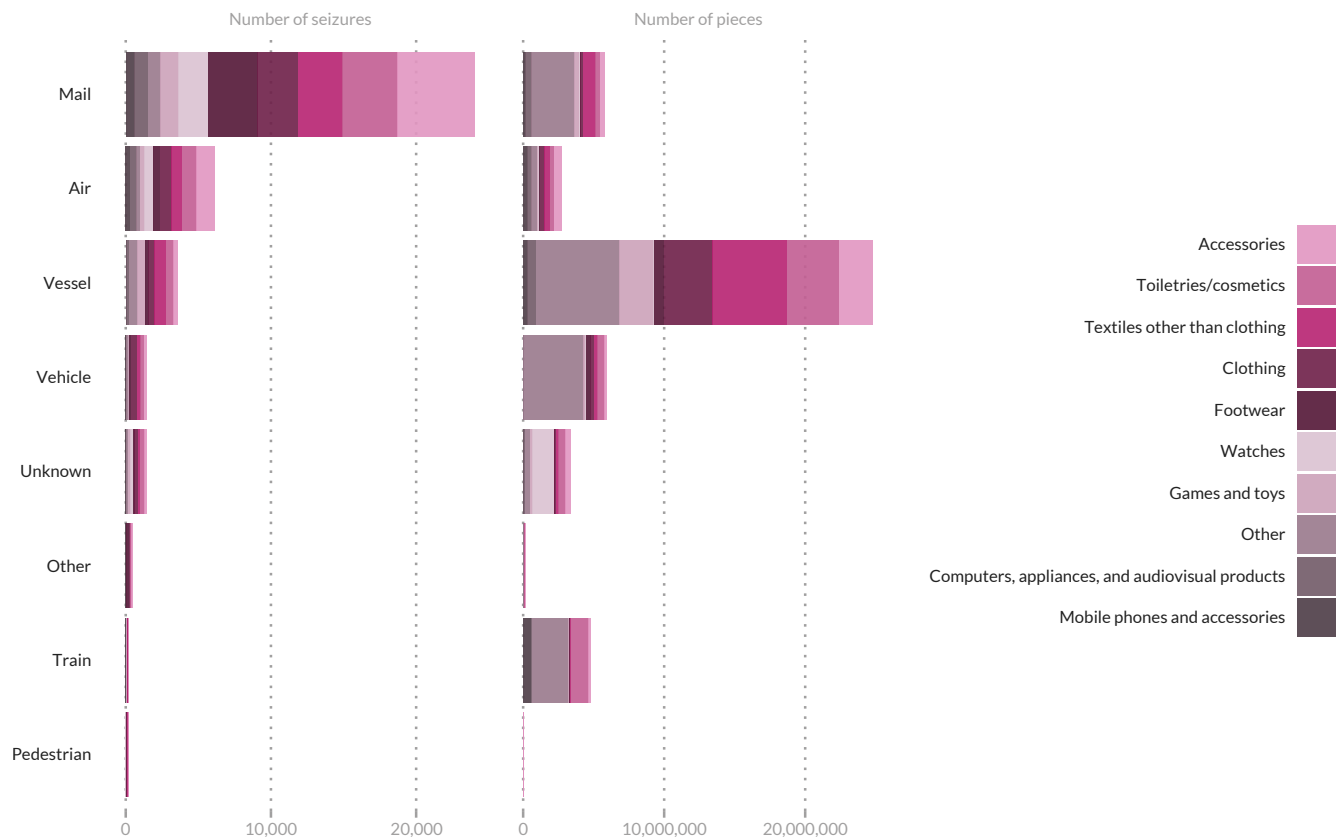


Figure 3 separates the number of IPR products seizures and number of pieces seized by conveyance method and type of IPR product. Seizures from mail (63.9% of all seizures), air (16.3%) and vessels (9.6%) accounted for the vast majority (89.9%) of all seizures. Most pieces were seized aboard vessel transport, which accounted for 52% of the total number of IPR products seized. Mail and air seizures, by contrast, accounted for only 12.1% and 5.7% of pieces seized, respectively. Seizures from vehicles and trains only accounted for 3.8% and 0.5% of all seizures respectively, but made up 12.4% and 10.1% of all pieces seized.

Most conveyance methods were used to move multiple categories of illicit IPR products. Mail seizures, for

example, were most often of *accessories* (22.1% of all mail seizures), *toiletries/cosmetics* (15.9%) and *footwear* (14.1%), while air seizures were 20.6% *accessories*, 16.2% *toiletries/cosmetics*, 12.5% *clothing* and 12.1% *textiles other than clothing*. Vessel seizures were most frequently of *textiles other than clothing* (20.9% of vessel seizures), vehicle seizures most frequently of *clothing* (28.2%), train seizures and pedestrian seizures most frequently of *toiletries/cosmetics* (22.2% and 29.1%, respectively).

Other products accounted for the greatest number of pieces seized via mail (53.4% of pieces seized), vessel (23.8%), vehicle (71.8%) and train (53.8%). There were more pieces of *accessories* seized from air (20% of air seizures) than of pieces of any other type.



Member highlight: Hong Kong - Operation Skylark

In November 2019, Hong Kong Customs conducted a three-day operation codenamed Skylark throughout the city against the use of infringing songs in karaoke systems by party room operators in their course of business. In the first-ever case of its kind, six sets of game consoles with suspected infringing electronic games, two sets of computer servers preloaded with suspected infringing songs, along with 28 sets of karaoke systems used for playing suspected infringing songs were seized, value at about HKD 0.46 million. Eighteen persons were arrested.

Source: Hong Kong Customs.



C: IT equipment seized during Operation Skylark. Courtesy: Hong Kong Customs.



Figure 4: Number of IPR products cases by Customs procedure and country, 2019

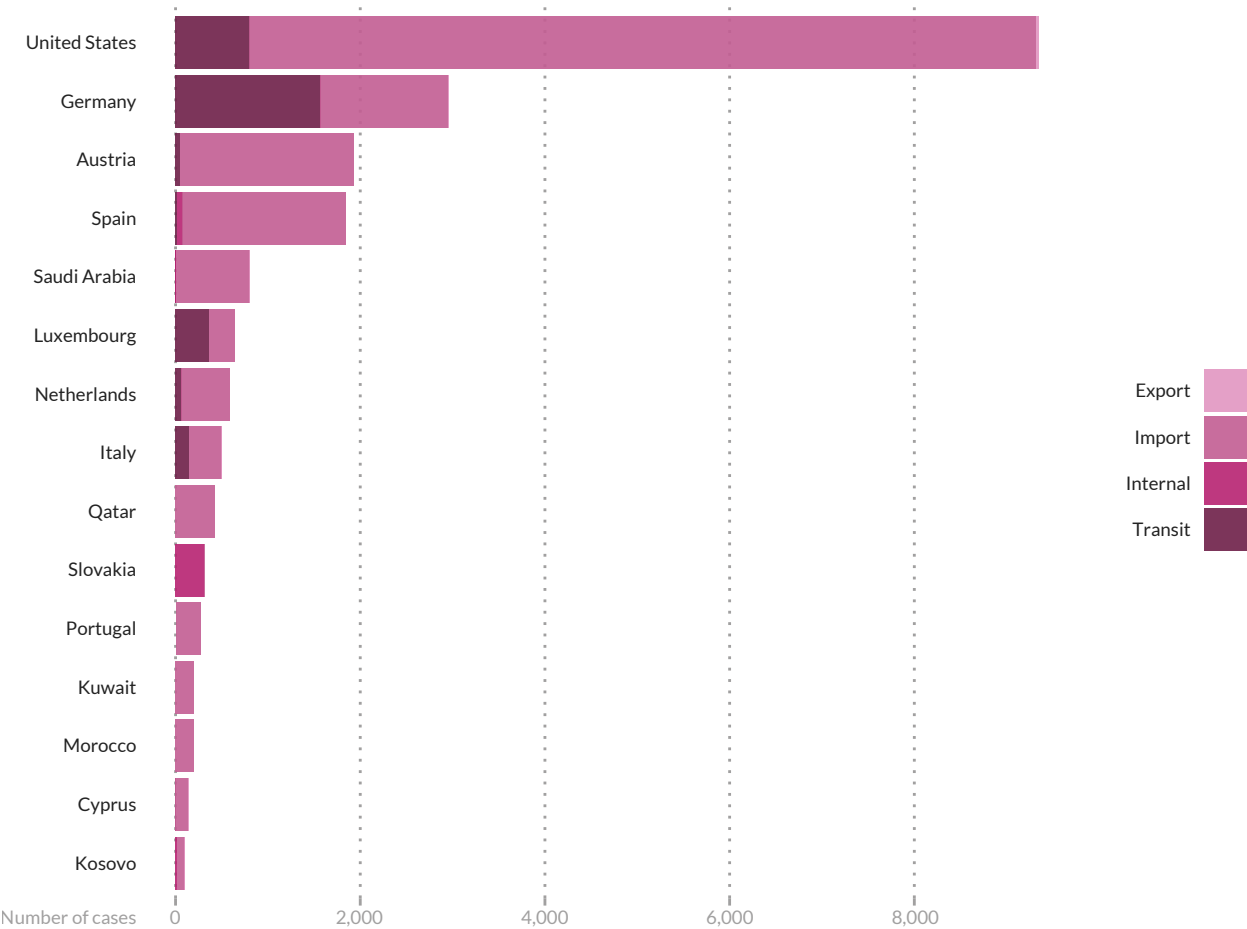


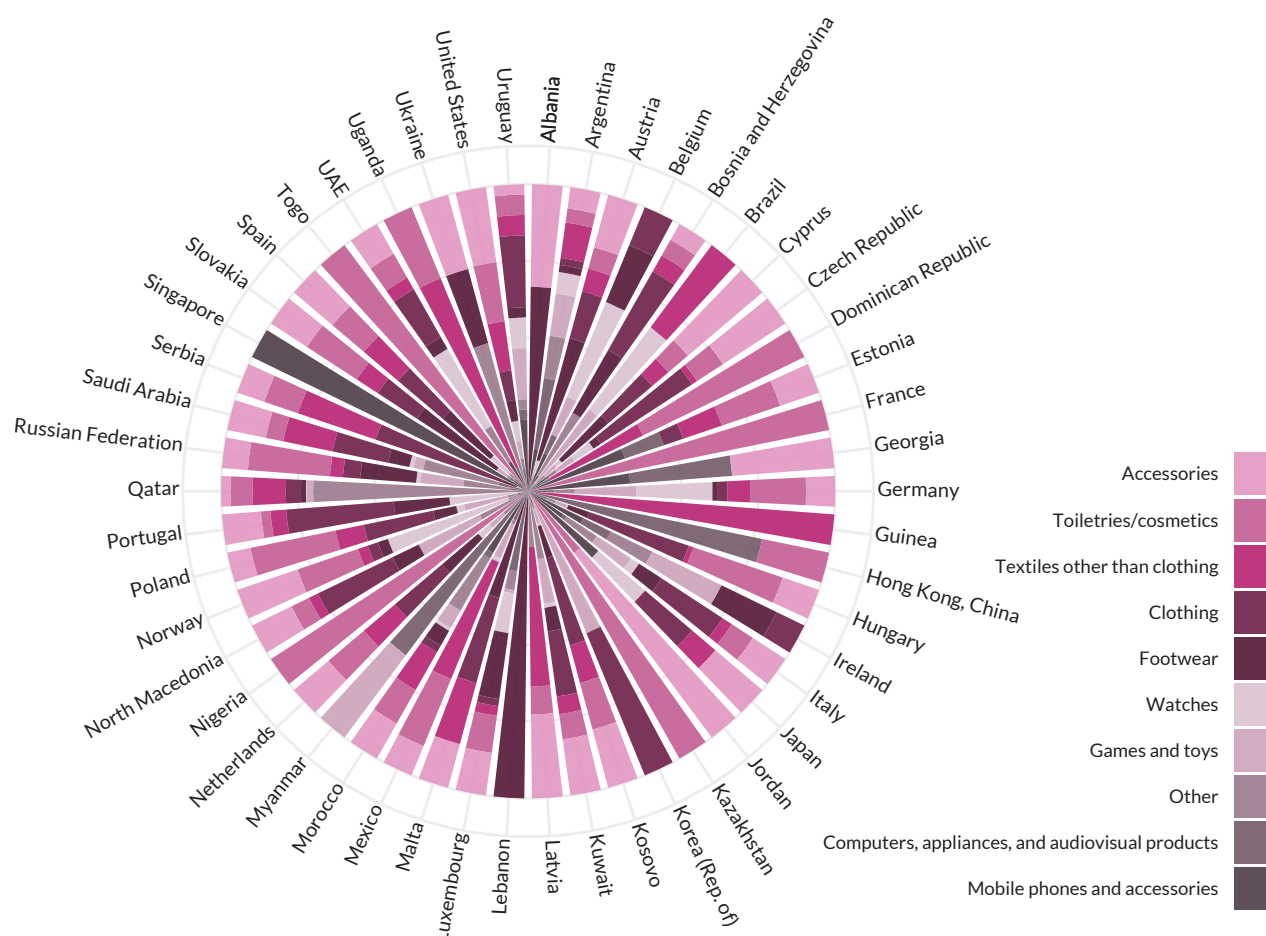
Figure 4 shows the 15 countries that reported the most cases in 2019, with those cases separated by the direction in which shipments were moving when they were confiscated. Across all 15 countries, 82.2% of seizures occurred at import, 14.7% in transit, 2.8% internally and 0.2% at export. Many countries reported all or nearly all of their cases as occurring at import, including Austria (97.4% of 1,931 cases), Spain (96% of 1,843 cases), Saudi Arabia (99.2% of 807 cases), Qatar (all 424 cases) and Portugal (all 270 cases).

The United States reported 91.1% of cases as occurring at import and 8.5% as occurring in transit. Germany and Luxembourg reported 53% and 56.3% of cases as occurring in transit, respectively, the only two

countries to report a majority of cases as occurring in transit. Because of these proportions and the high reporting by these countries, the United States (802 transit cases), Germany (1,571) and Luxembourg (359) combined to report 88.7% of the transit cases reported by the top 15 countries. Other directions were far less common. Slovakia reported 308 of its 315 cases as occurring internally, making up 80.6% of the internal cases reported by the top 15 countries. Of the 44 export cases, 23 were reported by the United States, ten by Germany and five by Italy.

Figure 5 shows the proportion of IPR products reported by all 50 countries in 2019. Many (19 of 50) countries reported seizures in all ten categories of

Figure 5: Proportion of IPR products seizures by type and country, 2019



IPR products listed above. *Toiletries/cosmetics* was the most widely reported category seized, with 37 of 50 countries reporting seizures in this category. Of the 20 countries that reported more than 100 seizures, the most common seizure type was *clothing* for eight countries, *footwear* for four, *accessories* for two and *other* products for two. The United States reported 52.1% of all seizures, while Spain, the country with the second-most seizures, reported 9.4% of all seizures. The most common seizure type for the United States was *accessories* (4,836 seizures), which made up 24.6% of its seizures and 65.4% of all *accessories* seizures. The United States also reported the greatest number of seizures of all other types except *footwear*.

Because the categories of IPR products were each reported by several countries, countries with high proportions of seizures in one category often reported just one or two seizures. For example, Jordan reported 75% of its seizures as *accessories*, but reported only four seizures total. Of the countries reporting more than 100 seizures, the highest concentration of a single type was of *other* IPR products in Qatar, which made up 65.8% of reported seizures in that country. Most countries reported a number of seizures for a wide variety of types: of the 20 top reporters, six reported at least 10% of their seizures in at least five different categories, 11 reported at least 10% in at least four and 19 reported at least 10% in at least three.



Figure 6: Number of IPR products seizures and number of pieces seized by category and region, 2018-2019

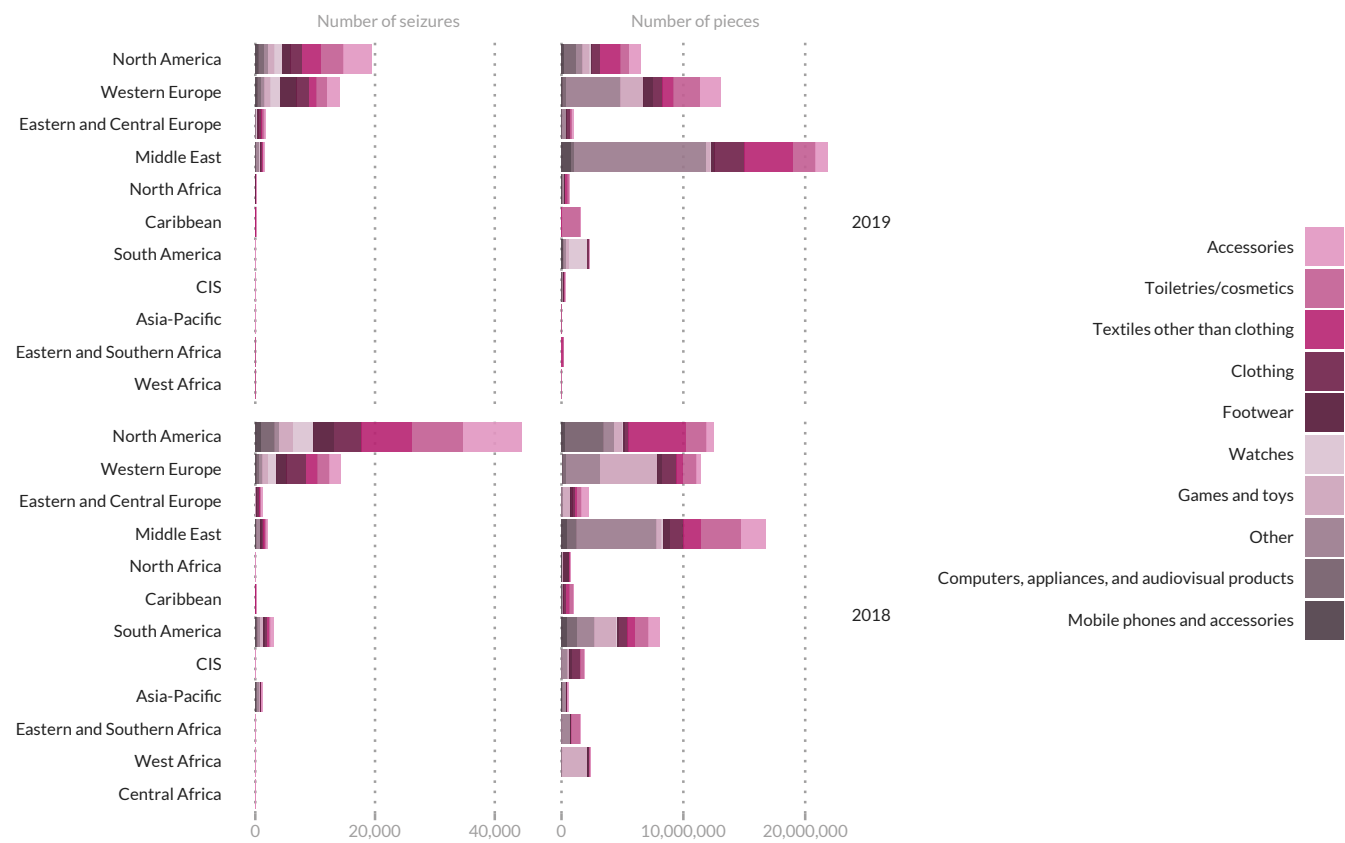


Figure 6 compares the number of seizures of IPR products and the number of pieces seized by reporting region between 2018 and 2019. The 43.8% decrease in seizures across all countries from 2018 to 2019 was due mostly to a drop in reporting by North American countries, which reported 56.1% fewer seizures in 2019 than in 2018 (19,531 compared to 44,500). North America still reported the most seizures in both years, however, followed by Western Europe, which reported 14,243 in 2018 and 14,108 in 2019 (a 0.9% decrease). Eastern and Central Europe and the Middle East reported 4.8% and 4.2% of seizures in 2019, respectively, and the remaining regions together reported only 1.5% of seizures. South America reported 3,132 seizures in 2018 but 76 in 2019, a 97.5% decrease.

The Middle East reported the greatest number of pieces seized in both years (28.2% of all pieces in 2018 and 45.9% in 2019) despite only reporting the fourth-most seizures in both years. The most common category of pieces seized was *other*, which accounted for 39.2% of pieces seized by the Middle East in 2018 and 49.5% in 2019. Only 34.7% of the Middle East's 2019 seizures and 31% of its 2018 seizures were of *other* products, showing that *other* products seizures typically contained an above-average number of pieces. *Other* products were also the most common seizure category for Western Europe in 2019 (34.4% of its pieces seized). Pieces from other categories were seized most often in different countries: *toiletries/cosmetics* in Caribbean countries (96.8%) and *watches*

Member highlight: Seizure of counterfeit goods on a cargo train

Customs officers controlled a cargo train at the Serbian border. During the inspection of the train officers suspected that a wagon seal might not be original. Customs officers decided to open up the wagon for physical control. The officers checked not only the first rows of the boxes, but the inner ones as well. The boxes contained shoes. The first four row of boxes contained child shoes which were legitimate, but in the inner boxes, some 11,500 pairs of counterfeit shoes were found at a value of 164,221,000 HUF (approximately 492,663 €).

Source: Hungarian Customs.



D, E, F: Courtesy: Hungarian Customs.

Figure7: Products trafficking flows by region, 2019



in South American countries (64.9%), for example. The category with the highest quantity seized in North America was *textiles other than clothing* (26.4% of pieces seized).

Figure 7 shows 20,956 intended trafficking flows of IPR products to, from and within reporting regions in 2019. The three largest flows were from Asia-Pacific to Western Europe (7,312 instances), Unknown to North America (5,904 instances) and Asia-Pacific to North America (2,553 instances). No other trafficking flow had more than 800 instances.

While countries in Asia-Pacific only reported 25 seizures in 2019, ninth-most, it was by far the most

popular origin region, with 11,815 (56.3% of all flows) starting there. This is because other regions reported many seizures as originating in Asia-Pacific. Flows starting in Asia-Pacific were destined for countries in 12 regions. The other most popular origin regions were Eastern and Central Europe (1,308 flows, 6.2% of the total) and the Middle East (559, 2.6%). These two regions flows were most frequently destined for locations within the origin region (36.4% of Eastern and Central Europe's flows and 68.5% of the Middle East's). All but two regions (Central Africa and Eastern and Southern Africa) had flows destined for at least four different regions.

Member highlight: Israel increases enforcement efforts against illicit goods

Customs officers at the Ashdod Port seized containers containing hundreds of thousands of counterfeit items violating intellectual property rights that were intended for sale in the Gaza Strip.

Over the past year, officials of the Ashdod Regional Customs Office seized several containers containing hundreds of thousands of counterfeit items that violate intellectual property rights.

As a result of smuggling goods into the Palestinian Authority and Gaza, Customs in Ashdod Port, in collaboration with the Israel National Cargo Analyzing Center, have increased enforcement measures against importers trying to smuggle goods. Numerous studies from around the world link the counterfeiting industry to economic terrorism and the financing of terrorism as part of the attempts of terrorists and criminal organizations to fund their activities.

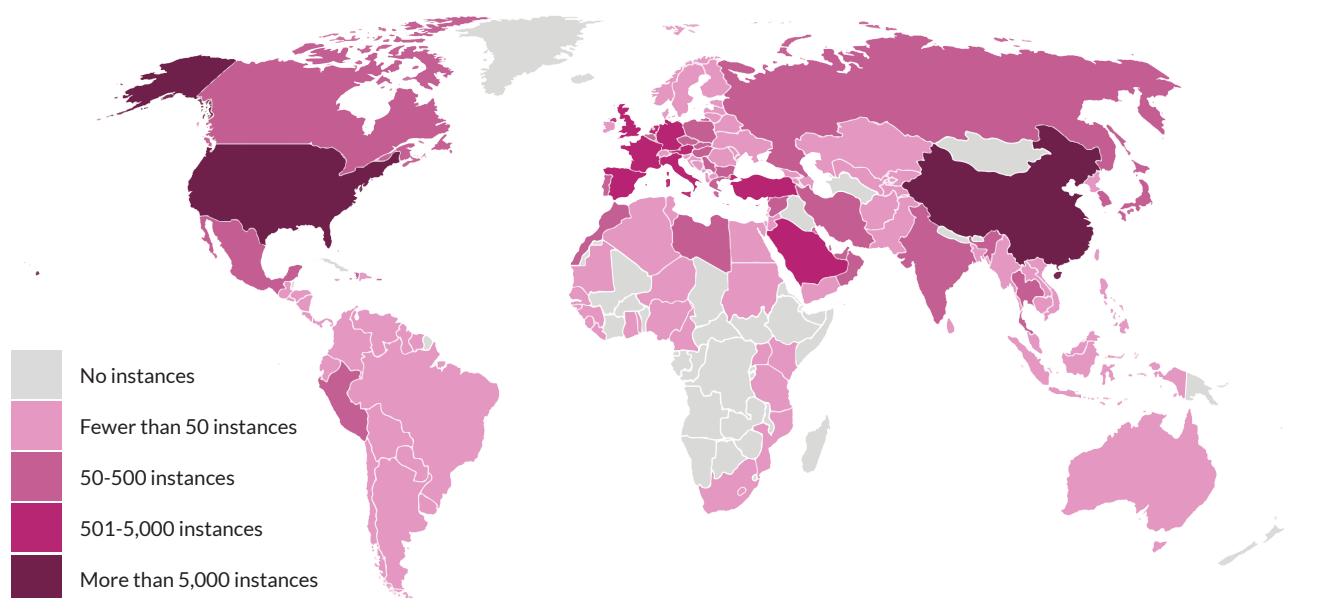
The investigation in this regard shows that it could be the case that some of the counterfeit goods also reached the Israeli market violating the copyrights of international and local companies. The counterfeit goods included cosmetic products.

Source: Israeli Customs.



G, H: Counterfeit cosmetics seized by Israeli Customs. Courtesy: Israeli Customs.

Figure 8: Heat map of IPR products trafficking instances by country, 2019



While the majority of flows originated in Asia-Pacific, only 60 flows (0.2% of flows) were destined for Asia-Pacific, more than only three other regions. Most flows were destined for either North America (8,545, 40.7%) or the Middle East (8,509, 40.6%). Only 30 flows were of an unknown destination region, but 6,625 were of an unknown origin.

Figure 8 is a heat map of IPR products trafficking instances in 2019 coloured by frequency. The colouring indicates the number of times the country was either the origin, destination or transit point for one or more seized shipments of IPR products, regardless of where the seizure took place or which country reported it. By disaggregating individual seizures in this way, the Figure depicts all countries in which IPR products were known or intended to have been trafficked in 2019. Twelve of the 15 countries involved in the most trafficking instances were also among the top 25 countries to

report cases, indicating that heavy involvement often, but not always, indicates the country has reported high numbers of cases. Exceptions include China, which appeared in 6,643 instances (second-most), and Turkey and the United Kingdom, which tied for the eighth-most instances (743). None of these three countries reported any seizures.

China (6,643 instances) and the United States (9,317 instances) were the only countries to appear in more than 5,000 instances. They were followed by Germany (3,129 instances), Austria (1,940) and Spain (1,933) as the most frequently occurring countries. Out of 144 total countries appearing in instances, 11 appeared in 501 to 5,000, 31 appeared in 50 to 500 and 100 appeared in fewer than 50. Of the 13 countries appearing in more than 500 instances, eight are in Western Europe, two are in Asia-Pacific, and one each in North America, Eastern and Central Europe, and the Middle East.

Figure 9: IPR products trafficking routes and instances by location, 2019

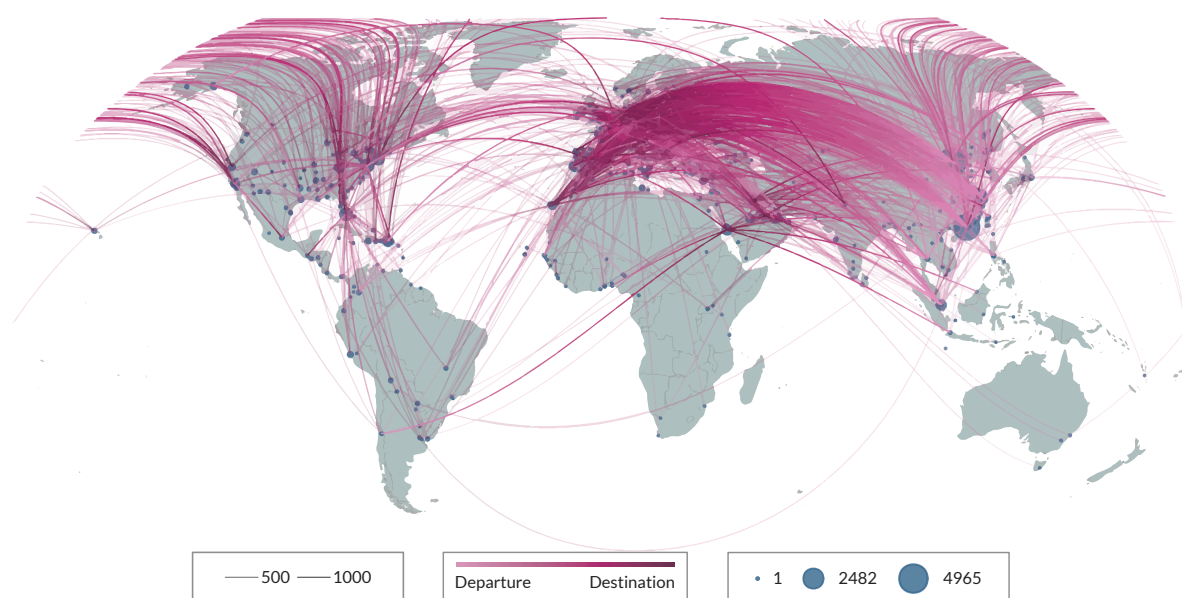


Figure 9 depicts the illicit flow of IPR products from origin to destination, for all routes that appeared in one or more trafficking instances. Point size indicates the number of cases involving departures from or terminations within a particular city. For instances where no specific location was found in the data, the capital of a given country serves as a proxy city location. The flows connecting points on the map are pink in colour at their origin and become darker as they approach their destination. The darker the overall tone of a flow, the more frequently that trafficking route appeared in the data for 2019. These flows do not necessarily indicate completed smuggling attempts; in many cases, contraband was seized at its origin point or while in transit. In all cases, flows represent intended routes of transit as they were reported.

The Figure shows 19,386 flows of IPR products. The most common country-level route was from Hong

Kong, China to destinations within the United States, and accounted for 1,948 (10%) of all flows. The remaining four of the five most popular routes were from China to Austria (1,470 flows, or 7.5% of all flows), from Hong Kong, China to Germany (1,445, 7.4%), from Germany to locations within Germany (1,125, 5.8%) and from China to Germany (983, 5%). Of the 20 most popular routes, nine began in China and three began in Hong Kong, China (which for the purposes of this analysis is treated separately). In total, 6,626 flows (34.1% of all flows) began in China and were destined for 59 different countries, while 4,190 (21.6%) began in Hong Kong, China. Among the most popular destination countries were Germany (flows from 58 countries, 21.4% of all flows), the United States (46 countries, 20.5% of flows), Qatar (46 flows, 2.1% of flows) and Spain (43 flows, 9.9% of flows).

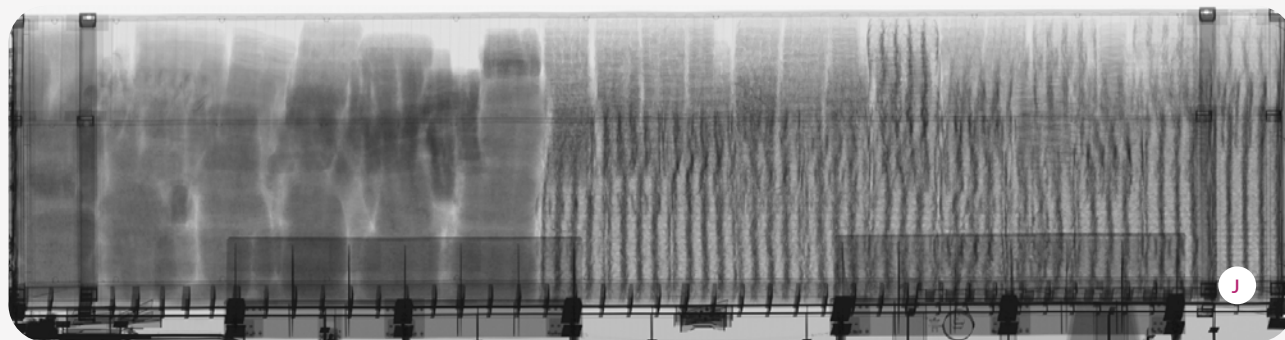
Member highlight: Maltese Customs seizes containers with large coverloads

Malta Customs detained 36 full load containers which were in transshipment from China. Their final destination was a North African country.

The majority of the containers were 45 foot units. Each container had an amount of coverload equivalent to approximately 20 feet. The coverload was garments bearing unpopular brand marks and packed into bulky bales. The detained goods consisted of counterfeited garments, sports shoes, shoes, track suits, mobile accessories and game controllers.

Containers containing counterfeited goods with such large amounts of coverload are not seen regularly and might be a new phenomenon in Malta. Note the scanning images for reference.

Source: Maltese Customs.



I, J: Scanning and further inspection reveals coverload. Courtesy: Maltese Customs.



