



World Customs
Organization

ENFORCEMENT
AND COMPLIANCE

Illicit Trade Report 2021





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This Report 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.



FOREWORD

Dear Reader,

As global trade and businesses are slowly recovering from the aftermaths of the COVID-19 pandemic, I find myself both pleased, yet concerned, as I present you with the WCO's Illicit Trade Report for 2021. Indeed, I am pleased because the Illicit Trade Report is the WCO's Compliance and Enforcement sub-directorate's flagship publication, and has been providing Members for many years with valuable insight into the intricacies and challenges stemming from cross-border illicit trade and the threat it poses to our citizens, consumers, and economies.

Nevertheless, truth be told, I am also frustrated and pained to see that despite this paralyzing pandemic, criminal organizations operating internationally have ruthlessly taken advantage of this grim situation and human suffering, and have shown much resilience and initiative to circumvent the various COVID related lockdowns and restrictions imposed worldwide. In fact, we are faced with criminal groups which are increasingly structured and are constantly diversifying their distribution systems, further abusing ineffective regulations, shortages of supplies, and consumers increasingly dependent on online shopping and social media.

This Report shows that despite the historical drop in trade of goods and industrial production, illicit trade showed no signs of similar slowdowns. The use of mail and express couriers has been a growing concern for Customs enforcement for

This Report 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.

several years already, but as we now take stock of the consequences of COVID, we are seeing a serious increase in the use of e-commerce and small consignments to smuggle all types of goods. Given the limited government resources available to face this growing threat, the use of data and data analytics becomes all the more obvious.

When choosing the 2022 theme of the year “Scaling up Customs Digital Transformation by Embracing a Data Culture and Building a Data Ecosystem”, I really wanted Members to reflect and understand the power of data and how the recent digital transformation can empower and modernize Customs administrations in their border processes, decision-making, and more to the point, enforcement actions. In this context, the Illicit Trade Report has been a pioneer in terms of data collection and analysis, and has been striving to provide Members with a comprehensive study of illicit trade flows for over twenty years. Yet, we still struggle to gather sufficient data from our Members to present them with a more accurate and realistic global overview and analysis.

To counter this lack of data, the WCO has undertaken a review of the Illicit Trade Report and its methodology. This is an ongoing process and work is still underway until a final product can be delivered next year. As part of this new methodology, we have enlarged our data and information sources to include open source, as well as the results of a survey which we sent out to Members in February 2022. Furthermore, for this edition of the Report, and the ones to come, we are relying solely on our in-house analysts and our recent data visualization tool to present the data in an intelligible and readable manner.

As in past years, the Report covers the main Enforcement programmes which are: Drugs, Cultural Heritage, Environment, IPR Health and Safety, Revenue, and Security. I am pleased to welcome a new addition to this Report, the Anti-Money Laundering and Terrorist Financing section. This is a relatively new programme which has developed at an unforeseen scale and now counts as one of our main Enforcement activities.

Similarly, I would like to point out the new section dedicated to open source information, the ‘Customs Enforcement Scan’, which offers a great point of comparison between open source and our CEN data analysis.

I am very proud of this accomplishment, which once again shows the WCO's and its Members' capacity to invest in and leverage those technologies which we consider as offering the most potential to improve Customs processes and enforcement capabilities.

I hope you will garner all of the valuable information contained in this ‘interim’ Illicit Trade Report and more importantly, that you will use it as a reference for your future border enforcement strategies.

Stay safe!



Dr Kunio Mikuriya
Secretary General, World Customs Organization

The WCO Illicit Trade Report was initiated in 2012 to provide a better understanding of current (and recurrent) cross-border criminal activities. Through in-depth data analysis based on the voluntary submission of seizure data by Member Customs administrations worldwide, this Report aims to further quantify and map the situation of illicit trade and to present an overview of Customs enforcement efforts to counter these illicit activities.

With this Report, the WCO wishes to raise awareness of these critical areas of Customs enforcement and also contribute to the information available on illicit trade, allowing policy-makers to get a grasp of the global situation, and enabling Customs administrations to enhance their response to these threats accordingly.

Previously composed of six sections, the Report now covers seven key areas of risk in the context of Customs enforcement: Anti-money laundering and terrorist financing; Cultural heritage; Drugs; Environment; IPR, health and safety; Revenue; and Security.



1. Data and methodology

1.1 CEN

As always, the analysis contained in this Report is largely 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 working in the field of Customs. In addition, the twelve Regional Intelligence Liaison Offices (RILOs) contribute actively to the CEN database in terms of data entry on behalf of their affiliated Members, data validation, and quality control.

The data contained in the CEN is continuously updated and reviewed, making it a 'living' database. More than three thousand users from 185 Customs administrations input non-personal national seizure and offence data to the CEN. This submission is voluntary, and Customs administrations have the possibility to decide on the national level, based on strategic priorities, if they wish to submit basic data in an abridged format, or the full data in a standard format. Access to the CEN is strictly regulated, and various access levels allow for a comprehensive governance of data handling and data protection.

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. Till this day, the CEN remains the only global Customs database of enforcement information.

Future development to the CEN aims at facilitating decision-making from a strategic and operational perspective. The introduction of modern techniques such as a data visualization solution, will allow Members, in a blink of an eye, to have an overview of trends in illicit trafficking of any kind of goods, without any prior knowledge of data analysis. Such solutions play a pivotal role in the comprehension of trends and patterns behind raw data, and ultimately contribute to better risk analysis and improved efficiency of Customs controls.

1.2 Other data sources

The CEN remains the basis for this Report. The CEN database relies heavily on voluntary submissions by Members. The quantity and quality of the data submitted to the system poses inherent limitation to offer Members a comprehensive, realistic and reliable enough overview of global illicit trade.

To overcome these shortcomings and to complement the CEN dataset for the purpose of an incisive analysis, this 2021 Report further includes data

and information obtained from other available sources. These sources include official government media outlets, reports published online by Member administrations and various international organizations involved in countering illicit trade, and a survey elaborated by the WCO in order to collect additional data from its Members and from its RILO network. A deeper analysis of illicit trade as reflected by open sources is also available in the 'Customs Enforcement Scan' Section of this Report.

2. Executive Summary of the Report

Overall, this Report largely focuses on the impact the COVID-19 pandemic has had on the flows of illicit trade worldwide and how criminal organizations have adapted and shifted transport and shipment modes of smuggled goods. One common denominator to the different enforcement risk areas covered in this Report, is the increased use of online marketplaces and social media to accommodate both demand and supply during the health crisis. Consequently, seizures in mail consignments are seeing an important increase.

Section one of this Report is dedicated to the fight against money laundering and terrorist financing. The Anti-money laundering and terrorist financing programme (AMLTF) is relatively new at the WCO but has produced great momentum and has quickly become one of the main WCO enforcement Programmes. In its first year, the pandemic led to massive stocks of illicit currency as criminals were unable to move the cash due to the closing down of international passenger traffic. This resulted in some impressive cash seizures. In its second year, criminals relied on alternative methods such as cargo shipments and informal value transfer systems. By September 2021, WCO Operation Tentacle revealed that movements of illicit currency were occurring more frequently and in higher quantities as the pandemic was showing signs of slowing down.

The second section, Cultural Heritage, is focused on the illicit trafficking of stolen or looted cultural objects including both archaeological objects and works of art. The COVID-19 pandemic has had a serious impact on the illicit trafficking of cultural goods in 2020 and 2021. With an increasing number of businesses going online, law enforcement agencies were faced with the increased use of e-commerce and other online marketplaces, making the physical control of goods more difficult during the pandemic. Despite these challenges, there were a number of successful cases as well as restitutions as described in this Section. Since the dataset for Cultural Heritage was very limited in 2020 and 2021, rather than focus on data analysis, this Section will highlight some of the trends observed over the course of these years.

The following Drugs Section further reflects on the disruptions in organised crime caused by the pandemic, also highlighting the use of new means of distribution to deliver drugs worldwide. However, despite these difficulties, drug supply and demand were not affected by the health crisis. Demand even increased slightly, and it appears that criminal organizations initially drew supplies from existing stocks. Once it was clear that the pandemic was going to persist, and given the sharp slowdown in air and sea transport, criminal drug organizations started relying more heavily on social media and e-commerce. Alternatively, non-commercial means of transport, such as general aviation or recreational sailing, showed a strong comeback as well.

Section 4. Environment

Environmental crime is currently one of the most profitable forms of criminal activity due to vast demand and low prosecution rates. The ITR's Environment Section focuses on the illegal trade in wildlife and timber products, substances controlled under the Montreal Protocol, and waste. However, the scope of environmental crime has been widening to also cover various other hazardous chemicals, fishery crimes and trade in minerals, for which Customs should also be focusing their enforcement capacities. Considering the complexity of environmental crimes, its transboundary nature, its diversity of activities and impacts, the various type of actors involved, and its linkages with other serious crimes, there is a need to adopt a global response to combating environmental crimes.

Section 5. IPR, Health and Safety

The IPR, Health and Safety Section of this Report examines the global illicit trade in counterfeit and medical goods in 2020-2021. Trade in counterfeit goods did not show a significant decline due to the pandemic as supply remained relatively high in 2020-2021. Restrictive measures against COVID-19 affected conveyance modes of illicit trafficking of IPR goods. While vessel was still predominant in terms of number of pieces, mail consignments - which increased by 66% in 2021 from 2020 - was the most frequent transportation mode for counterfeit products specifically for individual use. Once again, we can see that consumers increased their use of online shopping amid the health crisis and that criminals were able to adapt their logistical systems and send illicit items directly to them by mail.

Section 6. Revenue

During the pandemic and due to various restrictive measures and policies imposed worldwide, consumers relied more heavily on online purchases specifically for taxed goods. In the case of excise goods, the availability of alcoholic beverages and tobacco below market price has attracted consumers to illicit markets. The Revenue Section of this Report provides a global overview of the illicit trade in tobacco products and alcohol as seen over 2020 and 2021. For tobacco, one notable increase is the number of seizures in the category e-cigarettes and cartridges, which reflects the growing importance of e-cigarettes since their emergence on markets. Customs administrations of several countries took the initiative to donate seized alcohol - destined to be destroyed following criminal investigations - to hospitals, firefighter services, emergency services and health care facilities, to be used to make disinfectants to support fight against COVID-19.

Section 7. Security

Customs plays a key role in countries' ability to prevent dangerous goods, including explosive precursors as well as weapons and materials of mass destruction, from illegally entering a country and being used to cause serious bodily harm. The final Security Section of this Report, examines recent trends in the illicit firearms trade as this is the main category of data reported by Members. An increasing security threat is denoted in the rise in trafficking of firearms components which can be purchased through e-commerce sites as well as the dark net, and then assembled into fully functioning weapons. Once a firearm has been disassembled and broken down into components, it becomes much harder to identify the parts as belonging to a firearm even when using technologies like x-ray scanners. Furthermore, as consumers become more used to purchasing both legal and illegal goods through e-commerce and crypto markets on the dark net, the online market for weapons and their component parts continues to increase.

Section 1. Anti-money laundering and terrorist financing

Section 2. Cultural Heritage

Section 3. Drugs



CUSTOMS ENFORCEMENT SCAN 2021

ILLCIT TRADE
"RECOVERING"
TO THE LEVEL OF
BEFORE COVID-19

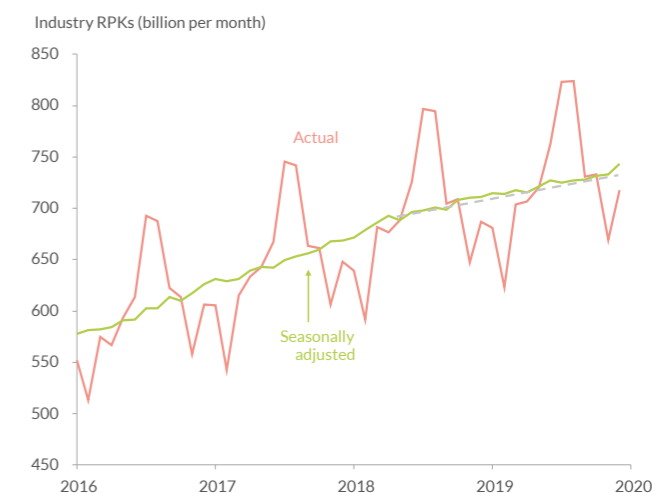
In 2020 and 2021, illicit trade showed a general increase or recovery to the level in 2019, especially in the illicit trade of drugs and counterfeit goods (IPR). The typical routes for illicit trade are still active, such as the trans-Atlantic route for cocaine, and the network radiating from East Asia for IPR products. As means of transport, use of mail continues to increase as reflected in the number of seizures, which accounts for around 80% in some commodities.

Overview of illicit trade based on seizure statistics

1. Background

As illicit trade exploits the legitimate means of transport, it can also be affected by the trends of world trade environment. In early 2020, the COVID-19 pandemic severely affected our entire society, including global transportation. IATA statistics show how seriously air passenger volumes were affected by the restrictions imposed globally. Figure 1 shows that air passenger is recovering its volume gradually, but it has not reached pre-COVID levels.

Figure 1. Global air passenger volumes (RPKs)

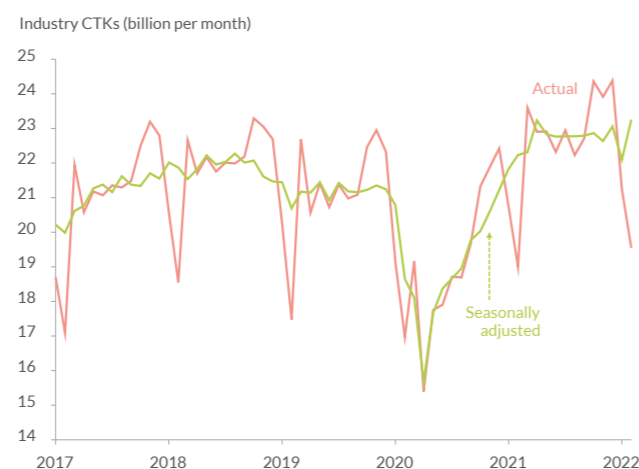


Copyright: International Air Transport Association, 2019, Air Passenger Market Analysis, February 2022.



On the other hand, while air cargo traffic was also significantly reduced just after the beginning of the pandemic, according to IATA, transportation volume is recovering to the level of 2019, as described in Figure 2.

Figure 2. CTK (cargo tonne-kilometres) levels, actual and seasonally adjusted



Copyright: International Air Transport Association, 2019. Air Cargo Market Analysis, February 2022.

MARITIME TRADE
 - 3.8%
 in 2020
 + 4.3%
 estimated
 in 2021.

Sea container transport, another pillar of global trade, was also affected by the pandemic but not as seriously as air transport. According to UNCTAD's Review of Maritime Transport 2021 published in November 2021, maritime trade reduced by 3.8% in 2020, but was estimated to increase by 4.3% in 2021. According to UNCTAD: "Although the COVID-19 pandemic's impact on maritime trade last year was less severe than expected, the knock-on effects will be far reaching and could transform the sector."¹

As a whole, air passenger transport is still on the way to recovery, and cargo in both air and sea transport has reached the level of before the pandemic or is increasing even more. This trend could have an impact on illicit trade as observed in the following section.

¹ https://unctad.org/system/files/official-document/rmt2021summary_en.pdf

44 Members
 completed the Survey.

2. WCO Survey & Published Reports

For the purpose of obtaining an overview of illicit trade and new, or on-going trends, the WCO Secretariat conducted a survey to collect seizure statistics from the WCO Member administrations. Forty-four Members completed the Survey. In addition, the WCO Secretariat extracted seizure statistics from official seizure reports as published by Member administrations on their websites in order to enhance data coverage and quality.

Despite the limited coverage rate, this data is the accumulation of the official seizure statistics by Customs administrations around the world. It is meaningful to conduct a comparative analysis by year (between 2019 and 2020, and 2019 and 2021), for the purpose of identifying the changing trends of illicit trade before and after the pandemic. In this section (WCO Survey & Published Reports), all of the analysis are based on the result of the WCO Survey and the Published Reports by Customs Member administrations.

Figure 3 and 4 describe how the number of seizure cases has changed since 2019. The size of bubbles and the horizontal axis shows the number of seizure cases. The vertical axis shows the percentile change compared to the number of cases in 2019. The bubble above the horizontal axis means the change rate is more than zero, that is, the number of cases has increased since 2019.

Figure 3. Seizure cases in 2020 and its change rate since 2019
(WCO Survey & Published Reports)

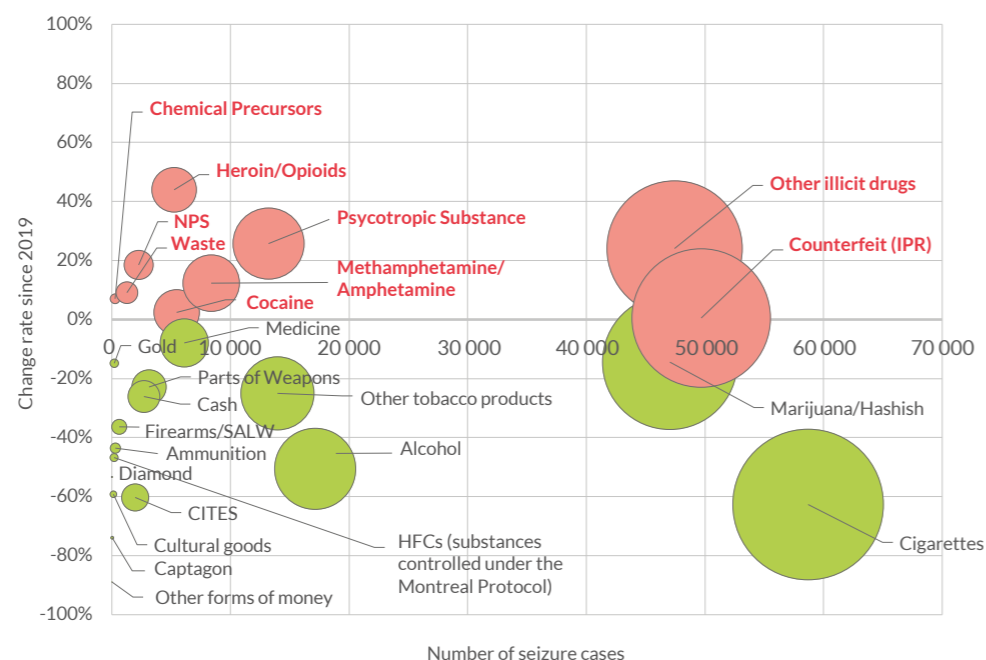
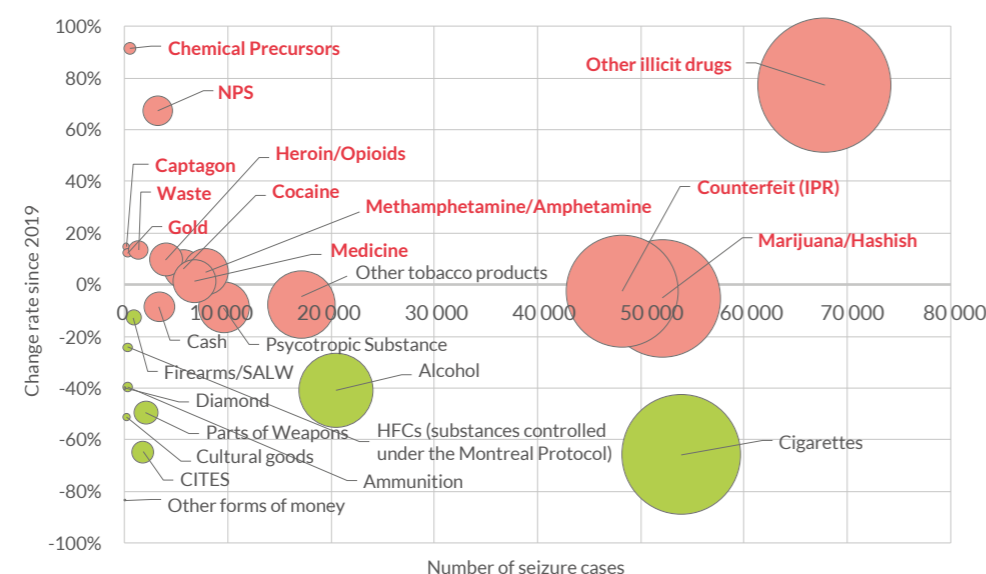


Figure 4. Seizure cases in 2021 and its change rate since 2019
(WCO Survey & Published Reports)



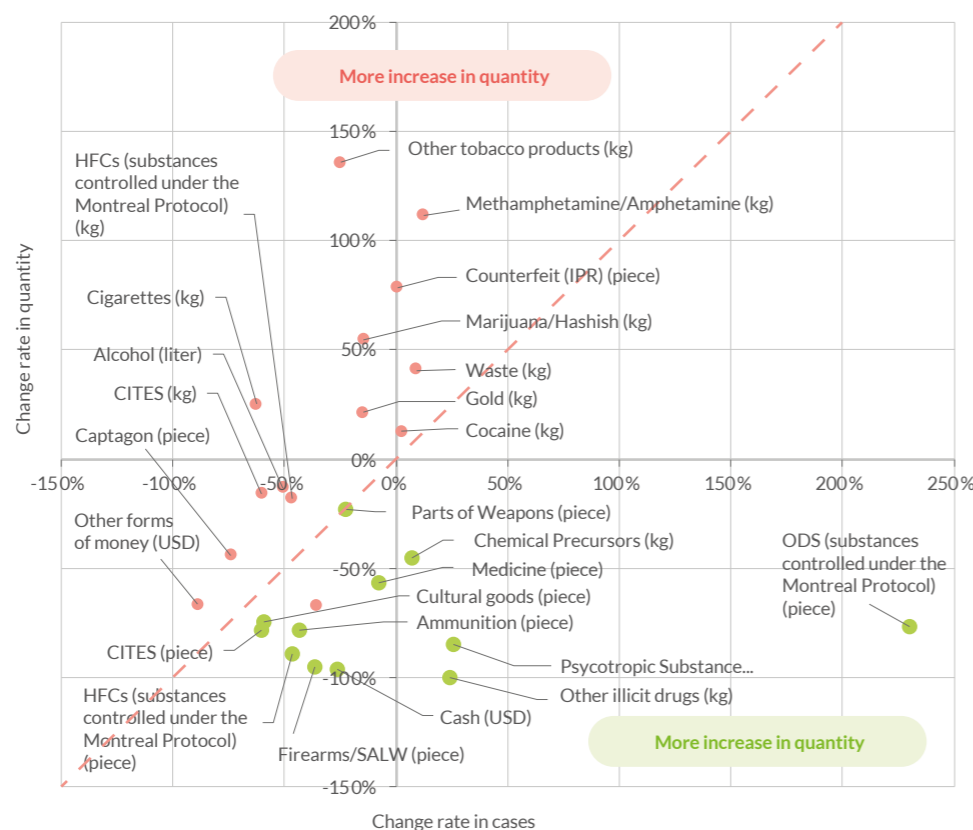
The figures show that in most types of smuggled drugs and counterfeit goods (IPR), the number of seizure cases has increased or maintained its level compared to 2019. On the other hand, some commodities, such as alcohol, cigarettes and parts of weapons, shows significant decrease. This indicates that criminal organizations are revitalizing their activities, and presently focusing on some specific commodities. Figure 5 shows the same data in a table format. The cells coloured in light or dark red means the percentage change is positive or small negative. It shows that most of the cells for smuggled drugs and counterfeit goods (IPR) are coloured in pink.

Figure 5. Percentage change in the number of cases since 2019

COMMODITY	2020	2021
Cocaine	2%	6%
Psychotropic Substances	26%	-9%
NPS	19%	68%
Marijuana/Hashish	-14%	-5%
Methamphetamine/Amphetamine	12%	5%
Heroin/Opioids	44%	10%
Chemical Precursors	7%	91%
Other illicit drugs	24%	77%
Captagon	-74%	15%
Counterfeit (IPR)	1%	-2%
Medicine	-8%	1%
Cigarettes	-63%	-66%
Other tobacco products	-25%	-8%
Alcohol	-51%	-41%
Firearms/SALW	-36%	-13%
Ammunition	-44%	-40%
Parts of Weapons	-23%	-50%
Cultural goods	-59%	-51%
Cash	-26%	-9%
Gold	-15%	12%
Diamond	-53%	-40%
Other forms of money	-89%	-83%
CITES	-60%	-65%
ODS (substances controlled under the Montreal Protocol)	230%	320%
HFCs (substances controlled under the Montreal Protocol)	-47%	-24%
Waste	9%	13%

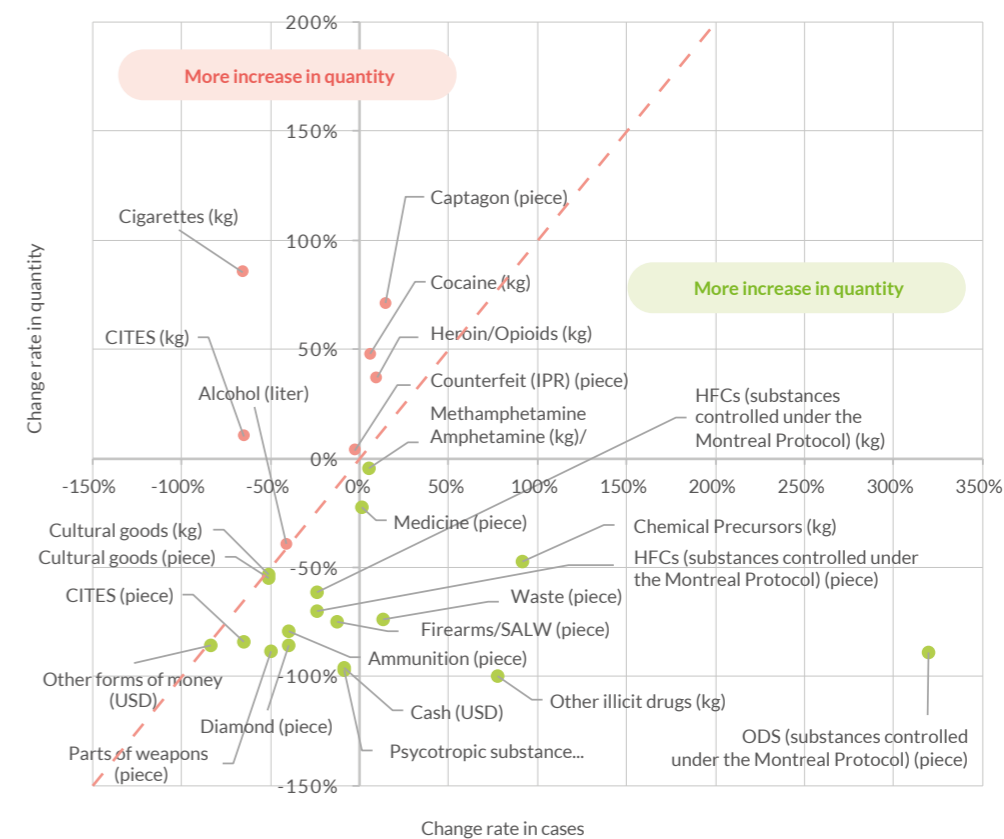
Another dimension of analysis is the combination of the number of cases and quantity to look at the change in the size of a slot. Figure 6 plots each commodity with the change rate in quantity and the change rate in the number of cases. The plots above the dashed line means a higher increasing rate in quantity as opposed to number of cases. This would imply a larger slot in each seizure case.

Figure 6. Change rate in cases vs. quantity from 2019 to 2020



According to figures 6 and 7, some drugs have a consistent tendency to increase more in quantity, i.e., large slot smuggling. Cigarettes and counterfeits (IPR) show the same trend.

Figure 7. Change rate in cases vs. quantity from 2019 to 2021



3. Open Source

As the data coverage based on the WCO Survey and published reports is limited, open source information can be used to complement the analysis. In this Report, “open source” information means web articles reporting seizure cases based on information released by governmental administrations. The data covers only illicit drugs, and for the purpose of providing an overview of illicit activities, the cases include seizures by law enforcement administrations other than Customs. Due to the nature of the source, the data is not appropriate to be used as seizure “statistics,” nevertheless it provides valuable indicators as to the degree of activity of this illicit trade.

Figure 8. Quantity of drugs seizures by metric tonne and change rate since 2019

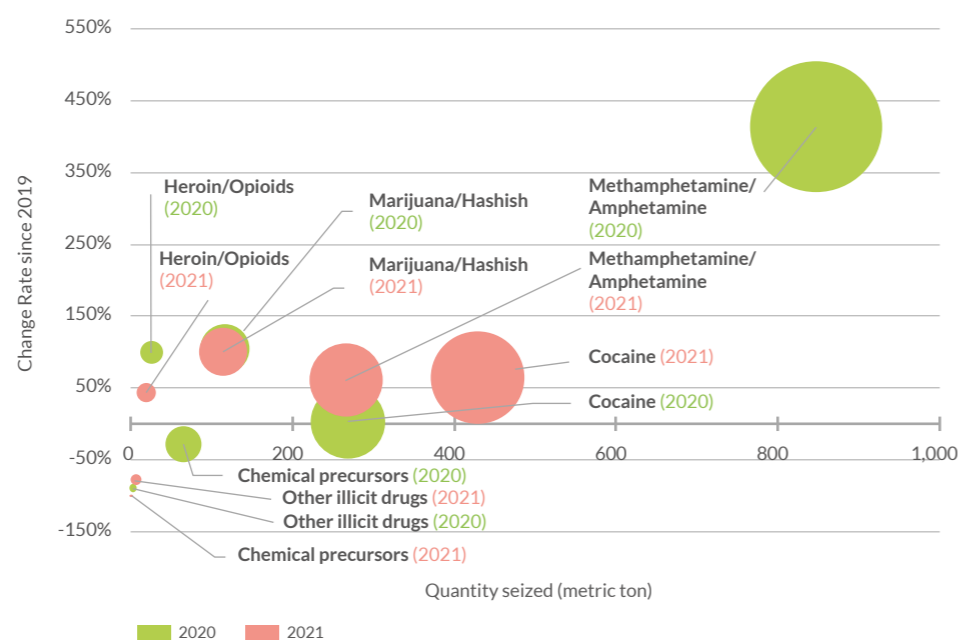


Figure 8 describes how the level of seizure quantity has changed since 2019. The size of bubbles and the horizontal axis shows the quantity seized in metric tonne. The vertical axis shows the percentile change compared to the quantity in 2019. The bubble above the horizontal axis means the change rate is more than zero, that is, the quantity has increased since 2019. In most cases, these illicit drugs, including methamphetamine/amphetamine, cocaine, marijuana/hashish, heroin/opioids, have been “recovering” and going beyond the level before COVID.

Figure 9. Seizure quantity by region

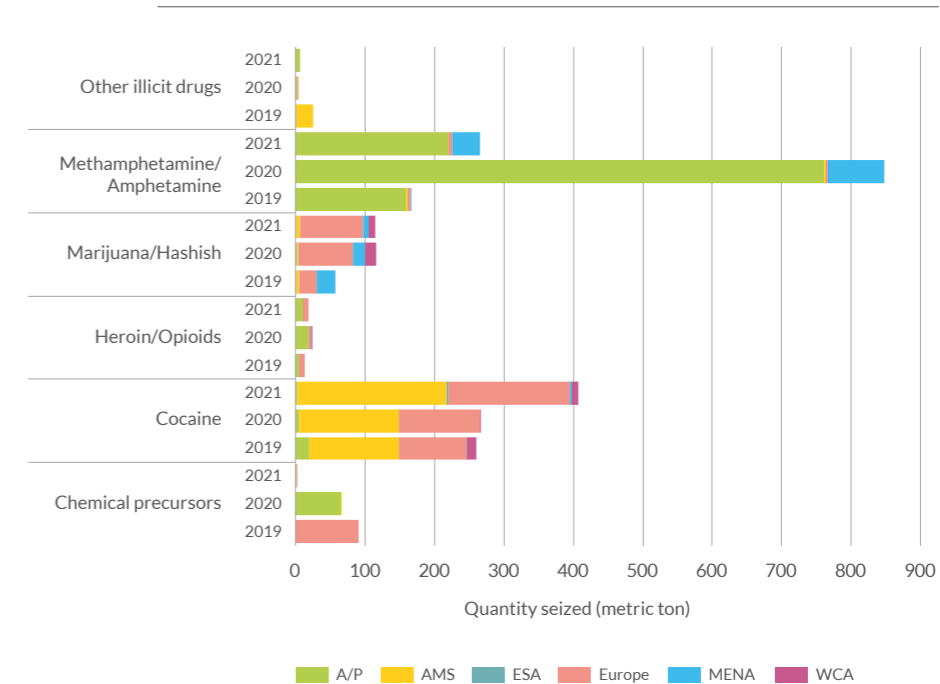


Figure 9 describes seizure quantity by the six WCO regions. This clearly shows the regional characteristics, i.e., methamphetamine/amphetamine in Asia-Pacific, marijuana/hashish in Europe, and cocaine in the Americas region. As described in the previous figures, this also indicates the general trend of increasing illicit drugs as a whole.

4. CEN Data

The WCO Customs Enforcement Network (CEN) is the WCO’s flagship tool to assist the Customs enforcement community in gathering data and information for intelligence purposes. The CEN acts as a central depository for enforcement-related information, with its success resting squarely on the steady flow of quality data provided by all WCO Members. Its functions allow users to mine data and this is crucial in terms of defining strategies, preparing risk indicators and identifying trends. The notable advantage of CEN data is that it specifies case routes from departing, transit and destination countries. As some commodities have a limited number of cases in the CEN, the following analysis is focused on commodities which have more than 10,000 cases.

Figures 10 and 11 describe the major routes for cocaine and cannabis. The data in the previous sections shows that illicit trade of cocaine and marijuana/hashish is very active in the Americas and Europe regions, and the trans-Atlantic routes in these figures strongly connect the two regions, corresponding to the specified trend.

Figure 10. Routes for cocaine (more than 1,000 kilogrammes)



Figure 11. Routes for cannabis (more than 15 kilogrammes)



Further looking into the detail of the routes, figure 12 breaks down the routes for cocaine with commercial vessels as the conveyance method. This shows that sea transportation in large quantity is mainly concentrated in the trans-Atlantic route.

Figure 12. Routes for cocaine by vessel (commercial) in 2021



On the other hand, figure 13 describes the route for cocaine conveyed by mail and express courier. The figure shows the expanded network of distribution around the world, and indicates that the commodity is transported in large quantities by sea, and then delivered in small lots around the world by means of express mail.

Figure 13. Routes for cocaine in mail (express courier) in 2021



Another major commodity of illicit drugs is psychotropic substances and new psychotropic substances (NPS). The routes as described in figure 14 and 15 expand to the Asia-Pacific region, where the trade of methamphetamine/amphetamine is very active.

Figure 14. Routes for psychotropic substances (more than 50 kilogrammes)



Figure 15. Routes for new psychotropic substances (more than 10 kilogrammes)



The last illicit drug category observed in this Section is Opioids, which shows unique routes compared to the aforementioned drugs. Figure 16 indicates the flow from Central Asia to Europe via the Middle East, and some of these are traded to the Asia-Pacific region.

Figure 16. Routes for opioids substances (more than 10 kilogrammes)



Different regions play different roles in each commodity. In the case of counterfeit goods (IPR), East Asia is the hub for routes around the world.

Figure 17. Routes for counterfeit goods (more than 10,000 pieces)



Illicit tobacco trade is extraordinarily active in Europe and Eurasia area, and in addition, the network is expanding to the Asia-Pacific region.

Figure 18. Routes for illicit tobacco (more than 100,000 pieces)



While the analysis so far provides a general pattern of routes by commodity, another type of analysis is to focus on the most frequently exploited routes across commodities. Figure 19 describes the routes which increased the most in 2021. The details of these routes indicate that drugs or IPR are the main cause of such rapid increase.

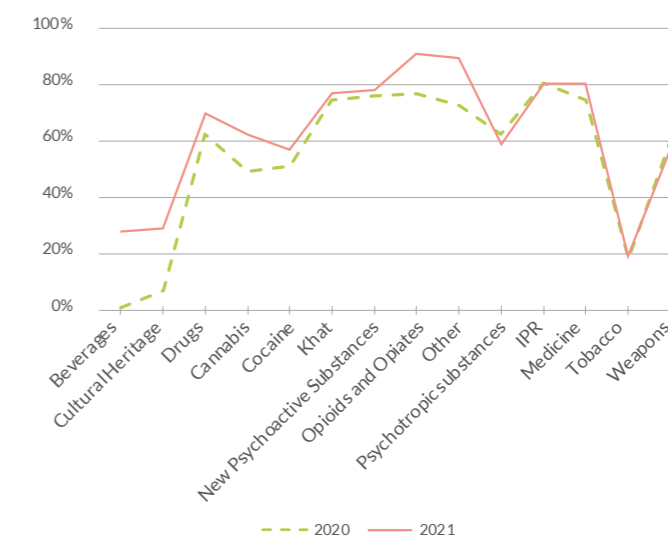
Figure 19. Highest increase rate in exploited routes (number of cases)

ROUTE	2020	2021	CHANGE RATE	DETAIL OF CASES IN 2021						
				Drugs	IPR	Medicine	Tobacco	Beverage	Cultural Heritage	Weapons
NLD->USA	112	1,447	1192%	1116	237	94	0	0	0	0
CHN->AUT	3,346	11,872	255%	0	11871	1	0	0	0	0
ESP->DEU	110	298	171%	298	0	0	0	0	0	0
IND->GBR	329	863	162%	390	0	473	0	0	0	0
USA->GBR	473	1,230	160%	1228	0	2	0	0	0	0
IND->ARE	116	290	150%	265	0	25	0	0	0	0
NLD->GBR	411	972	136%	963	0	9	0	0	0	0
ZAF->GBR	112	246	120%	242	0	4	0	0	0	0
POL->IRL	324	689	113%	10	0	0	565	114	0	0

(Note: Routes with more than 100% increase between 2020 and 2021, and more than 100 cases in 2020.)

Finally, this Section concludes with an analysis of the conveyance method of seizure cases, which is one more valuable information of CEN data. Figure 20 describes the ratio of seizure cases which have a conveyance method identified as “mail.” It clearly indicates that mail accounts for a significantly large portion of the number of cases in all commodities. In 2021, this feature was further accelerated, and the ratio of mail increased from 2020 across commodities. This means more and more cases exploit mail as means of transport for illicit trade.

Figure 20. Ratio of mail conveyance in CEN seizure cases





Annex I. Data Tables

1. Data Source

SOURCE	DESCRIPTION
WCO Survey	Data provided by WCO Member administrations in answering the Survey circulated by the WCO Secretariat in January 2022.
Published report	Data published by WCO Member administrations on their official websites as seizure statistics.
Open source	Data published in news media based on information from governmental agencies. This data includes seizures by law enforcement agencies other than Customs administrations.
CEN	Data provided by WCO Member administrations via the CEN (Customs Enforcement Network) .

2. Data Coverage

MEMBER	REGION	DATA SOURCE			
		WCO SURVEY	PUBLISHED REPORT	OPEN SOURCE	CEN
Afghanistan (Islamic Republic of)	A/P				✓
Albania	Europe			✓	✓
Algeria	MENA			✓	
Andorra	Europe			✓	
Angola	ESA			✓	
Antigua and Barbuda	AMS			✓	✓
Argentina	AMS	✓		✓	✓
Armenia	Europe			✓	✓
Australia	A/P	✓		✓	✓
Austria	Europe			✓	✓
Azerbaijan	Europe			✓	✓
Bahamas	AMS			✓	✓
Bahrain	MENA			✓	✓
Bangladesh	A/P			✓	✓
Barbados	AMS			✓	✓
Belarus	Europe			✓	✓
Belgium	Europe	✓		✓	✓
Belize	AMS			✓	
Benin	WCA			✓	✓
Bermuda	AMS			✓	✓
Bhutan	A/P			✓	
Bolivia	AMS			✓	✓
Bosnia and Herzegovina	Europe			✓	✓
Botswana	ESA			✓	
Brazil	AMS			✓	✓
Brunei Darussalam	A/P			✓	
Bulgaria	Europe	✓		✓	✓
Burkina Faso	WCA			✓	✓

Burundi	ESA		✓	✓
Cambodia	A/P		✓	✓
Cameroon	WCA		✓	✓
Canada	AMS	✓	✓	✓
Cape Verde	WCA		✓	
Central African Republic	WCA		✓	✓
Chad	WCA		✓	✓
Chile	AMS	✓	✓	✓
China	A/P		✓	✓
Colombia	AMS	✓	✓	✓
Comoros	ESA		✓	
Congo (Republic of the)	WCA		✓	✓
Costa Rica	AMS	✓	✓	✓
Côte d'Ivoire	WCA		✓	✓
Croatia	Europe	✓	✓	✓
Cuba	AMS	✓	✓	✓
Curaçao	AMS		✓	✓
Cyprus	Europe	✓	✓	✓
Czech Republic	Europe	✓	✓	✓
Democratic Republic of the Congo	WCA	✓	✓	✓
Denmark	Europe		✓	✓
Djibouti	ESA		✓	
Dominican Republic	AMS		✓	✓
Ecuador	AMS		✓	✓
Egypt	MENA		✓	
El Salvador	AMS		✓	✓
Eritrea	ESA		✓	
Estonia	Europe		✓	✓
Eswatini	ESA		✓	
Ethiopia	ESA		✓	
European Union	Europe		✓	
Fiji	A/P		✓	✓

Finland	Europe		✓	✓
France	Europe		✓	✓
Gabon	WCA		✓	✓
Gambia	WCA		✓	
Georgia	Europe		✓	✓
Germany	Europe	✓	✓	✓
Ghana	WCA		✓	✓
Greece	Europe	✓	✓	
Guatemala	AMS		✓	✓
Guinea	WCA		✓	✓
Guinea-Bissau	WCA		✓	✓
Guyana	AMS		✓	
Haiti	AMS		✓	
Honduras	AMS		✓	✓
Hong Kong, China	A/P	✓	✓	✓
Hungary	Europe	✓	✓	✓
Iceland	Europe		✓	✓
India	A/P		✓	✓
Indonesia	A/P		✓	✓
Iran (Islamic Republic of)	A/P	✓	✓	✓
Iraq	MENA		✓	
Ireland	Europe	✓	✓	✓
Israel	Europe		✓	✓
Italy	Europe	✓	✓	✓
Jamaica	AMS		✓	✓
Japan	A/P	✓	✓	✓
Jordan	MENA		✓	✓
Kazakhstan	Europe		✓	✓
Kenya	ESA		✓	✓
Korea (Republic of)	A/P		✓	✓
Kosovo	Europe	✓	✓	
Kuwait	MENA		✓	✓

Kyrgyzstan	Europe		✓	✓
Lao People's Democratic Republic	A/P		✓	✓
Latvia	Europe	✓	✓	✓
Lebanon	MENA		✓	✓
Lesotho	ESA		✓	
Liberia	WCA		✓	✓
Libya	MENA		✓	
Lithuania	Europe	✓	✓	✓
Luxembourg	Europe	✓	✓	✓
Macau, China	A/P	✓	✓	✓
Madagascar	ESA	✓	✓	✓
Malawi	ESA		✓	✓
Malaysia	A/P		✓	✓
Maldives	A/P	✓	✓	✓
Mali	WCA		✓	✓
Malta	Europe		✓	✓
Mauritania	WCA		✓	
Mauritius	ESA	✓	✓	✓
Mexico	AMS		✓	✓
Moldova	Europe	✓	✓	✓
Mongolia	A/P		✓	✓
Montenegro	Europe		✓	✓
Morocco	MENA		✓	✓
Mozambique	ESA		✓	✓
Namibia	ESA		✓	✓
Nepal	A/P		✓	✓
Netherlands	Europe		✓	✓
New Zealand	A/P	✓	✓	✓
Nicaragua	AMS		✓	
Niger	WCA		✓	✓
Nigeria	WCA		✓	✓
North Macedonia	Europe	✓	✓	✓