2. Overall trends in trafficking of medical products

Figure 10: Number of medical products cases by country, 2018-2019

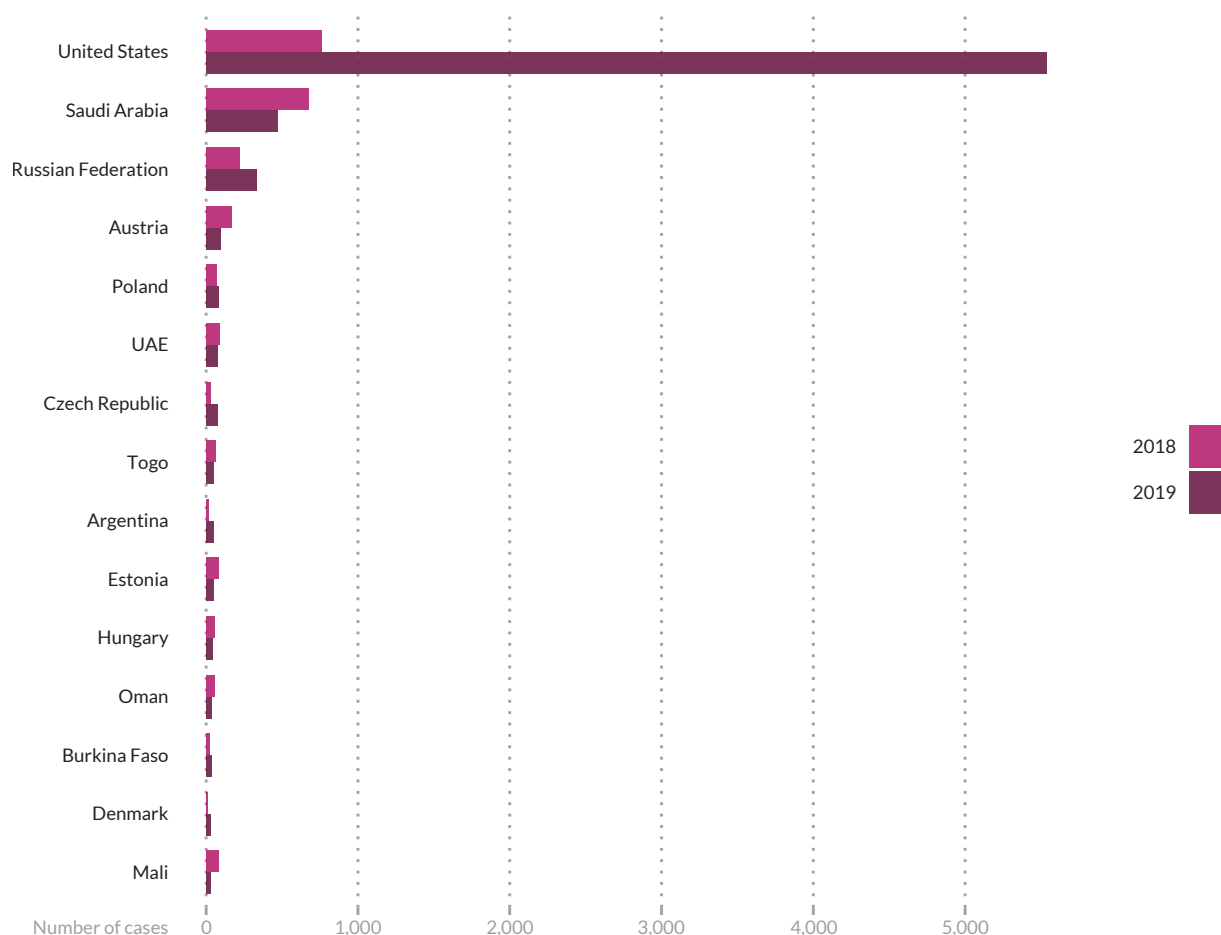


Figure 10 shows the 15 countries that reported the most cases of medical products trafficking in 2019 and compares the number of cases from 2019 to the number from 2018. The United States reported the most medical products cases in both years, although the number of cases increased dramatically, from 763 cases in 2018 to 5,540 in 2019 (a 626% increase). The United States reported 1,073.7% more cases in 2019 than Saudi Arabia, which reported the second-most cases in both 2018 and 2019. Saudi Arabia reported 674 cases in 2018 and 472 in 2019, a 29.9% decrease.

Reported cases in several other countries changed markedly in 2019, as well. The Russian Federation's cases grew by 50%, from 220 to 330, while Austria's fell by 42.1%, from 166 to 96. The Czech Republic and Argentina reported a comparatively small number of cases compared to the top reporters, but both had significant increases in reporting (160.7% and 194.1%, respectively). Cases in Mali fell from 82 to 28, a 65.8% decrease.

Figure 11: Number of medical products seizures by type, 2018-2019

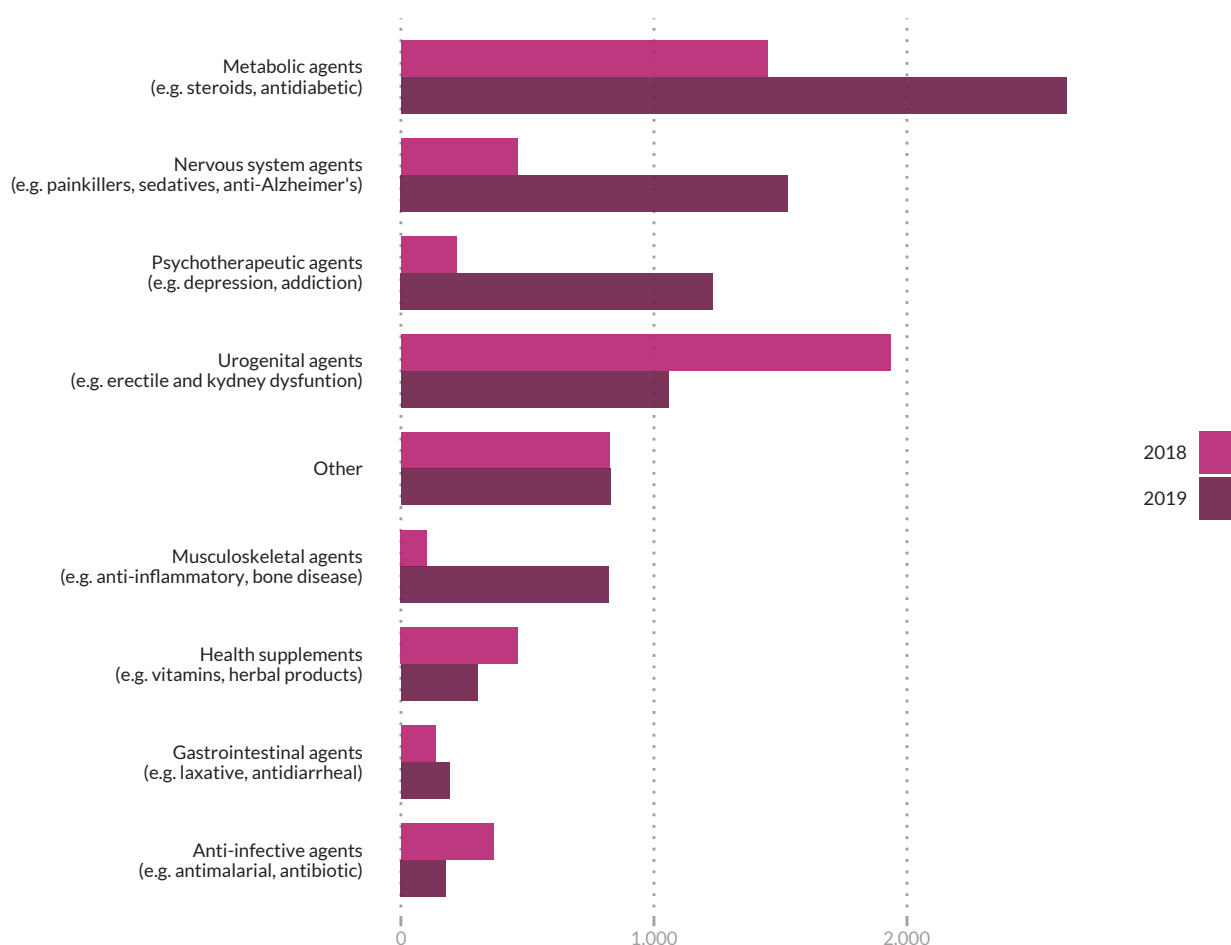


Figure 11 compares the number of seizures of medical products across the 5,958 seizures in 2018 and 8,771 seizures in 2019 for different categories of products. *Metabolic agents* were the most common seizure type in 2019, with 2,630 seizures representing 29.9% of the total number in 2019. This was an 81.6% increase from 2018, when *metabolic agents* were the second-most common seizure type. Seizures of *nervous system agents* and *psychotherapeutic agents* increased dramatically between years — 231.1% and 463%, respectively. *Nervous system agents* seizures were 17.4% of the total in 2019 (1,530 seizures) and 7.7% in 2018 (462 seizures), while *psychotherapeutic agents* were 14% of the total in 2019 (1,233 seizures) and 3.6% in 2018 (219 seizures). *Urogenital agents* were the most common seizure type

in 2018, (1,935 seizures, 32.4% of the total), but decreased 45.4% to become the fourth-most common seizure category in 2019 (with 1,056 seizures making up 12% of the total). Other categories of medical products changed more significantly. Seizures of *musculoskeletal agents* increased by 698% from 2018 to 2019, from 103 seizures to 822. *Other* products had the smallest change — seizures grew by only 0.3% between years.

Figure 12: Quantity of medical products seized by type, 2018-2019

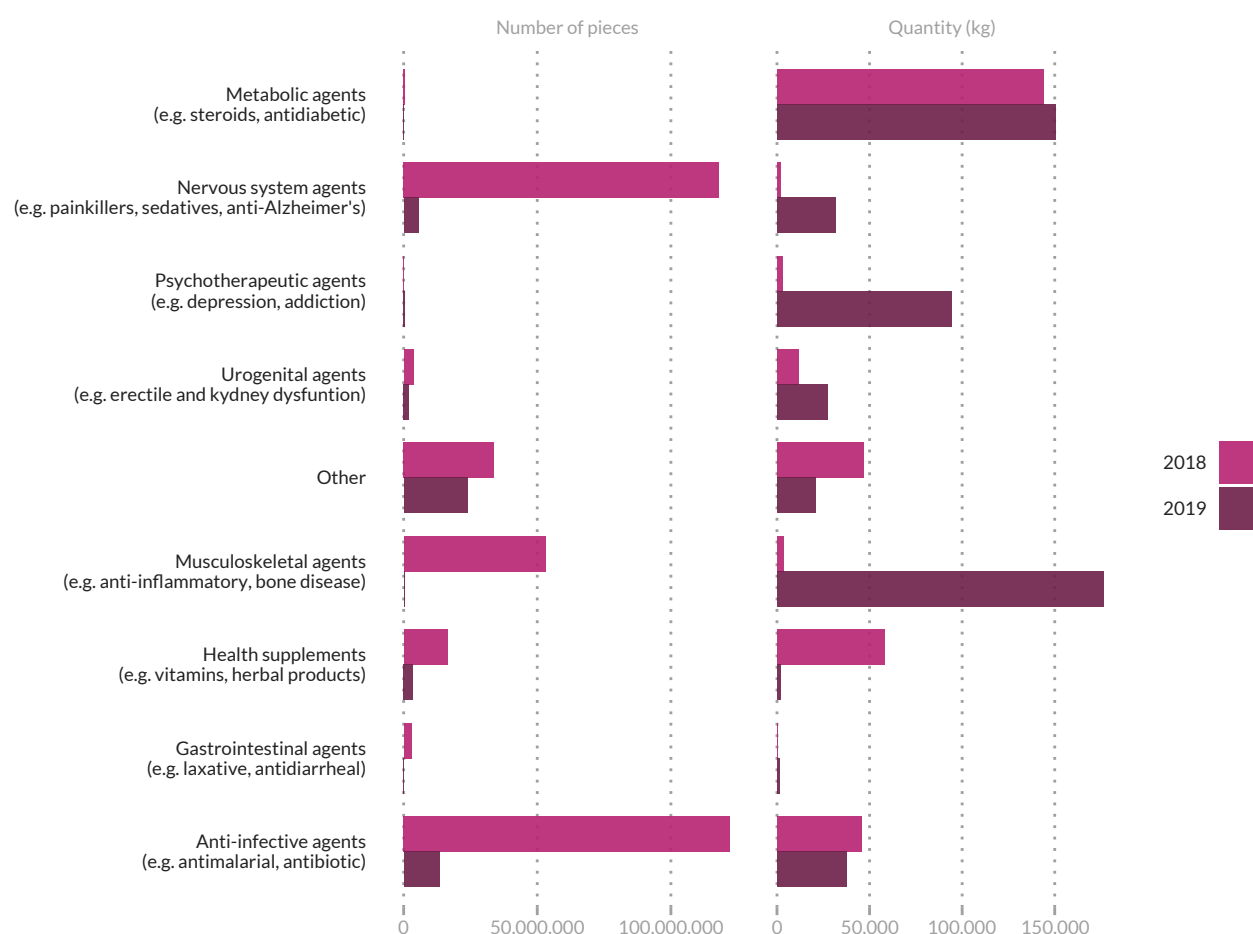


Figure 12 compares the number of pieces and quantities seized (in kilogrammes) of medical products in 2018 and 2019 for different categories of medical products. There is little correlation between the number of pieces seized and quantity seized of a certain type, reflecting that the amount of medical products seized per category were either reported in terms of pieces or in terms of kilogrammes. *Musculoskeletal agents* and *metabolic agents* had the first- and second-greatest weight seized in 2019, with 176,134.1 kilogrammes of *musculoskeletal agents* seized (32.5% of the total quantity) and 150,201.5 kilogrammes of *metabolic agents* seized (27.7% of the total). Only *gastrointestinal agents* had a smaller number of pieces seized, however - the 334,355.4 pieces of *musculoskeletal agents* and 146,439

of *metabolic agents* seized represented only 0.6% and 0.2% of the total, respectively. Meanwhile, *other* and *anti-infective agents* seizures accounted for 48.3% and 27.1%, respectively, of the number of pieces seized in 2019.

Across all categories, the number of pieces seized decreased by 85.8% between 2018 and 2019, while the weight seized rose by 72%. The number of pieces of *anti-infective agents*, *nervous system agents* and *musculoskeletal agents* seized fell by 88.9%, 95.2% and 99.3% between years, respectively, while the quantity (in kilogrammes) of *musculoskeletal agents*, *psychotherapeutic agents* and *nervous system agents* grew by 5,135.3%, 3,171.7% and 1,502.4%, respectively.



Figure 13: Number of medical products seizures and quantity seized by type and conveyance method, 2019

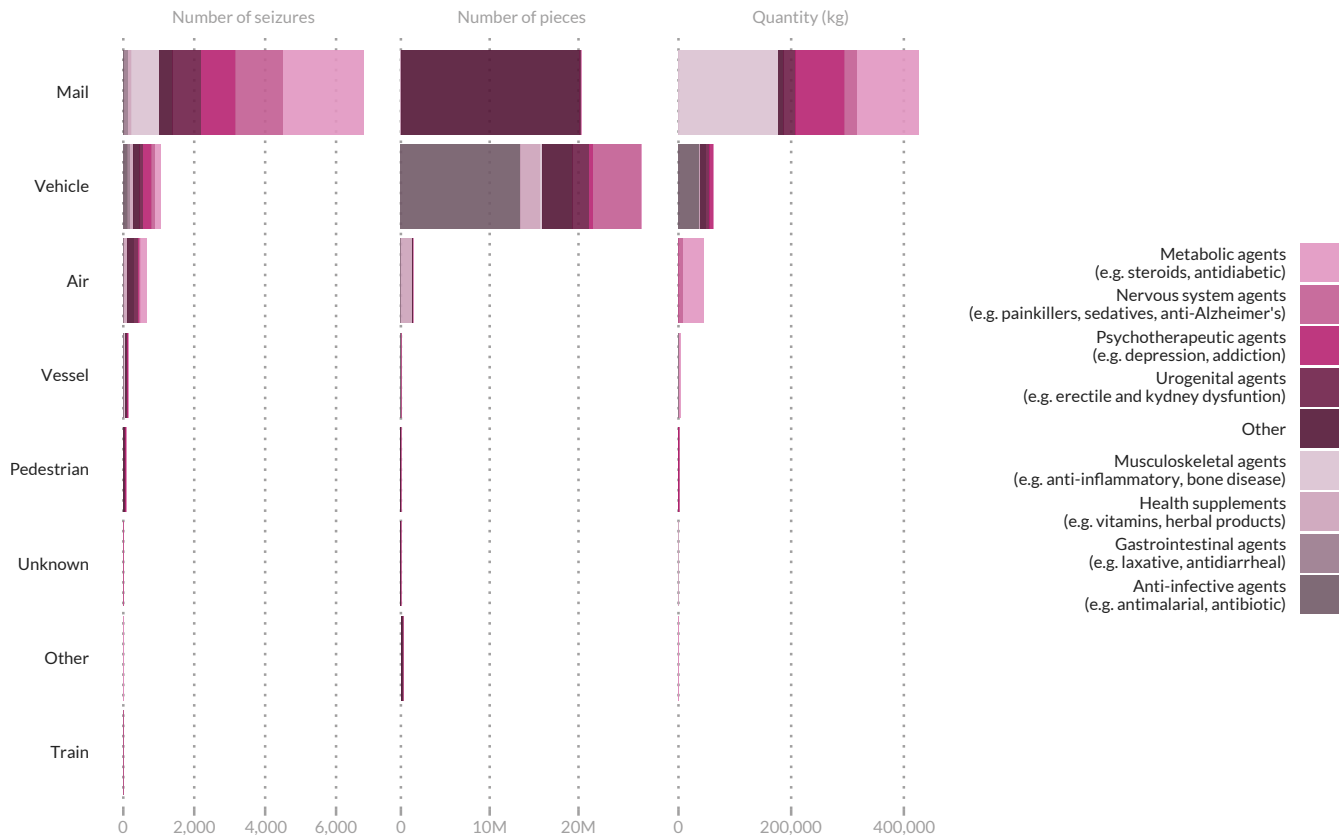


Figure 13 separates the number of medical products seizures, and the quantity seized (in pieces and kilograms) by conveyance method and type of medical product. Mail, vehicle and air seizures yielded the greatest number of seizures, number of pieces seized and quantity seized. Mail searches led to 6,779 seizures (77.2% of all seizures), 20,443,974 pieces seized (41.2%) and 426,675.2 kilograms seized (78.8%). There were 1,040 vehicle seizures (11.8%), 27,071,400 pieces seized from vehicles (54.6%) and 62,537.3 kilograms seized (11.5%) from vehicles. Air searches led to 666 seizures (7.5%), 1,472,448.2 pieces seized (2.9%) and 44,802.3 kilograms seized (8.2%).

Seizures of different products were relatively evenly distributed across a number of conveyance methods.

Mail, vehicle, air, vessel and pedestrian conveyance methods all saw seizures from all nine medical products categories listed in the Figure. Mail seizures were mostly of *metabolic agents* (33.6% of mail seizures), while vehicle seizures mostly of *psychotherapeutic agents* (22.3% of vehicle seizures) and air seizures were primarily of *other* products (28.2% of air seizures). The number of pieces seized and quantity seized were more skewed towards a single type for the top three conveyance methods. The number of pieces seized was 98.2% *other* products for mail seizures, 49.5% *anti-infective agents* for vehicle seizures and 85.6% *health supplements* for air seizures, while the weight of pieces seized was 41.2% *musculoskeletal agents* for mail seizures, 58.1% *anti-infective agents* for vehicle seizures and 82.4% *metabolic agents* for air seizures.

Member highlight: Illicit pharmaceuticals hidden with frozen plums in Hungary

Customs officers controlled a lorry with an X-ray scanner arriving from Serbia carrying frozen plums. During the image interpretation, X-ray operators spotted some anomalies in the cargo. They decided to conduct a physical control and it turned out that almost 690,000 pieces of pharmaceuticals (Rivotril, Bensedin) were hidden amongst the legal goods. The detected illicit pharmaceuticals were seized and handed over to the Police. The estimated value of the goods is more than 10 million HUF (approximately 30,000€).

Source: Hungarian Customs.



K: Courtesy: Hungarian Customs.



Figure 14: Proportion of medical products seizures by type and country, 2019

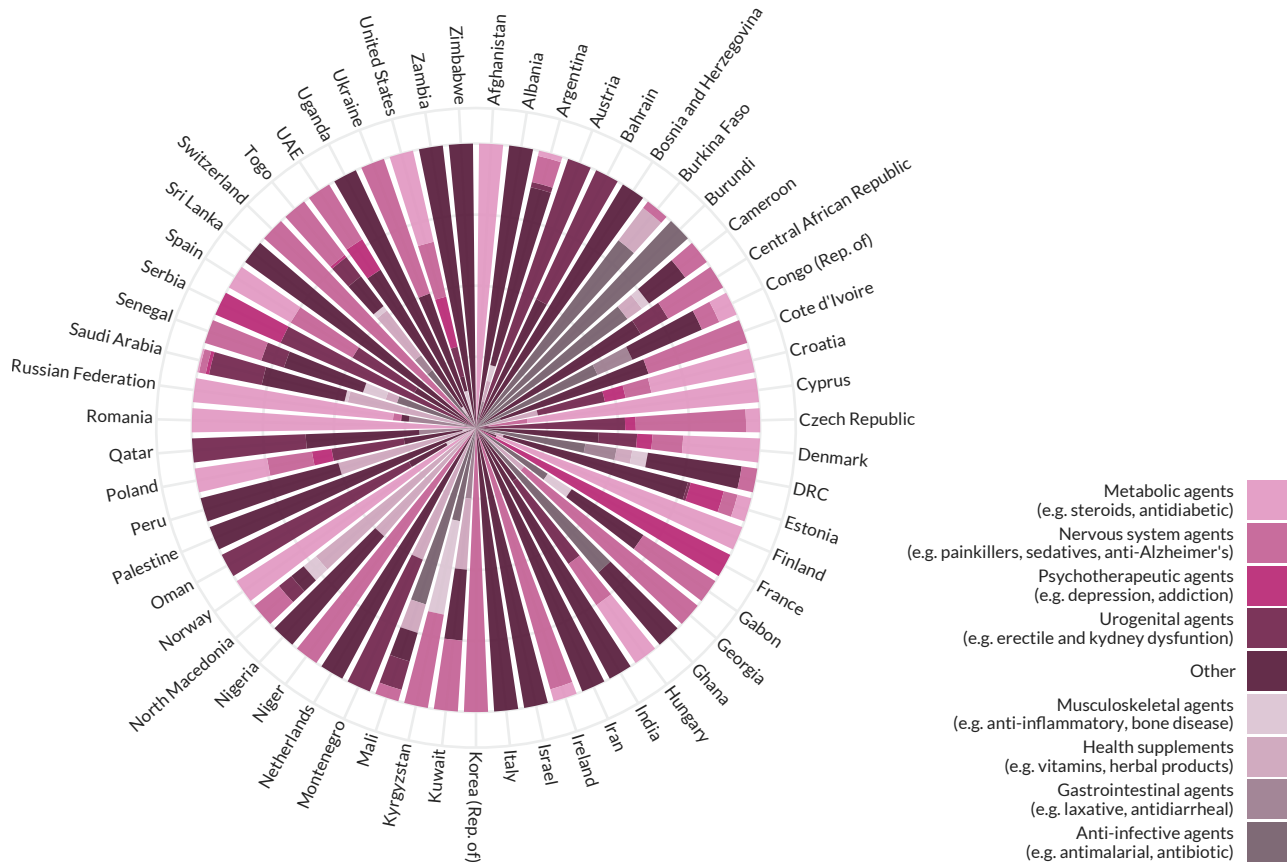
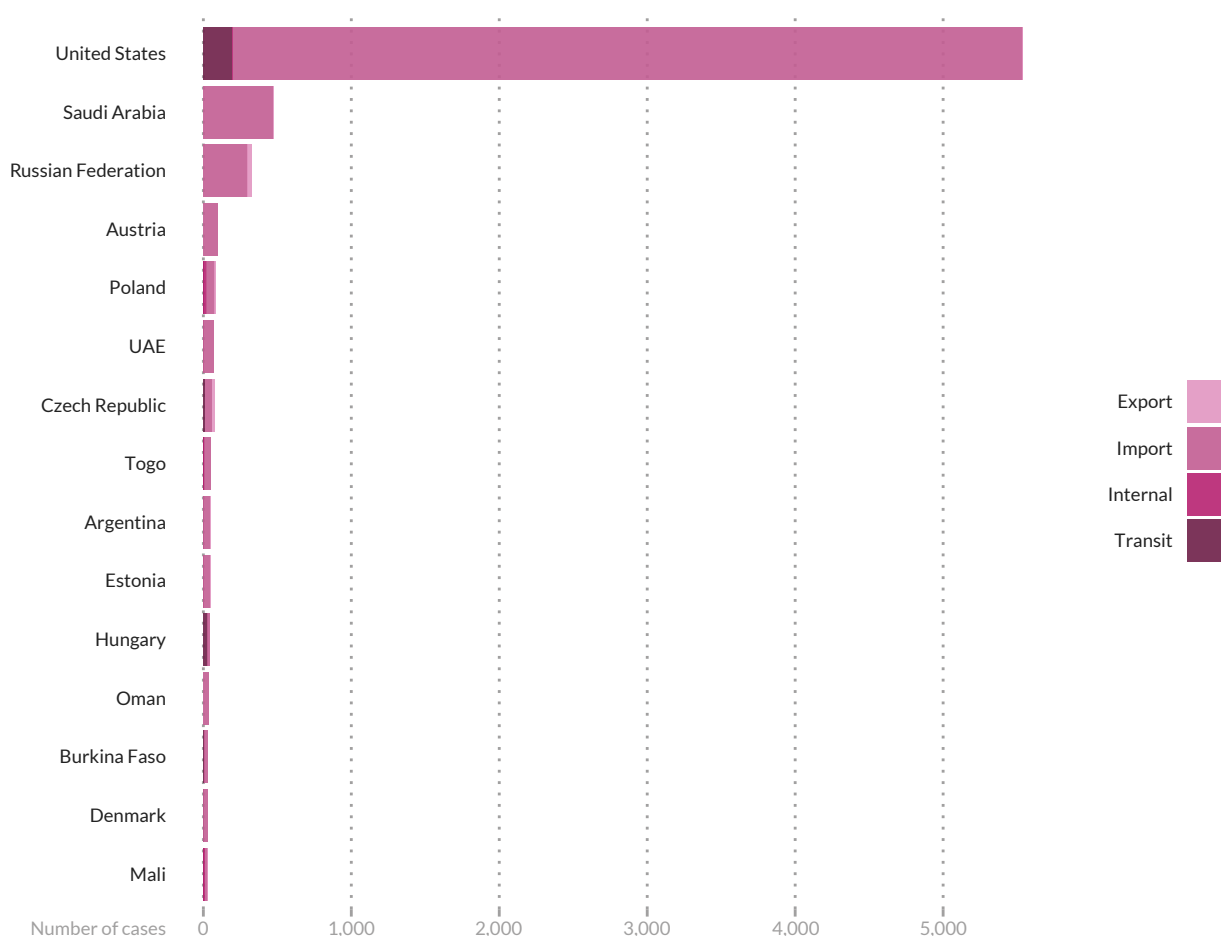


Figure 14 shows the proportion of medical products reported by all 59 countries in 2019. Most (31 of 59) countries reported seizures in just one or two categories of medical products. Other products was the most widely reported category seized, with 42 of 59 countries reporting seizures in this category. Of the 22 countries that reported at least 20 seizures, the most common seizure type was *anti-infective agents* for six countries, *metabolic agents* for five, *urogenital agents* for four and *other* products for four. The United States and Saudi Arabia were the only two countries to report seizures from all nine medical product categories listed in the Figure. The United States reported 74.5% of all 8,771 seizures, 13 times more than the next highest country. The United States combined with Saudi Arabia

and the Russian Federation, which reported the second- and third-most seizures, respectively, to report 85.7% of all seizures. The most common seizure type for the United States was *metabolic agents*, with the 2,148 seizures representing 32.8% of the country's seizures and 81.6% of all seizures of this type.

Austria reported the seventh-most seizures in 2019 (96) but only in one category - *urogenital agents*. Of the six countries that reported more than 100 seizures, the highest proportion was of *metabolic agents* in the Russian Federation, which made up 70.6% of reported seizures in that country. Some countries reported a number of seizures for a wide variety of types: of the 22 top reporters, seven reported at least 10% of their seizures

Figure 15: Number of medical products cases by Customs procedure and country, 2019



in at least four different categories and 11 reported at least 10% in at least three categories. Fourteen of the 22 reported at least half of their seizures as being of one type.

Figure 15 shows the 15 countries that reported the most cases in 2019, with those cases separated by the direction in which shipments were moving when they were confiscated. Across all 15 countries, 94.7% of seizures occurred at import, 3.4% in transit, 1.1% at export and 0.9% internally. Many countries reported all or nearly all of their cases as occurring at import, including Austria (all 96 cases), the UAE (73 of 74 cases), Estonia (46 of 48 cases), Oman (all 34) and Denmark (28 of 29).

Reporting by only a few countries made up most reporting of seizures not at import. The United States reported 96.3% of cases as occurring at import and 3.5% as occurring in transit. Hungary reported 63.6% of its 44 cases as occurring in transit, the only country in the top 15 to report a majority of cases as occurring in transit, combining with the United States to report 90.5% of all transit cases. Poland reported the greatest number of internal cases (22), which accounted for 25.8% of its cases and 43.1% of all internal cases reported by the top 15 countries. The Russian Federation reported the greatest number of export cases (31), 44.9% of export cases reported by the top 15 reporters and 9.3% of its own cases.



Figure 16: Number of medical products seizures and quantity seized by category and region, 2018-2019

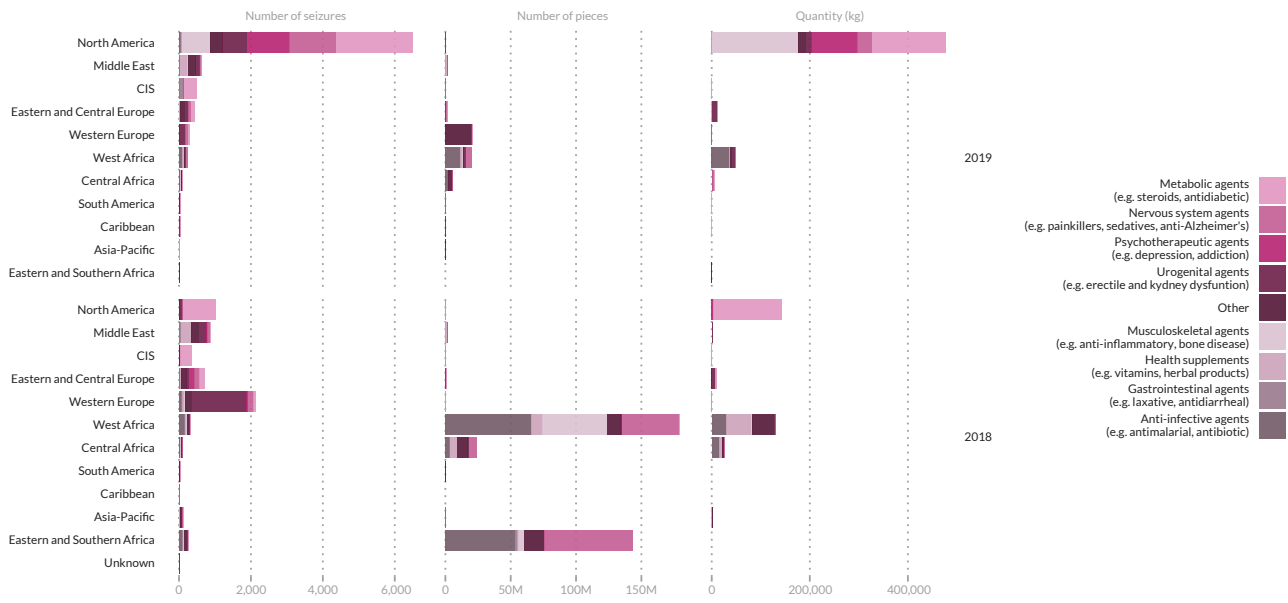
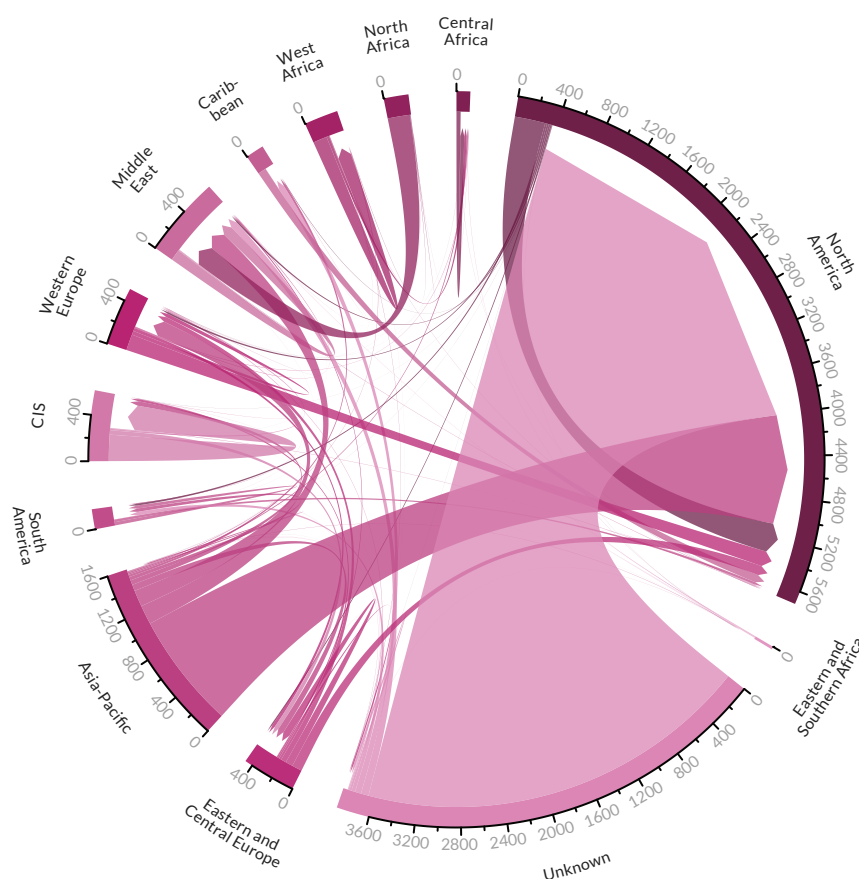


Figure 16 compares the number of seizures of medical products, and the quantity seized (in pieces and in kilogrammes) by reporting region between 2018 and 2019. Since the United States reported the majority of seizures in 2019, the greatest number of seizures was reported by North America – 6,498 seizures, 74% of the total and a 544.6% increase from 2018. The vast majority of North America’s seizures were of *metabolic agents* in 2018 (88.5%), but were more evenly distributed in 2019 between *metabolic agents* (32.8%), *nervous system agents* (19.9%), *psychotherapeutic agents* (18.1%), *musculoskeletal agents* (12.2%) and *urogenital agents* (10.2%). The other top reporters from 2019 included the Middle East, which most frequently reported *health supplements* seizures (33.8% of its seizures) and *other products* seizures (32.5%) and the C.I.S., which most frequently reported *metabolic agents* seizures (70.1% of its seizures).