Norway	Europe	✓	✓	✓
Oman	MENA		✓	✓
Pakistan	A/P		✓	✓
Palestine	MENA		✓	✓
Panama	AMS		✓	✓
Papua New Guinea	A/P		✓	
Paraguay	AMS		✓	✓
Peru	AMS		✓	✓
Philippines	A/P	✓	✓	✓
Poland	Europe	✓	✓	✓
Portugal	Europe		✓	✓
Qatar	MENA		✓	✓
Romania	Europe		✓	✓
Russian Federation	Europe		✓	✓
Rwanda	ESA		✓	
Saint Lucia	AMS		✓	✓
Samoa	A/P		✓	
Sao Tome and Principe	WCA		✓	
Saudi Arabia	MENA	✓	✓	✓
Senegal	WCA		✓	✓
Serbia	Europe	✓	✓	✓
Seychelles	ESA		✓	
Sierra Leone	WCA		✓	
Singapore	A/P		✓	✓
Slovakia	Europe	✓	✓	✓
Slovenia	Europe	✓	✓	✓
Somalia	ESA		✓	
South Africa	ESA		✓	✓
South Sudan	ESA		✓	
Spain	Europe	✓	✓	✓
Sri Lanka	A/P		✓	✓
Sudan	MENA		✓	

Suriname	AMS		✓	✓	
Sweden	Europe	✓	✓	✓	
Switzerland	Europe		✓	✓	
Syrian Arab Republic	MENA		✓	✓	
Tajikistan	Europe		✓	✓	
Tanzania	ESA		✓	✓	
Thailand	A/P	✓	✓	✓	
Timor-Leste	A/P		✓		
Togo	WCA		✓	✓	
Tonga	A/P		✓		
Trinidad and Tobago	AMS		✓	✓	
Tunisia	MENA		✓	✓	
Türkiye	Europe		✓	✓	
Turkmenistan	Europe		✓		
Uganda	ESA		✓	✓	
Ukraine	Europe		✓	✓	
Union of Myanmar (Republic of the)	A/P	✓	✓	✓	
United Arab Emirates	MENA		✓	✓	
United Kingdom	Europe		✓	✓	
United States	AMS	✓	✓	✓	
Uruguay	AMS		✓	✓	
Uzbekistan	Europe		✓	✓	
Vanuatu	A/P		✓		
Venezuela	AMS		✓		
Vietnam	A/P		✓	✓	
Yemen	MENA			✓	
Zambia	ESA	✓			
Zimbabwe	ESA			✓	
Total		44	1	180	144

3. Number of cases by commodities (WCO Survey & Published Reports)

COMMODITY	2019	2020	2021
Cocaine	5,334	5,463	5,662
Psycotropic Substance	10,508	13,212	9,569
NPS	1,908	2,261	3,197
Marijuana/Hashish	54,973	47,043	52,068
Methamphetamine/Amphetamine	7,456	8,375	7,828
Heroin/Opioids	3,646	5,249	3,996
Chemical Precursors	256	274	490
Other illicit drugs	38,239	47,440	67,801
Captagon	115	30	132
Counterfeit (IPR)	49,430	49,683	48,205
Medicine	6,632	6,107	6,722
Cigarettes	157,178	58,694	53,892
Other tobacco products	18,617	13,961	17,151
Alcohol	34,675	17,138	20,460
Firearms/SALW	974	620	850
Ammunition	528	298	319
Parts of Weapons	4,062	3,134	2,051
Cultural goods	321	131	156
Cash	3,658	2,704	3,342
Gold	243	207	273
Diamond	15	7	9
Other forms of money	18	2	3
CITES	4,948	1,966	1,743
ODS (substances controlled under the Montreal Protocol)	8	33	39
HFCs (substances controlled under the Montreal Protocol)	355	189	269
Waste	1,165	1,271	1,321

Annex II. Methodology

1. Unit Conversion formula

COMMODITIES	UNIT AFTER CONVERSION	UNIT BEFORE CONVERSION
Illicit drugs including each type of drugs otherwise specified	1 kg	400,000 units, pills, tabs, capsules, doses or ampoules
	Uncountable	Quantity in litre, piece, floor, plant, bottle, syringe or cartridge
Chemical Precursors	1 kg	1 litre, 4000 tablets, 4000 piece
Counterfeit (IPR)	1 piece	1 unit, 1 item, 1 kg
Medicine	1 piece	0.6 grams, 1 litre, 1 tablet, 1 unit, 0.05 box
	Uncountable	Quantity in loose
Cigarette	1 kg	1000 pieces, 50 packet, 5 carton or 0.25 box
Other tobacco products	1 kg	1 litre
	Uncountable	Quantity in box or unit
Alcohol	litre	2 bottles or units
	Uncountable	Quantity in box or pallet
Parts of Weapons	1 piece	1 unit
	Uncountable	Quantity in box
Ammunition	1 piece	1 unit
	Uncountable	Quantity in kg, box
Cash	USD	The exchange rates are specified below
Gold	Uncountable	Quantity in unit, piece
Diamond	1 piece	0.9 carat, 0.18 grams
Other forms of money	Uncountable	Quantity in piece
	USD	The exchange rates are specified below
CITES	1 kg	1 litre
ODS (substances controlled under the Montreal Protocol)	1 kg	1/4.5 gallon
HFCs	Uncountable	Quantity in container
Waste	Uncountable	Quantity in container

Currency exchange rate

The quantity of each currency is converted to USD based on the yearly average rate. The average exchange rates are from United States IRS (Internal Revenue Service), otherwise the rates in 2019 and 2020 are from UNCTAD or other available sources, such as DollarFX.org, exchangerates.org.uk, Investing.com, Statista, Mataf.





Customs are at the forefront for combatting money laundering and terrorism financing at international borders. Transnational criminal organizations and terrorist organizations repeatedly use the international commercial travel sector and international trade to place, layer and integrate their illicit moneys. The United Nations estimates that between \$800 billion and \$1.6 trillion (USD) in illicit funds are laundered annually across the globe. For narcotics trafficking alone, it is estimated that approximately \$322 billion (USD) is laundered on an annual basis.

1 ANTI-MONEY LAUNDERING AND COUNTER-TERRORISM FINANCING



The Head of Sudan Customs reported huge seizures of smuggled gold and foreign currencies to the Sudanese Minister of Finance and Economic Planning. Courtesy: Sudanese Customs.

There are many different ways in which money is laundered, as well as the methods of value storage and transfer. With the explosion in digital and web-based technologies in the last twenty-five years, the different ways to store and move money have also proliferated in a related fashion.

INTRODUCTION

Although this increase in the means and speed of value storage and transfer has had a beneficial effect on global trade, this new reality has presented criminal and terrorist entities with many new means by which to hide and move their illicit moneys.

Customs serve as the guardians at international borders when it comes to illicit money movements, as they have the authority to control the movement of currency and currency equivalents, as well as merchandise that crosses borders. The most common method of laundering money in the Customs realm is through the physical smuggling of currency and currency equivalents. This can be done in two ways, through smuggling by international travellers or through the secretion of currency in other items that cross international borders. Referring to the latter, these methods include the smuggling of currency inside of cargo shipments, vehicles, vessels, aircraft, trucks and trains, and postal/express courier shipments.

Although the threshold for declaration or disclosure varies from country to country, the common equivalent at which, or over which, that requires a declaration or disclosure by travellers or shippers is \$10,000 (USD). Countries can have either a declaration or a disclosure regime for currency transportation. A declaration regime mandates that any passenger/shipper carrying currency in an amount at, or above the threshold, must declare the funds in question to Customs in that country. A report form will be generated and filed with that Customs administration. If the country has a disclosure regime, the passenger/shipper is required to declare the currency to Customs when asked by a Customs officer or other designated official if they are carrying currency/currency equivalents at, or above, the established threshold.

Another money laundering method that is particularly unique to the Customs domain is trade-based money laundering (TBML). TBML is perhaps the most complex money laundering method as it involves multiple, and sometimes countless stages. TBML, simply defined, is the conversion of illicit moneys into commercial products or goods which are then introduced into international trade. This process is one of the most complex money laundering methods as the dirty money, once converted into the form of a commercial product, takes on an air of legitimacy. Once the products enter international trade and are shipped and sold, the currency is “cleaned” and can be placed much more easily in the financial sector without attracting the scrutiny of law enforcement authorities.

TBML becomes even more complex and can serve as an illicit money remittance system when trade mis-invoicing schemes are utilized. These mis-invoicing schemes can include: over-/under-valuation; over-/under-shipment; phantom shipments; and mis-declaration of merchandise schemes. TBML can be as simple as converting dirty money into a single product (i.e. cellphones, gold, gems, etc.) or as complex as purchasing merchandise using a legitimate shipment and then implementing a mis-invoicing scheme on top of that first action.

Customs is the best placed authority to combat TBML, as it controls the routes of international trade. Customs can best combat TBML by working in conjunction with financial intelligence units and the Police as well. It is important to note that trade mis-invoicing schemes are not necessarily, in and of themselves, TBML. These can also be indicative of simple trade (duty) fraud. When mis-invoicing schemes are used in the conversion of dirty money into international commercial products, it then becomes TBML.

The Black-market Peso Exchange (BMPE) is a common trade-based money laundering process. It was started by the Colombian cocaine cartels in the 1970s through the use of corrupt brokers. These brokers facilitate the conversion of the dirty currency into commercial products. They purchase the dirty money from the cartels at a discount and then convert the money into products which are commonly exported to Colombia. Once in Colombia, they are converted to Colombian pesos and the illicit money, minus the broker fee, is returned to the cartels. Corrupt brokers and freight forwarders are frequently used in TBML schemes.

There are other money laundering methods that touch the Customs sector as well. These include the movement of illicit currency on stored-value cards; the movement of currency/e-currency on digital storage devices; and the movement of illicit moneys through gold, gems and jewellery.

The WCO Anti-money Laundering and Counter-terrorism Financing (AML-CTF) Programme was created in 2018 to strengthen the WCO's Members' capacity to combat money laundering and terrorism financing and to more effectively target global money laundering together with its partner law enforcement and regulatory agencies.

1. General Trends in currency trafficking

The WCO AML-CTF Programme observed numerous anomalies during the COVID Pandemic, to include an unparalleled phenomenon of massive hoarding of illicit currency during the first year of the Pandemic. The “overnight” shutdown in commercial passenger traffic caused a major disruption for organized crime groups that needed to repatriate their illicit funds back to the leadership in their country of origin.

There were cases involving search warrants executed on criminal organizations in Great Britain in which millions of dollars in cash were discovered and seized. Criminals related they had hoarded the funds due to the inability to move them via traditional transportation methods.

The record drug seizures realized in certain parts of the world, to include Western Europe in 2020 and 2021, indicate that enormous amounts of illicit cash proceeds are being generated and that these funds continued to move, even though in non-traditional ways.

The WCO AML-CTF Programme experts assume that during the pandemic, the bulk of the illicit cash that was traditionally moved via passenger traffic switched to alternate methods that were concentrated on both cargo shipments and informal value transfer systems. In the case of cargo-based movement of cash and illicit proceeds, the primary methods of laundering the funds are the concealing of cash inside of cargo containers and via trade-based money laundering (TBML).

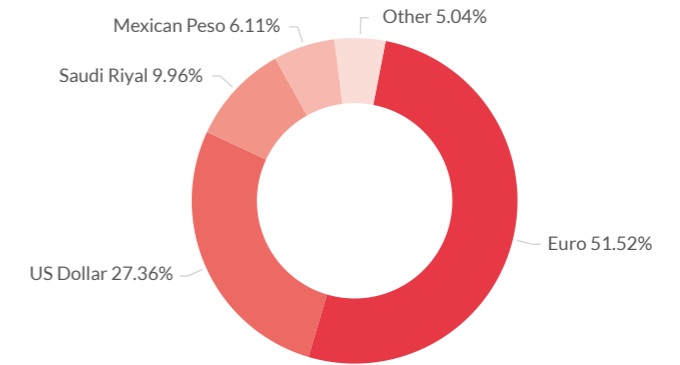
WCO Operation TENTACLE-Mediterranea, which was executed in August and September of 2021, revealed that illicit cash movements were again occurring at higher frequency and quantity as the pandemic eased. Over 700,000 Euros in illicit currency was detected and interdicted by Italian, Moroccan, Tunisian, Spanish and French Customs or Guardia Civil authorities during the Operation.

Courtesy: Lithuanian Customs.



Figure 1 separates all reported cases of currency seizures in 2021 by the type of currency which was seized by Customs officers.

Figure 1: Percentage of currency seized by currency type, 2021



More than half of the currency (amounting to a total of \$146,839,371, or 51.52% of all the currencies seized) seized in 2021 was in Euro. The second most discovered currencies is the US dollar which represents 27.36% of the total currencies seized, followed by the Saudi Riyal with 9.96% and the Mexican Peso with 5.04%.

Figure 2 is a heat map of currency trafficking instances coloured by the amount of currency seized in 2021. Each country indicated was the reporting country of the seizures either as the origin, destination or transit point for the currencies.

Figure 2: Heat map of currency trafficking seizures by country, 2021

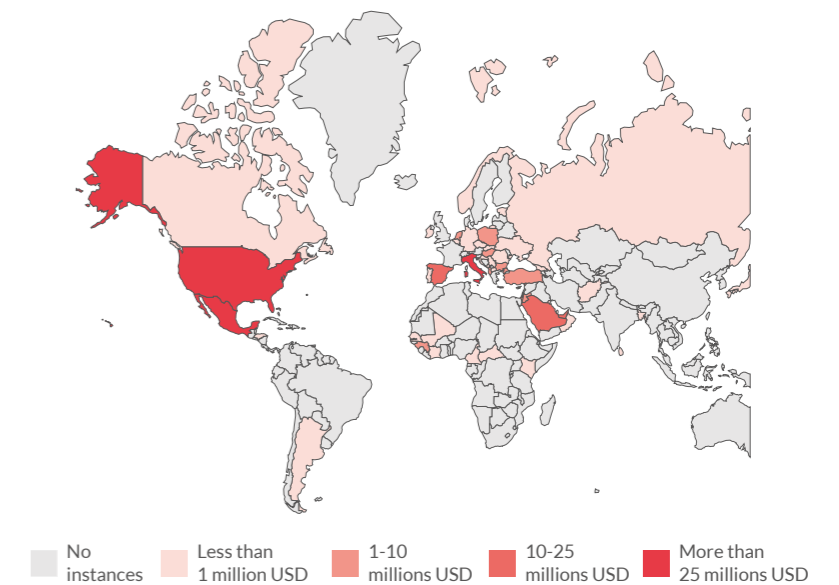


Figure 2 depicts all countries which reported currency seizures in 2021. Three countries reported more than 25 million \$ in seizures during the year 2021. Italy reported almost 100 million \$ (\$98,024,403 USD), the United States reported more than 50 million \$ (\$51,447,569 USD) and Mexico more than 25 million \$ (\$27,170,366 USD). In total, 53 countries reported currency seizures for a total amount of \$285,017,302 (USD).



Gold transformed into paste used as a smuggling technic. Courtesy: Sri Lankan Customs.

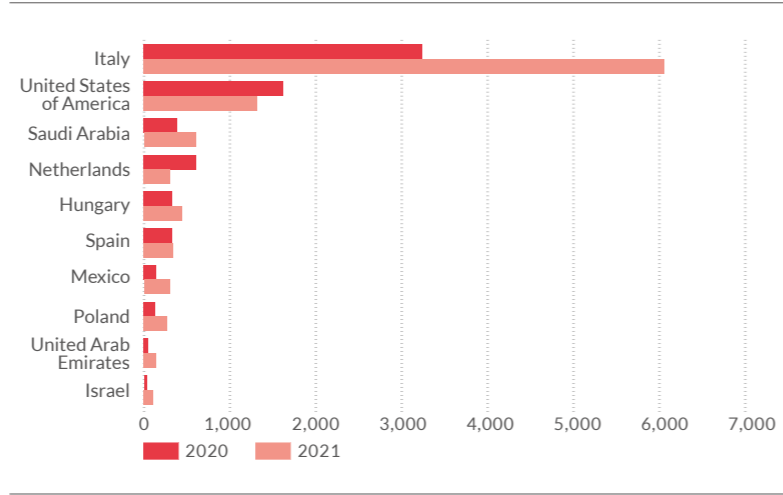
During the course of a regional TENTACLE-Operation, the AML-CTF Programme identified a new modus operandi through the use of gold paste to smuggle funds across international borders in the Western Asia region.

Criminal organizations operating in the Indian sub-continent are currently using a process to convert solid gold into paste form and then smuggling the gold across international borders in this mode of concealment. Via this process, the gold is converted to paste through a chemical process thereby obtaining a brownish colour. The gold takes on an appearance of playdoh or putty in many instances. The gold is then smuggled in different container methods that vary from solid plastic food containers, to secretion within the lining of clothing, to secretion into pellet containers that are then smuggled internally by the couriers of the criminal organizations. The AML-CTF Programme alerted our partner organization, INTERPOL, of this new gold smuggling technique. Following exchanges between the two organizations, it was decided to create a specific purple notice¹ concerning this new trend.

This new modus operandi was discovered and shared with the WCO AML-CTF Programme by the Customs administrations of both India and Sri Lanka.

¹ INTERPOL Purple Notice: INTERPOL Notices are international requests for cooperation or alerts allowing Police in member countries to share critical crime-related information. Notices are published by the General Secretariat at the request of a National Central Bureau and are made available to all INTERPOL member countries. Notices can also be used by the United Nations, International Criminal Tribunals and the International Criminal Court to seek persons wanted for committing crimes within their jurisdiction, notably genocide, war crimes, and crimes against humanity. Most Notices are for Police use only and are not made available to the public. However, in some cases, for example to alert the public, or to request help from the public, an extract of the Notice can be published. Purple Notice's goal is to seek or provide information on modus operandi, objects, devices and concealment methods used by criminals.

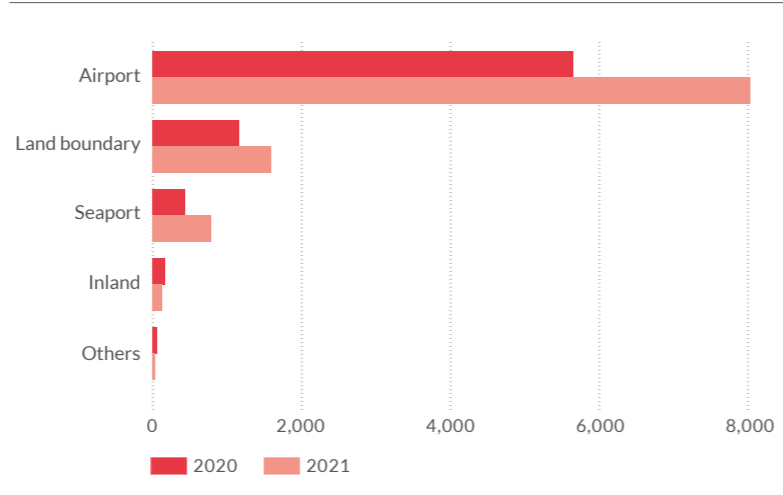
Figure 3: Number of currency cases by country, 2020-2021



Reporting in every country in the top 10 other than the United States and the Netherlands, increased in 2021. The United States' cases fell 18.47%, from 1,619 to 1,320 and the Netherlands' cases fell 50.33% from 610 to 303.

For the other top five countries, Italy's reported cases increased by 86.58% (from 3,248 to 6,060), Saudi Arabia's increased by 55.53% (from 389 to 605), Hungary's by 34.83% (from 333 to 449) and Spain's by 4.25% (from 329 to 343). Other notable increases in reporting included the United Arab Emirates (258%), Israel (335%) and Mexico (209%).

Figure 4: Number of currency seizures by location type, 2020-2021



Seizures increased in all locations from 2020 to 2021 at the exception of inland locations where it fell 30.06% from 173 to 121 seizures. Airport seizures increased by 41.94%, land boundary seizures by 37.91% and seaport seizures by 77.83%. In general, the number of currency seizures increased by 41.11% around the globe.

Figure 3 shows the 10 countries that reported the most currency cases in 2021 compared to the number of cases from 2020. In total, there were 9,915 cases in 2021 and 6,895 cases in 2020.

Figure 4 shows the number of seizures reported in 2021 compared to the number reported in 2020 by locations.

Case study 1. NEW GOLD SMUGGLING TECHNIQUE



An example of gold paste being smuggled. Courtesy: Indian Customs.

Sri Lankan Customs seized 1,161 kilogrammes undeclared gold in the possession of a Bangladeshi female and female co-traveller departing Colombo's Bandaranayake International Airport (Sri Lanka). The passengers were attempting to depart to Chennai (India) when they were selected for a Customs examination. On examination, the passengers were found to be in possession of eight red pellets of "semi liquid" gold paste weighing 1.13 kilogrammes. The pellets were wrapped in black electrical tape and carbon paper and hidden inside their hand luggage. The passengers were also subject to body scanning. One passenger was subsequently found to be internally concealing a 31 grammes solid gold lump. The gold paste concealment methodology is consistent with previous detections by Sri Lankan and Indian Customs. The gold paste may be fashioned into a range of shapes and concealment types to defeat border inspection techniques.

Due to the effect of the COVID-19 pandemic on global trade and international passenger transportation industry, the WCO believes that criminal organizations have adapted their primary methods of moving illicit funds across international borders. Due to the decrease in passenger traffic, the WCO assesses that large amounts of illicit money and assets are being laundered through the physical transportation of currency in cargo containers and via TBML. Nevertheless, WCO Members managed to conduct high level seizures of currency, gems and precious metals during this challenging period. Case studies 2, 3, and 4 are some examples of the outstanding work conducted by Customs authorities in their fight against money laundering.

Case study 2. ISRAELI CASE OF LUXURY WATCH SMUGGLING



Smuggled luxury watches. Courtesy: Israeli Customs.

Israeli Customs investigation units began an investigation of an individual, who sold luxury wristwatches at competitive prices without issuing invoices. Based on the information, the investigative unit contacted the said individual presenting themselves as potential buyers. After a few phone calls between the parties, a face-to-face meeting was scheduled and two investigators from the investigative unit in charge met the individual. After this meeting, a covert investigation, including surveillance, started.

The covert investigation resulted in identifying the behavior and structure of the smuggling network, which purchased luxury wristwatches outside of Israel and smuggled them into Israel without duly reporting and without paying importation taxes.

The investigation revealed that the network used social media platforms to sell the wristwatches to clients in Israel without declaring the sales to the Israeli Tax Authority. After gathering enough incriminating information on the network, an overt criminal Customs and money laundering investigation was initiated.

One suspected mule was apprehended at Ben-Gurion Airport with three undeclared luxury wristwatches. Shortly after, another suspected mule was apprehended at Ben-Gurion Airport with one undeclared luxury wristwatch. Search warrants on residences and safe deposit boxes were executed in order to locate and seize additional smuggled luxury wristwatches. These synchronized actions resulted in four detentions and the seizure of forty wristwatches and high value jewels.

Case study 3. HAROLD VILCHES CASE



Gold bars in the Harold Vilches case. Courtesy: Chilean Customs.

Over the course of the last five years, gold bar exports from Chile have increased significantly. Chile is not a producer of high purity alluvial gold, but rather a producer of secondary gold that is customarily a derivative of copper mining. This fact, along with the increase in the amount of gold being exported from Chile, raised red flags for the Customs administration of Chile, specifically at Santiago International Airport (Arturo Merino Benítez).

In August 2014, at Arica city, the detection of smuggled gold bars was just the tip of the iceberg and the beginning of an investigation of the largest gold bar smugglers in Chile. The Metropolitan Customs Risk Analysis Unit conducted further analysis and launched a formal investigation. The Unit generated a criminal complaint and also communicated the investigation results to the criminal prosecutor.

The techniques employed in furtherance of the money laundering scheme were smuggling of gold, illicit third-party associations and false declarations. The network also conducted large scale tax fraud pursuant to the scheme. This case encapsulated the three stages of money laundering:

Placement: The criminal group justified the origin and source of the smuggled precious metals by using fraudulent documentation such as false invoices, using three front corporations in furtherance of these goals.

Layering: The transactions were moved through the financial system and into the accounts with the assistance of corrupt national and international stockbrokers. The illegal funds were received in local currency through the use of corporate accounts. The purpose of the creation of multiple financial transactions was to conceal the original source of the illicit funds (i.e. precious metals). The profits obtained by Harold Vilches were purported to come from five front corporations in an attempt to justify the purchase of precious metals.

Integration: The profits obtained were taken in by the front corporations. After the dirty money was placed and layered, the funds were integrated back into the legitimate financial system through the payment of salaries and both the purchase of properties and vehicles. All of the goods were transferred to a front man for the true owner of the illicit proceeds.

This case led to criminal proceedings and the seizure of three vehicles, five gold bars and one thousand copper coins.

Case study 4. INDIAN CUSTOMS SEIZE CASH FROM COURIER GROUP



Cash seized by Indian Customs during Operation TENTACLE-Asia/Asia-Pacific. Courtesy: Indian Customs.

Indian Customs seized \$557,095 (USD) cash from six Bangladeshi travellers departing from Netaji Subhash Chandra Bose International Airport, Kolkata. The subjects were traveling from Kolkata to Dhaka and were subject to intelligence profiling and referral on departure. On examination, the passengers were found to be in possession of undeclared excess USD (215,800), CAD (275,000) and INR (320,000) notes found in checked luggage. The notes were wrapped in packages of brown tape and concealed inside the lining of the suitcase. India Customs further arrested the travellers and seized the money.

2. Programmes, Projects and Operations



Project TENTACLE

The WCO conducted Operation TENTACLE – Asia/Pacific in 2019. The success of the Japan Customs-funded Operation TENTACLE Asia-Pacific led to the establishment of the long-term WCO Project TENTACLE, a WCO counter-bulk cash smuggling and gems and precious metals smuggling initiative focused on the Asia, Asia-Pacific, Africa and Latin America regions.

Project TENTACLE, a joint effort with the Egmont Group and INTERPOL, is completely funded by the U.S. Department of State, Bureau of International Narcotics and Law Enforcement Affairs (DoS-INL).

It was designed as a two-phase effort that involves the delivery of AML-CTF capacity building workshops for Customs administrations, national Police services and financial intelligence units that are subsequently followed by an operational training effort targeting the smuggling of currency and gems/precious metals, as well as trade-based money laundering (TBML) activities by transnational criminal and terrorist organizations. This funding was also put in place to support the creation of a unit of designated WCO AML-CTF experts to deliver workshops and operational efforts from 2021 to 2023.

Operation TENTACLE – Asia/Asia-Pacific

In January 2019, thanks to financial assistance from the Japanese Customs Service CCF Fund, the WCO AML-CTF Programme launched Operation TENTACLE at the WCO Asia-Pacific Regional Workshop on Anti-money Laundering and Terrorism Financing in Kashiwa, Japan.

The Workshop was attended by representatives of 19 Customs administrations, INTERPOL and the FIU Japan. From 26 August to 6 October 2019, a subsequent Asia-Pacific operational effort was conducted with the support of the 19 Customs administrations concerned, and INTERPOL's Financial Crimes Unit. This led to the seizure and detention of over \$5 million in a combination of currency, gems and gold that were being smuggled across international borders by bad actors. The Operation also resulted in the arrest of 14 money launderers.



1. Cash seizure conducted by Indian customs during Operation TENTACLE-Asia/Asia Pacific. Courtesy: Indian Customs.

2. Gold bars concealed inside of stacks of yen notes found during a seizure conducted by Japanese Customs during Operation TENTACLE-Asia/Asia Pacific. Courtesy: Japanese Customs.

3. Gems seizure conducted by Thai Customs during Operation TENTACLE-Asia/Asia Pacific. Courtesy: Thai Customs.



Operation NEPTUNE III - TENTACLE-Mediterranea

In late summer 2021, the WCO AML-CTF Programme, together with the WCO Security Programme, supported Operation NEPTUNE III, an INTERPOL-led counter-terrorism operation and counter-illicit currency smuggling effort that targets the movement of terrorists, terrorist-affiliates and illicit currency across international borders in the Mediterranean area via ferry services. The countries that participated in this effort included Italy, Spain, France, Morocco, Tunisia and Algeria. This is the third iteration of Operation NEPTUNE. The first two operations occurred in 2018 and 2019. This police and Customs partnership effort involved the deployment of both Customs and police personnel to ferry ports in southern Europe and Northern Africa in order to identify possible terrorists and terrorist affiliates, as well as to target the smuggling of bulk currency/currency equivalents by terrorists and transnational criminal organizations.

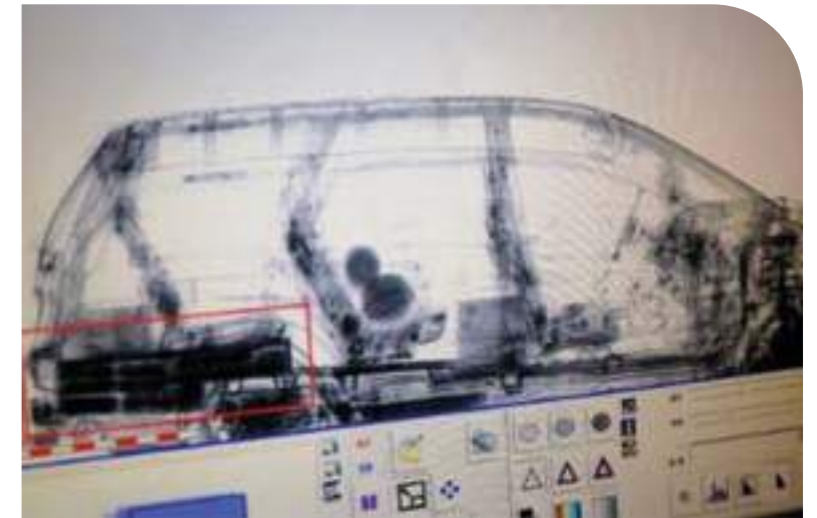
The WCO AML-CTF Programme launched a parallel Customs-led Operation TENTACLE-Mediterranea to complement Operation NEPTUNE III. Operation TENTACLE-Mediterranea/NEPTUNE III led to the seizure of more than 250,000 EUR in cash, 30 weapons (to include one handgun and 29 shotguns), 19 kilogrammes of cocaine, 267 kilogrammes of cannabis, more than 20,000 ecstasy pills, 189 kilogrammes of tobacco products and five vehicles. The Operation also led to the arrests of 29 individuals on charges of terrorism, drug smuggling, and vehicle theft, crimes against children, sexual violence, fraud and human trafficking, among other crimes.

The WCO AML-CTF programme organized a Customs after-action/intelligence assessment meeting at the headquarters of the Guardia Civil in Madrid, Spain. Thanks to the success of this TENTACLE-Mediterranea Operation, multiple Customs administrations expressed their willingness to be involved in other TENTACLE Operations in the future.

29 shotguns seized by Tunisian Customs during Operation TENTACLE-Mediterranea/NEPTUNE III. Courtesy: Tunisian Customs.



Concealment method (hidden compartment of a vehicle) reported by Moroccan Customs during Operation TENTACLE-Mediterranea/NEPTUNE III. Courtesy: Moroccan Customs.



Cocaine seizure reported by Tunisian Customs during Operation TENTACLE-Mediterranea/NEPTUNE III. Courtesy: Tunisian Customs.



Project OCTAGON

In 2022, the WCO AML-CTF Programme received funding from DoS-INL for Project OCTAGON, a new AML-CTF Programme initiative. OCTAGON has been conceptualized to be an innovative and progressive effort in the fight against money laundering and terrorism financing activities within the Customs arena. Project OCTAGON has three primary focal points: a gem certification and training project for Customs officers from high-risk regions; a mentorship, training and operational initiative for frontline Customs officers in specific high-risk countries; and a Hot-Zone Prioritization Forum for combatting transnational organized crime and terrorist organizations.

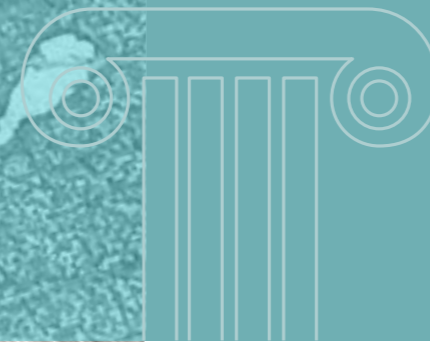


2

CULTURAL HERITAGE

Illicit trafficking of cultural goods in 2020-2021 went through a metamorphosis because of the impact of the COVID-19 pandemic. Many businesses went online, thus e-commerce platforms and other online marketplaces started paying an ever increasing role in facilitating criminal activity.

The work of Customs and other law enforcement agencies became more complex because of the movement towards online transactions and difficulties with conducting physical controls during the active phases of the pandemic. Despite these challenges, there have been a number of successful cases as well as restitutions.





Teeth of Megalodon seized by Spanish Customs and restituted to Argentina during Operation Corsair. Courtesy: Argentinian Customs

The WCO continued advocacy efforts on the role of Customs in preventing illicit trafficking of cultural goods.

INTRODUCTION

In July 2021, the WCO Secretary General, Dr Kunio Mikuriya, participated in the first ever G20 Culture Ministers' meeting held in Rome, Italy. As a result of the meeting, the "Rome Declaration of the G20 Culture Ministers" was adopted. Among various calls for action, the Declaration specifically mentions the need for the development and strengthening of appropriate tools in strong collaboration with organizations such as the WCO.

Unfortunately, the data received through the WCO's Customs Enforcement Network (CEN) in 2020-2021 being incomplete, the following analysis will be mostly based on open source information. The WCO continues to work with Members to encourage collection and sharing of seizure data in a manner that facilitates analytical perspectives on this type of illicit trade.

The most notable cases facilitated by the WCO in 2021 include that of Spanish Customs during the Operation Corsair (see Case study 1) and of Burkina Faso Customs (Customs seizure of five wooden statues accompanied by fake paperwork).

**Case study 1.
OPERATION CORSAIR**



In cooperation with Argentinean Customs, Spanish Customs (Agencia Tributaria) prevented illicit import of fossils of high paleontological value. This Operation, codenamed Corsair, was successfully carried out despite the restrictions on working modalities imposed by governments following the COVID-19 pandemic. Using intelligence made available through the WCO channels, investigators of Spanish Customs were able to identify a high-risk container, which was duly inspected by Customs officers in May 2020 in the seaport of Valencia.

During the inspection, Customs officers found 5,842 fossils, including five well-preserved dinosaur eggs and a complete specimen of the dinosaur that had been discovered in the Argentinean province of Rio Negro, minerals, as well as multiple specimen of animals protected by the Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES). Many fossils had been mixed with stones of different shapes and colours of no paleontological value in order to evade Customs controls. Among the fossils, the floral record of a daisy stands out, being the oldest known to date. It was hidden in a black folder with flaps, among other slabs with decals and children's drawings that reproduced the impression of a daisy fossil. The age of the original fossil exceeds 47 million years.



Argentinian Customs examine fossils restituted by Spain during Operation Corsair. Courtesy: Argentinian Customs.

Throughout the Operation, the WCO provided law enforcement agencies of both countries with the secure ARCHEO communication channel as well as operational support. In addition to the Customs authorities of the two countries, this Operation would not have



been possible without the cooperation and coordination between other Spanish and Argentinean authorities, namely the Spanish National Police, the Spanish Ministry of Culture and the Museum of Natural Sciences in Valencia, the Argentinean National Central Bureau of INTERPOL and the Argentinean Federal Police.

The restitution of cultural property was carried out in January 2022 within the framework of the bilateral Convention on the Restitution of Cultural Property and the UNESCO Convention on the Prohibition and Prevention of the Importation, Exportation and Transfer of Ownership of Cultural Property, as well as the UNIDROIT Convention on Stolen or Illegally Exported Cultural Objects.

Sources: Spanish Customs and Argentinean Customs (AFIP).



Dinosaur specimen and dinosaur egg recovered during Operation Corsair. Courtesy: Spanish and Argentinian Customs.

1. Overall trends in trafficking of cultural goods

1.1 Customs seizures in the MENA region

The WCO has been continuously supporting Customs administrations in the MENA region by providing specialized PITCH training. Since 2017, both regional and national training events were conducted. As a result, Customs administrations started reporting more seizures and following are the highlights of the latest achievements in 2020-2021.

During a road control of a vehicle, the Customs brigade of Sfax, Tunisia, intercepted a vehicle containing an archeological object of high value. The object was concealed in a plastic bag under the passenger seat. The object was seized and two suspects were transferred into the custody of the security agencies within the framework of the investigation¹.

In February 2021, the spokesperson of the Jordanian Customs reported a seizure of three antique limestone pieces. The objects were used as wine presses dating back to the Byzantine era. They were seized in Jaber, at the border with Syria².

In August 2021, WCO-UNODC Container Control Programme's Airport Control Unit Amman profiled and intercepted a DHL consignment at Queen Alia International airport bound for Malaga, Spain. The 13 objects, including coins and various archaeological items were declared as handicrafts. The expertise established that the objects included a number of antique and forged items mixed together. Among the original antique items there were bronze Nabatean coins dating back to the period of Al-Harith IV, an ancient Roman pottery flask and a coloured antique glass bottle³.

1. High value archaeological piece seized by Tunisian Customs. Copyright: Realites online.

2. Ancient coins seized by Jordan Customs. Courtesy: Jordan Customs.



1 <https://www.realites.com.tn/2021/01/photos-saisie-dune-piece-archeologique-volee-dune-grande-valeur-a-sfax/>

2 <https://en.royanews.tv/news/25484/IMAGES:%20Jordanian%20Customs%20foils%20smuggling%20attempt%20of%20three%20antique%20limestone%20pieces>

3 Source: Jordan Customs.

1.2 Looting of archaeological objects with the use of metal detectors

The trend related to the widespread use of metal detectors and looting of metal archaeological objects in Europe keeps being supported by evidence received during operational activities (see Projects and Operations) and routine controls. In one such case, in December 2020, Serbian Customs made an extraordinary seizure of 2,113 archaeological objects. The objects, dating back to the Bronze Age, Roman Empire, Early Middle Ages and Late Middle Ages included almost 600 rings, around 400 pendants, brooches, hairpins, crosses, axe blades, swords and blades, stone and metal sculptures, small arrow heads, needles, etc... The consignment was declared as textile and textile articles, and the objects were discovered in the cabin and in the box on the left side of a truck. The truck was moving from Russia through the territories of Ukraine and Romania, and the seizure took place on the Serbian-Romanian border at the border crossing point Srpska Crnja. This particular case demonstrates that there exists an important clandestine market for these types of objects⁴.

In another case, in March 2021, Bulgarian Customs reported a seizure of 94 gold and 34 silver coins dating back to the Late Antiquity and Early Middle Ages, minted by the Eastern Roman Empire and Persian Empire as well as silver medieval coins from Levant, known as dirham. The coins were seized at the Bulgarian-Turkish border crossing point, Kapitan Andreevo. The suspect, a Turkish citizen, was left in custody by the district court on charges connected with the trafficking of archaeological artifacts and bribery as he attempted to bribe Customs officers. The suspect did not have any documents attesting the provenance of the coins. The smuggler stated he had bought them in Türkiye for \$10,000 (USD) and intended to sell them for twice as much in a Western European country⁵. While treasure hunting and illicit exports of archaeological objects are an important challenge for Bulgarian authorities, Bulgaria has also become a transit country for smugglers from the Middle East and Türkiye towards Western Europe.

Gold coins seized by Bulgarian Customs.
Courtesy: Bulgarian Customs.



⁴ Sources: WCO CEN and Serbian Customs.

⁵ Source: Bulgarian Customs.

1.3 French restitution to Morocco uncovers an ongoing market interest in fossils and archaeological objects from North Africa

On 26 February 2021, at the restitution ceremony, French authorities returned almost 25,000 archaeological objects to the Kingdom of Morocco. The objects were seized in three different instances by the French Customs brigades of Perpignan and Arles in 2005 and 2006. In all three cases, the Moroccan residents were transporting the objects by truck or car when they were stopped by Customs for control. None of them could provide a justification for the archaeological and paleontological objects they were transporting.

It took more than 15 years for the cases to be closed and for the restitution to take place. The seized objects weighed a total of three tonnes. Not only are they impressive by volume, but also by their archaeological value. The objects include paleontological fossils and archaeological objects and other objects, including fish and reptile teeth, trilobites, animal skulls, arrowheads, and engravings that have been illicitly exported from Morocco's pre-saharian sites and from Anti-Atlas dating back to 500 million years, i.e. the paleontological and neolithic period (6,130,000 years – 6,000 years BC).⁶

For years, the WCO has been promoting the need for consistent data collection and data analysis in order to develop intelligence for mapping criminal networks and identifying their actors. The idea behind is to empower Customs and other related agencies to dismantle these networks rather than seize smuggled objects from time to time.

One of the largest criminal investigations in the history of the Swiss Customs provides an insight into one of such networks and its modus operandi.

⁶ Sources: French Customs
<https://www.douane.gouv.fr/actualites/remise-au-royaume-du-maroc-par-les-autorites-francaises-dobjets-archeologiques>

Case study 2.

DISMANTLING CRIMINAL NETWORKS: OPERATION AGENOR

One of the biggest Customs-related criminal investigations ever undertaken by the Swiss Federal Office of Customs and Border Security (FOCBS) has come to a close. Thanks to this operation, a global illicit antiquities trafficking network was dismantled. The guilty parties will have to pay more than 5.6 million Swiss francs in VAT. Nine of them have been charged in Switzerland, along with several suppliers abroad.

The FOCBS's criminal investigation into the illicit international trafficking of antiquities, which started at the end of 2016, drew on the services of a large number of Swiss and international bodies. It was carried out in cooperation with the Public Prosecution Service of the Canton of Geneva. Over a number of years, almost 4,000 objects were smuggled into Switzerland and then "laundered" by various intermediaries, before being released onto the international art market through an antiques gallery based in Geneva.

The investigation brought to light the following modus operandi: using photos, the supplier offered artefacts of various suspect origins to the Genevan antiques dealer. If the latter was interested, the supplier arranged for them to be smuggled into Switzerland by "mules". Various means of transport were used. The items were hidden in the luggage of passengers travelling to Switzerland by train or by private jet. They were also smuggled into the country in cars fitted with special compartments or by commercial lorry services, declared using false Customs tariff numbers. On arrival in Geneva, the antique goods were stored in clandestine warehouses while a history was fabricated for each of them, using various fake documents referring to Swiss collections. With their fake paperwork, the antiquities were then presented to Customs for export, stored in a free port or shipped abroad in transit.

These laundered artefacts came mainly from clandestine digs in Mediterranean and Middle Eastern countries. They were sold on to very well-known collectors and to museums around the world.

As it was targeting the illicit trafficking of antiquities at a global level, the investigation could not stop at the Swiss border. There were intensive exchanges of information within Europol and Eurojust with the police and Customs authorities as well as with



Image found among the digital evidence seized during the investigation. Courtesy: Federal Office of Customs and Border Security, Switzerland.

public prosecutor's offices in the countries directly affected, in particular Germany, Italy, France, Great Britain, Greece, Belgium and the United States. Through this close international cooperation, it was possible to establish a link between cultural heritage offences (violations of the Law on the Transfer of Cultural Property) and illicit trade. Independent research carried out at the same time by archaeologists and journalists also supplied the investigators with important information.

One of the most significant artefacts discovered as part of the investigation is a tablet from modern Syria (illustration), the only one of its kind in the world. Currently held by the Belgian authorities, this item falls under the Law on VAT, the Law on the Transfer of Cultural Property and the embargo against Syria.