The number of pieces fell by 85.8% in 2019. The greatest numbers of pieces seized were reported by Western Europe (41.7% of all pieces) and West Africa (39.9%). The quantity (in kilogrammes) seized in North America rose 232.4% in 2019. The quantity of *musculoskeletal agents* and *psychotherapeutic agents* seized by North America in 2019 increased by 5,135% and 3,172%, respectively, from 2018.

Figure 17 shows 7,247 intended trafficking flows of medical products to, from and within reporting regions in 2019. The majority of flows (53%) were of an unknown origin, and most of these flows (94.8%) were destined for North America. The most popular origin region was Asia-Pacific, where 1,587 flows (21.8% of flows) headed to 12 different regions began. Of these

Figure 17: Medical products trafficking flows by region, 2019



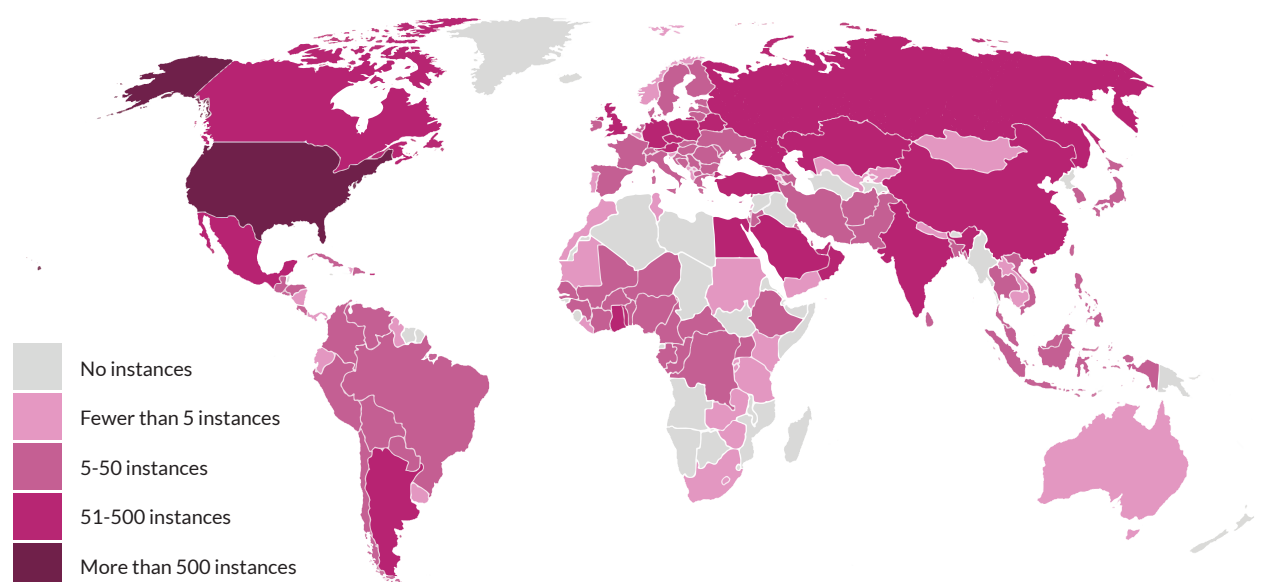
flows, 67.2% were headed to North America, 11.1% to the Middle East and 9.5% to Western Europe. The other most popular origin regions were North America (4.8% of flows), the C.I.S. (4.1%), Eastern and Central Europe (3.6%) and Western Europe (3.1%).

Most flows were destined for locations within North America (73.9% of all flows), thus North America was the most popular destination for a number of origin regions. Intra-regional flows were also common — 37 of Central Africa's 39 origin flows were internal, as well as 79.8% of the 302 flows starting in the CIS, 89.3% of the Middle East's 113 flows, 80.1% of North America's 352 flows and 81.1% of West Africa's 159 flows. Other popular destinations included the Middle East (8.1% of flows), the CIS (4.3%) and Western Europe (3.8%). North America (the destination for 5,360 flows) and

the Middle East (the destination for 590 flows) were distinctly destination regions – North America was the origin for just 352 flows, and the Middle East was the origin for just 113 flows. Asia-Pacific, on the other hand, primarily served as an origin region. It was the origin for 1,587 flows but the destination for only 18. As seen in Figure 15, the majority of seizures took place at import, and as seen in Figure 16, more seizures were reported by North America and the Middle East than by Asia-Pacific, showing that countries in North America and the Middle East frequently reported seizures at import arriving from countries in Asia-Pacific.

Figure 18 is a heat map of medical products trafficking

Figure 18: Medical products heat map of trafficking instances by country, 2019

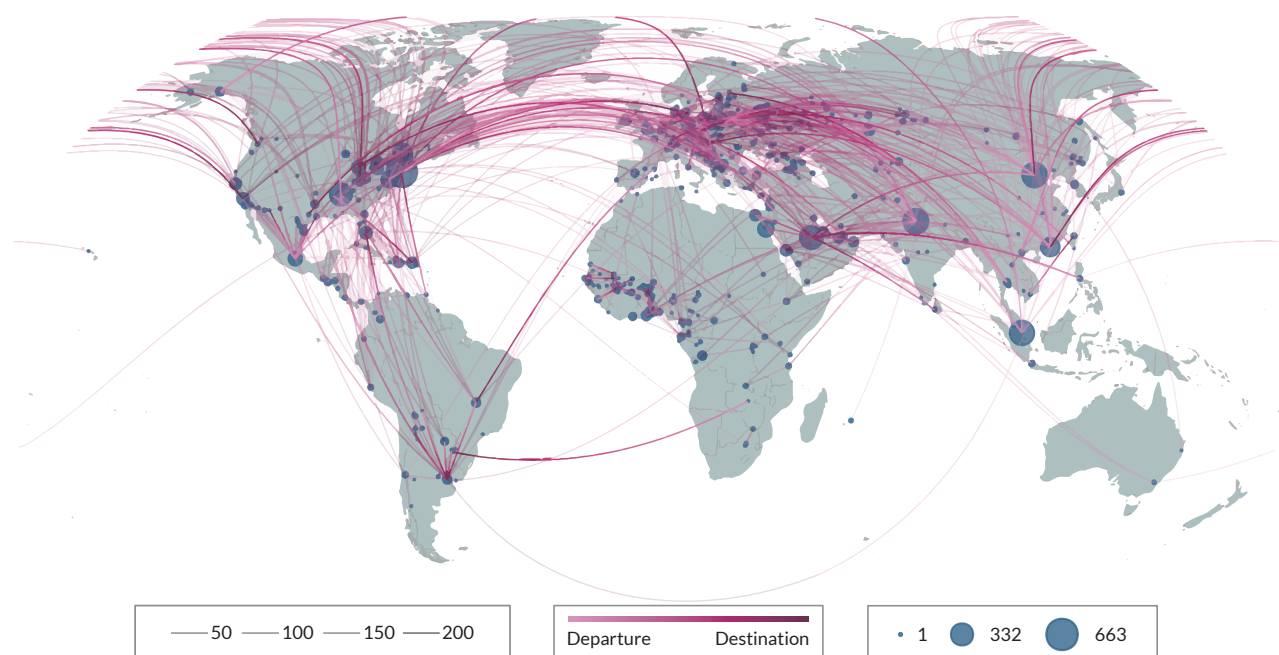


instances in 2019 coloured by frequency. The colouring indicates the number of times the country was either the origin, destination or transit point for one or more seized shipments of medical products, regardless of where the seizure took place or which country reported it. By disaggregating individual seizures in this way, the Figure depicts all countries in which medical products were known or intended to have been trafficked in 2019. Eleven of the 15 countries involved in the most trafficking instances were also among the top 25 countries to report cases, indicating that heavy involvement often, but not always, indicates the country has reported high numbers of cases. Exceptions include India, China and Singapore, which appeared in 448 instances (third-most), 440 (fourth-most) and 386 (fifth-most), respectively. China and Singapore did not report any seizures in 2019, while India reported one. The Figure displays trafficking instances touching 140

countries. The United States (5,567 instances) was the only country to appear in more than 500 instances. Twenty-three countries appeared in 51 to 500 instances, 73 appeared in five to 50 instances and 43 appeared in fewer than five. Other countries appearing in a high number of instances included Saudi Arabia (475 instances, second-most) and the Russian Federation (358, sixth-most). Of the 24 countries appearing in more than 50 instances, four are in Western Europe, four are in North America, three are in the Middle East, three are in Asia-Pacific and three are in the CIS.

Figure 19 depicts the illicit flow of medical products from origin to destination, for all routes that appeared in one or more trafficking instances. Point size indicates the number of cases involving departures from or terminations within a particular city. For instances

Figure 19: Medical products trafficking routes and instances by location, 2019



where no specific location was found in the data, the capital of a given country serves as a proxy city location. The flows connecting points on the map are pink in colour at their origin and become darker as they approach their destination. The darker the overall tone of a flow, the more frequently that trafficking route appeared in the data for 2019. These flows do not necessarily indicate completed smuggling attempts; in many cases, contraband was seized at its origin point or while in transit. In all cases, flows represent intended routes of transit as they were reported.

The Figure shows 3,922 flows of medical products between 449 unique pairs of countries. Of these pairs, eight had greater than 100 flows, while 357 had five or fewer flows. The most common route was from India to the United States, which accounted for 358 flows (9.1%

of all flows). The remaining four of the five most popular routes were from China to the United States (294 flows, or 7.4% of all flows), from Singapore to the United States (260, 6.6%), from Egypt to Saudi Arabia (205, 5.2%) and from Canada to the United States (199, 5%). The United States was the recipient of 47% of all flows, the most of any destination. The most popular origin countries included India (450 flows destined for 25 countries), China (438 flows destined for 15 countries), Singapore (407 flows destined for seven countries), Hong Kong, China (221 flows destined for 12 countries) and the United States (247 flows destined for 37 countries).



Section 5.

Revenue

INTRODUCTION

Customs monitor all international cross-border movements and continue to ensure that all taxes due are paid. Where goods are highly taxed, easily portable and penalties remain relatively light for trafficking, transnational criminal organizations will take advantage of any weaknesses in Customs, revenue or other border controls to amass profits. They do not care whether, laws are flouted, consumers' health is damaged, governments lose revenues, or legitimate business lose trade.

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 assess and collect revenue remains a crucial activity for Customs Administrations across the globe and is an essential area of work for the WCO.

Revenue risks in the Customs context include leakage through the smuggling of highly taxed goods. They also include commercial fraud activities such as undervaluation, misuse of origin and preferential duties, misclassification and drawback fraud. Excise duties are taxes on the sale or use of specific products and they are often imposed in order to limit or reduce the consumption of such products. Products subject to excise duties or taxes may vary from jurisdiction to jurisdiction, but in general alcohol, tobacco and energy products (mineral oil and fuel) are the main categories usually subject to these taxes. Illicit trade in excise goods

A: Smuggled cigarettes hidden inside wooden pallets on top of which plastic products were loaded. Courtesy: Israeli Customs.



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.

Today governments are increasingly facing well-networked and organized traffickers whose activities are harder to detect and disrupt. Challenges associated with illicit excise trade are becoming more complex. Substantial profits derived from trafficking and successful law enforcement interdiction efforts have lead perpetrators to continuously develop more sophisticated smuggling techniques.

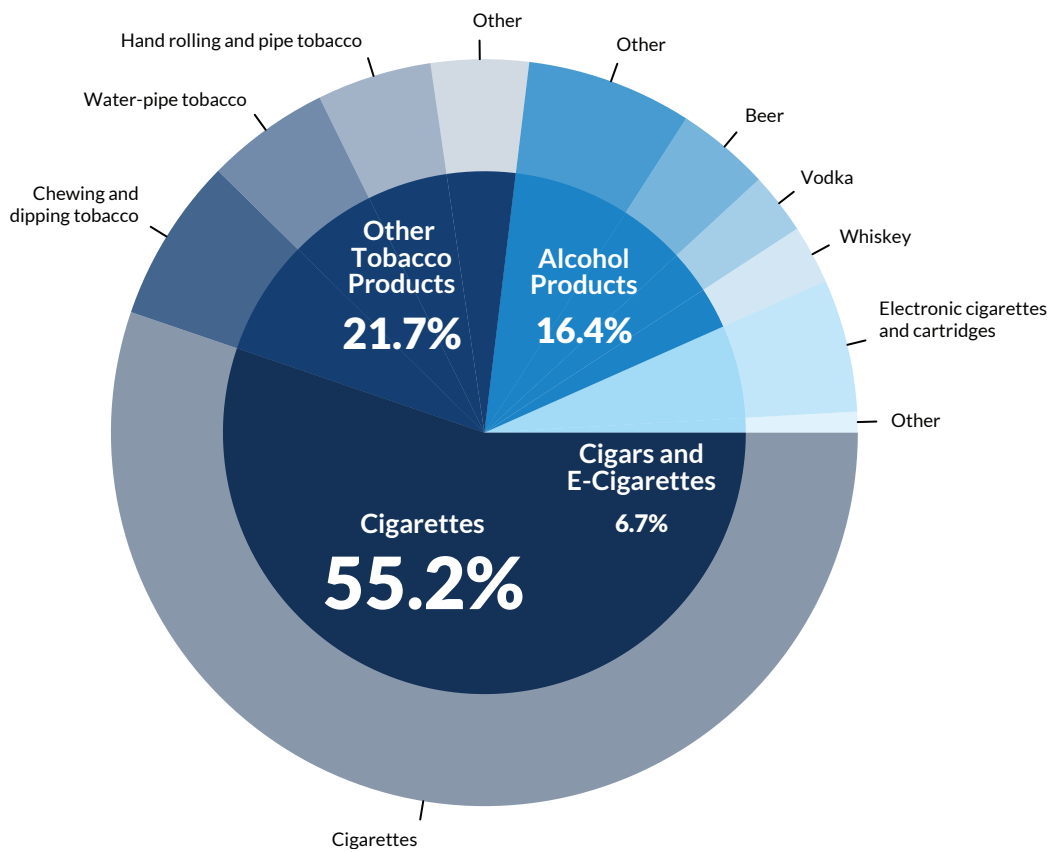
Taking into consideration the available seizure data and the fiscal impact that illicit trade in excise goods has on governments, the Revenue Section explores two main

categories of products that are frequently smuggled to avoid excise taxes around the world: alcohol and tobacco products. The analysis of fuel and mineral oil has been excluded due to the fact that data for this category was insufficient and no contribution was received.

In 2019, 86 countries reported 26,285 cases comprised of 32,426 seizures of smuggled alcohol products, cigarettes and other tobacco products. These numbers changed little from 2018, when 27,000 cases and 32,338 seizures were reported by 96 countries. This represents a 2.6% decrease in the number of cases and a 0.2% increase in the number of seizures in 2019. Of the 26,285 cases reported in 2019, 83.8% involved tobacco products (22,045 cases) and 16.3% involved alcohol products (4,240 cases).

B: Smuggled cigarettes inside of wooden pallets. Courtesy: Maltese Customs.

Figure 1: Percentage of seizures by product, 2019



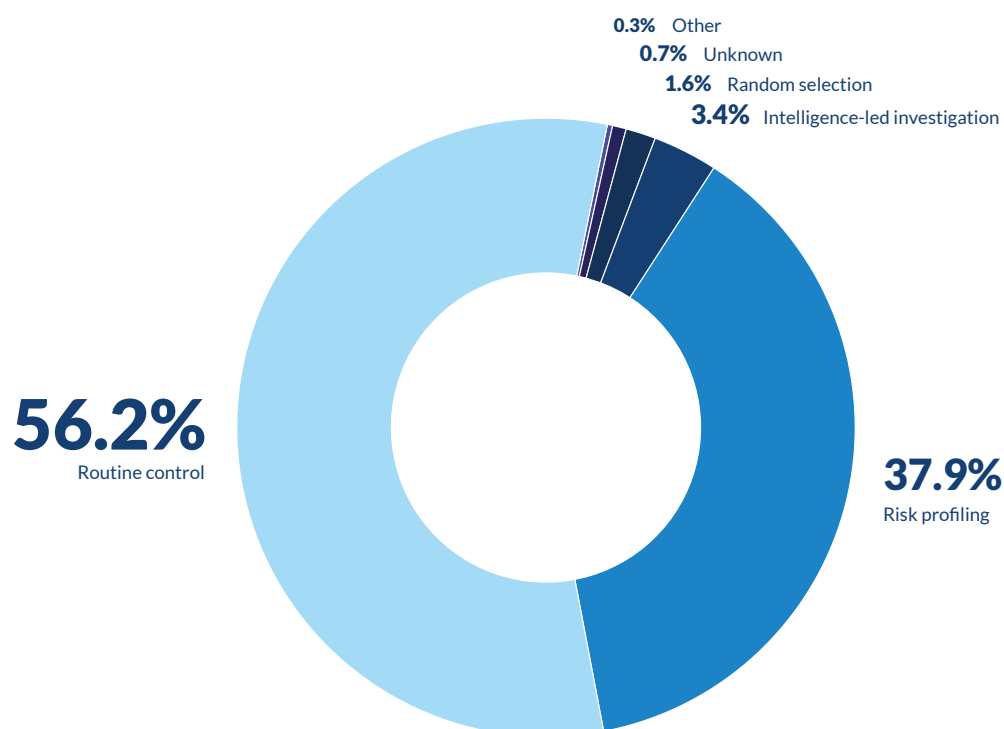
The centre circle in [Figure 1](#) separates all seizures of excise goods in 2019 into four categories: *alcohol products*, *cigarettes*, *cigars and e-cigarettes* and *other tobacco products*. The outer edge further breaks down these categories into a number of sub-categories. The majority (55.2%) of seizures were of *cigarettes*. Seizures of *other tobacco products* accounted for 21.7% of all seizures, the second-most common type. This was a significant increase from 2018, when only 10.2% of seizures were of *other tobacco products*. Among seizures of *other tobacco products*, 32.8% were of *chewing and dipping tobacco*, 24.7% were of *water-pipe tobacco* and 22.8% were of *hand rolling and pipe tobacco*. *Alcohol products* dropped from the category with the second-

most seizures in 2018 to the category with the third-most seizures in 2019, decreasing from 29.4% to 16.4% of total seizures. *Cigars and e-cigarettes* were again the least common type of seizure, accounting for just 6.7% of all seizures.

[Figure 2](#) breaks down reported cases in 2019 by the method Customs administrations used in detecting the smuggled goods. The majority of cases, 56.2%, were detected through routine control. Risk profiling, the second-most productive detection method in both 2018 and 2019, accounted for 37.8% of cases, compared to only 15.4% in 2018. Intelligence-led investigation and random selection led to 3.4%



Figure 2: Percentage of cases by detection method, 2019



and 1.6% of cases respectively in 2019. Despite not accounting for many cases, intelligence-led investigation led to three of the four cases with the highest quantity of goods confiscated.

The analysis of the trends in this Section requires a few caveats. First, the conclusions below rely on case-and-seizure data voluntarily submitted at the discretion of WCO Member countries. There are many reasons why Customs administrations might not report or might under-report their data, including the need to maintain secrecy over ongoing investigations. As a result, the Figures in this Section might not depict a comprehensive view of efforts to avoid taxes or skirt

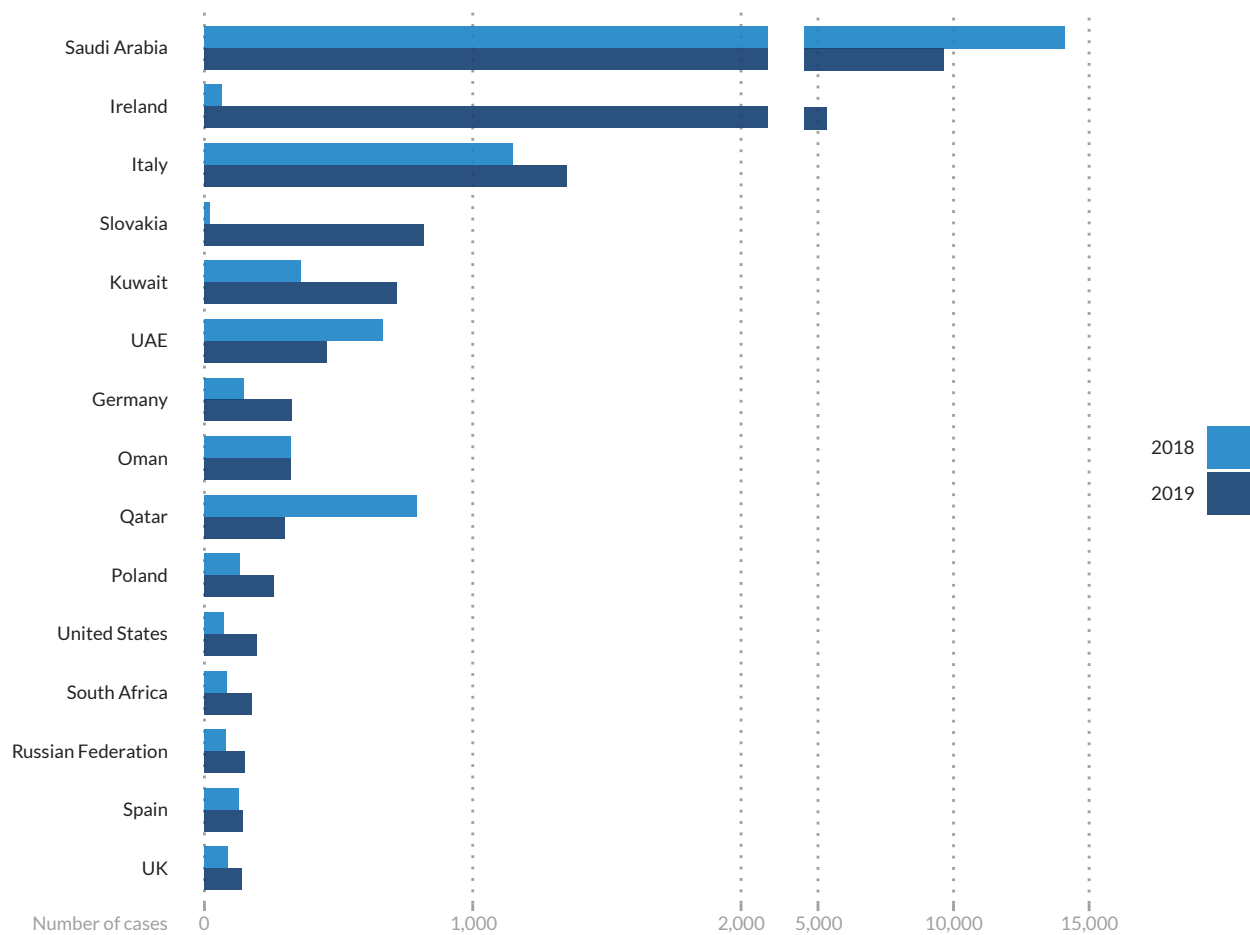
prohibitions. Second, apparent increases in seizures of certain goods could reveal the increasing efficacy of Customs officers rather than a genuinely upward trend in alcohol and tobacco trafficking.

This Section is organised in the following manner:

1. Overall trends in the trafficking of tobacco products.
2. Projects and operations.
3. Overall trends in the trafficking of alcohol products.

1. Overall trends in trafficking of tobacco products

Figure 3: Number of tobacco products cases by country, 2018-2019



In 2019, 78 countries reported 22,045 tobacco products cases, representing a 10.5% increase from 2018. Figure 3 compares the 15 top reporting countries in 2019 to the number they reported in 2018. Because of significantly higher reporting by Saudi Arabia and Ireland compared to the rest of the countries displayed, the graph splits at 2,000 cases for clarity. While Saudi Arabia reported the greatest number of cases in 2018 and 2019, the number of cases actually dropped 31.7%, from 14,116 cases in 2018 to 9,641 cases in 2019.

Ireland, which reported 64 cases in 2018, saw the most dramatic change in 2019, increasing 8,250% to report 5,344 cases in 2019. Similarly, while Slovakia was not among the top 15 reporting countries in 2018, the number of cases it reported rose 4,205.2% to become the fourth-highest number of cases (818). Qatar, on the other hand, dropped from being the country with the third-most reported cases in 2018 to the country with the ninth-most in 2019. After reporting 793 cases in 2018, Qatar reported 300 in 2019, a decrease of 62.1%.



Figure 4: Number of tobacco seizures and quantity seized by category, 2018-2019

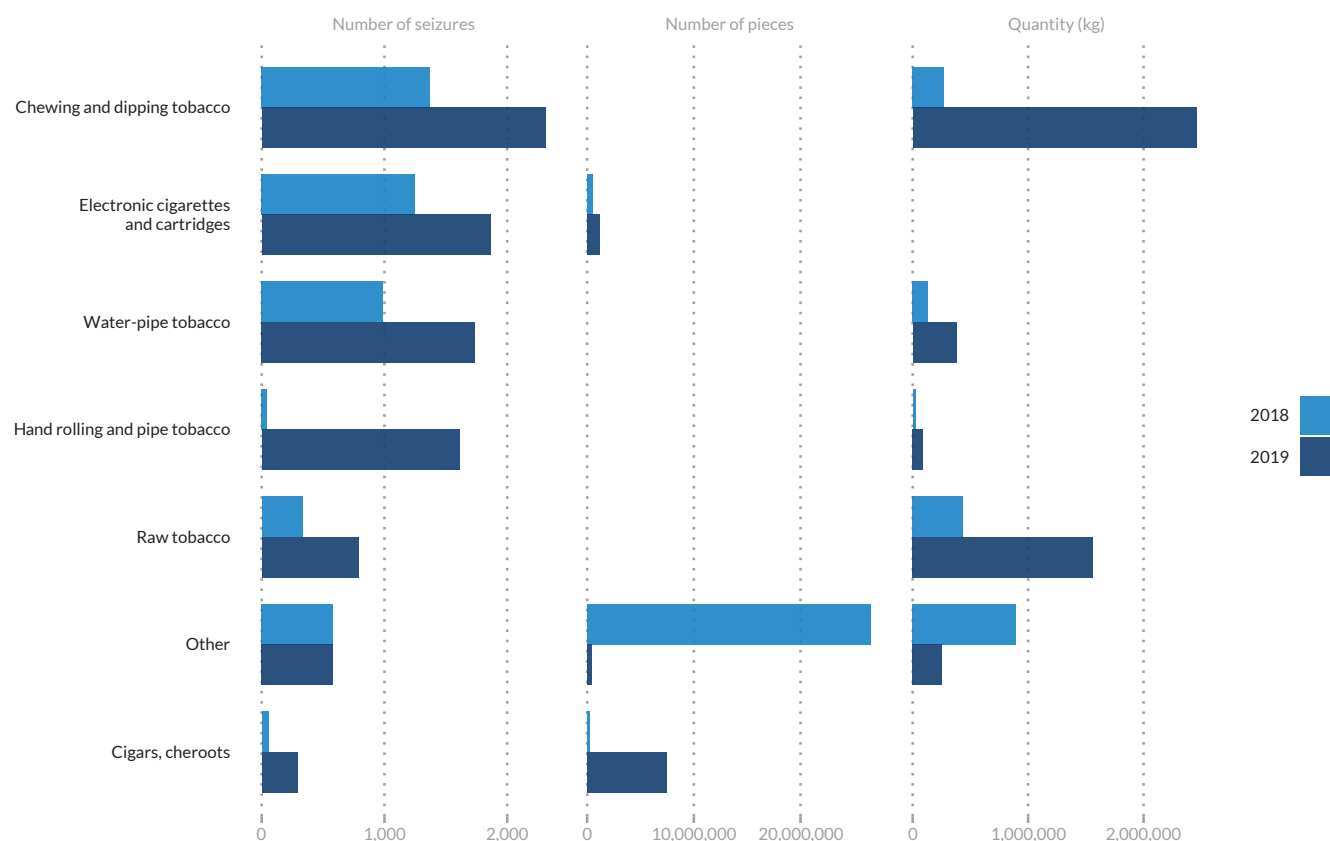
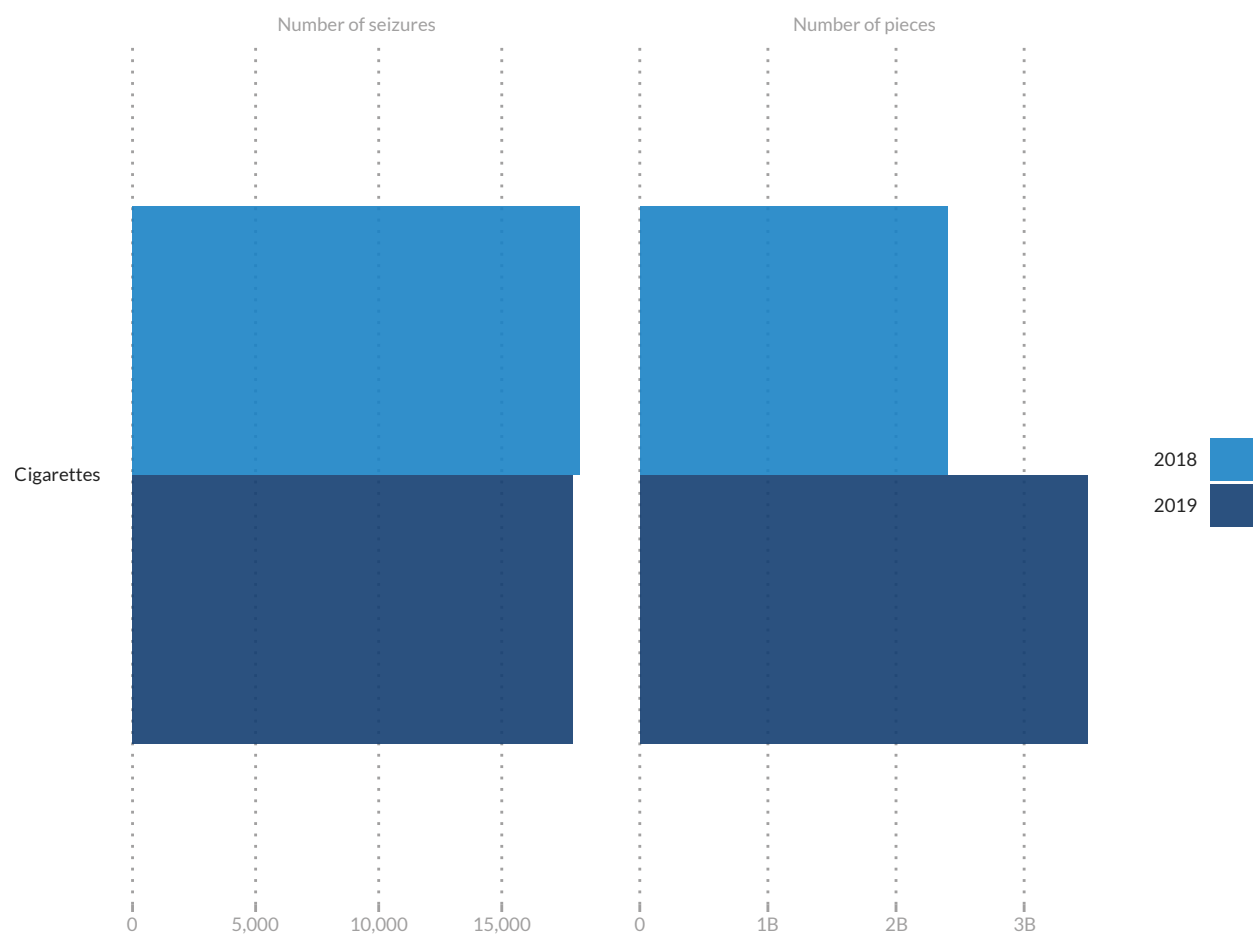


Figure 4 compares the number of seizures and quantity seized (in pieces and kilogrammes) in 2018 and 2019 for each category of tobacco products except cigarettes, which is shown in Figure 4A. Overall, there was a 98.9% increase in the number of seizures of *other tobacco products* and *cigars and e-cigarettes* (the displayed categories), in 2019. In fact, seizures in every sub-category except *other* (which did not change) individually increased. The greatest sub-category increase, both in the number of seizures and the percentage of growth, was in *hand rolling*

and *pipe tobacco*, which increased 3,644.1%, from 43 seizures in 2018 to 1,610 seizures in 2019. The sharp decrease in the number of pieces of *other* products seized seen in the Figure is due to an abnormally large seizure in 2018. The sharp increase in the quantity (in kilogrammes) of *chewing and dipping tobacco* seized is due to several large seizures in 2019; of the ten seizures with the largest quantities (in kilogrammes) seized, seven were of *chewing and dipping tobacco*. Different products are often reported using different measures of quantity (pieces versus weight) and thus are not easily comparable.