As a result of the criminal investigation carried out on the Swiss territory by the FOCBS, several decisions on VAT liability were issued for a total amount of more than 5.6 million Swiss francs. These VAT charges relate to smuggled items that either had been confiscated within the Customs territory, had been sold on and re-exported with fake paperwork or had benefited unlawfully from the temporary admission procedure. Fifteen people have been charged by the FOCBS, some of whom are domiciled in Switzerland. The owner of the antiques gallery and his wife, along with a number of accomplices, have been convicted; some of them have appealed against the criminal judgments. Greek, Lebanese and Afghan suppliers have also been charged. What is more, some Italian, Greek and Bulgarian suppliers, as well as a German supplier, are being prosecuted in their respective countries. There have been investigations connected with this case in many different countries, including Belgium, France and the United States.

This huge investigation has reaffirmed the importance of national and international cooperation in dealing effectively with economic crime. The FOCBS would like to thank its national and international partners for their cooperation.

Source: Federal Office of Customs and Border Security (FOCBS), Switzerland

Case study 3.

DISMANTLING CRIMINAL NETWORKS: A LIFETIME BAN ON ACQUIRING ANTIQUITIES AND SEIZURES WORTH \$70 MILLION (USD)

In December 2021, an unprecedented court ruling in the United States imposed a first-of-its-kind lifetime ban on purchasing antiquities on one of the world's largest ancient art collectors. The criminal investigation into Steinhardt started in February 2017. While investigating the Bull's Head stolen from Lebanon during the Civil War⁷, the D.A.'s Office uncovered that Michael H. Steinhardt, a billionaire hedge manager, had acquired and sold of more than 1,000 antiquities since at least 1987. As a result of the multiple years' investigation, he surrendered 180 stolen cultural objects worth more than \$70 million (USD) as part of an agreement with the Manhattan District Attorney's (D.A.) Office. These cultural objects were smuggled out of 11 countries by 12 criminal networks. Authorities executed multiple search warrants and conducted joint investigations in Bulgaria, Egypt, Greece, Iraq, Israel, Italy, Lebanon, Libya, Syria and Türkiye. On the US side, the Manhattan D.A.'s Office worked closely with Homeland Security Investigations (HSI) New York and US Customs and Border Protection (CBP). The United States started the restitution process, and since January 2022, the following objects were returned:

- "The Gold Bowl" from Nimrud dating back to 7th century B.C., valued at \$200,000 (USD) and detained by the US CBP officer at Newark, New Jersey on a passenger arriving from Hong Kong; and "The Ivory Plaque" from Nimrud dating back to 8th century B.C. were returned to Iraq⁸;

⁷ See WCO Illicit Trade Report 2018 for more details.

⁸ <https://www.manhattanda.org/d-a-bragg-two-antiquities-seized-from-michael-steinhardt-returned-to-the-people-of-iraq/>



Courtesy: Manhattan District Attorney's Office.

- "The Veiled Head of a Female" from the ancient city of Cyrene, a marble antiquity dating back 350 B.C.E. and valued at approximately \$1.2 million (USD), was returned to Libya⁹;

- 28 antiquities, looted from Gil Chaya, including the Carved Ivory Head dating back to 1300-1200 B.C.E., three death masks from Chaya dating back circa 6000 to 7000 B.C.E., and two Gold Masks dating back roughly 5000 B.C.E., were returned to Israel¹⁰.

- 47 Greek antiquities, including "The Kouros", currently valued at \$14 million (USD), a Gold Brooch, dating to 600 B.C.E. and valued at USD 1.3 million, a Larnax, dating to 1400-1200 B.C.E. and valued at USD 1 million, were returned to Greece¹¹.

- "The Helmet" dating back 400-300 B.C.E. and believed to have belonged to Philip of Macedon, the father of Alexander the Great, was returned to Bulgaria¹².

- 14 antiquities, including "The Stag's Head Rhyton" dating 400 B.C.E. and valued at \$3.5 million (USD), Antelope Standard with two Bird Rattles, valued at approximately \$100,000 (USD), a Female Figurine with seven Gold Dress Ornaments, valued at approximately \$800,000 (USD), were returned to the Republic of Türkiye¹³.

⁹ <https://www.manhattanda.org/d-a-bragg-1-2m-antiquity-seized-from-michael-steinhardt-returned-to-the-people-of-libya/>

¹⁰ <https://www.manhattanda.org/d-a-bragg-39-antiquities-valued-at-more-than-5-million-repatriated-to-the-people-of-israel/>

¹¹ <https://www.manhattanda.org/d-a-bragg-55-antiquities-valued-at-more-than-20-million-repatriated-to-the-people-of-greece/>

¹² <https://www.manhattanda.org/d-a-bragg-ancient-helmet-likely-belonging-to-philip-of-macedon-returned-to-the-people-of-bulgaria/>

¹³ <https://www.manhattanda.org/d-a-bragg-28-antiquities-repatriated-to-the-people-of-turkey/>

2. Projects and Operations

In 2020-2021, the WCO adjusted its delivery methodology for its unique PITCH (Preventing Illicit Trafficking of Cultural Heritage) training in order to be able to provide it online. In 2020, WCO efforts were mainly concentrated in the Balkans and West and Central Africa. In cooperation with the Organisation for Security and Cooperation in Europe (OSCE), the WCO secured funding and deployed PITCH training online for the Balkan region. Fourteen Customs officers from Albania, Bosnia and Herzegovina, Montenegro, North Macedonia, Serbia and Türkiye participated in the training, aimed at improving their knowledge and skills in preventing offences related to the illicit trafficking of cultural objects.

A tripartite project, launched by the UNESCO Regional Office in Dakar in cooperation with the WCO and INTERPOL at the Donor conference for the Customs Directors General of West and Central Africa region that took place in October 2019, was also moved online. As a result, during the two weeks in June 2020, more than 80 heritage professionals, Customs officials and Police officers from six countries of West and North Africa, namely Burkina Faso, Mali, Morocco, Mauritania, Niger and Senegal, shared knowledge and experience on strengthening the operational networks for combating the trafficking of cultural property.

In 2021, the WCO delivered two PITCH trainings within the framework of the WCO-UNODC Container Control Programme for the Port Control Units in Panama and MENA region. In continuation of its successful cooperation with the OSCE, in March 2021, the WCO deployed a virtual regional PITCH training in the Eastern and Central Europe. The representatives of 13 Customs administrations from Bulgaria, Croatia, Estonia, Georgia, Hungary, Lithuania, Latvia, Moldova, Poland, Romania, Slovakia, Slovenia and Ukraine, as well as the Regional Intelligence Liaison Office (RILO) Eastern and Central Europe, participated in the training. The WCO also supported the national training in Ukraine, organized by the Customs administration in virtual format in May 2021.

As agreed during a bilateral meeting with INTERPOL at the G20 Culture Ministerial, in October 2021, the WCO and INTERPOL organized a series of joint webinars across the globe to disseminate the use of the new INTERPOL ID-Art app. The ID-Art app provides instant access to the INTERPOL database of stolen works of art and is an important tool for the frontline Customs officers to counter this type of trafficking.

In terms of operational assistance, in general there has been a growing demand for investigative support and identification of cultural objects coming from Latin and Central America, West and Central Africa (WCA) and Middle East and North Africa (MENA). In a number of cases, the engagement through the WCO ARCHEO platform allowed for a quick identification of objects and a confirmation that they can be released due to the fact that they are either not cultural property or because they were not covered by the applicable legislation on the protection

of cultural objects. This engagement saved time and resources of the Customs administrations and released them from the burden of conducting further unnecessary control activities.

Operation Pandora VI

Every year, the WCO co-organises the European Operation Pandora along with its counterparts, Europol, INTERPOL, and Spanish Police (Guardia Civil). In 2021, the results of the Operation Pandora VI that took place from 1 June until 30 September, included 52 arrests and seizures of 9,408 cultural objects in Europe and in the United States. Customs and Police authorities in 28 countries carried out checks, controls at land, maritime and air border crossing points, auction houses, museums and private premises, and exchanged intelligence on cases. Over 170 investigations were launched during the Operation and most of them are still ongoing.

For the second year in a row, Customs contributed with half of the overall quantity of the seized cultural goods. During Operation Pandora V in 2020, Customs authorities seized almost 29,000 out of the 56,400 cultural goods¹⁴. It is important to point out that more than 90% of this quantity related to one extraordinary seizure of 27,300 archaeological objects by French Customs as a result of the investigation. The perpetrator was arrested.

During the Operation Pandora VI, Customs authorities seized a total of 4,748 out of 9,408 cultural objects. One extraordinary seizure was reported by French Customs. It included 4,231 archaeological objects, such as approximately 3,000 coins, bells, buckles, rings and pieces of pottery looted from the archaeological sites by a single individual using a metal detector. French Customs also seized three ancient statuettes dating back to the La Tolita – Tumaco pre-Columbian culture. The objects were seized in freight.

French Customs seized over 4,200 archaeological objects and two metal detectors. Courtesy: French Customs.



¹⁴ <http://www.wcoomd.org/en/media/newsroom/2021/may/over-56-400-cultural-goods-seized-and-67-arrests-made-in-action-involving-31-countries.aspx>

In 2021, US authorities, US Customs and Border Protection (CBP) and Homeland Security Investigations (HSI), participated in Pandora cycle for the first time. The US authorities reported a total of 11 seizures during the Operation. One of the most notable seizures related to the shipment containing 13 Mexican artefacts from the Post-Classic to the Aztec era, including one skull and 12 adzes (chopping tools)¹⁵.

Seizure of 13 Mexican artefacts by the US CBP. Courtesy: US CBP.



In general, with the enlargement of the geographic scope of the Operation by including the United States and other non-EU, participants of the Operation received important benefits such as a more direct access to colleagues in other regions. The geography of Customs seizures also expanded by including such source countries as Afghanistan, China, Colombia, Ecuador, Egypt, India and Mexico among others.

One of the major innovations in 2021 was the deployment of INTERPOL's ID-Art app allowing instant access to the INTERPOL database of Stolen Works of Art. With the use of ID-Art, the Romanian Police managed to recover a 13th century processional cross, stolen from the Evangelical Church Museum of Cismădie in 2016. Both Customs and Police were running all the objects they had discovered during the Operation, through the ID-Art and through the INTERPOL database along with other specialised law enforcement databases.

By building on the information provided by previous investigations and by enlarging the geographic scope of the Operations Pandora due to the global outreach of the WCO, this Customs-Police action keeps delivering results and contributing to dismantling of criminal networks plundering cultural heritage of peoples across the globe.

15 <http://www.wcoomd.org/en/media/newsroom/2022/march/52-arrests-in-operation-across-28-countries-targeting-trafficking-in-cultural-goods.aspx>





3 DRUGS

Drugs represent the most emblematic threat affecting trade in goods and economic operators of all prohibited goods. Drug trafficking is a worldwide problem involving all means of transport (air, land, sea and postal). No country in the world is immune from having its lawful trade contaminated by drug trafficking.





Apart from the fact that drug use has serious adverse effects on public health, international drug trafficking impairs the security of our societies and threatens the economic development of whole countries.

INTRODUCTION

It is closely linked to other illegal activities, and its proceeds benefit organised crime groups and probably terrorist organisations. The entire community of law enforcement agencies, including Customs, is faced with the formidable challenge of a constantly growing drug market and inventive and increasingly structured organised crime groups, continually adjusting drug-trafficking routes and operating methods.

The challenge faced by Customs and its partner agencies is serious. Drug markets are continually expanding, the routes and modi operandi used by the drug trade are constantly changing, and, over recent years, in addition to 'classic' drugs such as opiates, cocaine and cannabis, the significant upsurge in new psychotropic substances (NPS) has attracted the attention of law enforcement agencies worldwide.

In 2020 and 2021, the COVID-19 pandemic caused severe disruption to organised crime, which diversified its logistical organisation to compensate for the collapse of air and sea transport. However, drug supply and demand were not affected by the health crisis. Demand increased slightly, and it appears that criminal organisations initially drew their supplies from existing stocks.

Bearing in mind the sharp slowdown in air and sea transport during the health crisis and its effects over a period that is now counted in terms of years, criminal organisations had to undertake a major and urgent review of the operating methods for sending drugs to their customers. Hence, online sales (e commerce) emerged as an appropriate model for

the health crisis and national lockdowns. Alternatively, non-commercial means of transport, such as general aviation or recreational sailing, seem to have returned to the forefront.

The recent economic rebound, which occurred in 2021 after international trade resumed, revived the use by organised crime of traditional modes of transport (air passengers and freight, sea containers, road transport) but also gave rise to a boom that placed a burden on supply chains to the point that it has now caused saturation at port terminals and substantial delays in container movements. This "overheating" of the supply chain also affects the transit time of drugs to the major consumer markets and bolsters organised criminal groups in their diversification strategy into alternative means of transport, such as general aviation and non-containerized merchant vessels and pleasure craft.

One of the main challenges posed by the fight against drug trafficking that Customs administrations and the Police have to address is adapting the organisation of their control process to deal with this diversity of methods for transporting drugs from the production zones to consumer markets. The inevitably limited resources of governments and the variety of models and powers of inspection from one region, or even one country, to another hamper administrations in adapting to the new trends in trafficking and affect the quality of law enforcement response by individual countries against organised crime.

The analysis above was echoed by the responses provided by Member administrations in the Survey conducted by the WCO Secretariat in February 2022. Among the completed surveys, over 70% of Member administrations considered that the fight against drug trafficking was of high priority or essential priority in their respective administrations. While drug trafficking activities were disrupted during the COVID-19 pandemic, most Member administrations reported an increase in drug seizures in shipments through the postal channel and express couriers. Also, some of them also discovered that drugs smuggling was shifted to the maritime mode of transport. Online sales of drugs using social media networks and the internet also rose during the pandemic.

In this specific context, the WCO spared no effort to fight against drug trafficking. In addition to the Container Control Project (CCP), Project AIRCOP, Project COLIBRI and canine activities, the WCO has also joined forces with the Universal Postal Union (UPU) and the International Narcotics Control Board (INCB) to develop a cooperation project to tackle the situation of drug trafficking in the mail channel, synthetic drugs in particular.

1. Overall trends in drugs trafficking

This Section of the Report will discuss the trends of drug seizures as reported in the Customs Enforcement Network (CEN) database. In 2020, 130 countries reported 56,452 seizures. In 2021, 73,307 seizures were reported by 127 countries, which represents an increase of 29.9%. More than half of the cases in both years were reported by the United States.

Figure 1: Percentage of seizures by category, 2021

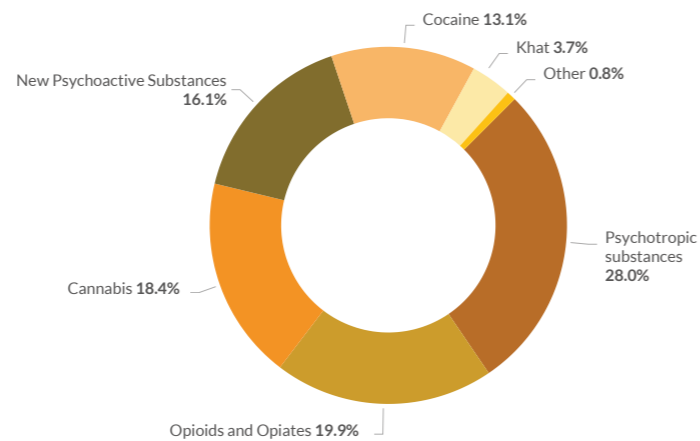
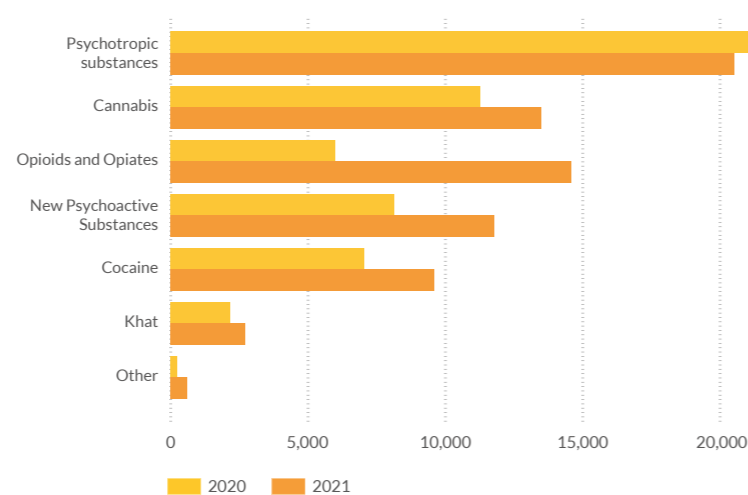


Figure 1 introduces the number of drug seizures for 2021 in seven categories: cannabis, cocaine, khat, new psychoactive substances (NPS), psychotropic substances, opiates, and other.

In 2021, the most prominent drug category was psychotropic substances (20,523 seizures, or 28% of all seizures), followed by opioids and opiates (14,569 or 19.9%), cannabis (13,483 or 18.4%), new psychoactive substances (11,787 or 16.1%), cocaine (9,613, or 13.1%), khat (2,726 or 3.7%) and other (606 or 0.8%).

Figure 2: Number of drugs seizures by category, 2020-2021



In figure 2, comparing the number of drugs seizures by category in 2020 and 2021, psychotropic substances were also the highest seizures in both years.

However, that category was the only one that decreased in 2021 (-5.1%), from 21,618 to 20,523 seizures. The rest of the categories showed an upward trend in 2021 in the number of seizures. It is notable for the opioids and opiates category which went from 5th position in 2020 to 2nd position in 2021, increasing from 5,992 to 14,569 cases (143.1%) and replacing cannabis. Moreover, the category 'other' doubled, increasing from 233 to 606 seizures.

Figure 3: Quantity of drugs seized by category (in kilogrammes), 2020-2021

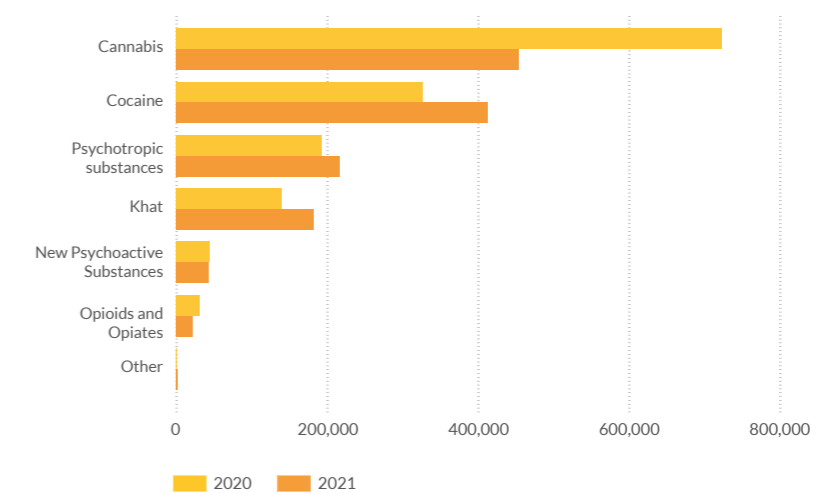


Figure 3 compares the quantity (in kilogrammes) of seized drugs reported in 2021 compared to 2020.

The amount seized in 2021 was 1,332,979 kilogrammes, compared to 1,457,794 kilogrammes seized in 2020, or an 8.6% decrease. At the category level, both in 2020 and 2021, the top three drugs in terms of quantity in kilogrammes were cannabis, cocaine, and psychotropic substances. The percentage for each of them in 2021 was 34.1%, 31% and 13.2%, respectively.

The decrease is explained mainly by cannabis which dropped in 2020 from 722,672 to 453,942 kilogrammes in 2021 (-37.2%), and opioids and opiates decreasing from 30,557 to 21,590.5 kilogrammes (-29.3%). These decreases were somewhat compensated by increases in cocaine from 326,439 kilogrammes in 2020 to 413,231 kilogrammes in 2021 (or 26.6%), and khat which rose from 140,142 in 2020 to 182,678 kilogrammes in 2021.

Although the number of seizures in 2021 was higher than in 2020, the quantity in kilogrammes was lower. This could suggest that shipments are being made in smaller amounts. One possible explanation is the emergence of e-commerce businesses after COVID-19 pandemic which offered new opportunities for traffickers. The shipment of smaller portions and low-value consignments can suggest a lower risk of controls by authorities and lesser penalties.



Drugs seized at Chileka Airport in Malawi. Courtesy: Malawian Customs.

Figures 4 and 5 offer a comparison in the number of drugs seizures by category and region for 2020 and 2021. The top three regions were the same for both years. North America reported the greatest number of seizures in 2021 (42,240 or 57.6%), and 33,268 in 2020 (58.9%), Western Europe was the second in 2021 with 19,087 seizures (or 26%), and 14,129 (or 25%) in 2020, and third, the Middle East with 3,707 in 2021 (or 5.1%) and 2,619 in 2020 (or 4.6%). These three regions accounted for 88.7% of seizure cases in 2021.

Figure 4. Number of drugs seizures by category and region, 2021

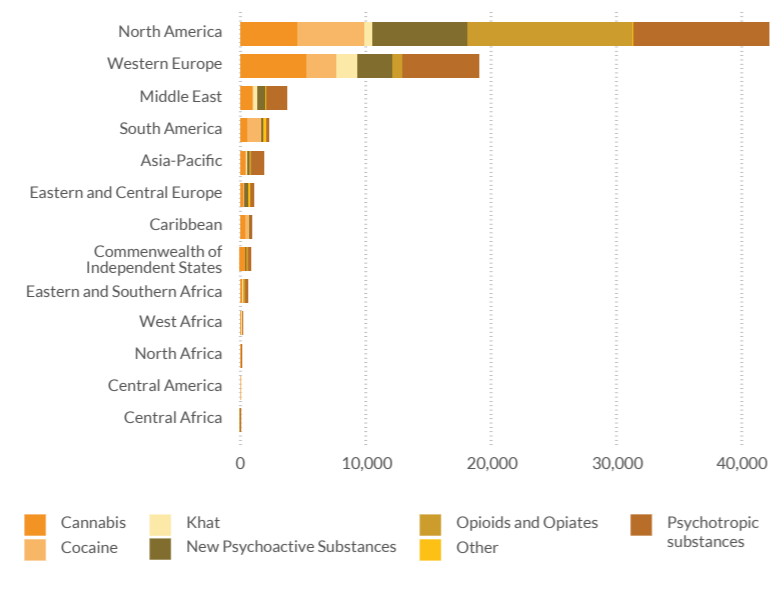


Figure 4 introduces the number of seizures by category and region in 2021.