Figure 4A: Number of cigarettes seizures and quantity seized, 2018-2019



Cigarette seizures made up the majority of total tobacco products seized in both 2018 (79.7%) and 2019 (66%). Figure 4A compares the number of seizures of cigarettes and the total number of cigarettes seized in these years. Customs administrations reported a 1.5% decrease in the number of cigarettes seizures reported, but a 45.6% increase in the number of cigarettes seized. A relatively small number of seizures contributed to a significant

percentage of the cigarettes seized in 2019. The ten largest seizures of cigarettes yielded 1,212,220,800 pieces, or 34.6% of all cigarettes seized. The 100 largest seizures of cigarettes yielded 2,316,306,795 pieces, or 66.2% of all cigarettes seized. The same was true in 2018, albeit to a lesser extent, when the ten largest seizures of cigarettes yielded 452,309,200 cigarettes, or 18.8% of all cigarettes seized.



Figure 5: Number of tobacco products seizures and quantity seized by type and conveyance method, 2019

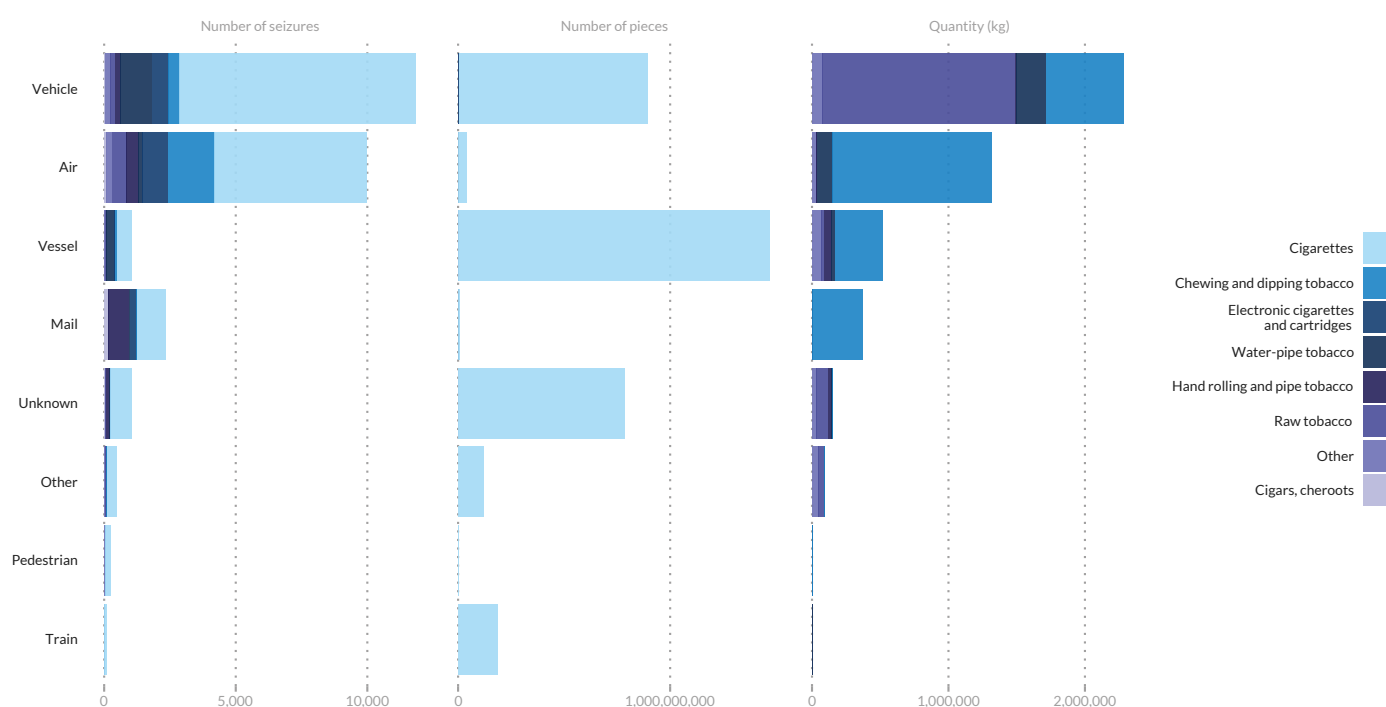


Figure 5 compares the number of seizures, and the quantity seized (in pieces and kilogrammes) by conveyance method for all seizures of tobacco products. Most seizures (80.5%, or 21,831 of 27,100) were from vehicles or air. The 11,847 seizures from vehicles in 2019 accounted for 43.7% of all seizures. Of these, 8,994 (75.9%) were of *cigarettes*, 1,185 (10%) were of *water-pipe tobacco*, 614 (5.1%) were of *electronic cigarettes and cartridges* and 419 (3.5%) were of *chewing and dipping tobacco*. The distribution of vehicle seizures by type of tobacco product is similar to the distribution of tobacco products across all conveyance methods.

The number of pieces seized were typically only reported for seizures of *cigarettes* and *electronic cigarettes and cartridges* and rarely for *other tobacco products*. It is important to note, therefore, that the number and quantity of pieces seized represent different categories of tobacco products and should not be compared. While the vast majority of vehicle seizures were of *cigarettes*, for example, the majority (61.8%) of the reported mass of tobacco products acquired from vehicle seizures came from seizures of *raw tobacco*.

Figure 6: Number of tobacco products cases by Customs procedure and country, 2019

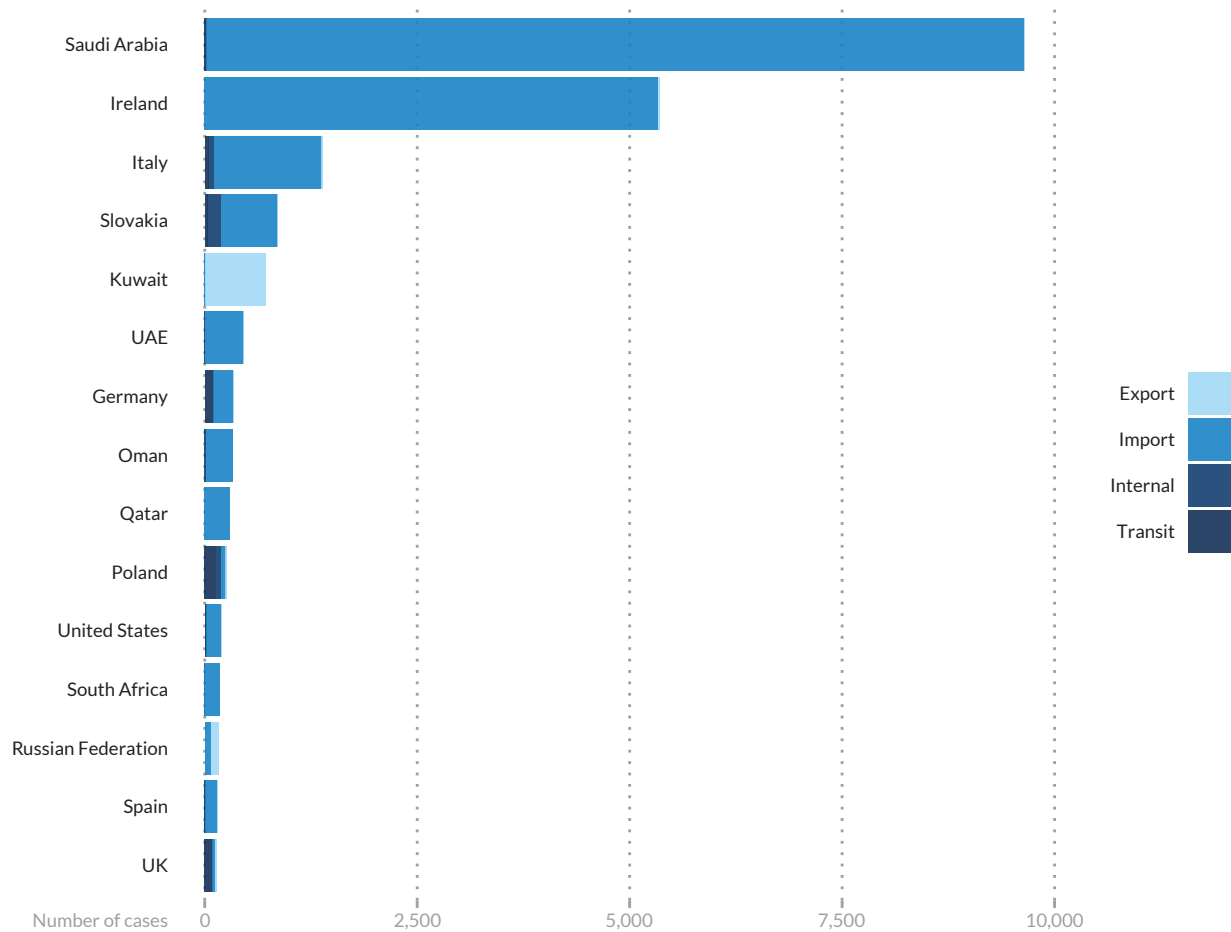


Figure 6 shows the 15 countries that reported the most tobacco products cases in 2019 and indicates the direction in which target shipments were moving when recovered. Of the 20,468 cases reported by these 15 countries, 18,823 (91.9%) occurred at import. Only 890 cases (4.3%) occurred at export, 443 (2.1%) occurred in transit and 312 (1.5%) occurred internally. The two countries with the most reported cases, Saudi Arabia and Ireland, both reported 99.7% of their cases as occurring at import. The vast majority of cases also occurred at import for Italy and Slovakia, which reported the third- and fourth-most cases respectively. Of their combined 2,247 cases, 1,925 (85.6%) occurred at import.

Poland and Kuwait were the only countries from the top ten for which the majority of recoveries did not take place at import. Of Kuwait's 719 cases, 707 (98.3%) occurred at export, and only 12 (1.6%) occurred at import. Poland reported 130 of its 266 cases (48.8%) as occurring in transit and 58 cases (21.8%) as occurring at import. Only the UK reported a greater percentage of cases as occurring in transit (67.8%). Poland also reported the highest percentage of cases occurring internally (21%).



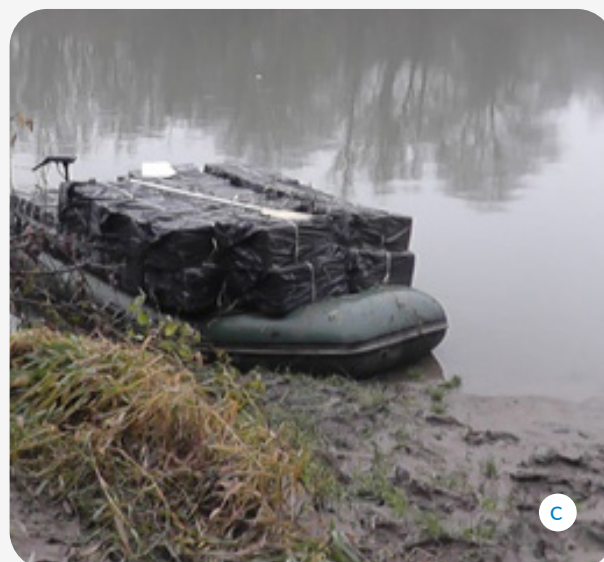
Member highlight: Tobacco smuggling at Hungarian borders

Tobacco smuggling is a really frequent illicit activity on the Hungarian-Ukrainian border, and it occurs at the Hungarian-Serbian border as well. On the border zone of the Hungarian-Ukrainian border strip, cigarette smuggling vehicles represent a big risk, and mainly have the following features: models having a passenger cabin and cargo bay bigger than usual; vehicles driven by a single person at relatively high speed.

Gangs specialized in cigarette contraband seems to possess more and more thorough comprehension of investigation procedures, patrolling and controlling techniques. They also have special knowledge of local geographical territory (escape routes, unused paths, river crossing points etc.) and use state of the art technical equipment (e.g. special communication devices – professional handheld radios, night vision devices, binoculars, strong and specialized vehicles working efficient in off road conditions).

At border crossing points (BCPs), smuggling is the most relevant type of illicit tobacco movement. Modified vehicles with concealed compartments represent the biggest risk in general. However, there is a special trend on the Hungarian-Ukrainian land border: perpetrators try to smuggle cigarette in pedestrian traffic in smaller quantities.

In general, due to the thorough and detailed control of traffic at the BCPs, most of the contraband activity migrated to the green border and most of the illegal consignments are coming through the green border. Master cases were brought by 'sherpas' through border fields, or in boats through river Tisza (Hungarian-Ukrainian external border). As an emerging new trend perpetrators use drones and gliders to transport cigarettes in the air. The organized perpetrators often make fake anonymous calls of illegal movement on another spot, to try to throw off the patrols.



Source: Hungarian Customs.

Figure 7: Proportion of tobacco products seizures by type and country, 2019

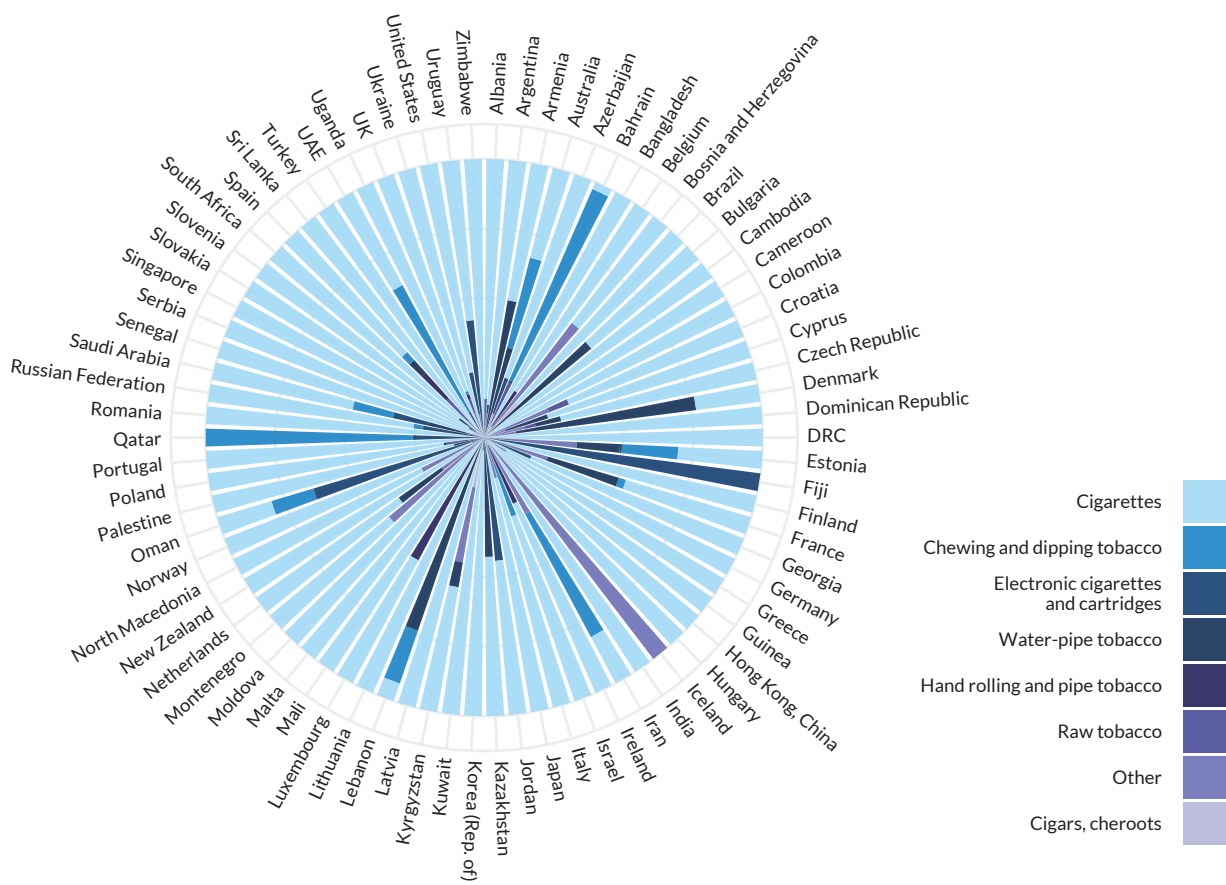


Figure 7 depicts the proportion of seizures for each category of tobacco products reported by each country. Out of 22 countries that reported at least 100 seizures in 2019, 12 (54.5%) reported cases in at least five of the categories shown in the Figure above. For 16 of these 22 countries, at least 70% of their seizures fell in only one category, and for six of these countries (Kuwait, Germany, South Africa, Bangladesh, Hungary and Colombia), at least 95% of their seizures fell in only one category.

Most seizures were of cigarettes, and of the 78 countries that reported seizures, 64 (82.2%) reported at least half of their seizures as seizures of cigarettes.

The five countries that reported the most seizures in 2019 - Saudi Arabia, Ireland, Italy, Slovakia and Kuwait - all reported the majority of their seizures as cigarettes. Not all countries reported primarily cigarettes, however. In the UAE, 51.5% (249) of reported seizures were of chewing and dipping tobacco. All five of Fiji's seizures were of electronic cigarettes and cartridges, as were 210 of Oman's 345 seizures (60.8%). Denmark and Lebanon reported mostly seizures of water-pipe tobacco. Denmark reported 27 seizures of water-pipe tobacco out of 43 total seizures (62.7%), and Lebanon reported 11 of 15 seizures (73.3%) in this category.

Member highlights: Interesting concealment of illegal cigarettes

In the vicinity of Budapest, 12,708,660 pieces of Regina American Brand cigarettes were seized in a warehouse within an industrial site. Some of them were already built in chipboards used as cover load. Tools and equipment used for the cover load were also found inside the warehouse.

On a Slovakian HGV in twelve big bags – flexible intermediate bulk container – 480,000 pieces of Compliment cigarettes were seized at BCP Záhony. The goods were describe as flagstone from Ukraine (Novohrad-Volynskyi) to Hungary.

Source: Hungarian Customs.



E



F

Figure 8: Number of tobacco products seizures and quantity seized by category and region, 2018-2019

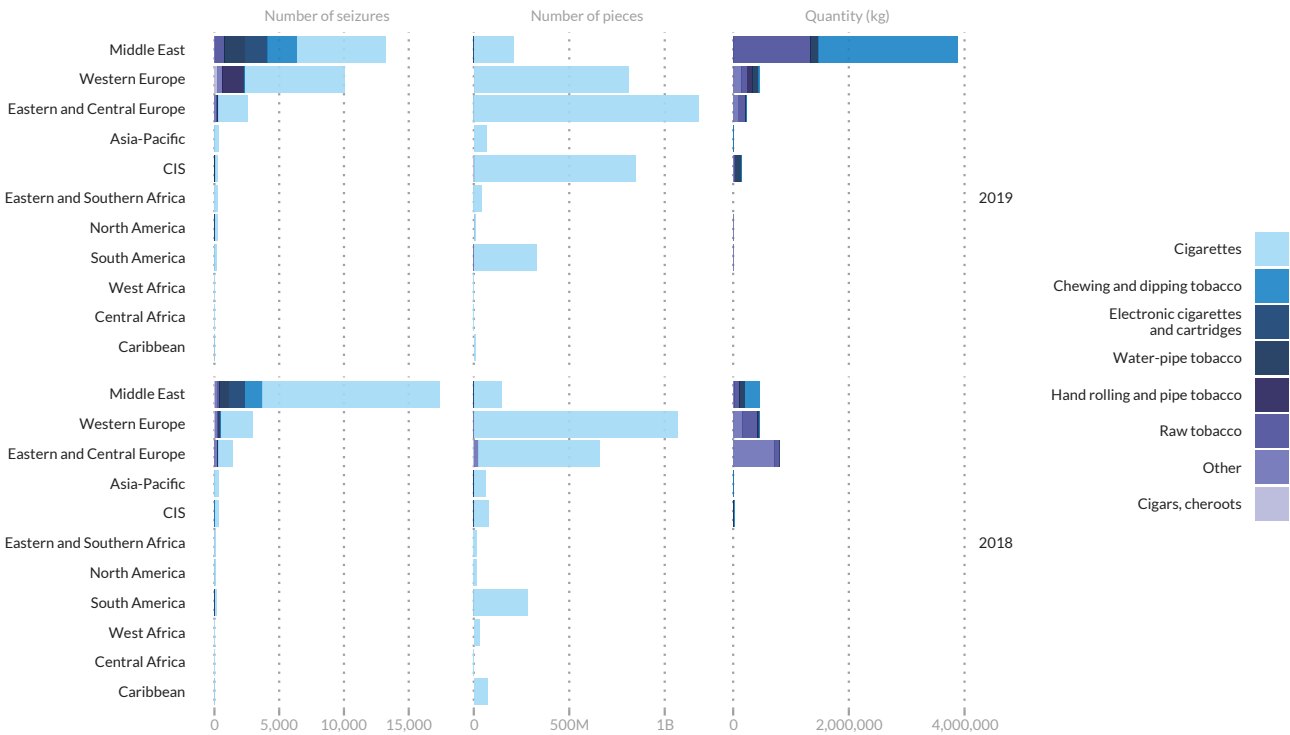


Figure 8 compares the number of seizures of tobacco products, and the quantity seized (in pieces and kilogrammes) by reporting region between 2018 and 2019. In both years, the Middle East, Western Europe and Eastern and Central Europe reported the first-, second- and third-most seizures of tobacco products, respectively. The three regions reported 25,772 of 27,100 seizures (95.1%) in 2019 and 21,730 of 22,813 seizures (95.2%) in 2018. In 2019, the Middle East reported 48.6% of tobacco products seizures, Western Europe reported 37% and Eastern and Central Europe reported 9.5%.

Although the number of seizures reported in the Middle East decreased from 2018 to 2019, the quantity (in kilogrammes) of pieces seized increased significantly. The Middle East reported the recovery of 3,895,295.4 kilogrammes of tobacco products in 2019 after reporting the recovery of only 458,556.1 kilogrammes in 2018. This is mostly due to a large seizure of *chewing and dipping tobacco* in Qatar in 2019, which recovered 1,000,000 kilogrammes of the product.

Member highlights: Sophisticated smuggling of cigarettes

At the Nitzana land border crossing between Israel and Egypt, a scan of a truck loaded with pallets of egg cartons revealed a suspicion of smuggling. After the image was analyzed, the truck was physically examined to find 1,750 cartons of smuggled cigarettes. The amount of tax evasion is nearly NIS 400,000.

Customs inspectors at the Nitzana Land Border Crossing revealed an attempt to smuggle cigarettes which were hidden inside of wooden pallets on top of which plastic products were loaded. The shipment was imported from Egypt by a Palestinian importer from Hebron.



During the inspection and dismantling of the wooden surfaces, it became clear that the suspicion was justified and 2,888 cartons of cigarettes worth NIS 800,000 were found. The estimated tax evasion is about NIS 600,000.

At the Kerem Shalom crossing, 175 kilogrammes of tobacco were seized inside of 350 sacks of coal. The financial value of the tobacco seized is NIS 110,565, and the estimate tax evasion is about NIS 95,000.

Source: Israeli Customs.

Cigarettes smuggling in LATVIA

As a 2019-year tendency, it could be pointed out that the number of identified cigarettes smuggling cases on railway increased by 5% in comparison with 2018.

In 2019, another cigarettes smuggling route was identified. In October 2019, at Riga Free Port Customs Control Point in a maritime container coming from India, instead of the declared "textile" cargo, 13.53 million pieces of smuggled cigarettes bearing the Richman brand name were found.

Source: Latvian Customs.



G: Seized cigarettes hidden in egg cartons pallets. Courtesy: Israeli Customs.
H, I: Smuggled cigarettes revealed in maritime container. Courtesy: Latvian Customs.

Case study 1 Millions of cigarettes seized at Aktau port, Kazakhstan

On 23 June 2019, Customs officials at Kazakhstan's Aktau port discovered a shipment of "floor tiles" that in fact contained 333.9 million cigarettes worth over KZT 1.2 billion (over EUR 2.5 million). The cigarettes were shipped in six 45-foot containers from Iran and did not have accompanying excise documents. By declaring these shipments as floor tiles rather than cigarettes, the traffickers avoided paying KZT 3.7 billion in customs duties. The cigarettes were destroyed.

Over the course of several months, Kazakh Customs uncovered several other shipments of cigarettes similarly arriving from Iran and declared as either building materials or tomato paste. These smuggling attempts were allegedly carried out by the same criminal group, members of which were arrested following a search of 13 addresses in October 2019 that led to the discovery of an additional 20 million packets of smuggled cigarettes. Among those detained was the head of the Seaport customs post in Aktau. The group is also suspected of giving bribes and, in total, smuggling 39 containers of cigarettes into the Russian Federation.

Sources:

NewTimes (2019), *В морском порту Актау задержана партия контрабандных сигарет на 1,8 млрд тенге*, available at <https://newtimes.kz/regiony/95966-v-morskom-portu-aktau-zaderzhana-partiya-kontrabandnykh-sigaret-na-1-8-mlrd-tenge>, accessed on 7 May 2020.

Khabar 24 (2019), *Контрабанду сигарет на 1,8 млрд тенге пресекли в морпорту Актау*, available at <https://24.kz/ru/news/social/item/336876-kontrabandu-sigaret-na-1-8-mlrd-tenge-presekli-v-morportu-aktau>, accessed on 7 May 2020.

Tengrinews (2019), *Главу таможенного поста в Актау подозревают в участии в ОПГ*, available at <https://tengrinews.kz/crime/glavu-tamojennogo-posta-aktau-podozrevayut-uchastii-opg-381193/>, accessed on 7 May 2020.

WCO CEN.



J: Smuggled tobacco seizure. Courtesy: Kazakh Customs.

Member highlights:

Maltese and Moroccan Customs seize large amounts of smuggled cigarettes

On 19 November 2019, the Malta Customs seized 2.4 million cigarettes in the Freeport. A full load 40-foot container, which arrived to Malta en-route from Russia to Italy, was selected for scanning upon arrival in Marsaxlokk, Malta. The container was declared as carrying pallets of wood planks and it was established that the items in the container were wood planks. However, the scanning image showed anomalies and there was suspicion of items concealed within the planks.

Source: Maltese Customs.



The Customs services of Tanger Med proceeded to the seizure of 506,500 packets of cigarettes, brand Marlboro, loaded aboard a container which was about to leave the Customs enclosure under cover of false documents. In another operation, Customs services in Marrakech seized 46,500 packets of cigarettes from a truck:

- 12,500 packs of MANCHESTER brand cigarettes;
- 500 packs of EMPIRE ROYALS brand cigarettes;
- 15,500 packs of WINSTON brand cigarettes;
- 18,000 LEGEND AMERICAN brand cigarette packs.

Source: Moroccan Customs.



K: Illicit cigarettes seized at the Free Port concealed in wood planks. Courtesy: Maltese Customs.
L: Illicit cigarettes LEGEND American seized. Courtesy: Moroccan Customs.

Figure 9: Tobacco products trafficking flows by region, 2019

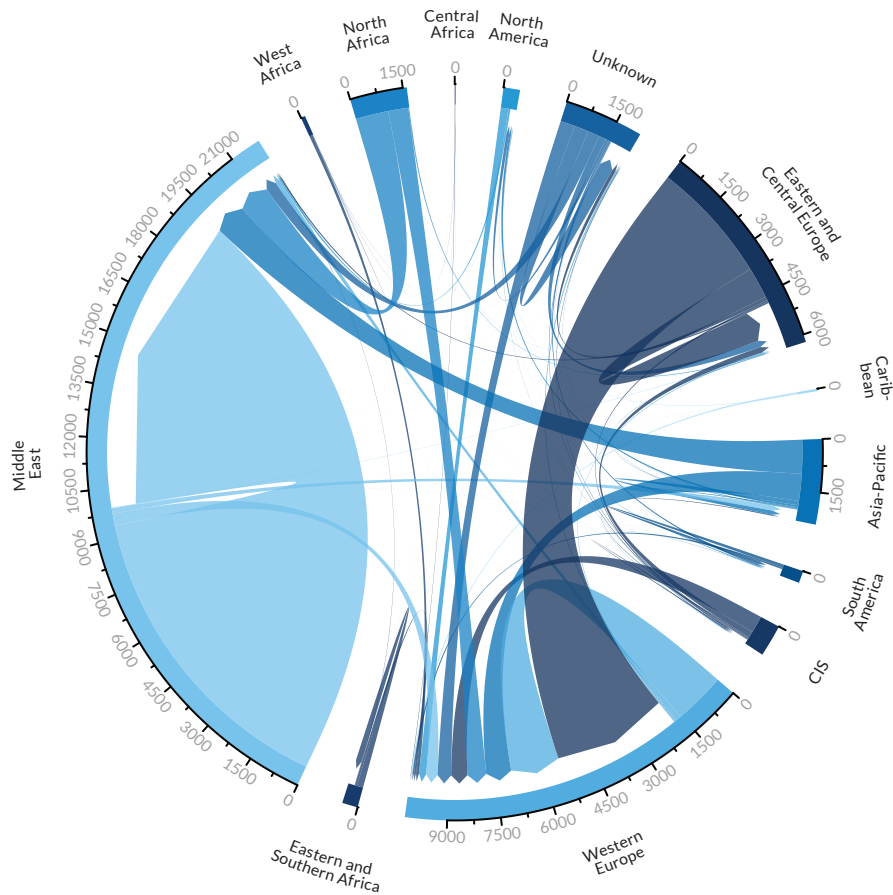


Figure 9 shows intended trafficking flows of tobacco products to, from and within reporting regions in 2019. The Middle East and Eastern and Central Europe were the most popular origin regions, with 9,926 flows starting in the Middle East and 4,795 flows starting in Eastern and Central Europe. These flows accounted for 42.3% and 20.4% of all 23,462 flows, respectively. Most trafficking was intra-regional. The vast majority of the Middle East's outward flows (9,381 flows, or 94.4% of its flows) were destined for locations within the Middle East. In total, 12,519 flows, 53.3% of all flows, involved either departures from or destinations within the Middle East. In fact, only 19.1% of flows starting outside the Middle East ended in the Middle East. The Middle

East was also the most popular intended destination, with 11,974 flows (51%) ending in the Middle East.

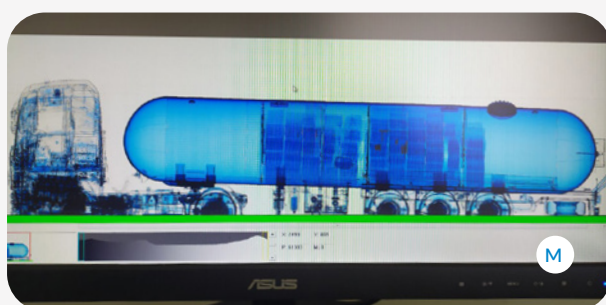
Western Europe was the second-most popular destination region, with 8,381 flows (35.8%) ending in there. Of the 21,621 flows starting outside Western Europe, 31.6% ended in Western Europe. Western Europe was the most popular destination for flows starting in Central Africa, North America, Eastern and Central Europe, the CIS, Western Europe and West Africa. Western Europe also had the greatest difference between the number of flows starting within the region (1,787) and ending within the region (8,381).

Member highlights: Customs and Police in Montenegro seize important quantity of undeclared cigarettes

On 28 August 2019, Customs officers and the Police of Montenegro discovered 1,997,600 undeclared cigarettes of Marble brand in the LPG truck tank.

Acting on previously collected intelligence data, Customs and Police officers at the border crossing point in Ranče controlled an empty LPG truck tank at the exit from Montenegro. A scan of the truck revealed that goods were hidden inside and upon inspection, some 1,997,600 pieces (9,988 boxes) were discovered.

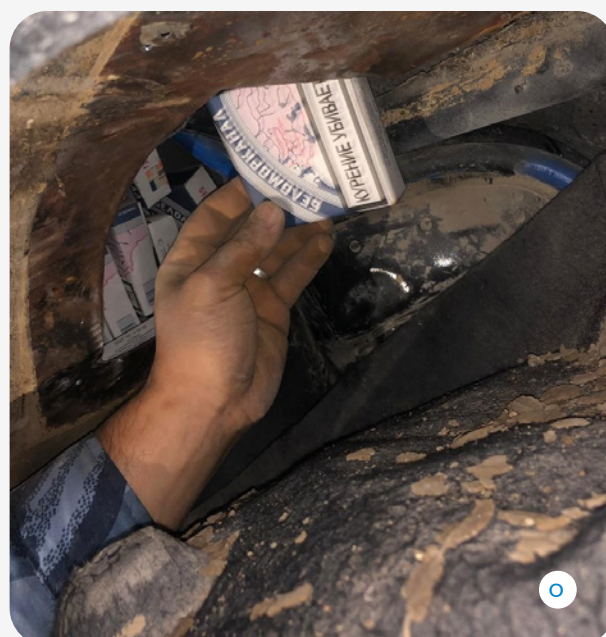
Source: Montenegrin Customs.



Azerbaijani Customs seize cigarettes hidden in a car

On 14 September 2019, based on the information received during a Customs inspection at the Samur Customs post of a car traveling from the territory of Russia to the territory of Azerbaijan and driven by an Azerbaijani citizen, 16,500 pieces of cigarettes were found in the rear right wing and inside two frames in the lower part of the car.

Source: Azerbaijani Customs.



M: Scan image of undeclared cigarettes of Marble brand in the LPG truck tank. Courtesy: Montenegrin Customs.
N, O: Illicit cigarettes seized. Courtesy: Azerbaijani Customs.

Figure 10: Heat map of tobacco products trafficking instances by country, 2019

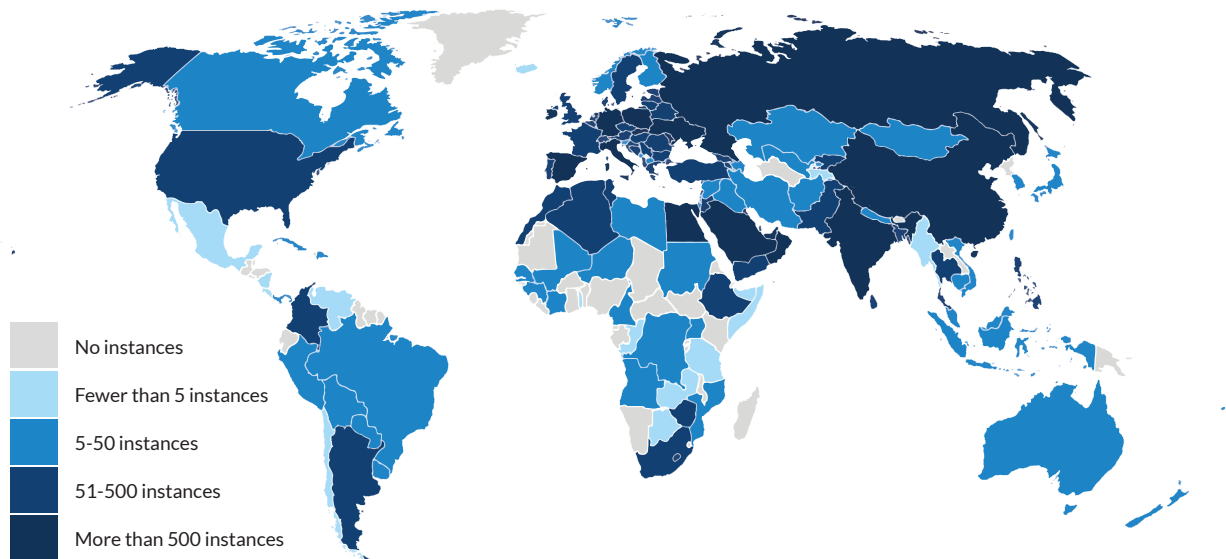


Figure 10 is a heat map of trafficking instances in 2019 coloured by frequency. The colouring indicates the number of times the country was either the origin, destination or transit point for one or more seized shipments of tobacco products, regardless of where the seizure took place or which country reported it. By disaggregating individual seizures in this way, the Figure depicts all countries in which tobacco products were known or intended to have been trafficked in 2019. Ten of the top 15 countries involved in the highest number of trafficking instances were also among the top 15 countries to report cases, indicating that a high number of trafficking instances often, but not always, indicates the country has reported high numbers of cases. Egypt, for example, had the seventh-most trafficking instances

(1,285), but did not report any cases in 2019. Additionally, Moldova had the sixth-most instances (1,369), but the 32nd-most cases reported (59).

Of the 131 countries for which trafficking instances were reported, 17 had more than 500 instances, 46 had between 51 and 500 instances, 51 had between five and 50 instances and 17 had fewer than five instances. Of the 17 countries that were the origin, destination or transit point for a seized shipment in more than 500 instances, five are in the Middle East, four are in Eastern and Central Europe and four are in Western Europe. Four countries had more than 2,000 instances: Saudi Arabia (10,832), Ireland (5,945), Kuwait (4,903) and the UAE (3,035).



Figure 11: Tobacco products trafficking routes and instances by location, 2019

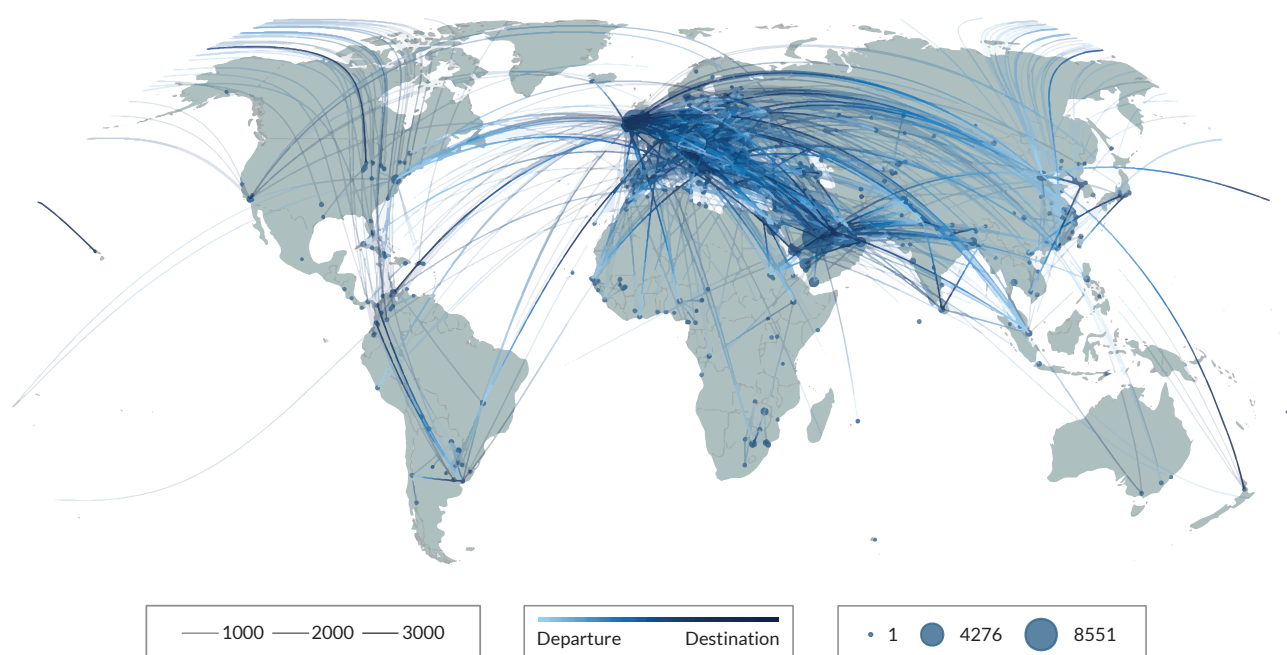


Figure 11 depicts the illicit flow of tobacco products from origin to destination, for all routes that appeared in one or more trafficking instances. Point size indicates the number of cases involving departures from or destinations within a particular city. For instances where no specific location was found in the data, the capital of a given country serves as a proxy city location. The flows connecting points on the map are light blue in colour at their origin and become darker as they approach their destination. The darker the overall tone of a flow, the more frequently that trafficking route appeared in the data for 2019. These flows do not necessarily indicate completed smuggling attempts; in many cases, contraband was seized at its origin point or while in transit. In all cases, flows represent intended routes of transit as they were reported.

The Figure shows 23,011 flows of tobacco products. The most common route was from Kuwait to Saudi Arabia, which accounted for 4,894 (21.3%) of all flows. Saudi Arabia was the destination country for six of the ten most popular routes, but the origin country for none of the top ten. The remaining four of the five most popular routes were from the UAE to Saudi Arabia (2,108 flows, or 9.1% of all flows), from Moldova to Ireland (1,261, 5.4%), from Bahrain to Saudi Arabia (1,105, 4.8%) and from Egypt to Saudi Arabia (936, 4%). Ireland was the destination country for nine of the 20 most popular routes, but the origin country for none of the 20. Flows destined for Ireland originated in a greater number of countries (103) than flows destined for any other country. Flows from the Russian Federation had a greater number of destination countries (34) than flows starting in any other country. The 25 most popular routes had 23 different origin countries.

Member highlights: Illicit tobacco production dismantled in Hungary

In 2019 one of the biggest illegal factory was dismantled in Europe. Six million cigarettes and enough tobacco for producing a further twenty-one million cigarettes were found by the Hungarian National Tax and Customs Administration in an illegal cigarette factory in Budapest. Dozens of foreign workers were living and working locked in the factory, not being able to even leave the warehouse. The group – consisting of Romanian and Moldavian citizens – sourced necessary materials for producing illegal cigarettes from abroad: machines, tobacco, filters, cigarette paper or flip top cigarette boxes. The cigarette factory operated in an 1,800 square-metre rented warehouse in Budapest. The property had been completely reconstructed for production: the walls of the building were made soundproof from inside, moreover dust extraction and ventilation equipment were used as well. Separate tobacco-cutting, fermentation, filling, and packing places were constructed using walls made of hardboard and brick.

The investigators detected the logistics warehouse of the cigarette factory as well, where the materials sourced from abroad were stored. Altogether, 14 trucks of goods were found here: 139 pallets of cardboard used for packets, 76 pallets of filters, 169 pallets of cigarette paper, 43 pallets of foil, 600 litres of liquid glue and 30 pallets of foiled paper rolls. In 2018 and 2019 altogether 72,8 million counterfeit, untaxed cigarettes, 95.3 tonnes of cut tobacco and almost 50 trucks of materials needed for cigarette production (filters, cigarette paper, packaging materials, glue) were seized by the authorities in six illegal tobacco factories and related warehouses in Spain, Greece, Belgium, Italy, the Czech Republic and Slovakia. Altogether 109 persons were arrested during these operations.

Source: Hungarian Customs.



Raid in the largest illegal cigarette production facility in Central Europe

In October 2019, three complete production and cigarette wrapping lines, as well as a raw tobacco leaf processing line were secured in Veľké Kostoľany (western Slovakia). During the inspection, 21,719 kilogrammes of tobacco and tobacco raw materials, and 12,648,870 cigarettes without a Slovak control mark were seized. In addition, 322 pallets of various components for cigarette production (filters, boxes, adhesives, tapes, etc.) were found in a warehouse in Bratislava (western Slovakia). The excise duty evasion on tobacco products was € 2.5 million. 47 foreigners from Moldova, Ukraine and Romania were arrested.

Source: Slovakian Customs.



2. Projects and Operations

OPERATION LYNX - WESTERN BALKANS

During the 5th Meeting of the Working Group on Revenue and Compliance Fraud, the WCO Secretariat presented the concept of Operation Lynx.

Operation Lynx was designed to be a short term, regional, non-commodity specific, cross border anti-smuggling operation with the primary purpose of increasing the volume of spontaneous exchange of information using the WCO secure, encrypted CENcomm system.

The Western Balkans region was selected as the pilot location for the first operational activity conducted by the Secretariat. In addition, the Customs Administrations of the United Kingdom, Italy, Croatia and Slovenia were also invited to participate as key strategic partners, and the respective WCO Regional Intelligence Liaison Offices and Europol also involved to share their regional expertise.

A pre-operational meeting with respective NCP's was held in Skopje, North Macedonia. Greater focus was given to Member's needs and requirements and a dynamic Operational Plan was produced and agreed. The operational activity period was agreed for four days from 23-26 September 2019. Most Members actively engaged and participated.

This experience had positive outcomes presented at the 6th Meeting of the Working Group on Revenue Compliance Fraud, in November 2019. In particular: 17 seizures of varying commodities were recorded, ranging from IPR infringements, illegal medicines, tobacco smuggling and illegal immigrants attempting to cross borders. A post operational debrief was held at WCO Headquarters and a 2nd operational phase was agreed.

The Secretariat is currently working on the development of Operation Lynx in further locations worldwide.



S: Illegal cigarettes seized. Courtesy: Kosovan Customs.

T: Smoking tobacco seized in Trieste. Courtesy: Italian Guardia di Finanza.

PROJECT CROCODILE

Project Crocodile detects suspicious cigarette shipments through a mechanism of export and arrival notifications between countries from departure through to destination. Since 2004, RILO AP has been playing the role of coordinator and regional intelligence hub combating the illicit cross-border trade of tobacco and tobacco products.

Twenty-four Customs administrations from RILO AP have participated in this Project, including Australia, Bangladesh, Bhutan, Brunei Darussalam, China, Fiji, Hong Kong (China), Indonesia, Iran, Japan, Korea, Macau (China), Malaysia, Maldives, Myanmar, New Zealand, Pakistan, Papua New Guinea, Philippines, Singapore, Sri Lanka, Thailand, Tonga and Vietnam.

In 2019, RILO AP handled 177 export notifications and 12 arrival notifications pertaining to shipments of suspicious cigarettes. When the shipments were intended for export to countries in the region who were not participating in the project, RILO AP would coordinate with the relevant customs administration for the dissemination of information and/or monitor the shipment's movement and it would coordinate with the relevant RILO offices or international enforcement organizations for the same purpose. Through this Project, Member administrations were able to exchange information in a timely manner while also monitoring suspicious shipments, thus successfully suppressing tobacco smuggling within and across AP region.

In 2019, Members reported the seizure of 11.4 million sticks of cigarettes and around 1,500 kilogrammes of loose leaf tobacco. This success resulted from the exchange of intelligence, the Member cooperation, and the synergy of project Crocodile's notification mechanism, representing a great achievement in the suppression of illicit tobacco smuggling.

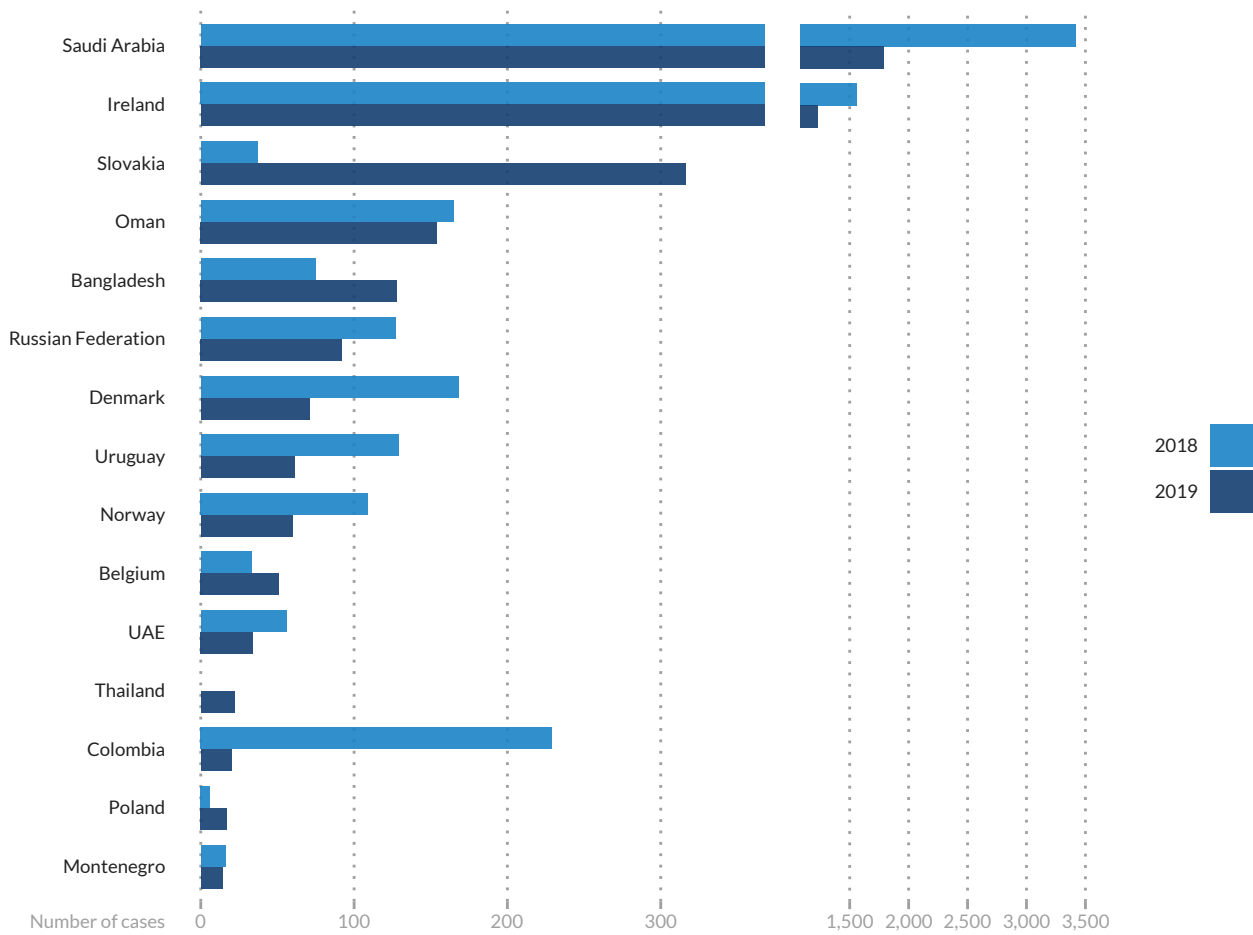
On 21 November 2019, based on export notification and intelligence exchange between Hong Kong Customs and General Administration of Customs of the People's Republic of China (GACC), Hong Kong Customs intercepted one container departed from Mainland China. As a result, Hong Kong Customs seized 11.4 million sticks of cigarette, which were falsely declared as "Mixed materials".



U, V: Illicit cigarettes seized. Courtesy: RILO Asia Pacific.

3. Overall trends in trafficking of alcohol products

Figure 12: Number of alcohol products cases by country, 2018-2019



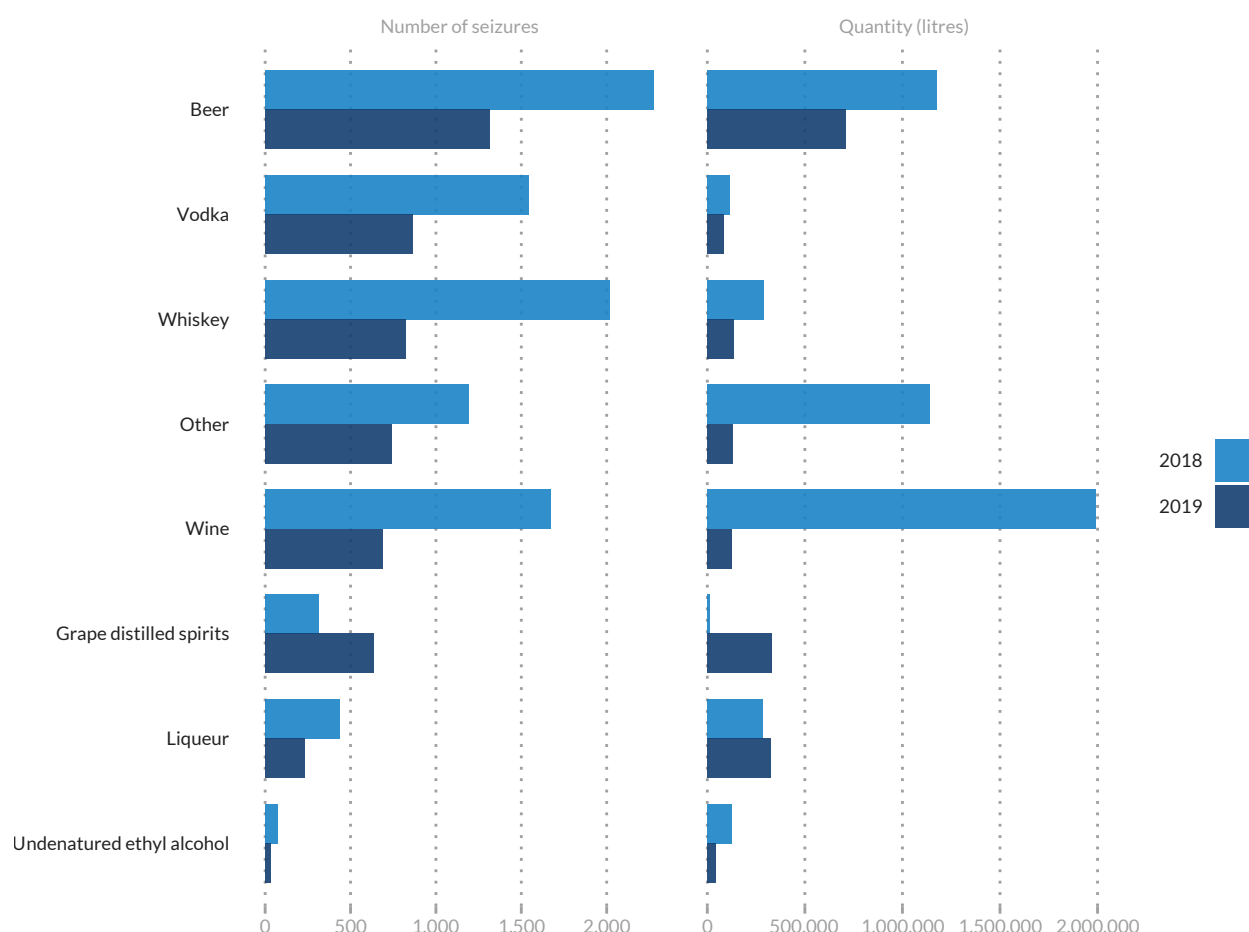
Fifty-two countries reported 4,240 alcohol products cases in 2019, a 39.9% decrease from 2018, when 54 countries reported 7,061 cases. Figure 12 shows the number of cases the 15 top reporting countries in 2019 compared to the number they reported in 2018. Due to high reporting from Saudi Arabia and Ireland, the graph splits at 300 cases so that the bars for all 15 countries are visible. Saudi Arabia reported the greatest number of cases in both 2018 and 2019, although the number of cases dropped 47.8%, from 3,420 cases to 1,784 cases. Ireland again reported the second-most cases, its 1,226 reported cases representing 28.9% of all cases. Saudi Arabia and Ireland together reported 70.9% of all cases in 2019, and the top 15 reporting countries together

reported 95.5% of all cases. In 2018, the top 15 countries reported 93.9% of all cases.

Of note, ten countries reported more cases than Slovakia in 2018, but Slovakia reported the third-most cases in 2019. The percentage of all cases Slovakia reported jumped from 0.5% of all cases in 2018 to 7.4% of all cases in 2019. Similarly, after reporting no cases in 2018, Thailand reported 22 cases in 2019. By contrast, Colombia’s 229 reported cases in 2018 were the third-most, and accounted for 3.2% of all cases, but the country reported just 20 cases in 2019.



Figure 13: Number of alcohol products seizures and quantity seized by category, 2018-2019



Customs officials reported 5,326 seizures of 1,889,748.6 litres of alcohol products in 2019, a 44% drop in the number of seizures and a 63.2% drop in litres seized from 2018. Figure 13 compares the number of seizures and volume seized of different sub-categories of alcohol products in 2018 and 2019. Almost every sub-category saw a drop from 2018 to 2019 in both the number of seizures and litres of alcohol seized, leading to the significantly fewer seizures reported and litres of alcohol products seized seen in the Figure.

The sub-category with the greatest number of seizures and the greatest volume of seizures in 2019 was *beer*, with 1,314 *beer* seizures accounting for 24.6% of all

alcohol products seizures in 2019. The 711,284.4 litres seized accounted for 37.6% of the volume of alcohol products seized. *Vodka* and *whiskey* seizures accounted for 16.1% and 15.4% seizures, respectively, in 2019. *Wine* and *grape distilled spirits* accounted for a further 12.8% and 11.9% of all seizures, respectively.

Litres of *wine* seized dropped most precipitously, decreasing from 1,991,933 litres in 2018 to 128,977.3 litres in 2019. *Grape distilled spirits*, whose seizures jumped from 3.2% of seizures in 2018 to 11.9% of seizures in 2019, increased from 0.2% of litres seized in 2018 to 17.4% of litres seized.

Figure 14: Number of alcohol products seizures and quantity seized by type and conveyance method, 2019

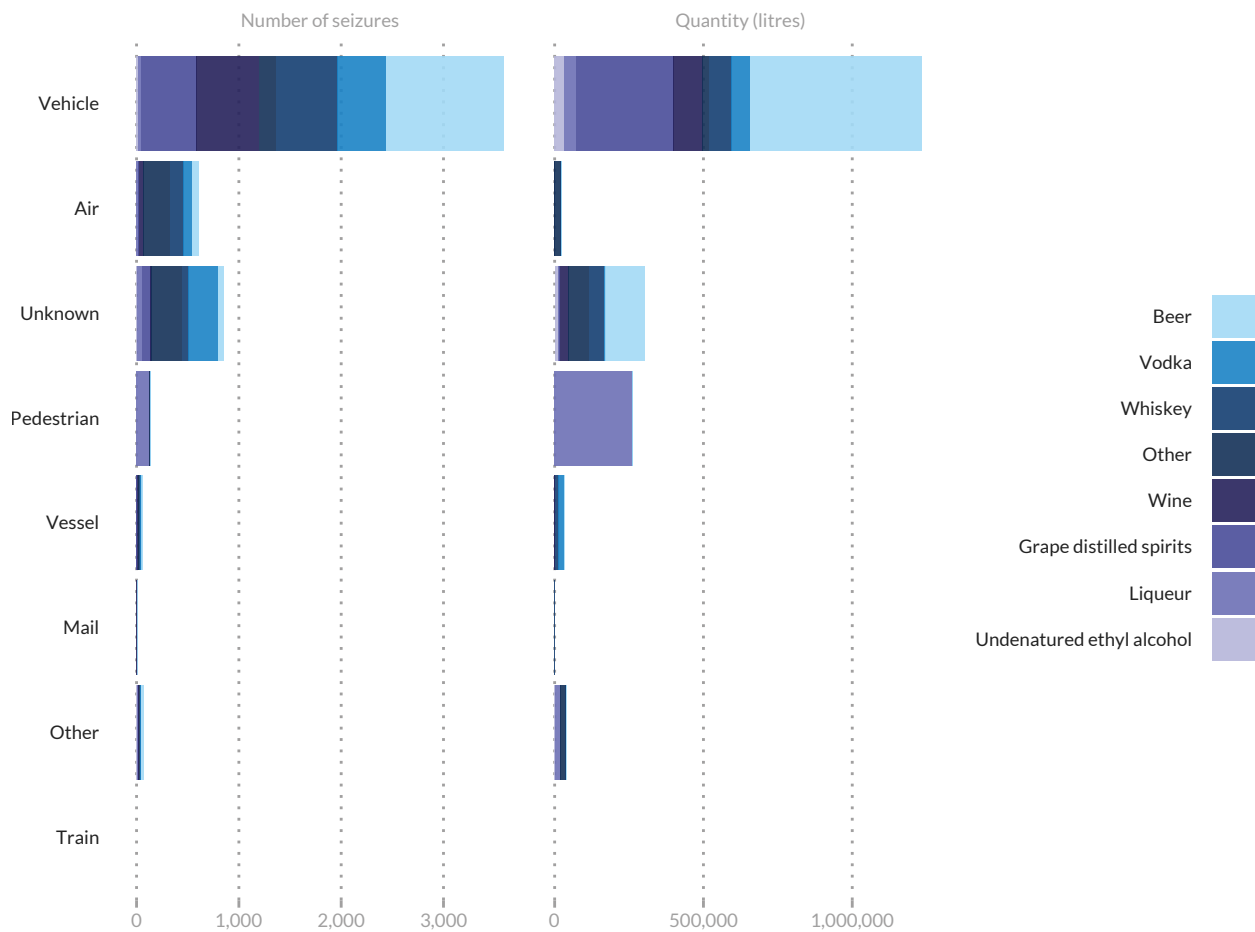


Figure 14 compares the number of seizures and volume of pieces seized in litres by conveyance method for all alcohol products. The 3,585 vehicle seizures accounted for 67.3% of all alcohol products seizures in 2019, and the 606 air seizures accounted for 11.3% of all seizures. Vehicle seizures also accounted for 1,232,492.8 litres of alcohol products, 65.2% of the total volume seized. Among the 3,585 vehicle seizures, 1,147 (31.9%) were of *beer*, 614 (17.1%) were of *wine*, 604 (16.8%) were of *whiskey*, 545 (15.2%) were of *grape distilled spirits* and 471 (13.1%) were of *vodka*.

Air seizures, on the other hand, only accounted for 1.2% of the volume of alcohol products seized. Pedestrian seizures accounted for 2.6% of all seizures in 2019, but 13.7% of the volume of alcohol products seized. The vast majority of the 140 pedestrian seizures (92.1%) were of *liqueur*.



Figure 15: Number of alcohol products seizures by Customs procedure and country, 2019

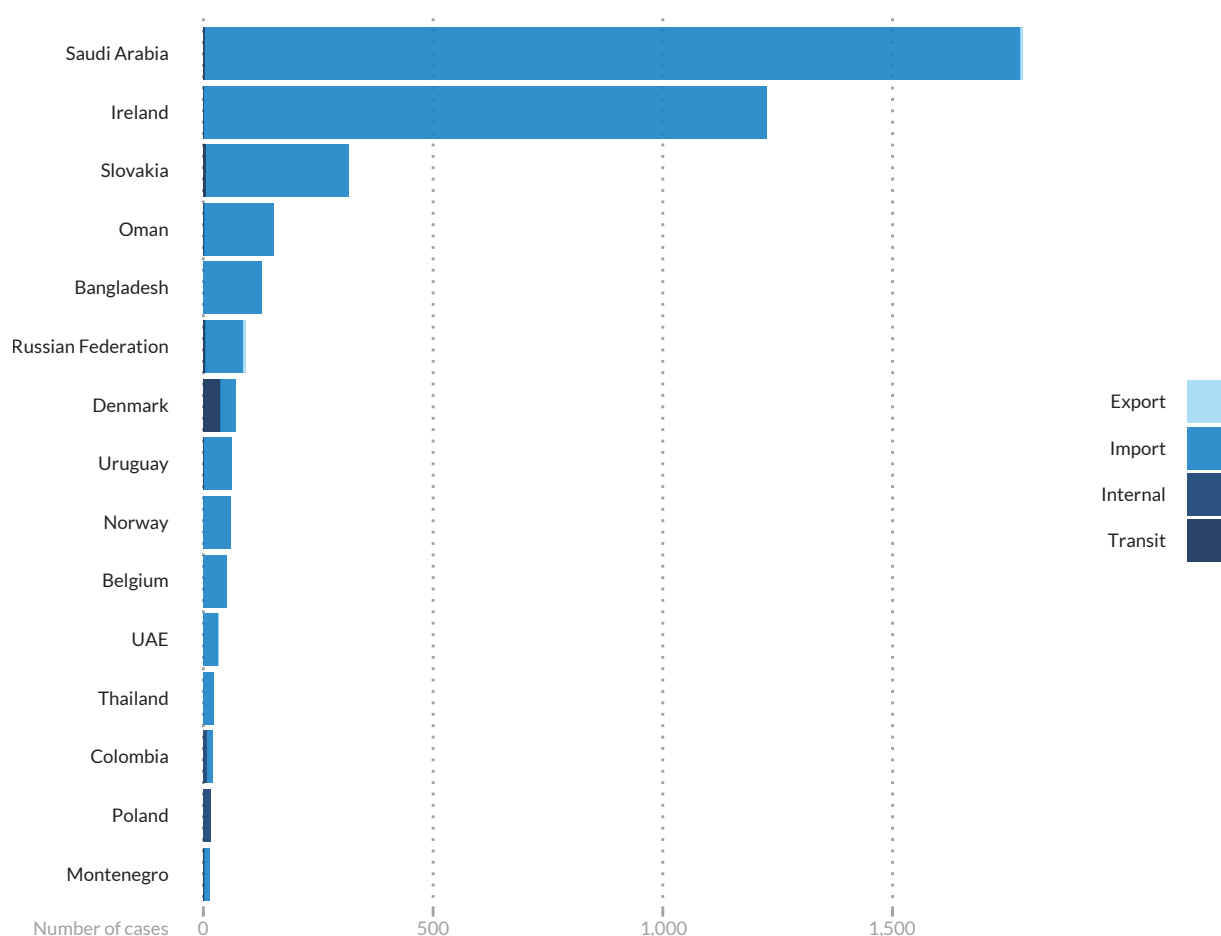


Figure 15 shows the 15 countries that reported the most alcohol products cases in 2019 and indicates the direction in which target shipments were moving when recovered. The vast majority of recoveries occurred at import. Of the 4,050 cases reported by these 15 countries, 3,954 (97.6%) occurred at import. Only 50 cases (1.2%) occurred in transit, 33 (0.8%) occurred internally and 13 (0.3%) occurred at export. The two countries with the most cases reported, Saudi Arabia and Ireland, reported 99.4% and 99.9% of their cases, respectively, at import. The vast majority of cases

also occurred at import for Slovakia and Oman, which reported the third- and fourth-most cases, respectively. Of their combined 470 cases, 462 (98.2%) occurred at import.

Denmark and Poland were the only countries in the top 15 for which the majority of recoveries did not take place at import. Of Denmark's 71 cases, 38 (53.5%) occurred in transit, and the other 33 (46.4%) occurred at import. Poland reported all of its 17 cases as occurring internally.