Almost all regions reported a higher number of seizures in 2021 than in 2020, with three exceptions: Eastern and Central Europe, West Africa and Eastern and Southern Europe. However, the reductions were not very significant.

North America reported more seizures of psychotropic substances in 2021 (64.4% of its seizures) and 2020 (69.7%) than any other type.

In 2021, the most significant number of cannabis seizures were in Western Europe (39.4%), followed by North America (34.2%) and the Middle East (7.3%).

In 2021, the most significant number of cocaine seizures were in North America (55.06%), followed by Western Europe (24.43%) and South America (11.48%). This could reflect the business model starting with the production in South America and the commercialisation in North America and Western Europe.

Asia-Pacific region was fourth in number of seizures in 2020 (1,198) and 2021 (1,926). In 2021, the highest participation by categories were psychotropic substances (51.1%), cannabis (20.1%) and opioids and opiates (11.8%).

Figure 5. Number of drugs seizures by category and region, 2020

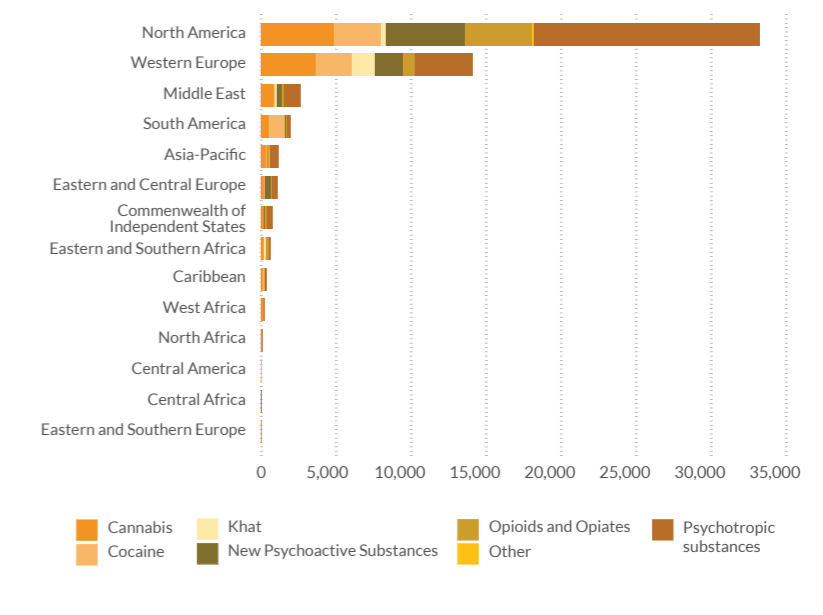


Figure 6 compares the number of seizures of drugs and the quantity seized (in kilogrammes) by region in 2021.

Figure 6. Quantity of drugs seized by category and region (in kilogrammes), 2021

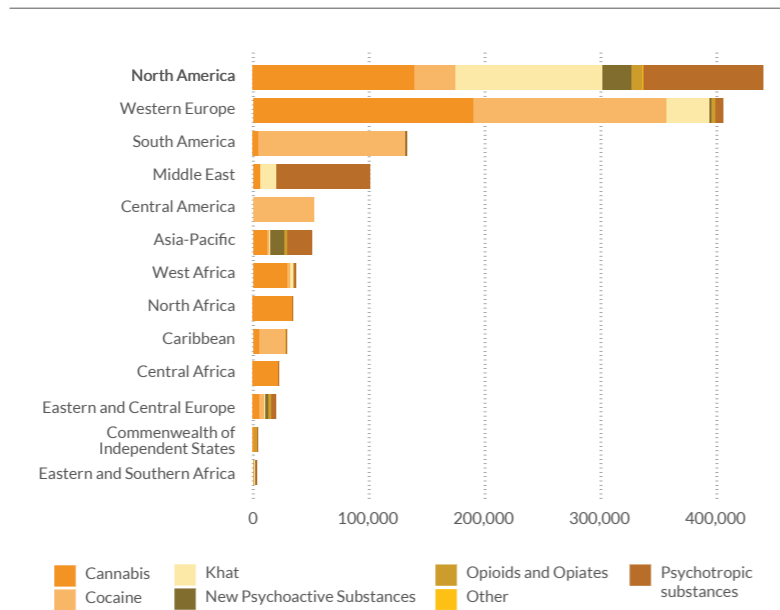


Figure 6 compares the number of seizures of drugs and the quantity seized (in kilogrammes) by region in 2021, and figure 7 in 2020. North America reported the most significant quantity of drugs seized in both years (440,009 kilogrammes or 33% in 2021, and 528,690 kilogrammes or 36.3% in 2020), Western Europe (30.5% of seizures both in 2021 in 2020) and South America (9.9% and 10.8%, respectively) reported the second and third most seizure quantities respectively, in both years. These three regions account for 73.4% of the weight.

The most significant drug categories reported by North America in kilogrammes were cannabis (139,391.8 kilogrammes or 31.7%), khat (127,356.5 kilogrammes or 28.9%) and psychotropic substances (102,814.7 kilogrammes or 23.4%).

Bearing in mind that, although there were a higher number of seizures in 2021 than in 2020, the weight in kilogrammes was lower; the top 3 regions also showed drops in weight: North America -16.8%, Western Europe -8.6% and South America -15.6%.

However, some regions showed growth, including over 200%, such as Central America, the Caribbean and Central Africa.

The Middle East reported the fourth greatest quantity (7.6% of the total), and Central America registered the fifth greatest (3.9%) in 2021.

Cannabis is by far the most critical drug type for Africa. In 2021, North Africa seized 33,972.1 kilogrammes, Central Africa 21,856.2 kilogrammes and Eastern and Southern Africa 1,560.4 kilogrammes.

Figure 8. Quantity of drugs seized by country and Customs procedure (in kilogrammes), 2021

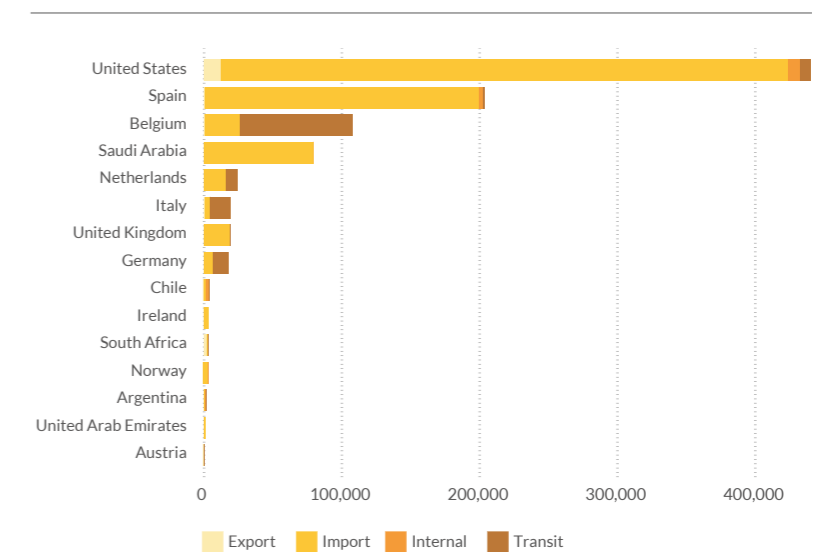
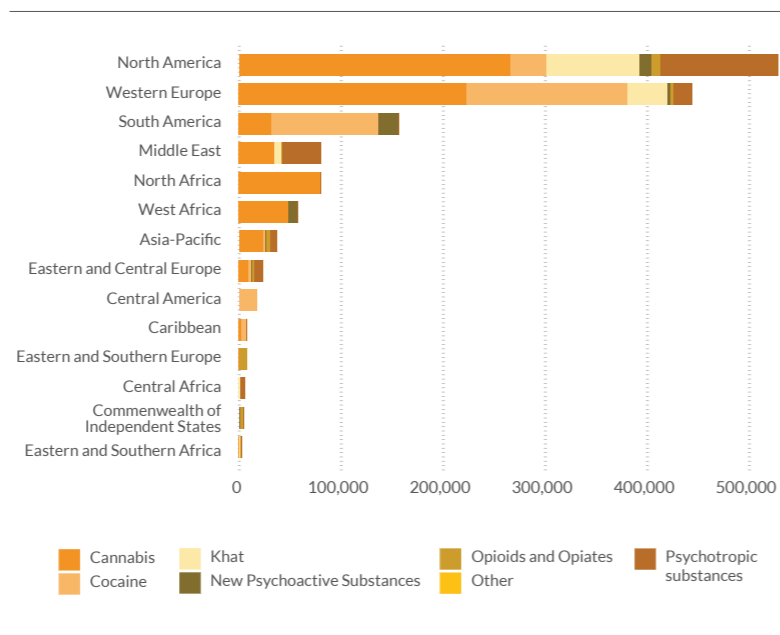


Figure 8 shows the 15 countries reporting the most significant drugs seizures in kilogrammes, by the direction in which shipments were moving when confiscated, in 2021.

Figure 7 compares the number of seizures of drugs and the quantity seized (in kilogrammes) by region 2020.

Figure 7. Quantity of drugs seized by category and region (in kilogrammes), 2020



Figures 8 and 9 show the 15 countries reporting the most significant drugs seizures in kilogrammes, by the direction in which shipments were moving when confiscated, in 2020 and 2021. For both years, the top 15 countries reported 86% of the total amount, and the top three countries were the United States, Spain, and Belgium. In 2021, the individual share was 33%, 15.3% and 8.1%, respectively.

In 2020 and 2021, most of the drugs were seized at import, followed by export, transit and internally. In 2021, across all countries, 862,433.9 kilogrammes or 64.7% of seizures occurred at import, 231,422.7 kilogrammes or 17.4% at export, 202,257.3 kilogrammes or 15.2% in transit, and 36,865.0 kilogrammes or 2.8% internally.

Export flows were more pronounced in Latin American and African countries at the regional level. In contrast, imports were more notable in European countries and North America.

Figure 9. Quantity of drugs seized by country and Customs procedure (in kilogrammes), 2020

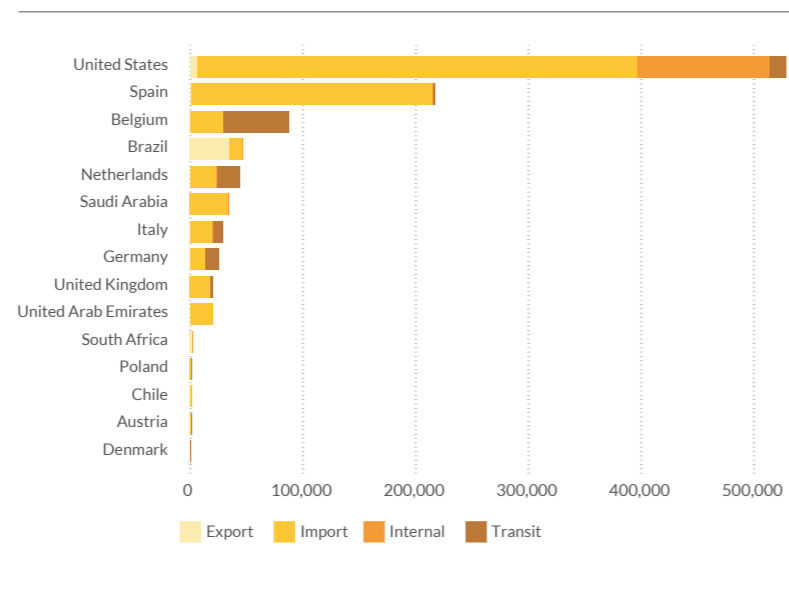
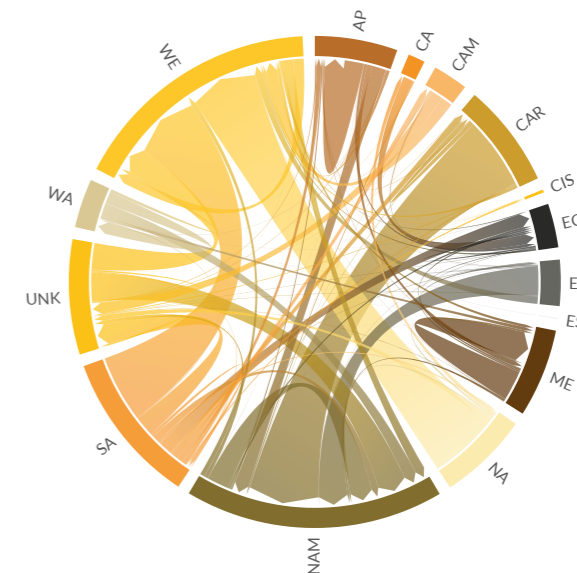


Figure 9 shows the 15 countries reporting the most significant drugs seizures in kilogrammes, by the direction in which shipments were moving when confiscated, in 2020.

Figure 10 introduces drugs seizures in kilogrammes by departing region vs destination region in 2021.

Figure 10. Quantity of drugs seized by departing region vs destination region (in kilogrammes), 2021



The top three regions were South America (292,609 kilogrammes or 22%), the Caribbean (178,980 kilogrammes or 13.4%) and North Africa (174,742 or 13.1%).

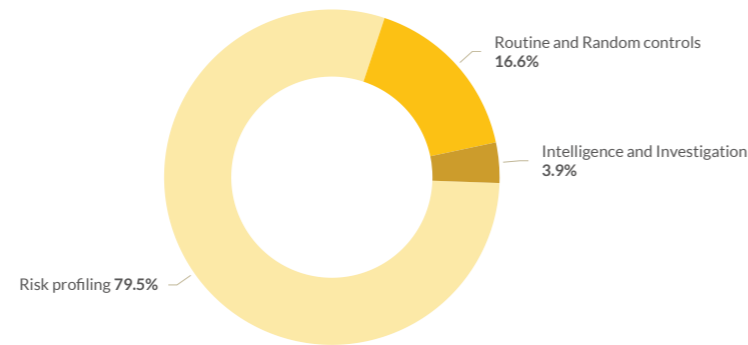
The main destinations of the seizures coming from South America were Western Europe (146,121.5 kilogrammes or 50%), unknown (44,501 kilogrammes or 15%), Eastern and Central Europe (29,871.5 kilogrammes or 10%), and North America (15,367.5 kilogrammes or 5%). This depicts the commercial flows between production commercialisation centres.

The seizure cases from the Caribbean went mainly to NAM (156,514 kilogrammes or 87.4%), unknown (9,3 kilogrammes or 5.5%), Central Africa (5,496 kilogrammes or 3.1%), and West Africa (2,788 kilogrammes or 1.6%). This could reflect the traditional routes between Central America and Africa given the historical ties.

The seizures from North Africa went mainly to Central Africa (148,050 kilogrammes or 84.7%), Eastern and Southern Africa (10,794 kilogrammes or 6.2%), and Eastern and Central Europe (8,370 kilogrammes or 4.8%). This could suggest a high level of intra-regional flows in Africa and a route to enter drugs into Europe through Eastern and Central areas.

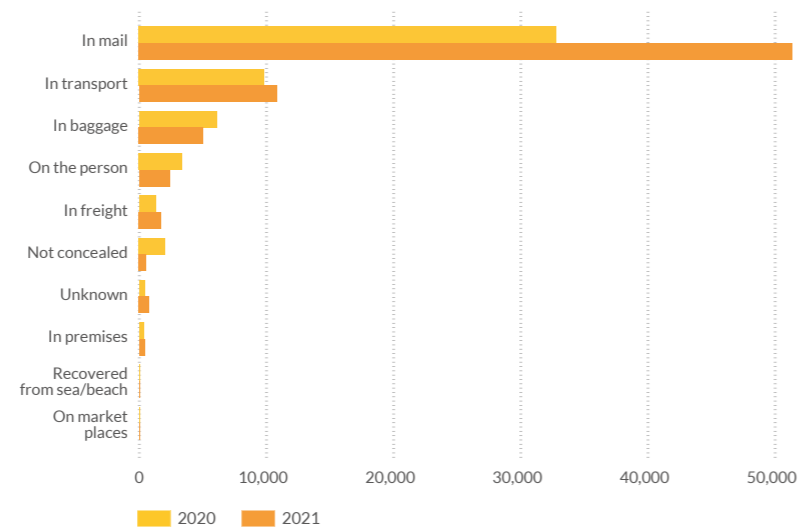
Figure 11 classifies all reported seizures according to the detection method that Customs officers used to seize the drugs.

Figure 11. Percentage of drugs seizures by detection method, 2021



Of the seizures reported in 2021, 79.5% were detected by risk profiling, 16.6% by routine control, and 3.9% by intelligence and investigation.

Figure 12. Number of drugs seizures by concealment method, 2020-2021

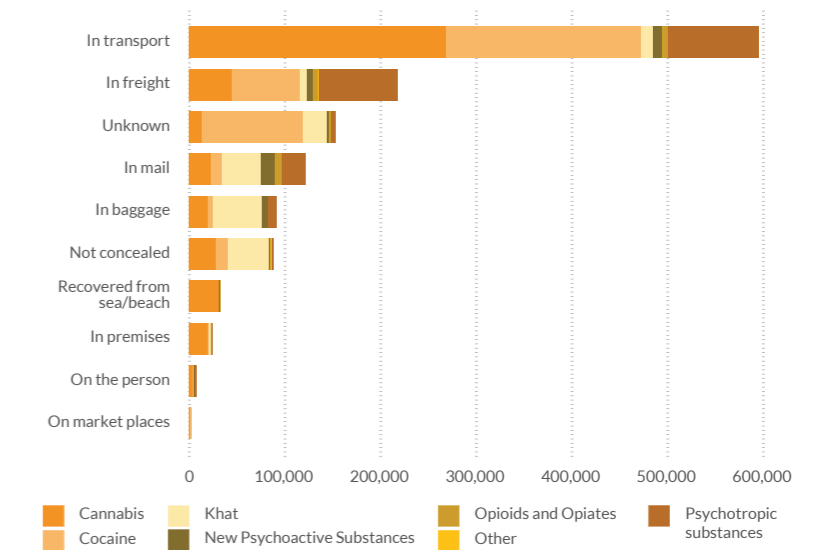


Drug concealment is adapting to new realities. In most cases, the seized drugs were transported via mail with a share of 70.1% in 2021. It is important to note that this method grew by 56.6%, from 32,818 seizures in 2020 to 51,391 in 2021. The second method in number of seizures was in transport with 14.8% and a year-on-year growth of 10%. Finally, the third method was in baggage, which 6.9% and a 17.1% decrease in 2021.

Other methods with increase in the number of seizures in 2021 were in freight (32.2%), in premises (18.9%), recovered from sea/beach (56.1%), and on market places (1000%). The other methods with decreases were on the person (-29.7%) and not concealed (-72.8%).

Figure 13 presents information on the different methods of concealment by category of drugs in kilogrammes seized.

Figure 13. Quantity of drugs seized by category and concealment method (in kilogrammes), 2021



In 2021, the most used method of concealment was in transport with 594,842 kilogrammes or 44.6%, followed by freight with 217,393 kilogrammes or 16.3%.

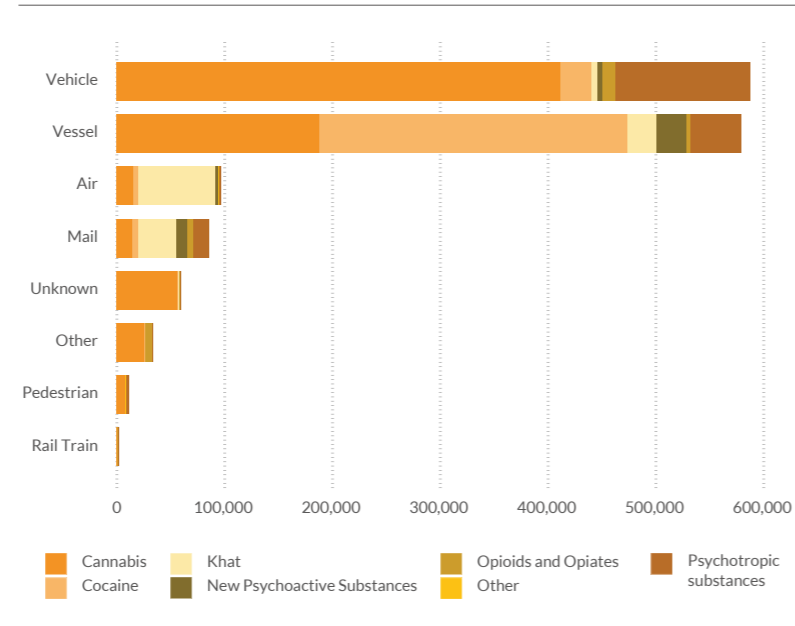
In transport is particularly important for the transport of cannabis and cocaine, as it was used to conceal 59.3% of cannabis seizures (269,109 kilogrammes) and 49.2% of cocaine seizures (203,316 kilogrammes) in 2021. In freight also plays an important role with 45,275.5 kilogrammes of cannabis (or 10% of the total), and 70,515 kilogrammes of cocaine (17.1%) concealed in freight.

Relating to the main methods of concealment by drugs type in 2021, 94,201 kilogrammes of psychotropic substances were concealed in transport (43.4%) and 81,800 in freight (37.7%). In mail saw the transport of 13,892.5 kilogrammes of NPS (32.3%) and 7,279 kilogrammes of opioids and opiates (33.7%). In baggage saw the concealment of 50,281.85 kilogrammes of khat (27.5%). The primary drug recovered from sea/beach was cannabis with 31,303 kilogrammes. Cannabis was also the primary drug transported in person with 3,759 kilogrammes. Cocaine was the primary drug concealed on market places with 1,892 kilogrammes.