Figure 16: Proportion of alcohol products seizures by type and country, 2019

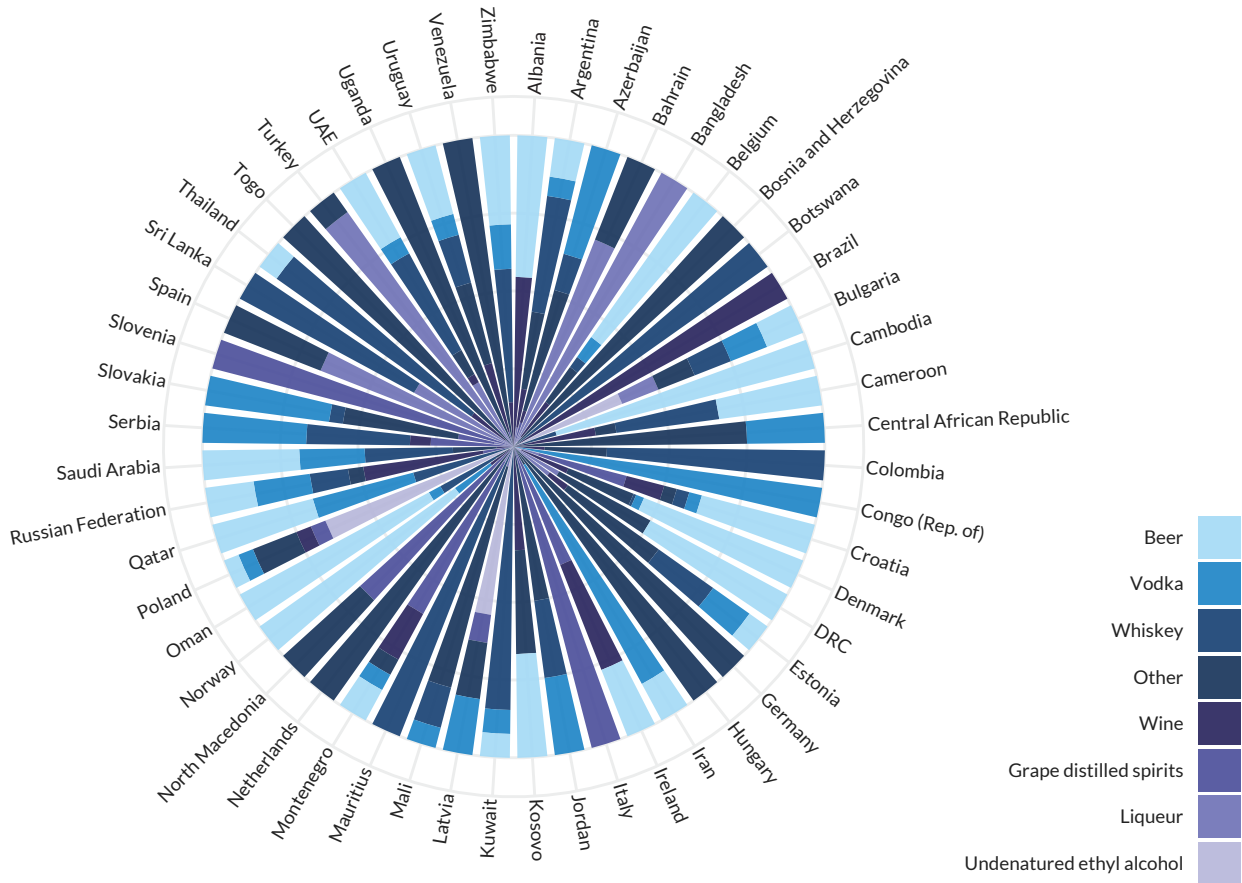


Figure 16 depicts the proportion of seizures for each category of alcohol products reported by each country. Countries differed widely in types of alcohol products they seized most often. Of the 53 countries that reported seizures of alcohol products in 2019, 28 reported at least ten such seizures. Of these 28 countries, six reported more *beer* seizures than seizures of any other category and six reported more *whiskey* seizures. Out of the 28 countries that reported at least ten seizures in 2019, 20 (71.4%) reported cases in at least four of the categories shown in the Figure above. Five of these 20 countries reported seizures in at least

four categories that accounted for more than 10% of the country's total seizures (Saudi Arabia, the Russian Federation, Uruguay, Argentina and Estonia).

Not all countries seized primarily *beer* or *whiskey*, however. Ireland, which reported more *grape distilled spirits* seizures and *wine* seizures than any other country, reported 78.5% of all *grape distilled spirits* seizures and 64.7% of all *wine* seizures. Bangladesh reported all 128 of its seizures as *liqueur* seizures, Poland reported 65% of its 20 seizures as *undenatured ethyl alcohol* seizures and Turkey reported 12 of its 13 seizures as *liqueur* seizures.

Member highlight: Alcohol smuggling in Hungary

Smuggling of alcohol is not typical in Hungary. At the southern border of the country (EU-external border between Hungary and Serbia) some minor cases occur, mainly due to individual bootleggers (i.e. foreign workers for own consumption or for sale).

Internal production of illicit alcohol is much more profitable. According to distilled alcoholic product, Hungary applies reduced rates of excise duty to ethyl alcohol produced by small distilleries in accordance with the EU Directive. These products produced for own consumption may spread in trade illicitly and are unlawfully available on the market.



Customs officers controlled a car arriving from Serbia driven by a German citizen. They found 126 litres of unlabelled alcoholic drinks in luggage and hidden in the trunk. The driver could not justify the origin of the drinks. The value of the seized goods was more than 660.000 HUF.

Source: Hungarian Customs.



Member highlights: Tajik and Uzbek Customs seize alcohol products

A citizen of the Republic of Tajikistan in the period from **January to February of 2019** imported into Tajikistan from Uzbekistan beer of “Kibray” brand in the amount of 422,430 litres, and sold the goods at retail outlets in the Sogdiysky region.

During an inspection, it turned out that the goods were brought into the republic illegally.

A criminal case was launched against the offender under the article “Smuggling” of the Criminal Code of the Republic of Tajikistan and sent for further consideration to the relevant authorities.

Source: Tajik Customs.



On **29 March 2019**, Customs officers of the Anti-Smuggling Division officers of the Uzbek anti-smuggling department carried out a special operation in the Syrdarya region at the border Customs post "Syrdarya". During the operation, Customs inspection of a Mercedes-Benz car arrived from Kazakhstan was carried out.

As a result, 36 units of Jack Daniel's alcoholic beverage in 1 liter glass bottles were found to be undeclared.

On **20 May 2019**, Customs officers of the Anti Smuggling Division stopped for inspection a Volkswagen car in the Republic of Karakalpakstan on the A-380 trunk road.

As a result, 180-litres of alcohol products of various names, manufactured abroad were identified. The driver did not have the necessary documents confirming the legality of the origin and acquisition of these goods.

Source: Uzbek Customs.



A2, B2: Illegal beer of “Kibray” brand seized. Courtesy: Tajik Customs.

C2: Undeclared Jack Daniel's whiskey bottles seized. Courtesy: Uzbek Customs.

D2: Alcohol products of various names concealed in a car without necessary documents. Courtesy: Uzbek Customs.



Figure 17: Number of alcohol products seizures and quantity seized by category and region, 2018-2019

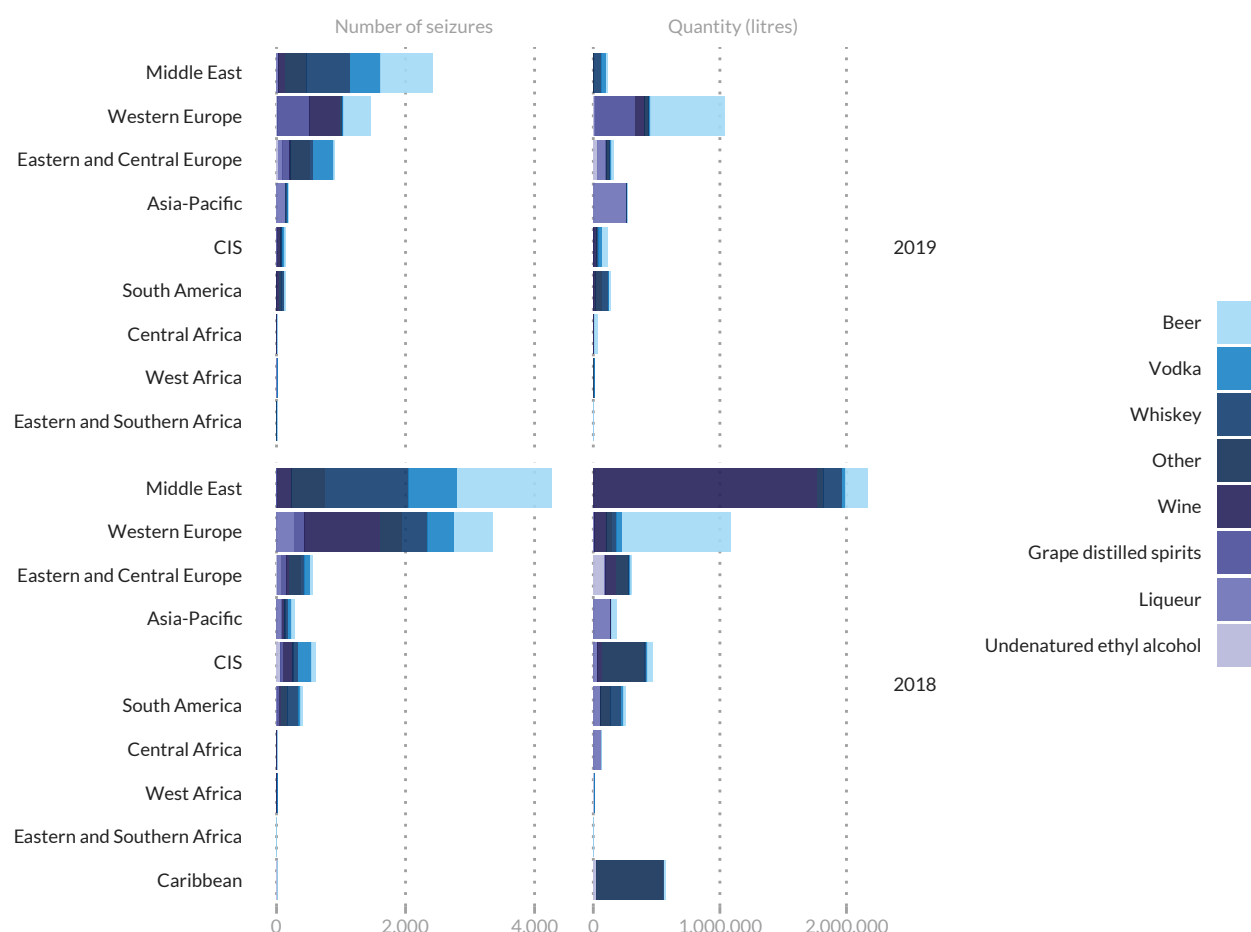


Figure 17 compares the number of seizures of alcohol products and the quantity seized in litres by reporting region between 2018 and 2019. Seizures of alcohol products fell by 44% from 2018 to 2019 across all regions. The Middle East and Western Europe's reported seizures declined 43% (from 4,258 to 2,424) and 56.3% (from 3,353 to 1,463), respectively. Among the six regions that reported the most seizures, only Eastern and Central Europe's reporting increased, from 561 seizures in 2018 to 913 seizures in 2019 (a 62.1% increase). Although the number of seizures for several of the top-reporting regions changed from 2018 to

2019, the percentage of total seizures were relatively similar. The Middle East, for example, reported 44.7% of alcohol products seizures in 2018 and 45.5% in 2019.

But differences in the percentage of litres of alcohol products seized were significantly greater. The Middle East reported only 6% of litres seized in 2019 after contributing 42.2% of litres seized in 2018. Western Europe reported 21% of the litres seized in 2018 and 54.9% of the litres seized in 2019. The Caribbean did not report any seizures in 2019 after reporting 11.1% of the litres seized in 2018.

Case study 2

Ireland seizes 265,000 litres of alcohol

In October 2019, Irish authorities at Dublin Port seized more than 265,000 litres of alcohol arriving from the UK and Belgium. Worth more than EUR 1.4 million, the shipments were of 229,449 litres of beer and 36,270 litres of wine. The illicit alcohol arrived in 11 separate unaccompanied trailers into Dublin Port. Customs duties on the smuggled alcohol would have been upwards of EUR 735,000. Ireland's president signed legislation into law in late 2018 that significantly limits the ways in which alcohol can be sold and advertised across the country starting in 2020. The various laws will go into effect throughout 2020 and 2021.

Ireland reported the second-highest number of alcohol seizures to the WCO CEN in 2019. In total, these 14,208 yielded 3,562,759 litres of illicit alcohol. The majority of these seizures were of beer, took place at Dublin Port, and arrived from continental Europe.

Sources:

The Irish Examiner (2019), *229,449 litres of beer and 36,720 litres of wine seized at Dublin Port in October*, available at <https://www.irishexaminer.com/breakingnews/ireland/229449-litres-of-beer-and-36720-litres-of-wine-seized-at-dublin-port-in-october-961922.html>, accessed on 7 May 2020.

RTE (2019), *Revenue seizes over €1.4m worth of alcohol in October*, available at <https://www.rte.ie/news/crime/2019/1105/1088763-revenue-alcohol-seizure-dublin/>, accessed on 7 May 2020.

(2019) *The Drinks Business* (2019), *Ireland embarks on massive alcohol reform*, available at <https://www.thedrinksbusiness.com/2019/05/ireland-embarks-on-massive-alcohol-reform/>, accessed on 7 May 2020.

WCO CEN.





Figure 18: Alcohol products trafficking flows by region, 2019

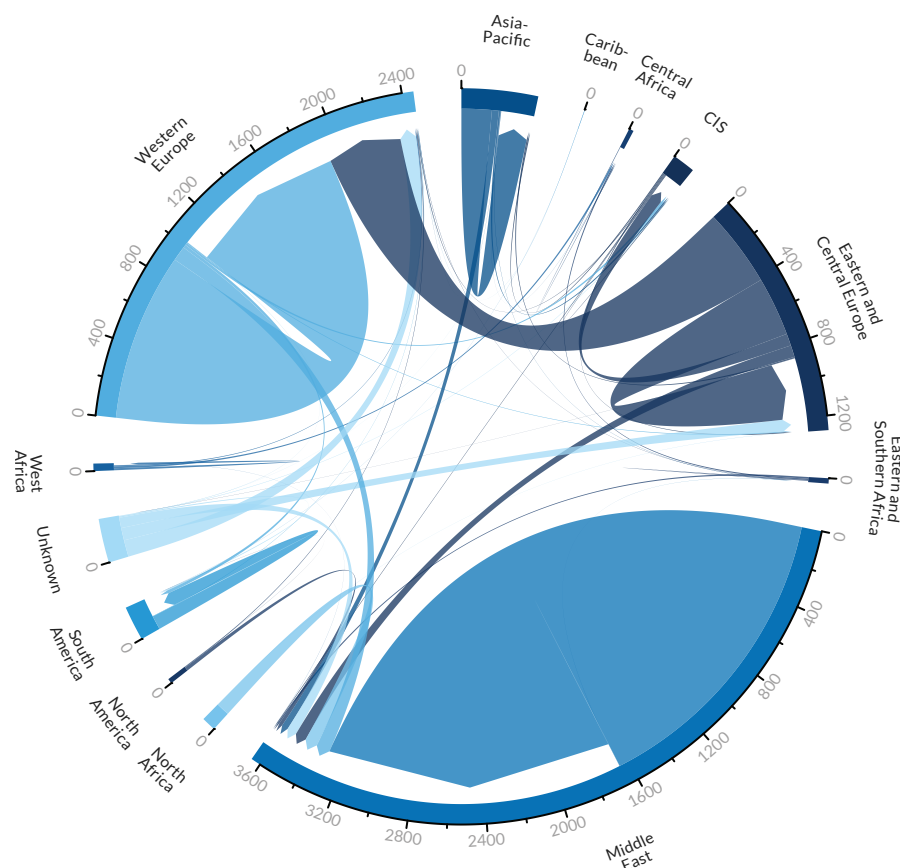


Figure 18 shows intended trafficking flows of alcohol products to, from and within reporting regions in 2019. Flows within regions accounted for 3,138 of 4,240 flows, or 74% of all flows. The Middle East, Western Europe and Eastern and Central Europe were the most popular origin regions, with 1,654 flows (39% of all flows) starting in the Middle East, 1,022 flows (24.1%) starting in Western Europe and 877 flows (20.6%) starting in Eastern and Central Europe. All but one of the 1,654 flows originating in the Middle East were destined for locations within the Middle East, and 88.7% of the flows originating in Western Europe were destined for locations within Western Europe. Most of Eastern and Central Europe's flows were either headed to Western

Europe (48%) or locations within Eastern and Central Europe (36.3%).

The Middle East was also the most common intended destination, reported as the end point for 1,996 flows (47%). Four of the twelve regions - Asia-Pacific, the C.I.S., Eastern and Central Europe and Western Europe - were the origin for flows heading to at least five of the 12 other regions. All but two of South America's 75 flows ended in South America. North Africa and North America were the only regions for which there were no internal flows, other than the Caribbean, from which only two flows began.

Figure 19: Heat map of alcohol products trafficking instances by country, 2019

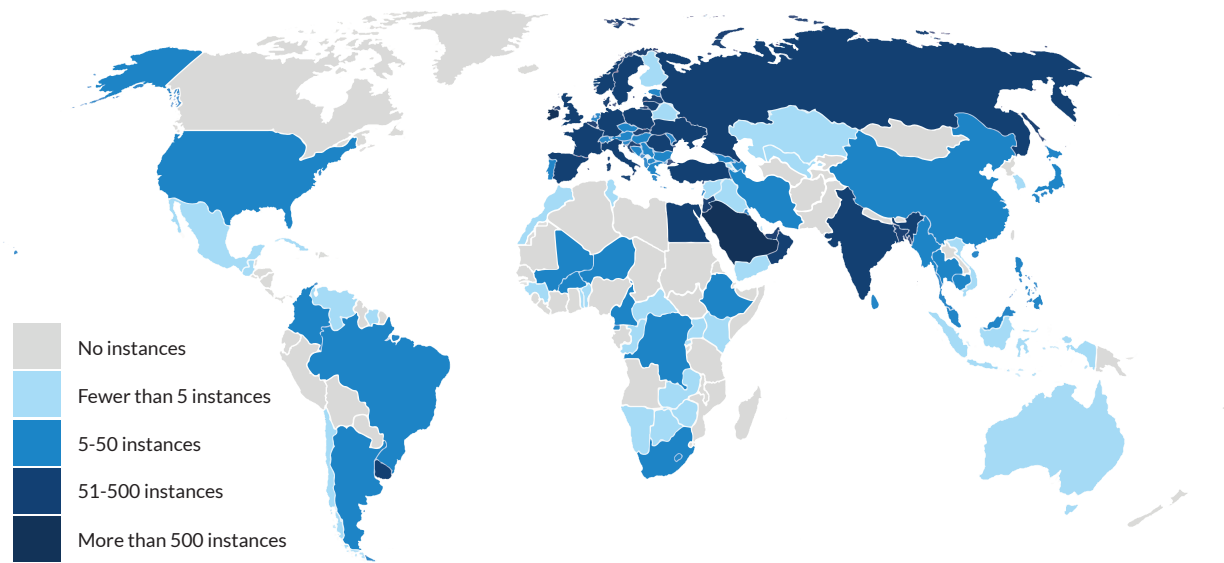


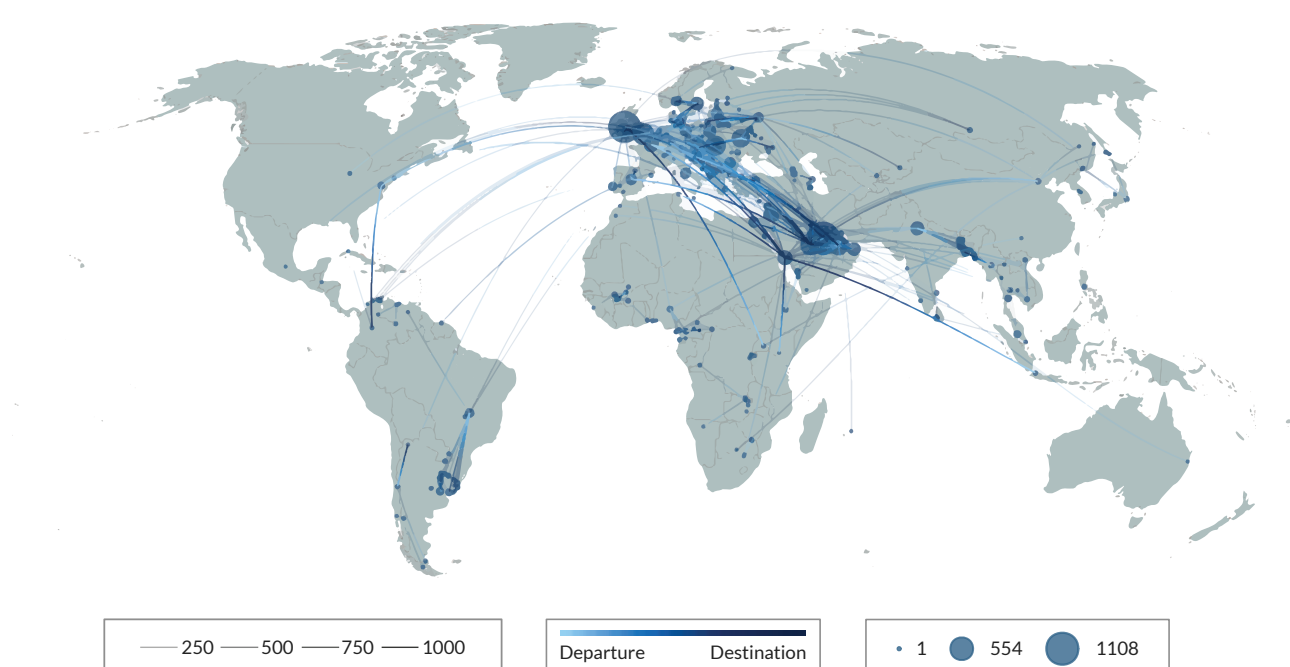
Figure 19 is a heat map of trafficking instances in 2019 coloured by frequency. The colouring indicates the number of times the country was either the origin, destination or transit point for one or more seized shipments of alcohol products, regardless of where the seizure took place or which country reported it. By disaggregating individual seizures in this way, the Figure depicts all countries where alcohol products were known or intended to have been trafficked in 2019. Eight of the 15 countries involved in the highest number of trafficking instances were also among the top 15 countries to report cases, indicating that a high number of trafficking instances can often be explained by higher levels of reporting. Saudi Arabia and Ireland, the two countries

that reported the most seizures, were also the origin, destination or transit point for a seized shipment in the most instances. Saudi Arabia reported 42.1% of seizures (2,195 total seizures) and was reported in 21.5% of instances (1,790 total instances). Ireland reported 28.9% of seizures (1,226 total seizures) and was reported in 14.8% of instances (1,228 total instances).

Of the 106 countries for which trafficking instances of alcohol products were reported, three had more than 500 instances (Saudi Arabia, Ireland and Bahrain), 25 had between 51 and 500 instances, 41 had between five and 50 instances and 37 had fewer than five instances. While 106 countries were involved in trafficking instances reported in 2019, only 52 countries reported



Figure 20: Alcohol products trafficking routes and instances by location, 2019



any cases of trafficking of alcohol products themselves. The UK, for example, had the fourth-most instances (414) but did not report any cases. Bahrain had the third-most instances (1,134) but reported only seven cases. Ukraine had the seventh-most instances (272) but did not report any cases.

Figure 20 depicts the illicit flow of alcohol products from origin to destination. Point size indicates the number of cases involving departures from or terminations within a particular city. For instances where no specific location was found in the data, the capital of a given country serves as a proxy city location. The flows connecting points on the map are light blue in colour at their origin

and become darker as they approach their destination. The darker the overall tone of a flow, the more frequently that trafficking route appeared in the data for 2019. These flows do not necessarily indicate completed smuggling attempts; in many cases, contraband was seized at its origin point or while in transit. In all cases, flows represent intended routes of transit as they were reported.

Figure 20 shows 4,389 flows of alcohol products. The most number of routes was from Bahrain to Saudi Arabia, and which accounted for 1,124 flows. Saudi Arabia, in fact, was the destination country for 39.8% of all flows, while Ireland was the destination country for 27.8% of flows. Recall that Saudi Arabia and Ireland



F2

reported most trafficking cases, and that both countries reported the vast majority of their cases as occurring at import. Ireland was the destination country for nine of the 20 most popular routes, but the origin country for none of the 20.

The other four of the five most popular routes were from the UK to Ireland (383 flows, or 8.7% of all flows), from Ukraine to Slovakia (266, 6.6%), within Slovakia (233, 5.3%) and from the UAE to Saudi Arabia (227, 5.1%). Flows destined for Saudi Arabia originated in a greater number of countries (39 countries) than flows destined for any other country. Serbia was the origin country for routes destined for ten other countries, more routes than any other country. The Russian Federation and

Germany were the origin country for routes destined for nine other countries. The 25 most popular routes had 24 different origin countries.





Section 6.

Security

INTRODUCTION

The threat of terrorism and other security related threats continues to undermine countries ability to provide their citizens with the safe and secure environment needed to sustain long term economic development. In 2019 deadly coordinated attacks in Colombo and other cities in Sri Lanka, the Ituri Province in the Democratic Republic of the Congo as well as attacks in Mali, Nigeria, Sudan and Afghanistan each led to the deaths of more than a hundred civilians and injured countless more. These attacks were carried using various modus operandi including suicide attacks, car bombings and shooting sprees. In response to the ongoing security threat posed by these attacks the WCO Security Programme

continues to assist its Members in increasing their capacity to combat the wide range of threats that exist around the world.

To more effectively assist Customs administrations in combating these diverse threats the WCO Security Programme has organized its Security Programme activities around several security related topics which include:

1. Combating the threat posed by foreign terrorist fighters by increasing WCO Members passenger control capabilities through the use of API/PNR targeting systems including the WCO's Global Travel Assessment System (GTAS).



2. Restricting terrorist group's ability to manufacture and use Improvised Explosive Devices (IED's) by restricting their access to explosive precursor chemicals through the WCO's Programme Global Shield (PGS) activities.
3. Preventing terrorists from inflicting mass casualties by limiting their ability to produce or gain access to Weapons of Mass Destruction (WMDs) through the WCO's Strategic Trade Control Enforcement (STCE) Programme.
4. Restricting access to Small Arms and Light Weapons (SALW) which have become the weapons of choice for terrorist groups by providing specialized training on SALW to Customs administrations.
5. Countering terrorist's ability to finance their activities by restricting their ability to engage in bulk cash smuggling and other money laundering activities.

In addition to the activities outlined above the WCO Security Programme continues to act as the voice of Customs within the international community by actively engaging with relevant international organizations on these security threats. For example, the WCO is an active member of the UN's Global Counter-Terrorism Coordination Compact which is made up of 36 UN entities, INTERPOL and the WCO. As part of its Global Counter-Terrorism Coordination Compact activities the WCO Co-Chairs the Working Group on Border Management and Law Enforcement relating to Counter-Terrorism. More details of these activities will be outlined in section two of this chapter.

In 2019, 45 countries reported 8,190 unique cases of weapons and ammunition trafficking. This is a significant increase from 2018, when 42 countries reported 2,869 unique cases. The 8,190 cases in 2019 account for 10,469 seizures and resulted in the recovery of 716,217 pieces of ammunition and 264,332 pieces of weapons or weapons components, ranging from firearms to slash-and-stab weapons. The majority of both ammunition and weapons seizures were not the result of large-scale trafficking. The average amount of ammunition recovered in each seizure was 532 pieces while the



median for the category was 16 pieces in 2019. The average number of weapons and weapons components per seizure was 8 pieces and the median was 1 piece. The significant variation between the average pieces per shipment and the median pieces indicates the majority of seizures were small and that relatively few large-scale seizures skew the average.

From 2018 to 2019, the number of reported cases involving weapons and ammunition increased by 185.4%, rising from 2,869 cases in 2018 to 8,190 cases in 2019. The number of recovered items increased by 12.1% between 2018 and 2019, rising from 874,262 to 980,549 pieces.

This Section is organised in the following manner:

1. Overall trends in weapons and ammunition trafficking.
2. Programmes, Projects, and Operations.

1. Overall trends in weapons and ammunition trafficking

Figure 1A: Number of weapons and ammunition cases in the United States, 2018-2019

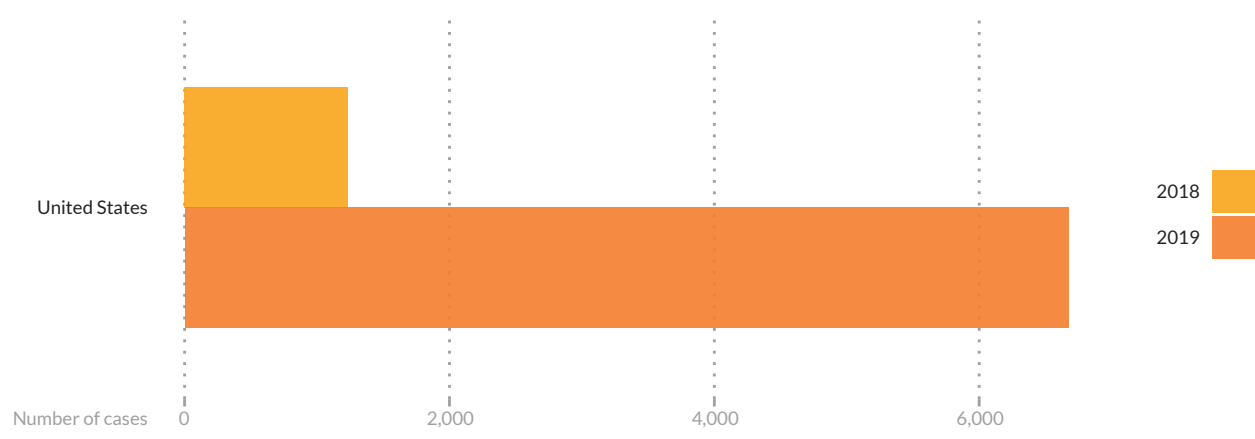


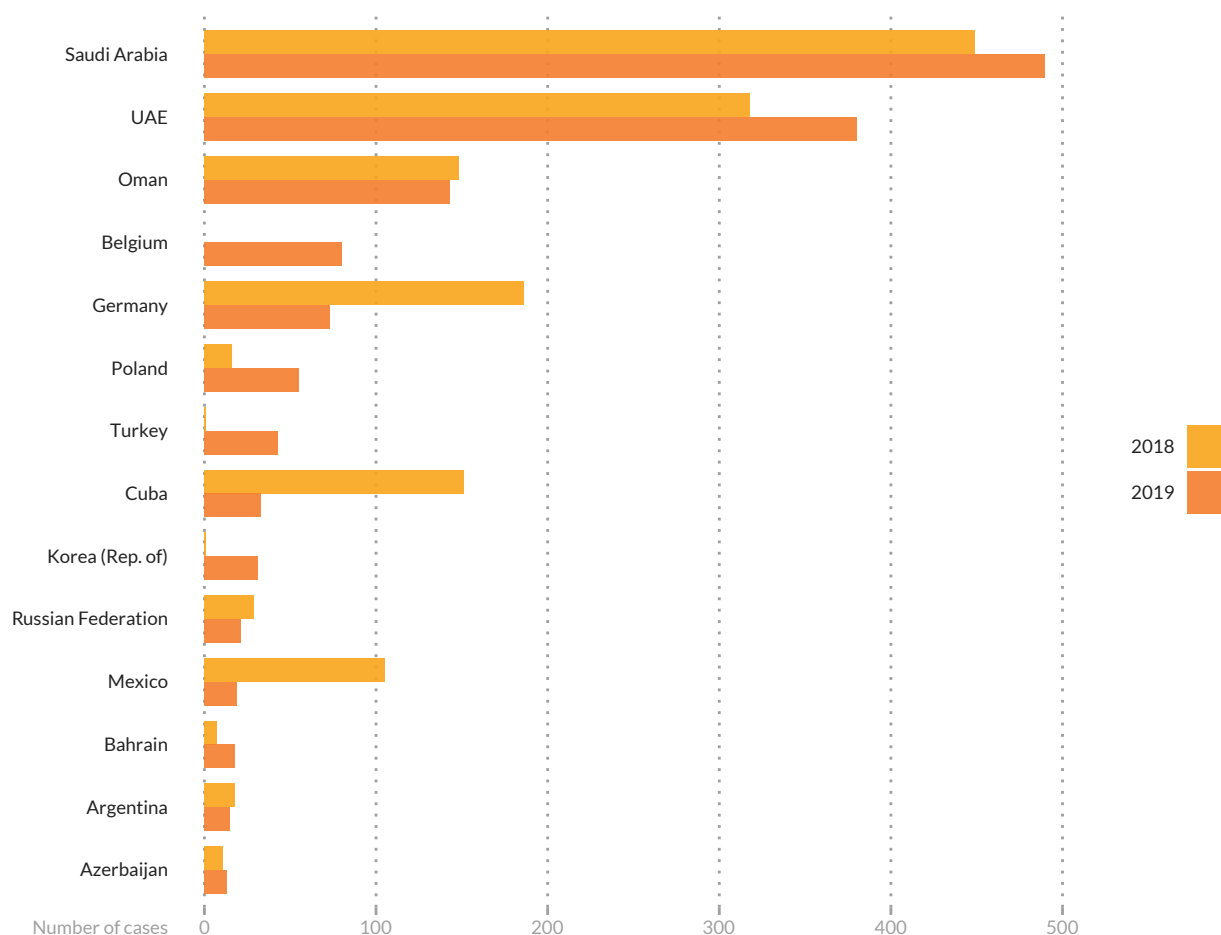
Figure 1A and Figure 1B compare the number of weapons and ammunition cases submitted by the top 15 reporting countries in 2018 and 2019. The United States is separated into a different Figure due to the significantly higher number of cases it reported. By doing this, the cases reported by the countries in Figure 1B are easier to compare. The top 15 reporting countries submitted 2,671 cases in 2018 and 8,089 cases in 2019, an increase of 5,418 cases (202.8%). This increase reflects a 442.2% rise in the number of cases reported by the United States. These alone represent 81.5% of total weapons and ammunition cases reported to the WCO

CEN in 2019. Of the top 15 reporting countries, eight others also increased the number of reported cases in 2019. Notably, Belgium reported the fifth-most cases in 2019 despite not reporting any cases in 2018.

When discussing the trends in this Section, it is important to describe two caveats. The first is that the conclusions are only as valid and complete as the case and seizure data submitted by WCO Members. There are reasons Customs organizations may decide not to report parts of their data, including the need to maintain confidentiality for ongoing investigations. Consequently,



Figure 1B: Number of weapons and ammunition cases by country, 2018-2019



the Figures in this Section may not necessarily portray a comprehensive view of the global illicit trade of weapons and ammunition.

A second caveat is that the data reflects trafficking activity that failed. As a result, changes in the data may reflect changes in enforcement efficacy rather than changes in trafficking activities.

Figure 2: Number of weapons and ammunition seizures and quantity seized by type, 2018-2019

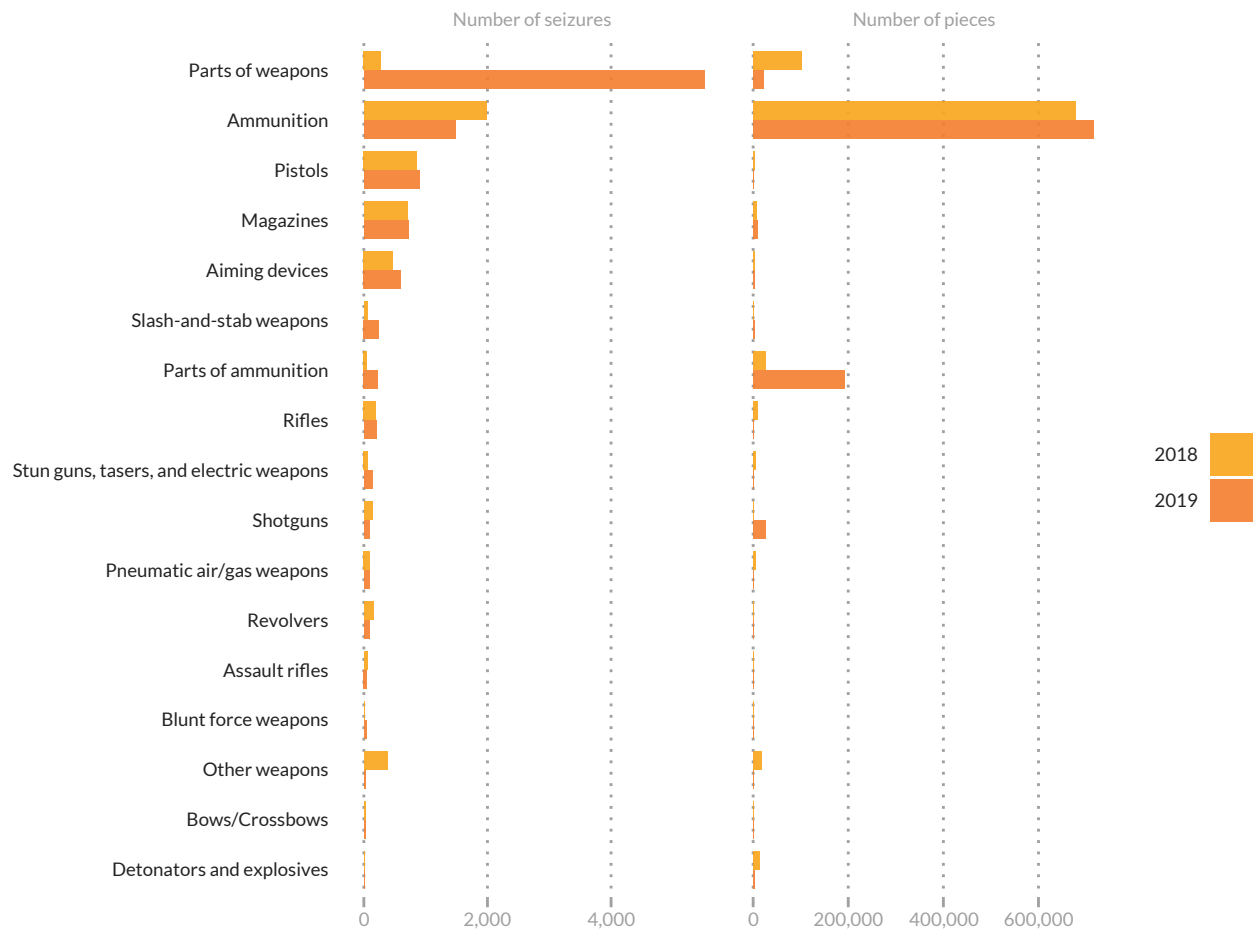


Figure 2 compares the number of seizures and the number of *pieces of ammunition and weapons* seized in 2018 and 2019. *Parts of weapons* and *ammunition* are the largest categories, accounting for 52.6% and 14.1% of reported 2019 seizures, respectively. The number of *parts of weapons* seizures increased most dramatically, changing from just 5% of seizures in 2018 to the highest-reported category in 2019. This is due to increased reported *parts of weapons* seizures by the United States, which reported 98.4% of the total number of *parts of weapons* seizures. Of the seizures reported by the United States, 62.4% were of *parts of weapons*.

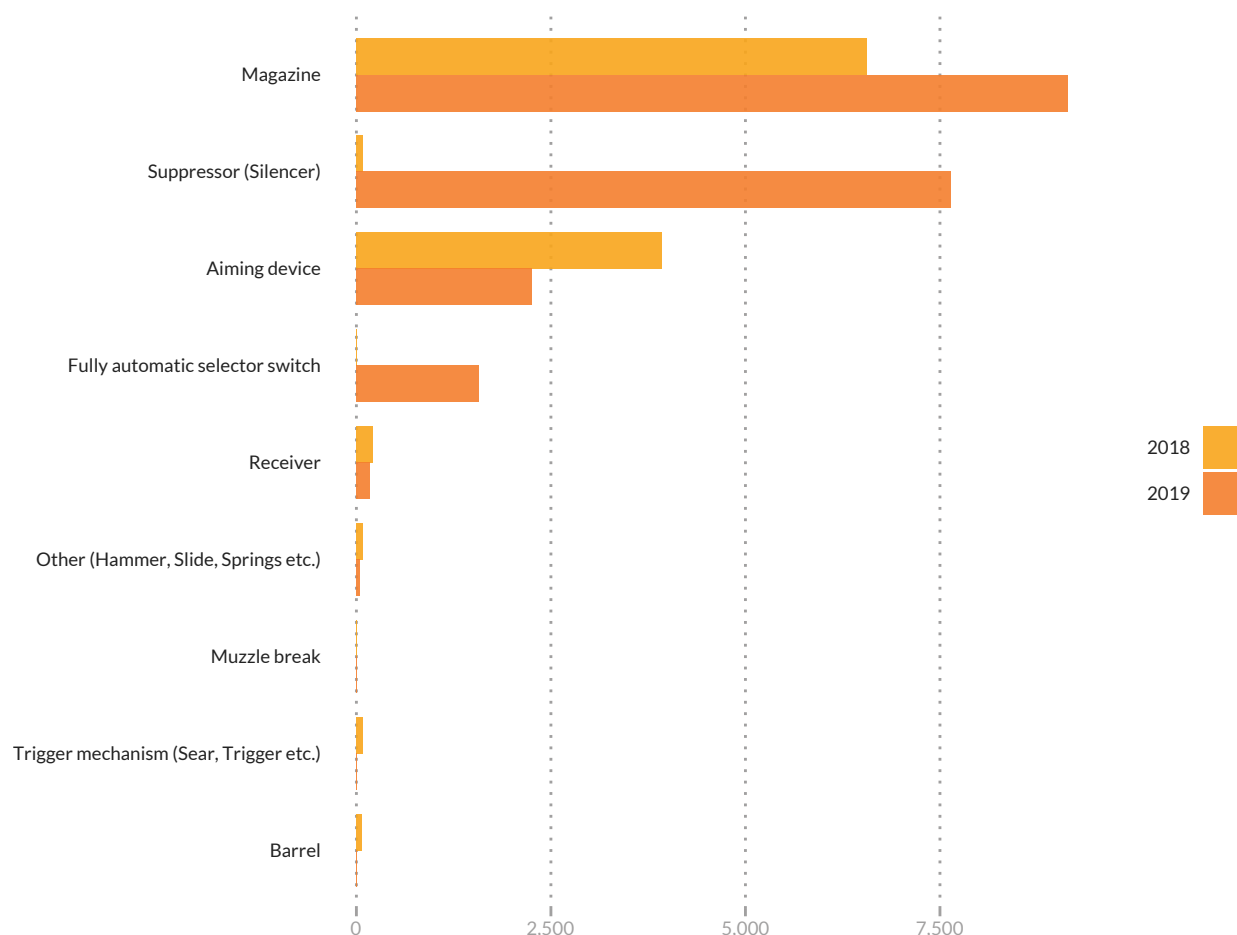
The number of *pieces of ammunition* seized remained high, increasing by 37,075 pieces and making up 73%

of the total number of *pieces of weapons and ammunition* seized in 2019. The number of pieces of *parts of ammunition* seized also notably increased in 2019, changing from 25,349 pieces in 2018 to 193,319 pieces in 2019.

Figure 3 compares the number of component parts of weapons seized in 2018 and 2019. Magazine was the most common component part seized in both years, growing from 6,563 pieces in 2018 to 9,141 pieces in 2019. The number of suppressor (silencer) parts seized grew dramatically in 2019 to 7,646 pieces from just 90. The number of pieces of fully automatic selector switches seized also increased dramatically in 2019 and became the fourth-most seized component part.



Figure 3: Number of component parts of weapons seized, 2018-2019



While aiming devices were not confiscated as frequently in 2019 (2,253 pieces compared to 3,929 pieces in 2018), the component was still the third-most frequent category seized.

Trafficking firearms by breaking them down into their component parts poses several challenges for Customs officers. Firstly, weapons which have been broken down into smaller components are much harder to detect when they have been concealed by traffickers. The Photo D on the next page shows an x-ray image of a pistol which has been broken down into several of its components and placed inside a suitcase. When looking at this image you will notice that the pistol is no longer easily identifiable.

The second issue with firearms components and accessories is that they can significantly alter the lethality and usage of a firearm. For example, it can be argued that there is no legitimate use for suppressors/silencers by civilians. Similarly, the addition of a fully automatic selector switch is a relatively cheap and easy way of to turn a semi-automatic weapon into a fully automatic one which is capable of inflicting mass casualties. The case study below illustrates how these components are being trafficked into a country.

Case study 1

Mislabeled packages containing illegal full auto Glock conversion switches recovered at Los Angeles International Airport

In 2019 U.S. Customs and Border Protection (CBP) agents identified three entities in China which had been shipping fully automatic selector switches for Glock pistols into the United States. This has led law enforcement officers in the United States to search for thousands of illegal fully automatic selector switches which are capable of turning semi-automatic handguns into fully automatic ones.

The switches are purposely mislabeled as “multitool switch”, “switch” or “screwdriver” in order to avoid detection. When CBP officers searched more than 200 packages with these labels at the Los Angeles International Airport port of entry every one of the packages was found to contain fully automatic selector switches.

More worryingly, local law enforcement officers in Los Angeles have found that 30% of confiscated firearms are “homemade” unserialized “ghost” guns which often

contain these types of fully automatic selector switches due to their popularity amongst gang members and drug cartels.

Possession of these fully automatic selector switches is a felony in the United States which is punishable by up to ten years of imprisonment. U.S. Federal law enforcement officers are working together with China, CBP and the Department of Homeland Security to try halt the influx of these dangerous firearms “accessories”.

Source:

FOX LA (2019), *Black Market Guns: Over 200 mislabeled packages containing illegal full auto Glock conversion switches recovered at LAX*, available at <https://www.foxla.com/news/black-market-guns-over-200-mislabeled-packages-containing-illegal-full-auto-glock-conversion-switches-recovered-at-lax>, accessed on 14 April 2020.

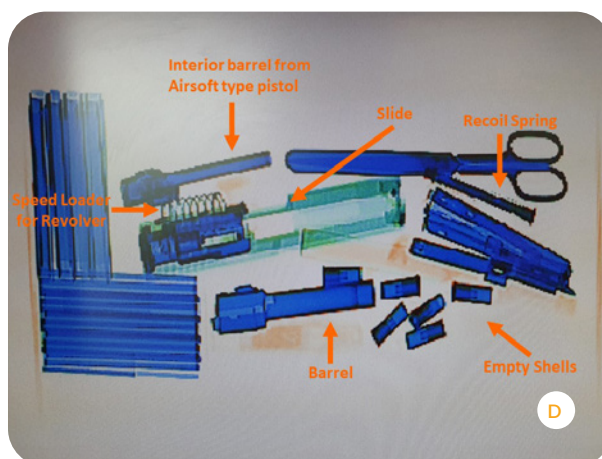




Figure 4: Number of weapons and ammunition seizures and quantity seized by type and conveyance method, 2019

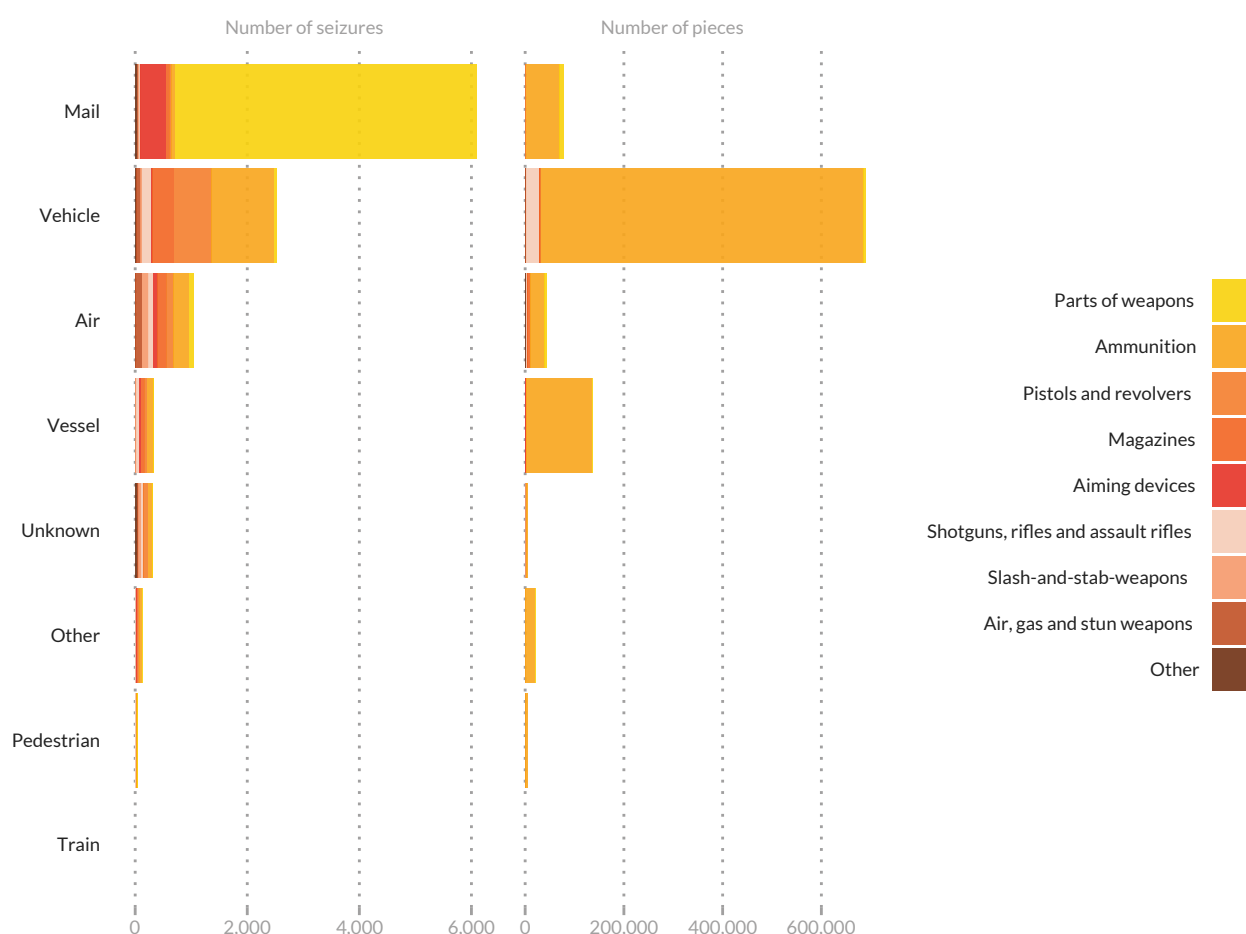


Figure 4 shows the number of seizures and the number of pieces of weapons and ammunition seized by type and conveyance method in 2019. Air, mail, vehicle and vessel conveyance methods all saw seizures from each of the nine categories of weapons and ammunition listed in the Figure. There were no seizures reported on trains in 2019.

Of the 10,469 seizures of weapons and ammunition in 2019, 58.2% (6,089) were made from the mail. These seizures only accounted for 7.9% (78,131) of the pieces of weapons and ammunition items seized, however. The majority (70.5%) of pieces seized were made via vehicle transport. Most of the individual pieces seized (94.4%) from vehicles were *ammunition*. In fact, the number of

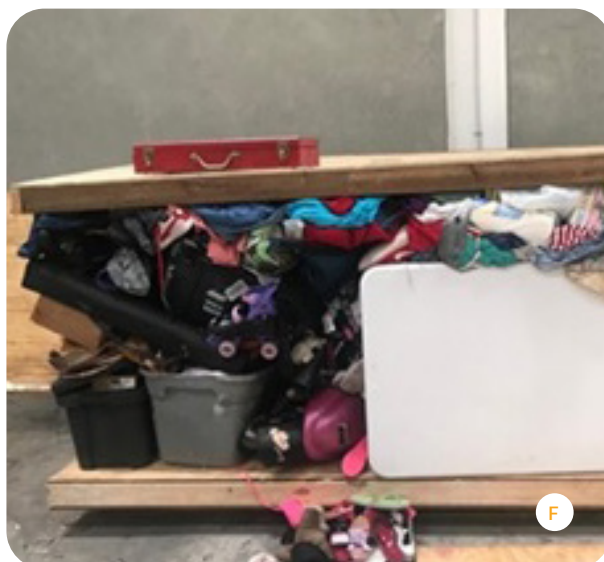
ammunition pieces seized accounts for 92.7% of the total number of pieces seized from any conveyance method. This is a result of both the high number of ammunition seizures and the high number of average pieces of *ammunition* confiscated per seizure. The average number of *ammunition* pieces per seizure was 532 in 2019. *Parts of weapons* were most often seized via mail and, for comparison, had an average of four pieces per seizure.

Case study 2

WCO-UNODC container control programme of Jamaica seizes an assortment of firearms and ammunition

In February 2019 during routine scanning operations, security screeners identified inconsistencies within a scanned image of a crate which was said to contain “household goods, toiletries, food and clothes”. The shipment which originated from Miami, Florida was then referred to the Jamaican Customs Agency’s Cargo Imaging Unit (CIU) for further inspection. The CIU together with the Contraband Enforcement Team and Container Control Programme conducted an examination of the crate and identified a concealment area which contained 20 firearms (one sub machine gun, five rifles and 14 handguns). The following day after conducting further checks Customs officers were able to discover an additional firearm as well as over 800 rounds of assorted ammunition. Following the investigation, two persons were arrested and charged.

Source: Jamaican Customs.



E,F: Courtesy: Jamaican Customs/WCO CCP Programme.



Figure 5A: Number of weapons and ammunition cases in the United States by Customs procedure, 2019

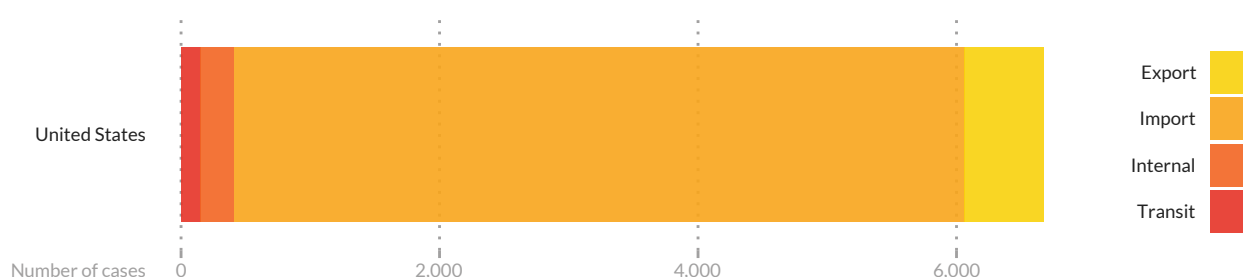
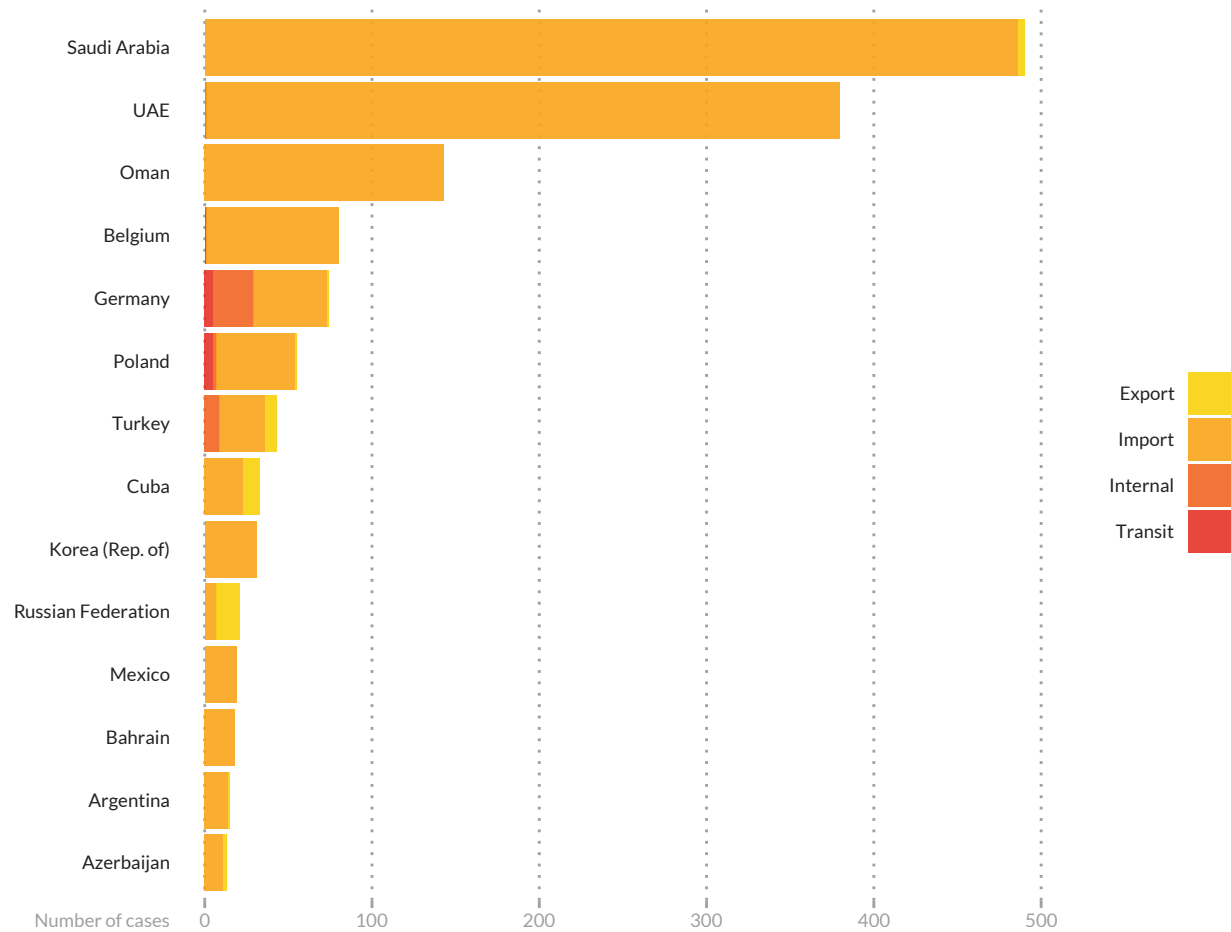


Figure 5A and Figure 5B display the top 15 countries reporting weapons and ammunition cases in 2019 and the direction the items were going when intercepted. The United States is separated into a different Figure due to the significantly higher number of cases it reported. By doing this, the cases reported by the countries in Figure 5B are clearer. The top reporting countries in 2019 were the United States, Saudi Arabia, and the UAE. Together, these three countries reported 93.3% (7,545) of the 8,090 cases included in the two Figures.



Figure 5B: Number of weapons and ammunition cases by Customs procedure and country, 2019



The majority of cases in the United States, which reported 81.5% of total weapons and ammunition cases, were during import (5,651 cases or 84.6%). In total, cases upon import account of 86.2% of the cases in this Figure. Export cases, by contrast, account for just 8% of the data represented in the Figures. Internal and transit cases account for 3.6% and 2% of cases, respectively. The United States, Germany and Poland were the only four countries in the top 15 that reported cases from all four types of conveyance.



Figure 6: Percentage of seizures by detection method, 2019

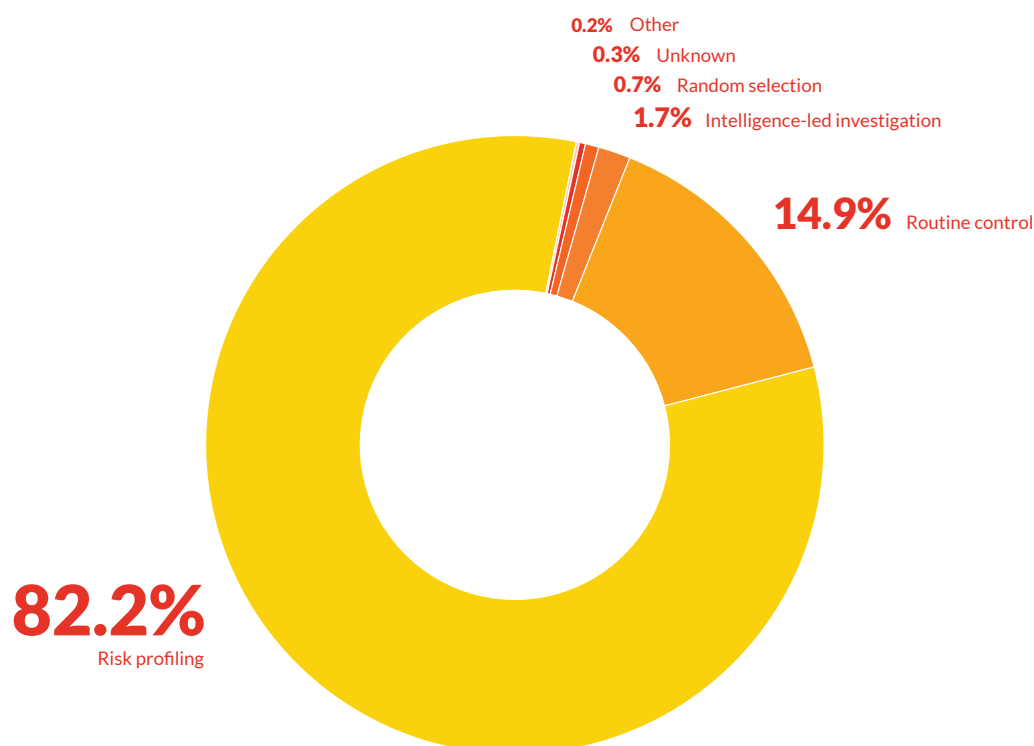


Figure 6 shows the proportions of different methods of detection for weapons and ammunition cases reported in 2019. The most common method reported was risk profiling, which accounted for 82.2% (6,735) of 2019 cases. Routine control accounted for 14.9% (1,219) of cases and intelligence-led investigation accounted for 1.7% (138) of cases.

Although routine control was responsible for only 14.9% of cases, officials confiscated the greatest average number of pieces of weapons and ammunition using this method of detection. On average, officials found 407 pieces of weapons and ammunition during routine control, in contrast to the average 45 pieces found during risk profiling. Cases detected through random selection led to an average 354 pieces confiscated.

Figure 7: Proportion of weapons and ammunition seizures by type and country, 2019

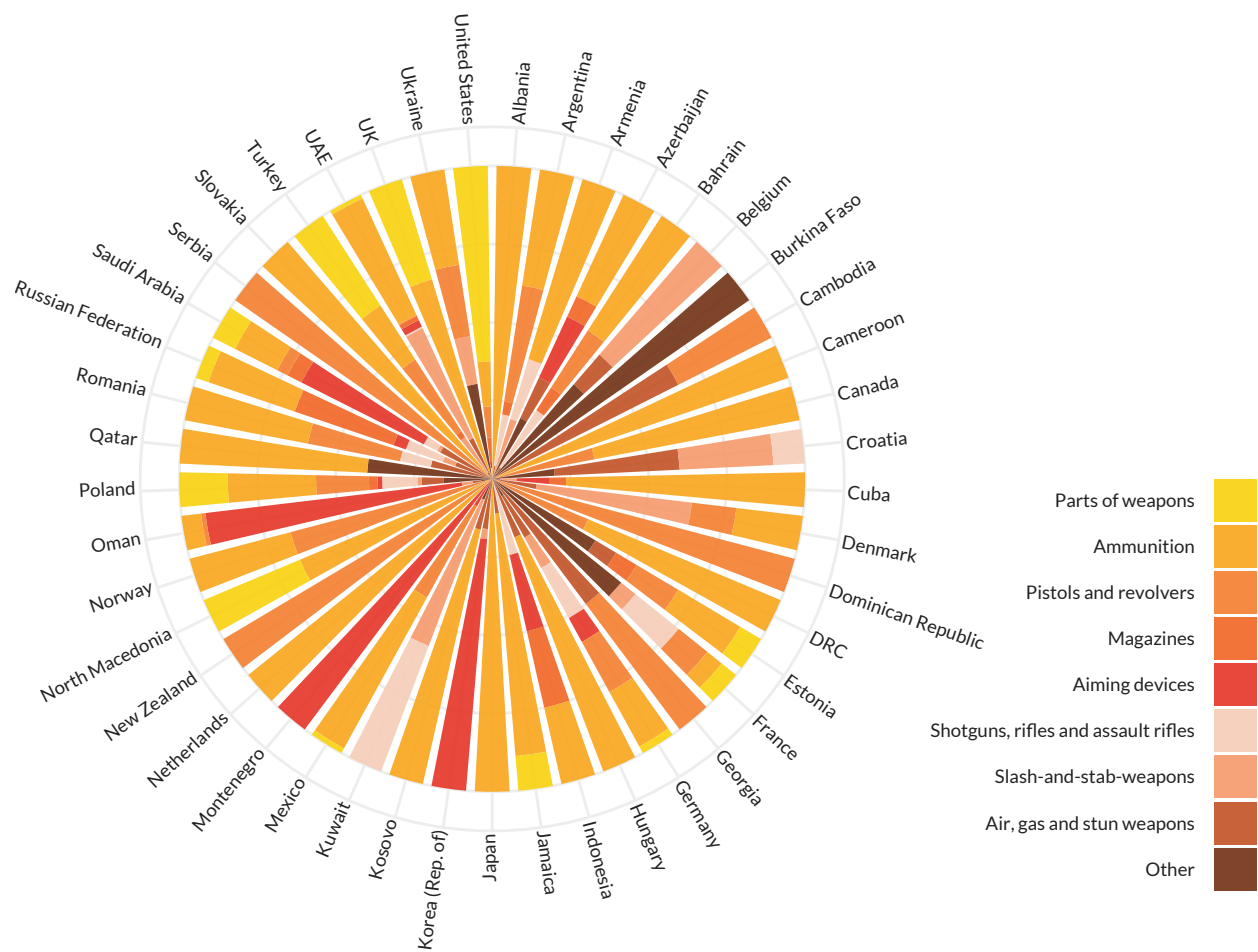


Figure 7 describes the proportion of seizures for each category of weapons and ammunition reported by countries in 2019. The Figure displays the diversity of the global illicit trade in weapons and ammunition in terms of countries affected and types of items trafficked. Saudi Arabia, the UAE and Poland reported seizures of all nine weapons and ammunition types. The

United States, which reported the highest number of seizures overall, did not have any seizures of slash-and-stab weapons. Of the 45 countries included in the Figure, 14 countries reported five or more seizures. Ten countries reported seizures from only one category, and each of these ten reported 11 or fewer weapons and ammunition seizures.