These figures reflect new developments as seen during the COVID-19 pandemic with increments in postal and express couriers, and e-commerce.

Figure 14 introduces the method of conveyance by category of drugs in kilogrammes seized in 2020.

Figure 14. Quantity of drugs seized by category and conveyance method (in kilogrammes), 2020



In 2020, vehicle was the primary conveyance for drugs trafficking (40.3%), followed by vessel (39.8%) and air (6.6%). In 2021, vessel was the main conveyance method for drugs trafficking (51.6%), followed by vehicle (26.2%) and mail (9.1%). Changes could be explained by the changes in lockdown policies, availability of containers, and increment of e-commerce, among others.

Figure 15. Quantity of drugs seized by category and conveyance method (in kilogrammes), 2021

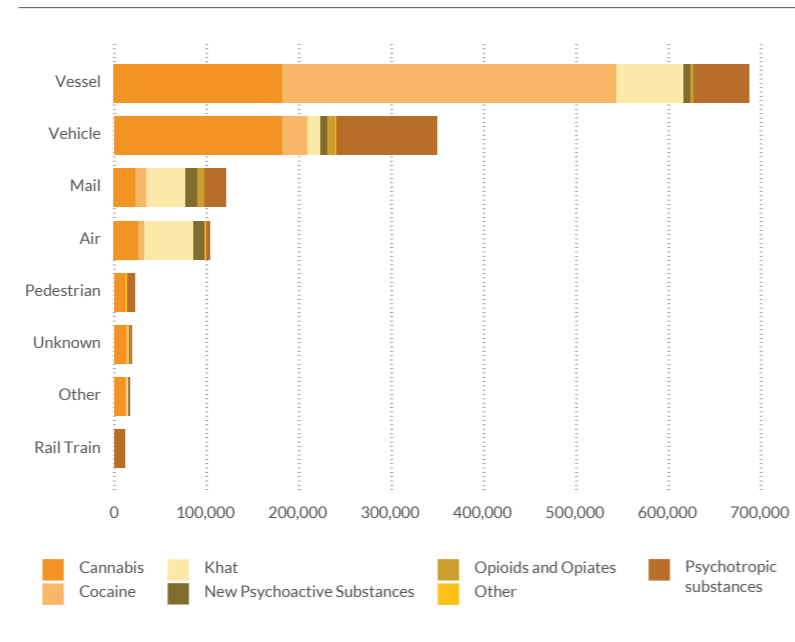


Figure 15 introduces the method of conveyance by category of drugs in kilogrammes seized in 2021.

2. Overall trends in drugs trafficking by category of drugs (CEN and open source)

In the CEN, drug seizures are voluntarily recorded by WCO Member administrations. Open source refers to the collected data seizures by law enforcement authorities other than Customs. Both databases are complementary as they provide an overall picture of the global trends of the illicit trade of drugs and the effectiveness of controls. However, these results should be cautious since there may be some data duplication.

Figure 16. Comparison of drugs seized by category as reported in CEN and open-source (in kilogrammes), 2020-2021

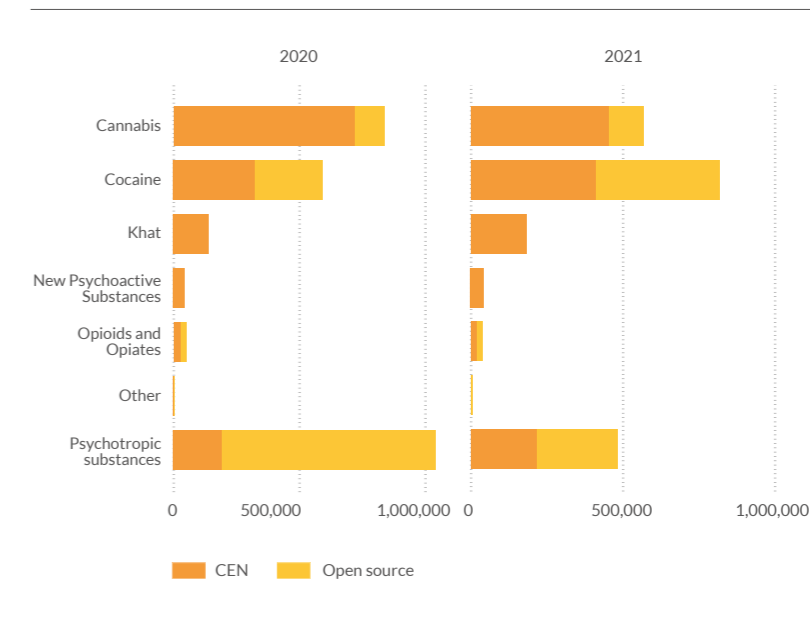


Figure 16 compares CEN seizures and those reported in open sources for 2020 and 2021. Open source collects information on five drug types: cannabis, cocaine, opioids and opiates, psychotropic substances, and other. Meanwhile, CEN offers information on two additional types of drugs: khat and new psychoactive substances (NPS).

A possible explanation for the lack of data regarding khat and NPS in open source is the different regulations of these substances amongst countries and the legal competencies of the diverse control entities. Another explanation could be related to the aggregation of categories in "other".

Open source reported drug seizures of 1,256,045 kilogrammes in 2020 and 810,671 kilogrammes in 2021, while CEN reported 1,457,794 kilogrammes and 1,332,979 kilogrammes, respectively in 2020 and 2021. One can conclude that there was a general decreasing tendency over the analysis period, for open source of -35.5%, and for CEN of -8.6%.

At the drug category level, there are some differences between 2020 and 2021. Both open source and CEN reported decreases in cannabis and opioids and opiates, and increases in cocaine. However, psychotropic substances show different variation directions. In open source, the tendency is decreasing (-68.7%), while in CEN, it is increasing (12.8%).

In 2021, the top three drugs seized for open source in kilogrammes were cocaine (50.3%), psychotropic substances (32.8%) and cannabis (14.1%). In CEN, these were cannabis (34.1%), cocaine (31.0%) and psychotropic substances (16.3%).

It is striking that psychotropic substances obtain higher quantities of seizures than the data reported in CEN. One possible explanation is the expansion of e-commerce after the COVID-19 pandemic since those substances can be purchased with fewer or without restrictions.

3. Trends in drugs trafficking by category

3.1 Cannabis

Figure 17: Quantity of cannabis seized by category (in kilogrammes), 2020-2021

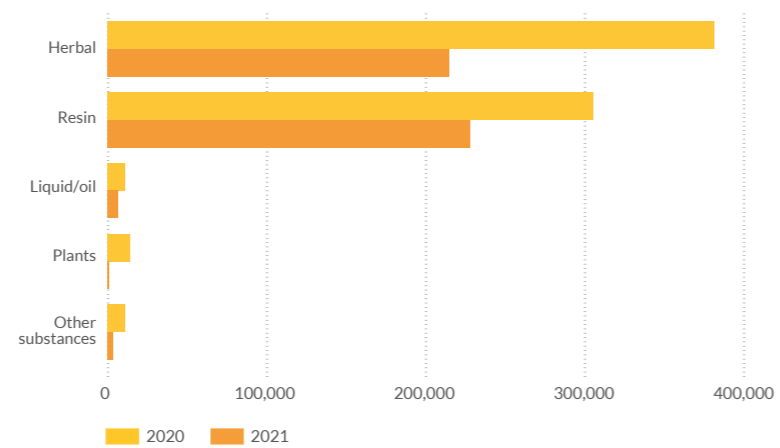


Figure 17 presents the distribution of the different seizures of cannabis by type.

In 2021, there was a significant decrease of 37% in cannabis seizures. It is noteworthy that cannabis seizures for all types of cannabis declined. Herbal and resin are the main seized products by far in the last years. The sum of both accounted for 97.5% of cannabis seizures in 2021 and 95% in 2020. It is relevant to mention that in 2021 the most used cannabis product was resin, while in 2020, it was herbal.

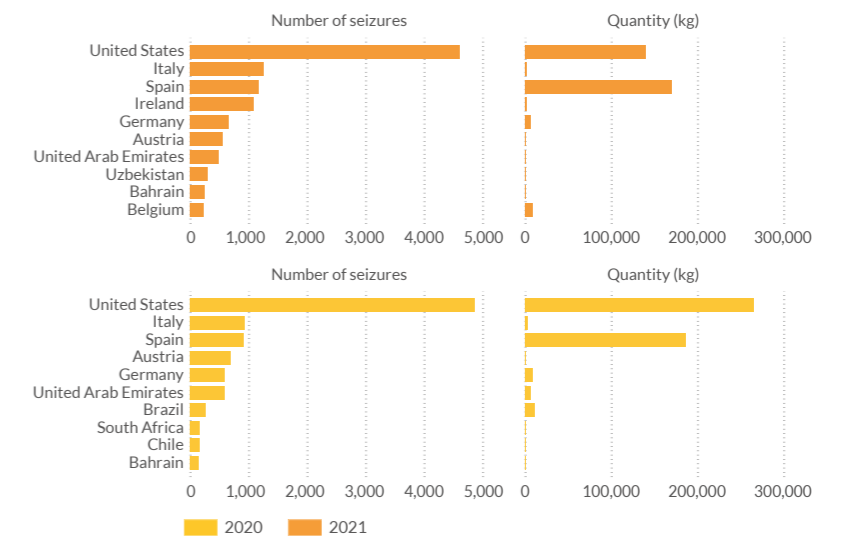
Trafficking of cannabis plants plummeted by 94% in 2021 compared to the previous year, being the least used cannabis product in 2021, while trafficking of cannabis in liquid form saw a 37% decline in 2021. However, in 2021 this product was the third most used in contrast to 2020, ranking fifth among the different cannabis categories.



Seizure of 339 kilogrammes of cannabis in Malawi. Courtesy: Malawian Customs.

Figure 18 introduces the top 10 countries in number of seizures of cannabis and quantity seized in 2020 and 2021.

Figure 18: Top 10 countries by number of cannabis seizures and quantity seized (in kilogrammes), 2020-2021



In 2021, those top 10 countries accounted for 10,626 seizures or 78.8%. Furthermore, the top three countries by number of seizures were the United States (4,616 or 34.2%), Italy (1,249 or 9.3%), and Spain (1,174 or 8.7%). For cannabis seized in kilogrammes, the top three countries were Spain (169,666), the United States (139,392) and Morocco (33,972). Morocco does not appear in Figure 18 because it ranked 19 by the number of seizures. However, it can be concluded that Morocco's reported seizures have higher volumes than average.

3.2 Cocaine

Figure 19: Quantity of cocaine seized by category (in kilogrammes), 2020-2021

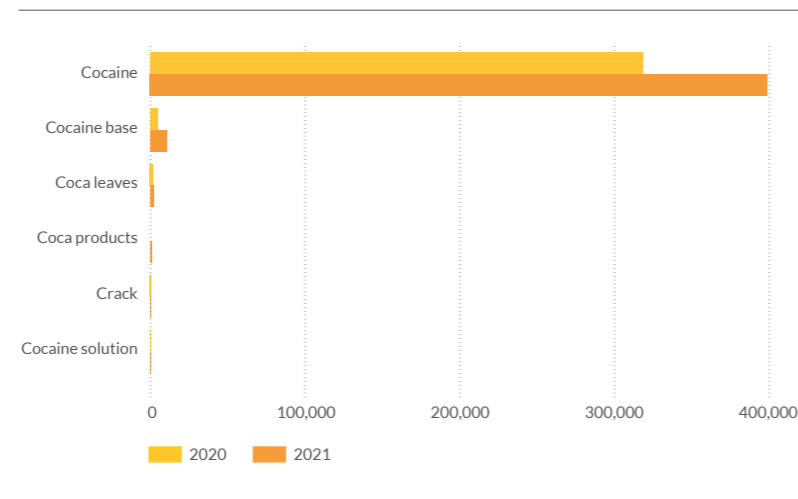


Figure 19 presents the distribution of the different seizures of cocaine by category of cocaine product.

Seizures reached 413,230 kilogrammes in 2021 and grew 26.6% in comparison to 2020 when 326,439 kilogrammes were seized. Cocaine is the primary contributing category, with a share of 96.55% in 2021. Between 2020 and 2021, the cocaine products with the highest growth were cocaine base which increased from 5,046 kilogrammes to 10,543 kilogrammes (108.9%), and cocaine solution, which increased from 135.59 kilogrammes to 404.32 kilogrammes (198.2%). Crack was the only cocaine product that decreased from 738.02 kilogrammes to 1.73 kilogrammes (-99.8%).

Figure 20: Top 15 countries by number of cocaine seizures and quantity seized (in kilogrammes), 2020-2021

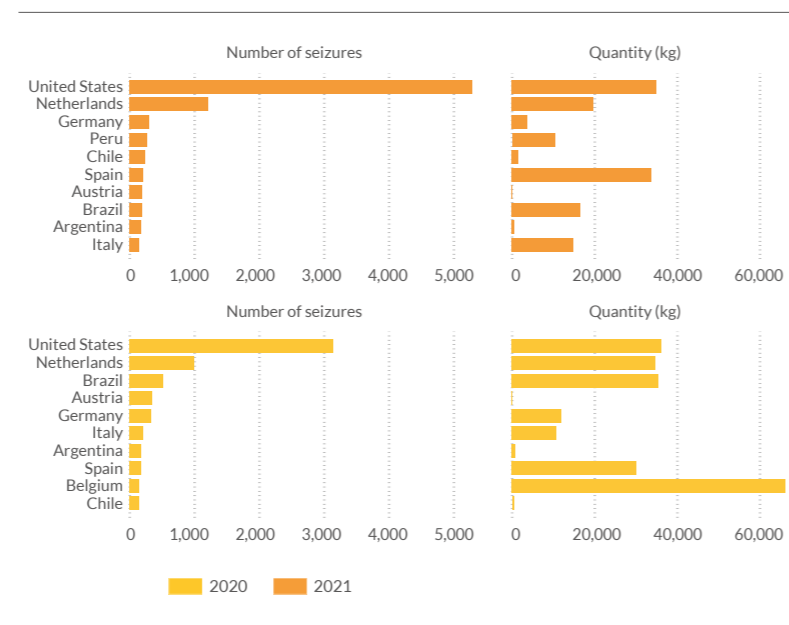


Figure 20 shows the top 15 countries and quantity seized of cocaine in 2020 and 2021.

In 2021, the top 10 countries accounted for 8,384 cocaine seizures (87.2%) while the top 15 countries made up for 8,848 seizures (92%). Furthermore, the top three countries by number of seizures were the United States (5,292 or 55.1%), the Netherlands (1,218 or 12.7%), and Germany (304 or 3.2%). For cocaine seized in kilogrammes, the top five countries were Belgium (90,168), Ecuador (54,615), Panama (45,113), Colombia (43,229), and the United States (35,066).

A high relationship is evident at the individual level between producer countries (Colombia, Peru and Ecuador) and high consumption countries such as the United States and Western Europe area (Belgium, Netherlands, Spain, and Italy).

Among the top 15, the highest increase in kilogrammes was in Panama, from 9,875 kilogrammes in 2020 to 45,113 kilogrammes in 2021 (variation of 356.8%). One possible explanation for this increase is Panama's strategic position for drug trafficking to North America and the European continent markets.

On the other hand, the highest variation in number of seizure was Curaçao, with 18 seizures in 2020 and 64 in 2021.

It is also important to highlight some increments in Western Europe. Belgium registered a 36% increase in the amount of cocaine seized in 2021 (90,168 kilogrammes) compared to 2020 (66,285 kilogrammes), mainly in the Antwerp Port. One possible argument for this trend is that Belgium is not only used as a consumer country but also as a cocaine export platform to reach several countries in the European Union, considering the advantages of the single market.

Case study 1. SMUGGLING COCAINE BY PRIVATE JET



Courtesy: Federal Police of Brazil.

On 4 August 2021, Brazilian Police discovered 1,304 kilogrammes of cocaine on board a private jet belonging to a Turkish company, rented by a Spanish national. The aircraft was departing from Fortaleza Airport (Brazil) to Brussels Airport (Belgium).

Brazilian Police had been tipped off that the plane would have cocaine on board and the officers at Fortaleza Airport asked the passenger to open his suitcase. It was full of cocaine, and it turned out that there were more suitcases with white powder on board. As a result, 24 suitcases were found to contain 50 drug tablets in each of them, with a total of 1,200 cocaine tablets. The passenger and four crew members were detained for further investigation.

Source:

Federal Police of Brazil and Aviation24.be (2021), PF apreende 1,3 tonelada de cocaína em jato executivo no aeroporto de Fortaleza and Private jet with destination Brussels Airport loaded with 1.3 tonnes of cocaine, available at <https://www.gov.br/pf/pt-br/assuntos/noticias/2021/08/pf-apreende-1-3-tonelada-de-cocaina-em-jato-executivo-no-aeroporto-de-fortaleza> and <https://www.aviation24.be/miscellaneous/private-jet-with-destination-brussels-airport-loaded-with-1-3-tonnes-of-cocaine/>.



Case study 2. HUGE COCAINE SEIZURE BY FRENCH CUSTOMS

On 1 October 2021, French Customs carried out a coordinated enforcement operation with the exceptional seizure of more than 1.1 tonnes of cocaine in Dunkirk, France.

The Maritime Customs Operational Centre in Nantes, in collaboration with the prefectures Atlantic and English Channel North Sea, organised the enforcement operation on a commercial vessel coming from Brazil. After a stopover in Spain, it was going to unload its cargo of chalk in Antwerp, Belgium.

Upon interception by the Customs officers in the French waters, the vessel was diverted to the port of Dunkirk for investigation due to the degraded weather conditions. After several hours of investigation, the search teams, with the assistance of a detector dog, discovered 40 bags of compact breads containing a white powder hidden behind a partition. Drug detection tests confirmed the presence of cocaine. Twenty crew members of various nationalities were arrested.

Source:

French Customs (2021), Plus d'une tonne de cocaïne saisie à bord d'un navire de commerce par les douaniers garde-côtes de Manche Mer du Nord, available at <https://www.douane.gouv.fr/actualites/plus-dune-tonne-de-cocaine-saisie-bord-dun-navire-de-commerce-par-les-douaniers-garde>.

Courtesy: French Customs.

3.3 Khat

Figure 21: Quantity of khat seized by category (in kilogrammes), 2020-2021

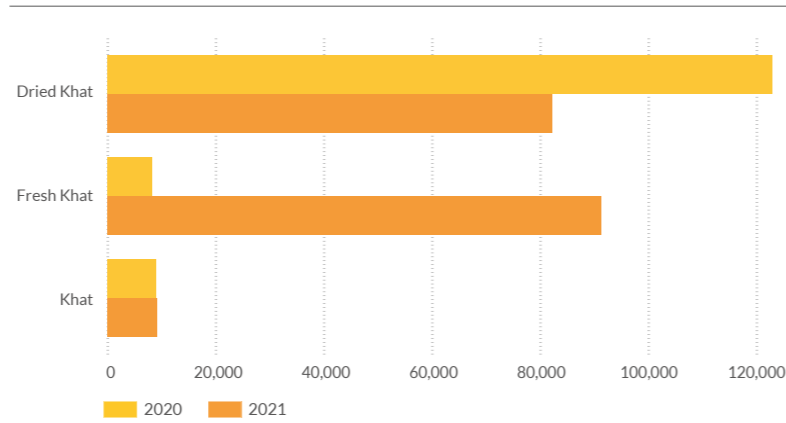


Figure 21 presents the distribution of the different khat seizures by product category in the years 2020 and 2021, identifying a 30.4% increase in seizures in 2021 compared to 2020.

The massive increase of 1,007.9% of fresh khat in 2021 compared to 2020 is striking. One possible explanation for this phenomenon is the different legislation on khat in countries. The difference in legal requirements creates opportunities for traffickers to consolidate their illegal business. Another argument is that the cathinone content in fresh khat produces the exact sympathomimetic mechanism as amphetamine, but it is cheaper.¹

On the other hand, dried khat showed a 33.1% decrease in seizures in 2021. One possible cause is a switch from dry khat to fresh.

Figure 22. Top 10 countries by number of khat seizures and quantity seized (in kilogrammes), 2020-2021

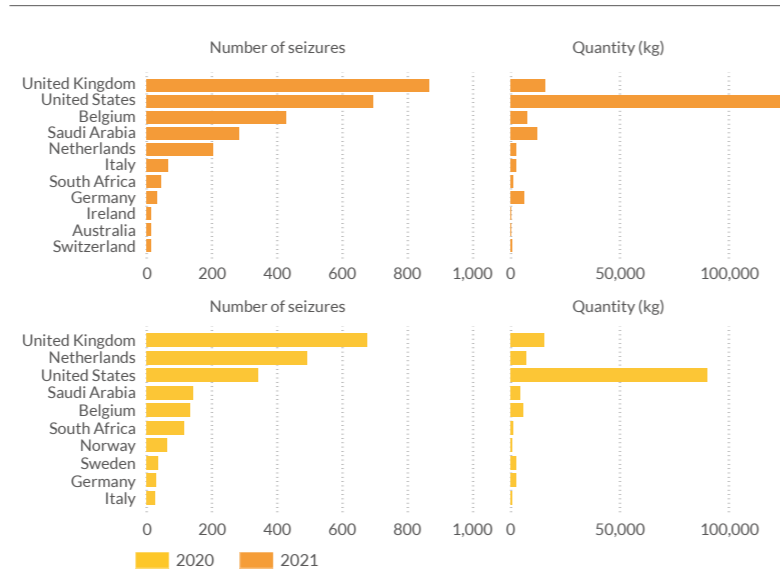


Figure 22 introduces the top 10 countries for khat seizures in 2020 and 2021.

¹ E. Pendl, U. Pauritsch, M. Kollroser, M.G. Schmid, Determination of cathinone and cathine in Khat plant material by LC-MS/MS: fresh vs. dried leaves. Foren. Sci. Int., 319 (2021), Article 110658, <https://doi.org/10.1016/j.forsciint.2020.110658>

In 2021, the top 10 countries accounted for 176,155 kilogrammes (96.4%) of seized khat. The top three countries by number of seizures were the United Kingdom (865 or 31.7%), the United States (694 or 25.5%), and Belgium (428 or 15.7%). In terms of quantities in kilogrammes, the rank is led by the United States (127,356 or 69.7%), the United Kingdom (15,843 or 8.7%) and Saudi Arabia (12,210 or 6.7%).