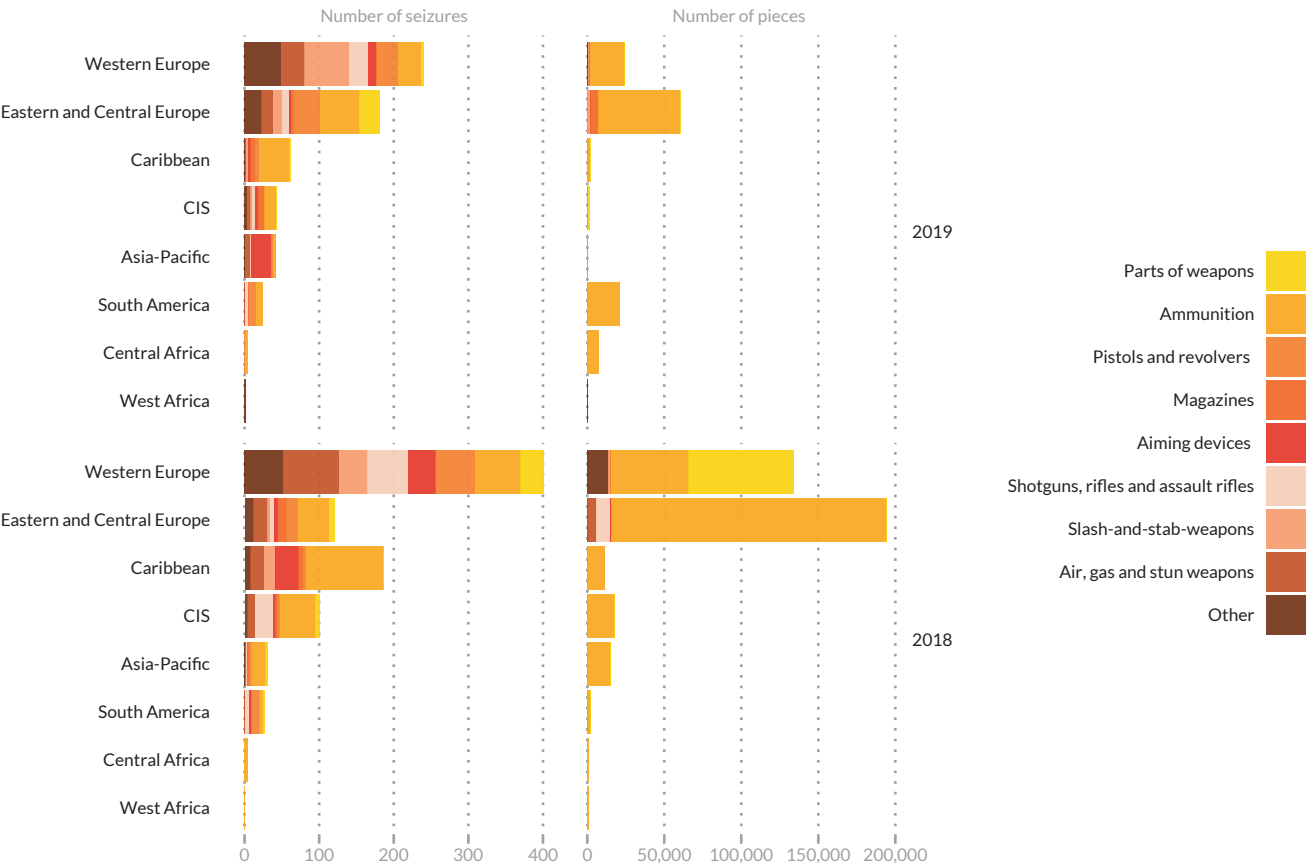
Figure 8A: Number of weapons and ammunition seizures and quantity seized by category and region, 2018-2019



Figure 8A and 8B compare the number of seizures and number of weapons and ammunition seized by reporting region in 2018 and 2019. North America and the Middle East are separated into a different Figure due to the significantly higher number of cases it reported. By doing this, the cases reported by the regions in Figure 8B are clearer. There was an 88.4% increase in weapons and ammunition seizures and a 12.1% increase in the number of items seized reported overall in 2019 compared to 2018. While North America saw 66.4% of seizures in 2018, countries in the region reported 83.6%

of total 2019 seizures. This is a consequence of higher reporting by the United States, as seen in Figure 1A. Also notably, the number of pieces seized in the Middle East increased by 61.7% while pieces seized in Western Europe and in Eastern and Central Europe decreased. Interestingly, the number of seizures reported in Central Africa remained the same in 2018 and 2019 (five seizures), but the number of pieces seized in the region rose from 825 in 2018 to 7,259 in 2019 in part due to a large seizure of 4,500 pieces of parts of ammunition seized in the DRC.

Figure 8B: Number of weapons and ammunition seizures and quantity seized by category and region, 2018-2019





Case study 3

Seizure of weapons components imported to the United States

Between May and August 2019, United States Customs and Border Protection (CBP) seized three shipments containing 52,601 weapons components at the Los Angeles/Long Beach Seaport in California. These shipments were from China to the United States, and contained aiming devices and weapons components described as stocks, muzzles and grips. In 2019, cases during import accounted for 84.6% of all weapons and ammunition seizures in the United States.

There was no apparent effort to disguise the import; all of the items were correctly labeled as being weapons components and they had a legitimate seller and a legitimate distributor in the United States. CBP officers detected the packages during routine operations of the import process and then referred the items to investigators from the Bureau of Alcohol, Tobacco, Firearms and Explosives (ATF) who confirmed the import of these components violated US law. The value of the shipment was about USD 378,225.

Sources:

National Public Radio (2019), *Customs Agents Make "Unusual" Seizure of Nearly 53,000 Chinese Gun Parts*, available at <https://www.npr.org/2019/08/23/753687623/customs-agents-make-unusual-seizure-of-nearly-53-000-chinese-gun-parts>, accessed on 14 April 2020.

U.S. Customs and Border Protection (2019), *CBP at LA/Long Beach Seaport Seizes Over 52,000 Illegal Gun Parts from China*, available at <https://www.cbp.gov/newsroom/local-media-release/cbp-lalong-beach-seaport-seizes-over-52000-illegal-gun-parts-china>, accessed on 14 April 2020.

WCO CEN.



H: USCBP seizes over 52,000 illegal gun parts from China. Courtesy: USCBP.

Case study 4

French-United States collaboration to disrupt weapons trafficking network

On 27 February 2019, French Customs officials seized 207 firearms and 770 kilogrammes of ammunition from a weapons restoration workshop near Carcassonne and arrested three men, aged 47, 50 and 54. The men operating the workshop illegally imported firearms to France from the United States, restored them, and then trafficked them in Europe. Europol reported that this network may have trafficked over 450 weapons into France in 2018. The seizure was the result of an intelligence-led investigation and cooperation between French and American Customs authorities, as well as police forces within France by the Direction Nationale du Renseignement et des Enquêtes Douanières (DNRED).

The investigation began in June 2018, an unrelated house search led to knowledge of the illegal import of firearms into France by this group. The investigation involved more than 30 French customs and police officers for several months. Local media reports that French officials intercepted a mail package on or about 24 February 2019 that contained an assault rifle, pistol, and

machine gun components in Haute-Savoie, France. This interdiction enabled them locate the restoration shop for the seizure and criminal arrests.

Sources:

Europol (2019), *Coordinated Hit Against Gun Smuggling Operation between France and the US*, available at <https://www.europol.europa.eu/newsroom/news/coordinated-hit-against-gun-smuggling-operation-between-france-and-us>, accessed on 13 April 2020.

Midi Libre (2019), *Les Images Impressionnantes de la Saisie d'Armes de Guerre dans l'Aude*, available at <https://www.midilibre.fr/2019/03/05/les-images-impressionnantes-de-la-saisie-darmes-de-guerre-dans-laude,8051343.php>, accessed on 13 April 2020.

La Depeche (2019), *Kalachnikovs, Fusils d'Assut: Les Impressionnantes de la Saisie d'Armes Record près de Carcassonne*, available at <https://www.ladepeche.fr/2019/03/04/une-tonne-darmes-de-guerre-saisie-pres-de-carcassonne,8049633.php>, accessed on 24 April 2020.



! Courtesy: French Customs.



Figure 9: Number of weapons and ammunition seizures and quantity seized by category and region, 2018-2019

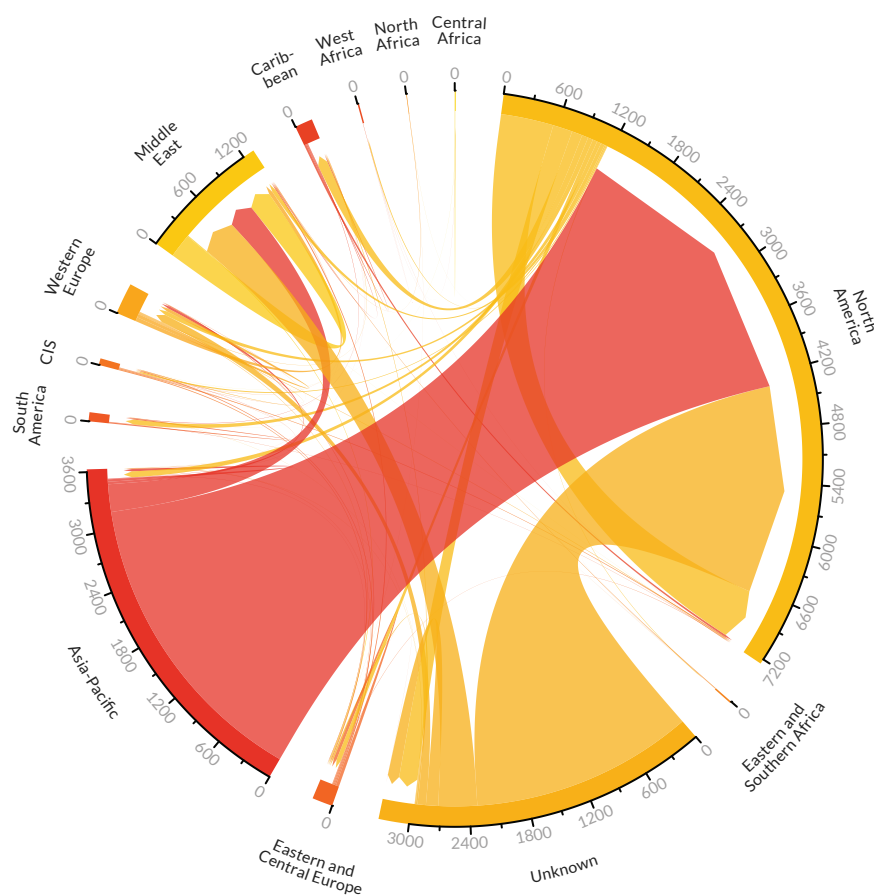


Figure 9 models trafficking flows of weapons and ammunition from, to and within reporting regions. These flows indicate reported points of origin and final destinations. This Figure represents 68 unique flows among reporting regions, repeated 8,190 times. All reporting regions appeared as both points of origin and destination in at least one trafficking instance. The most common trafficking route was Asia-Pacific to North America, which appeared in 3,180 (38.8%) of trafficking

instances. In fact, North America was the destination region for the top three most common flows, the others being Unknown to North America (2,321 flows) and intra-North America trafficking (550 flows). North America also served as the destination for the greatest number of other regions (12). The prevalence of North America in these trafficking flows is likely due to increased reporting by the United States in 2019.

Figure 10: Heat map of weapons and ammunition trafficking instances by country, 2019

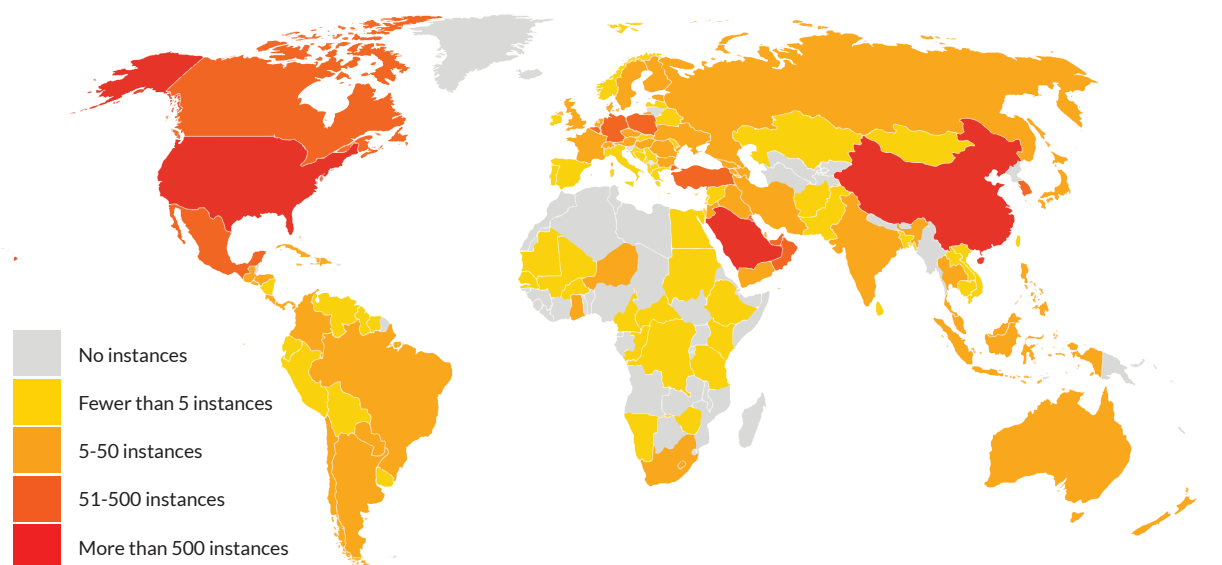


Figure 10 is a heat map of reported weapons and ammunition trafficking instances by country in 2019. Each country included in the Figure was either the origin, destination or transit point for one or more seized weapons or ammunition shipments. By representing the data this way, Figure 10 indicates all countries through which weapons or ammunition were known or intended to be trafficked in 2019. The map includes 12,950 instances of trafficking involving 122 countries.

The United States, China and Saudi Arabia were reported in the greatest number, all with more than 500 instances. The United States appeared in 52.7% of reported weapons and ammunition trafficking instances in 2019, and China appeared in 24.9% of reported instances. Notably, the United States also reported the highest number of cases in 2019 while China, which appears in 3,222 trafficking instances, was not in the top 15 reporting countries. Most (80.3%) countries were involved in fewer than 20 trafficking instances.



Figure 11: Weapons and ammunition trafficking routes and instances by location, 2019

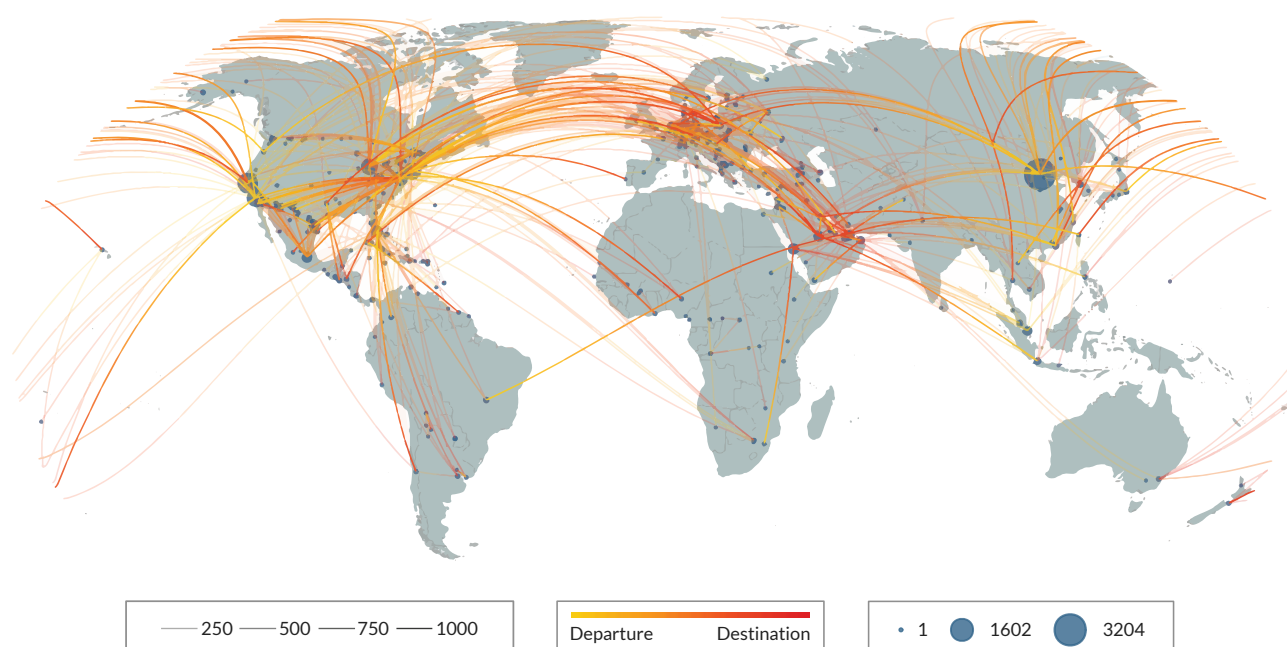


Figure 11 displays the illicit flows of weapons and ammunition from origin to destination. This includes city-level data, where point size increases with the number of cases involving departures or destinations within specific cities. The map uses the capital city for the origin or destination country when the city information is not reported. The flows connect the reported points of origin, in yellow, with the reported destinations, in red. The flows become red as they near their destination point. Darker tones of the overall flows indicate more frequently appearing trafficking flows. It is important to note that these flows do not necessarily indicate completed trafficking events. Many cases include interdiction at the point of origin or a transit point. Furthermore, the flows represent failed traf-

ficking events; other routes may be prevalent but were not included in the reported 2019 data.

The Figure above represents 5,230 trafficking events comprised of 320 origin to destination country pairs, moving through 131 countries. The United States was the origin for the highest number of distinct flows, sending goods to 80 different countries in 927 trafficking instances. As a destination, the United States was reported in flows from 33 distinct countries making up 3,746 trafficking flows. Similarly, China was the reported origin for just 11 unique flows but was the origin in 3,214 trafficking instances. The most common trafficking route, reported 3,108 times, was from China to the United States.

2. Programmes, projects and operations

STRATEGIC TRADES

The Strategic Trade Control Enforcement (STCE) Programme was formed following United Nations Security Council Resolution 1540 (UNSCR 1540) which sought to prevent the illicit trafficking and smuggling of Weapons of Mass Destruction (WMD's), the components used to produce them as well as conventional weapons. In December 2019, the WCO Secretary General, Dr. Kunio Mikuriya, met with the Chair of the 1540 Committee, H.E. Ambassador Dian Triansyah Djani in New York. During his meeting Dr. Mikuriya reaffirmed the WCO's commitment to assisting its Members with implementing the Customs-focused Operative Paragraphs outlined in UNSCR 1540.

Throughout 2019 the STCE Programme continued to deliver national trainings in Bosnia and Herzegovina, Jamaica, Morocco, Tajikistan, Tunisia as well as a train the trainer workshop in the United States together with relevant partners including the Organization for Security Co-operation in Europe (OSCE), the United Nations Office of Disarmament Affairs (UNODA), United States' Export Control and Related Border Security Program (EXBS) and United States department of Energy (DoE).



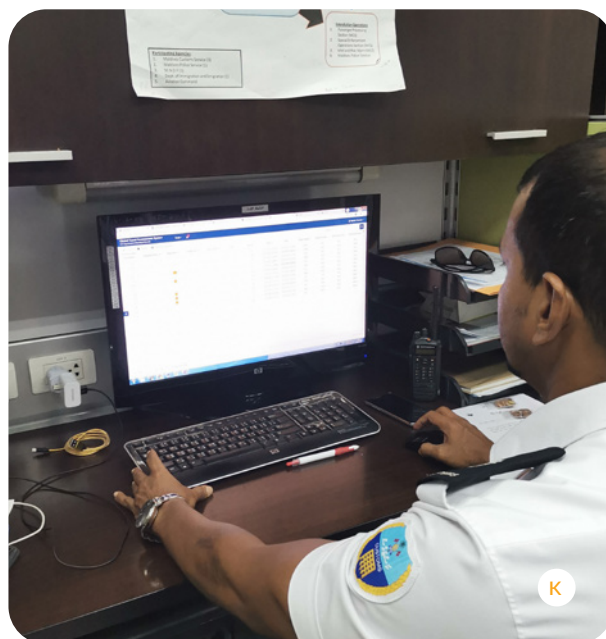
J: Launch of the SALW Project. Courtesy: WCO.
K: GTAS implementation in the Maldives. Courtesy: WCO.

SMALL ARMS AND LIGHT WEAPONS

In June 2019 the WCO participated in a Conference in Cairo, Egypt to launch a new Small Arms and Light Weapons (SALW) project which is jointly being implemented by the WCO, Small Arms Survey and INTERPOL. The project which is funded by the EU aims to build upon the SALW training developed as part of Phase one of the Asia Pacific Security Project by training Customs officers in the Middle East and North Africa Region on how to detect the illicit trafficking in SALW.

PASSENGER CONTROLS

The threat of Foreign Terrorist Fighters (FTFs) continues to pose serious security concerns for countries around the world. FTFs are individuals who have been lured to join groups such as the Islamic State in Iraq and the Levant (ISIL) and al-Qaeda and return to their countries of origin with dangerous new skills. As a result, they pose a significant risk for carrying out violent attacks once they return to their home countries.





To combat the threat of FTFs the WCO launched the Passenger Controls Initiative to strengthen Customs capacity to restrict the movement of FTFs and other high risk individuals crossing international borders. The project uses Advance Passenger Information (API) and Passenger Name Record (PNR) data to improve and develop new risk analysis and targeting methods that can be used to identify these individuals. In addition to providing training on passenger controls to Customs officers the WCO provides members with the targeting software known as GTAS (Global Travel Assessment System) which enables Customs administrations to automatically detect high risk passengers using API/PNR data. In addition to being able to detect FTF's these systems are also used to detect various forms of illicit trafficking including drug trafficking. In 2019 the GTAS system was deployed in Pakistan and the Maldives.

ASIA PACIFIC SECURITY PROJECT

June 2019 marked the conclusion of the two year Asia Pacific Security Project (APSP). Building upon the activities of the project in the previous year, the WCO APSP together with Japan Customs hosted an Asia Pacific Security Conference which brought together over 70 delegates representing 25 WCO Member administrations. During the conference participating administrations and international organizations discussed Customs' role in border security and counter-terrorism. The Conference also marked the conclusion of the APSP which had delivered capacity building assistance in three areas of Customs security-related activities (I) passenger controls, including the use of Advance Passenger Information/Passenger Name Record (API/PNR) systems; (II) Programme Global Shield, which aims to control the trade in precursors used to produce Improvised Explosive Devices (IEDs); and (III) trafficking in small arms and light weapons (SALW). After having completed the initial activities of the APSP in June 2019 a second phase of the project was launched which focused on continuing the PGS and Passenger Controls related activities initiated in phase one of the project including Operation IMPEDE.

OPERATION IMPEDE

Since launching Programme Global Shield (PGS) in 2010, the WCO has conducted numerous IED focused operations in Central Asia, South Asia, the Middle East, North Africa and the Asia Pacific regions.

Operation IMPEDE brought together 12 Customs administrations (Bangladesh, Cambodia, India, Indonesia, Lao PDR, Malaysia, Maldives, Myanmar, Pakistan, Philippines, Singapore, Sri Lanka, and Thailand) and INTERPOL to combat the threat of IED's. The "high intensity" phase of the Operation took place from 25 November to 6 December 2019.

Operation IMPEDE aimed to build upon these successful operations and achieve the following objectives:

- Provide Customs with a cogent operational context through which it could have a significant role in countering terrorism by restricting access to IED precursor chemicals and components.
- Improve cooperation amongst various countries Customs administrations as well as between Customs administrations and other law enforcement agencies.
- Better understand the risks of these precursors and components in order to identify intelligence gaps.
- Detect, intercept and seize illicit shipments of the commodities used to manufacture IEDs.
- Support investigations in identifying, disrupting and dismantling these transnational illicit networks.
- Enhance coordination between public and private partners at the national and sub regional level.
- Provide Customs administrations with the opportunity to use the training and equipment provided through the Asia Pacific Security Project in an operational setting.



Member highlight: Hong Kong Customs' Strategic Trade Control Programme

Hong Kong Customs is committed to upholding and implementing an effective system for controlling strategic commodities. The control system that has been put in place ensures that Hong Kong, China does not get used as a conduit in other entities attempts to acquire or produce weapons of mass destruction. Hong Kong, China's control system is backed by an extensive licensing system which is administered by the Hong Kong Trade and Industry Department and strongly enforced by Hong Kong Customs who act as the sole enforcement agency. The system has been designed in such a way that it can remain effective in ensuring compliance with international standards such as UNSCR 1540, while avoiding putting an unnecessary burden on legitimate importers and exporters. Hong Kong, China also relies on strong international co-operation and has developed numerous co-operative arrangements with trading partners which promote information and intelligence sharing.

In 2019 as part of Hong Kong Customs efforts to deter the illicit movement of strategic commodities Hong Kong Customs officers:

- examined 114,429 packages of imported/exported cargo;
- checked 3,486 import/export licenses;
- completed 192 investigations;
- prosecuted 59 individuals/companies and issued fines totaling 660,000 Hong Kong Dollars.

The main strategic commodities being traded as part of the prosecuted cases were dual use goods such as integrated circuits and security information systems. The case below illustrates how Hong Kong Customs were able to successfully restrict the movement of a strategic good.

In 2019 the Hong Kong Customs and Excise Department received intelligence from another country's Customs administration indicating that a consignment

containing various dual use printed circuit boards had been imported into Hong Kong from the United States without using a valid import license. This intelligence prompted Customs to conduct a background check to identify the responsible carrier as well as ascertain the whereabouts of the imported consignment.

Following further investigation Customs officers were able to confirm that the imported goods were still in the possession of the carrier which led them to raid the carrier's warehouse to further examine the goods. The Trade and Industry Department were able to confirm that the goods were likely controlled under the Import and Export (Strategic Commodities) Regulations Cap. 60G which led officers to seize the goods for further investigation.

Meanwhile Hong Kong Customs and Excise Department officers raided the consignee's premises. The consignee confirmed that they had purchased the goods for their own use. After obtaining a product specification and end user statement for the seized goods from the consignee, Customs officers were able to confirm that the controlled item fell under category 4A003(e) of Schedule 1 of Cap 60G. During the interview with the consignee confessed that their company had failed to obtain a valid license for importing the seized goods due to a lack of knowledge of the statutory requirements. The consignee was ultimately convicted for importing a strategic commodity without an import license which was in violation of the Import and Export Ordinance, Cap. 60 and issued a fine of 5,000 Hong Kong dollars. The seized goods worth around 100,000 Hong Kong Dollars were also confiscated by the court.

Source: Hong Kong Customs.



Operation IMPEDE differed from previous PGS focused operations in that it encouraged participating administrations to target the movement of these commodities at land border crossings and airports in addition to the maritime environments where previous operations were typically concentrated.

The Operation led to several large seizures including the seizure of two consignments of Hydrogen Peroxide at Bangladeshi land and sea ports which were each in excess of one tonne. The Hydrogen peroxide was identified using the Raman Spectrometers that were provided to Bangladesh Customs as part of the Asia Pacific Security Programme. In addition to these IED precursors the Raman Spectrometers were able to identify significant quantities of non IED precursor chemicals which led to the seizure of 26 tonnes of Monosodium Glutamate (MSG) in Thailand as well as 12.8 tonnes of Ethanol.

The Operation was successful in that it provided participating Customs administrations with the opportunity to utilize their PGS training in an operational setting as well as providing officers with the opportunity to use equipment such as Raman Spectrometers and testing kits to quickly be able to identify dangerous precursors that could be used to produce IED's.

Nevertheless, detecting illicit shipments of chemical precursors and other IED components such as detonators or facilitating equipment such as commercial drones continues to pose significant challenges for Customs administrations. Factors such as the dual use nature of these goods, high volume of trade and technical challenges related to the identification of chemicals makes it difficult to detect the illicit trade in these goods.



SECURITY PROJECT FOR WEST AND CENTRAL AFRICA

In 2019 the WCO Security Programme continued deliver the activities launched in 2018 as part of the Security Project for West and Central Africa (SPWCA) which aims to increase WCO Members in the West and Central Africa regions capacity to respond to the security challenges posed by Improvised Explosive Devices. In December 2019, as part of the SPWCA the WCO organized a security conference entitled "African perspectives on security challenges" in at the WCO headquarters in Brussels, Belgium. The Conference brought together more than 150 delegates from over 50 countries and organizations to discuss the unique security challenges impacting Customs administrations in Africa.



L: Operation IMPEDE. Courtesy: Bangladesh Custom.
M: Raman spectrometer procured as part of the APSP and used during Operation IMPEDE. Courtesy: Thai Customs.
N: Africa Security Conference. Courtesy: WCO.

Member highlights:

Singapore Customs seizes weapons which appear to have been shipped in an attempt to violate a United Nations Security Council issued arms embargo

In late February 2019 Singapore Customs received intelligence concerning four containers aboard a container ship passing through Singapore. The information received indicated that firearms and ammunition were being shipped from an arms manufacturer located in the Philippines to a destination in Djibouti. Although the documents showed that the weapons had been procured on behalf of the Djibouti National Security Agency further verification by the Djibouti government confirmed that this was not the case. After conducting further checks it was revealed that the notifying party of the shipment was actually located in Sudan, which is currently subject to an arms embargo issued by the

United Nations Security Council. Given that the shipment was being transshipped in the Port of Sudan there was a high risk that the end destination for the goods could in fact be Sudan. As a result of this information Singapore Customs seized 2,000 sporting rifles and 11.8 million rounds of related ammunition. As the investigations were unable to establish the true owner and destination of the shipment and no claimants for the shipment came forward, Singapore Customs were granted a court order to dispose of the firearms and ammunitions in June 2019.

Source: Singaporean Customs.



O, P: Ammunition and rifle seizures. Courtesy: Singaporean Customs.



Hungarian Customs seize weapons concealed in vehicle crossing the Hungary-Serbia land border.

Hungarian Customs officers stationed at the Hungary-Serbia border stopped a passenger car driven by a Serbian national after hearing unusual sounds coming from the vehicle's fuel tank. After hearing these suspicious noises Customs officers conducted secondary physical checks on the vehicle and found 28 handguns, two machine guns, nine suppressors/silencers and 500 rounds of ammunition concealed within vacuum packed bags hidden in the vehicle's fuel tank.

Source: Hungarian Customs.



Q, R: Weapons concealed within vehicle fuel tank. Courtesy: Hungarian Customs.



Abbreviations

AFP	Agence France-Presse
AIRCOP	Airport Communication Programme
AP	Asia-Pacific
API	Advance Passenger Information
APSP	Asia Pacific Security Project
C4ADS	Center for Advanced Defense Studies
CAP	Counterfeiting and Piracy Group Meeting (WCO)
CBP	Customs and Border Protection (United States)
CDIB	Customs Drug Investigation Bureau (Hong Kong, China)
CCF	Customs Cooperation Fund
CCP	Container Control Programme
CEN	Customs Enforcement Network
CENCOMM	Customs Enforcement Network Communication Platform
CIS	Commonwealth of Independent States
CITES	Convention on Trade in Endangered Species of Wild Fauna and Flora
ECE	Eastern and Central Europe
EUROPOL	European Police Office
GIZ	German Agency for International Cooperation
HKD	Hong Kong dollars
HMRC	Her Majesty's Revenue and Customs (United Kingdom)
HSI	Homeland Security Investigations (United States)
IAEA	International Atomic Energy Agency
IATA	International Air Transport Association
ICWC	International Consortium on Combating Wildlife Crime
ICE	Immigration and Customs Enforcement (United States)
IED	Improvised explosive device
INCB	International Narcotics Control Board
INTERPOL	International Criminal Police Organization
IPR	Intellectual Property Rights
IWT	Illegal Wildlife Trade
JAITF	Joint Airport Interdiction Task Force



KCS	Korea Customs Service
LSD	d-Lysergic acid diethylamide
MDMA	3,4-Methylenedioxy-n-methylamphetamine (ecstasy)
ME	Middle East
MENA	Middle east and north africa
nCEN	National Customs Enforcement Network
NCP	National Contact Point
NPS	New psychoactive substances
OCU	Operational Coordination Unit
ODS	Ozone depleting substance
OIE	World Organisation for Animal Health
OPCW	Organization for the Prohibition of Chemical Weapons
PCU	Port Control Unit
PITCH	Preventing Illicit Trafficking of Cultural Heritage
PGS	Programme Global Shield
PNR	Passenger Name Record
RILO	Regional Intelligence Liaison Office
SALW	Small Arms and Light Weapons
STCE	Strategic Trade Control Enforcement
UAE	United Arab Emirates
UNEP	United Nations Environment Programme
UNESCO	United Nations Educational, Scientific and Cultural Organization
UNODC	United Nations Office on Drugs and Crime
UNSC	United nations security council
UNSCR	United nations security council resolution
UPU	Universal Postal Union
USAID	United States Agency for International Development (USAID)
USD	United States Dollar
WCA	West and Central Africa
WCO	World Customs Organization

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