It is striking that while cases are higher in the UK, in the US cases are lower, but the quantities by weight are much higher.

It is important to note that there are no Latin American countries in the top 10. Khat is mainly a drug produced in Africa.

3.4 New Psychoactive Substances (NPS)

Figure 23: Quantity of NPS seized by category (in kilogrammes), 2020-2021

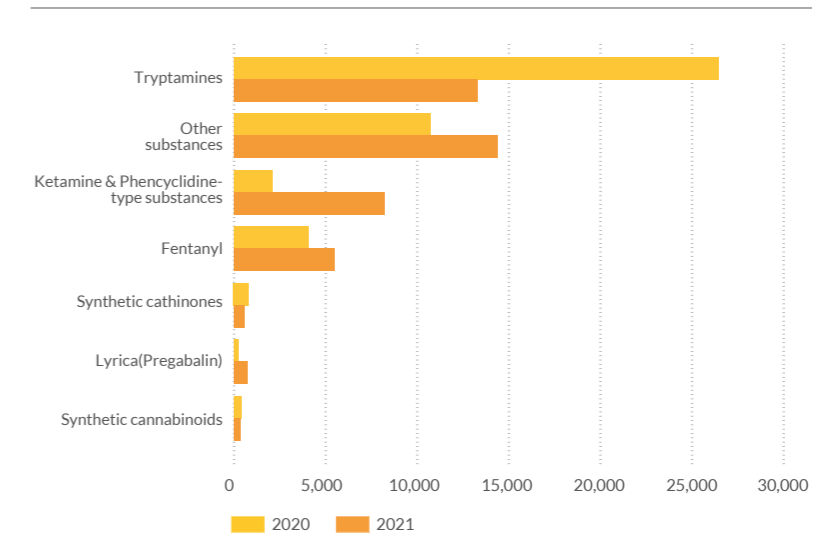


Figure 23 reveals that NPS seizures in kilogrammes decreased by 4.1% between 2020 and 2021 (from 44,864 to 43,046 kilogrammes).

The three top categories in 2021 were: other substances (14,409 kilogrammes or 33.47%), tryptamines (13,276 kilogrammes or 30.84%), and ketamine & phencyclidine-type substances (8,205 kilogrammes or 19.06%). Among the most pronounced growth, was an increase of 288.5% for ketamine & phencyclidine-type substances and 191.1% for Lyrica (pregabalin).

One possible explanation for other substances being at the top of the list is the regular practice used by drug traffickers to slightly modify the chemical components of some controlled/prohibited substance formulas. The control authorities might not target the new substances despite these being fully identified.

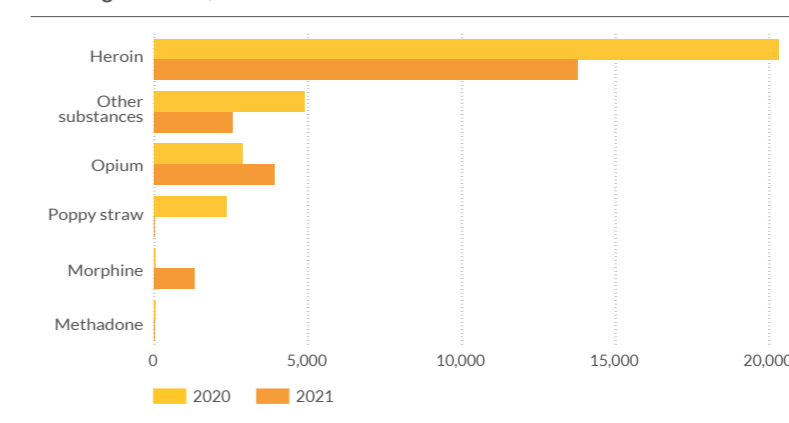


Seizure of more than two tonnes of khat leaves at Kinshasa-Ndjili International Airport. Courtesy: Customs of the Democratic Republic of the Congo.

Figure 25 depicts that trafficking in opioids and opiates accounted for 21,590.5 kilogrammes in 2021, declining 29.3% between 2020 and 2021, even though the number of seizures increased by 143.1%.

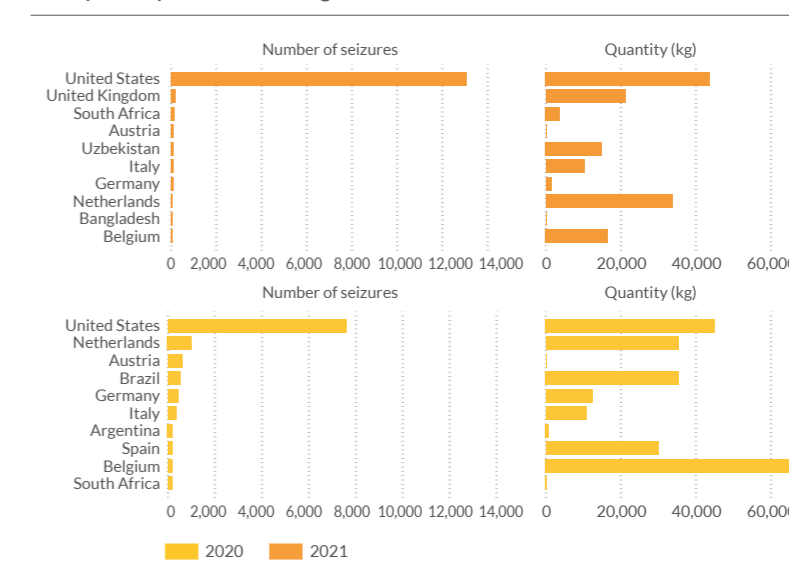
3.5 Opioids and Opiates

Figure 25: Quantity of opioids and opiates seized by category (in kilogrammes), 2020-2021



Most categories trended downwards. The three top categories in 2021 were heroin (13,761.5 kilogrammes or 63.7%), opium (3,905 kilogrammes or 18.1%), and other substances (2,569 Kilogrammes or 11.9%). Nevertheless, it is important to highlight that morphine had an increase of 2,204.2% (from 56.9 to 1,312 kilogrammes), and poppy straw dropped by 98.9% between 2020 and 2021.

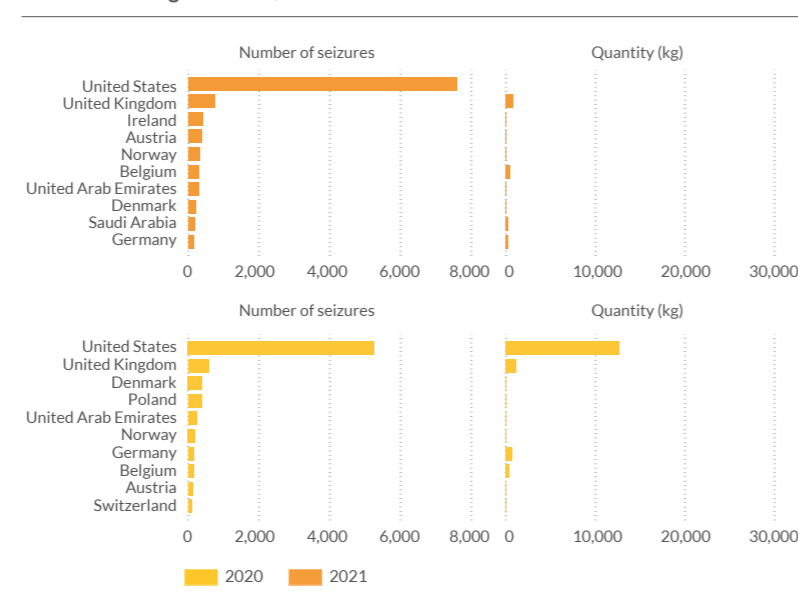
Figure 26: Top 10 countries by number of opioids and opiates seizures and quantity seized (in kilogrammes), 2020-2021



In 2021, the top 10 countries accounted for 12,960 kilogrammes (60%) of seized opioids and opiates. The top three countries by number of seizures were the United States (13,092 or 89.9%), the United Kingdom (754 or 1.3%), and South Africa (152 or 1%). In terms of quantities, the rank is led by the United States (8,776 kilogrammes), Türkiye (2,194 kilogrammes) and Azerbaijan (1,688 kilogrammes). The highest variation in the top 10 in terms of seizures was Uzbekistan which increased from 18 to 127 seizures (variation of 605.6%)

Figure 24 introduces the top 10 countries in number of seizures of NPS in 2020 and 2021.

Figure 24: Top 10 countries by number of NPS seizures and quantity seized (in kilogrammes), 2020-2021



In 2021, the top 10 countries accounted for 27,446.5 kilogrammes (63.8%) of seized NPS. The top three countries by number of seizures were the United States (7,589 or 64.4%), the United Kingdom (754 or 6.4%), and Ireland (415 or 3.5%). In terms of quantities in kilogrammes, in first place is the United States with 25,397 kilogrammes, second Malaysia with 8,190 kilogrammes and third Hong Kong (China) with 3,039 kilogrammes. These last two countries ranked respectively 24 and 19 in number of seizures hence they are not listed in Figure 24.

Among the top 10 countries, Ireland's most significant variation in the number of seizures between 2020 and 2021 is from 41 to 415 (912.2%). The only country that reduced its number of seizures was Denmark, from 398 to 209 (-47.5%).



Case study 3. DOOR LOCKS CONCEALING OPIUM SEIZED IN GERMANY

At the beginning of 2021, German Customs at the Leipzig DHL hub detected 18.8 kilogrammes of opium in three parcels sent from Dubai, UAE to the United Kingdom. The goods were declared as “door locks” with a value of \$80,000 (USD) for each consignment. The officers noticed irregularities on the X-rays, and a drug wipe test for opiates on the goods turned out positive. After opening one of the door locks, the officers found opium in the cavity.

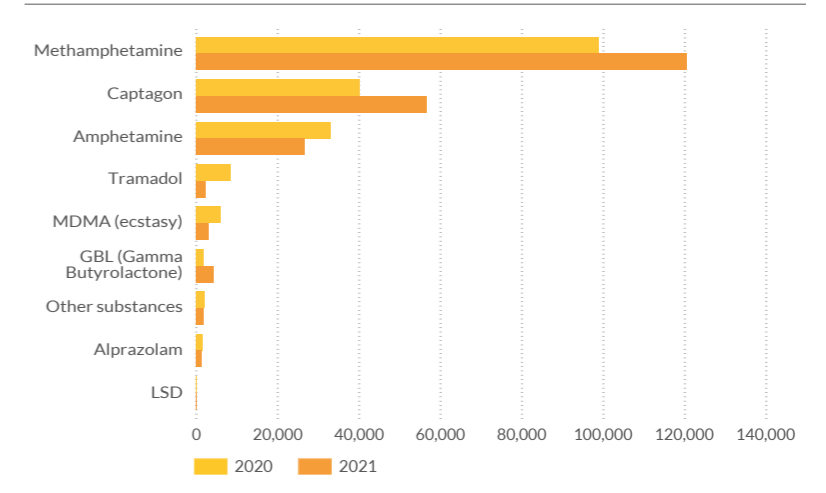
Source:
CEN
RILO Western Europe Alert 07-2021
Opium in Door Locks in Parcels from Dubai / UAE

Courtesy:
German Customs.

Figure 27 shows the quantity (in kilogrammes) of seized psychotropic substances by product category.

3.6 Psychotropic substances

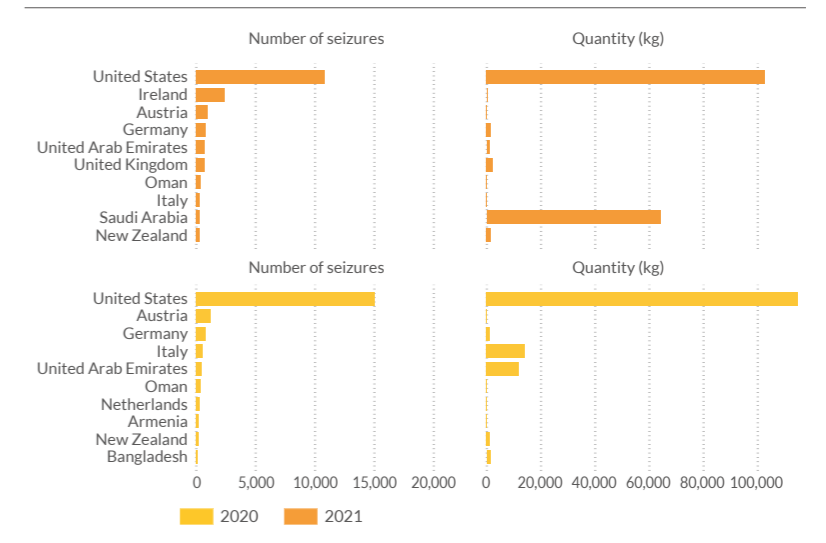
Figure 27: Quantity of psychotropic substances seized by category (in kilogrammes), 2020-2021



Psychotropic substances grew by 12.8% from 192,315 kilogrammes in 2020 to 216,927 kilogrammes in 2021. The top three psychotropic substances sized by weight were methamphetamine (55.5%), Captagon (26.1%) and amphetamine (12.3%). In 2021, other substances such as GBL (Gamma Butyrolactone) grew by 154.5% (from 1,727 kilogrammes in 2020 to 4,394 kilogrammes in 2021).

Figure 28 introduces the top 10 countries in number of seizures of psychotropic substances and quantity seized (in kilogrammes) in 2020 and 2021.

Figure 28: Top 10 countries by number of psychotropic substances seizures and quantity seized (in kilogrammes), 2020-2021



In 2021, the top 10 countries accounted for 174,017 kilogrammes (80.2%) of seized psychotropic substances. The top three countries by number of seizures were the United States (10,795 or 52.6%), Ireland (2,362 or 11.5%), and Austria (948 or 4.6%). The highest variation in the top 10 in terms of number of seizures was Ireland from 41 to 2,362 seizures (5,661%).

Case study 4.

ABF AND AFP SEIZE 99 KILOGRAMMES OF METH



On 17 December 2021, the Australian Border Force (ABF) officers in Fremantle, Australia, examined a 550 kilogramme shipment of latex bed pillows after it arrived on a container ship. After examining the goods in the container, they found anomalies in the latex pillows, which they carefully deconstructed. Officers located a crystal-like substance which was subsequently referred to the Australian Federal Police (AFP) and tested positive for methamphetamine. AFP forensic specialists established that approximately 99 kilogrammes of methamphetamine with an estimated street value of approximately \$100 million (AUD) were concealed in the consignment. Subsequently, three men were arrested in the follow-up investigation of the case, and they were charged over an alleged plot of importing methamphetamine into Western Australia.

Source:

ABF and AFP (2022), Trio charged and 99kilogrammes of meth stopped from reaching WA over festive period, available at <https://www.abf.gov.au/newsroom-subsite/Pages/trio-charged-99kg-meth-stopped-reaching-wa-over-festive-period.aspx>

Courtesy: ABF and AFP.

Case study 5.

SLOVAKIA MAKES ITS LARGEST DRUGS SEIZURE EVER



Courtesy: Financial Directorate of the Slovak Republic.

The largest consignment of drugs ever discovered in Slovakia, was seized during an operation carried out by officers of the Slovak Financial Administration in Nitra (Slovakia) on the 22 May 2020. Up to 1,5 tonnes of methamphetamine from Central America (estimated street value of 2 billion EUR) were meant to enter the black European market via Slovakia in seemingly empty containers destined for liquids. The drug contraband was caught in transit from the Port of Progreso in Yucatán, Mexico, through the Croatian port of Rijeka, in the premises of a forwarding company within an industrial park in Nitra, Slovakia, shortly after containers were unloaded. After obligatory Customs clearance of the consignment, it was intended to send containers further to Bratislava from where the drugs might be distributed freely into the EU.

Considering a number of risk factors of the consignment, one of which was the well-known Latin-American boat drug route from Mexico, Customs officers carried out thorough control. Using technical means, mobile scanning devices and the help of a drug-trained service dog, they identified the illegally concealed goods and dismantled the modified metal tanks for liquids, with double bottoms. The drugs were hidden in packages inside the cavities

Source:

Financial Directorate of the Slovak Republic.

Case study 6.

TRAFFICKING VIA ONLINE VIDEO GAMES

Digital platforms are increasingly being used for illegal activities. Recently, online video games have been used for drug trafficking.

In September 2021, the first evidence emerged that drug traffickers along the U.S. - Mexico corridor were using online video games as a recruitment platform. *MVS Noticias* published documentation that an anonymous player claiming to belong to *Cártel del Noreste* contacted a teenage boy over 'Grand Theft Auto's' (GTA) multiplayer online platform.² The boy was offered money in exchange for working for the cartel in Northern Mexico but instead, reported this interaction.

In October 2021, the *Secretaría de Seguridad y Protección Ciudadana* presented the case of the successful localization and retrieval of three teenage boys which had been recruited by an unnamed criminal group via the online game 'Free Fire'.³ The criminal group offered the minors \$800 per month to serve as police lookouts; the teenagers boarded a bus in Oaxaca bound for Monterrey but were rescued by authorities shortly afterwards.

The first documented seizure stemming from recruitment via online video games came less than a month later, on 4 November 2021.⁴ U.S. Customs & Border Protection seized 60 kilogrammes of methamphetamine from a driver crossing the U.S. - Mexico border. Once again, GTA's multiplayer online platform was the method of contact. A recruiter promised the driver a payment of \$2,000 (USD) if she took a bus into Mexico, picked up a car filled with electronics, and drove it into the U.S. However, the car's fuel tank was fitted with a secret compartment housing the drugs discovered during a routine inspection at the border. Ultimately the driver was arrested for conspiracy to import and sell methamphetamine, and a criminal investigation is ongoing.

Source: Benjamin Shultz, Syracuse University

² <https://mvsnoticias.com/entrevistas/2021/9/22/carteles-reclutan-ninos-usando-videojuegos-537501.html>

³ <https://www.gob.mx/sspc/prensa/presenta-sspc-decalogo-de-ciberseguridad-para-proteccion-de-menores?state=published>

⁴ <https://www.forbes.com/sites/thomasbrewster/2022/01/24/mexican-cartels-recruit-drug-mules-on-grand-theft-auto-online/?sh=752729bf69f6>

3. WCO Drugs and Precursors Programme

In this context, the World Customs Organization (WCO) Drugs and Precursors Programme aims to assist Customs administrations in combating illegal global trade covering the cultivation, manufacture, distribution and sale of substances subject to restrictions and prohibitions. The Programme consists of several major projects and activities, including but not limited to, namely:

1. The UNODC – WCO Container Control Programme;
2. The AIRCOP Project;
3. The COLIBRI Project;
4. Canine Activities; and
5. Operational Activities.

The UNODC - WCO Container Control Programme

The UNODC - WCO Container Control Programme (CCP) was already established in 2004 to address the needs of the global enforcement community to monitor the movement of containerised cargo in a more effective and efficient way. With more than 750 million global container movements reported annually⁵, of which an estimated 2% are inspected, CCP plays an important role in addressing the risks related to the low inspection rates and facilitating legitimate trade. The increase in legitimate containerised maritime trade is threatened, more than ever, by international organised crime operating along legal maritime trade supply chains. Web-based secure information exchange systems, developed and continuously enhanced by the WCO, have played a crucial role in supporting the global CCP to intercept illicit goods in the trade supply chain and to enhance global cooperation and information exchange.

The Programme launches Port Control Units (PCUs) in selected sea ports, land borders, railway border crossings and Air Cargo Control Units (ACCU) by integrating the representatives of various enforcement agencies in a single working body. To be able to identify the high-risk cargo shipments, the officers receive training in profiling and targeting using modern risk-based working methodologies. They are also trained in the areas of drugs and precursor chemicals, counterfeit goods, cultural heritage, evidence handling and seizure documentation, smuggling of strategic goods, nuclear materials, weapons and CITES-related infringements.

The CCP expanded to include ten geographical regions in which more than 120 PCUs / ACCUs are fully operational in more than seventy countries. In a number of other countries, the Programme is engaging with relevant authorities and the donor community to establish such Units and deliver tailor-made training, based on the identification

⁵ Handbook of statistics 2020, UNCTAD, United Nations, 2020. For further information please see: <https://stats.unctad.org/handbook/MaritimeTransport/Indicators.html>



of regional threats and needs. Global exchange of information and intelligence among the Units is facilitated by dedicated applications of the WCO CENcomm system. Annual regional CCP meetings support direct contacts among members of the Units.

The CCP-Air Cargo segment was launched in 2015. Building on the established CCP infrastructure and concept, this segment of the CCP has grown constantly and now comprises 22 countries; training in 5 additional countries has started.

A pivotal component of the CCP continues to be the phased training approach, from basic theoretical and practical modules, to advanced specialised training and supported by regular mentoring / refresher training activities. Due to the pandemic in 2020 and 2021, the vast majority of CCP training courses and workshops had to be delivered online due to massive travel restrictions. Nevertheless, in 2021 356 training workshops, study tours and mentorships took place; in total, more than 6800 officials were trained. Officials are required to serve their respective PCUs for a minimum of three years to ensure continuity and sustainability.

Throughout the reporting period, the international donor community continued to support the CCP with contributions to further enhance the success of the programme. Forging partnerships with donors is also important at a technical level, as it provides CCP with additional technical know-how. Several donor countries and WCO Member Customs administrations have provided law enforcement experts as trainers.

Seizure of protected wood in the port of Sohar, Oman. Courtesy: WCO CCP.



Seizure of cigarettes in the port of Sohar, Oman. Courtesy: WCO CCP.

In terms of its operational results, the CCP continues to be one of the most successful law enforcement initiatives ever launched; the seizure results of the PCUs and ACCUs in 2021 raised to 1418 cases, resulting in 171 tonnes of cocaine, 1.1 tonnes of cannabis, 2.2 tonnes of heroin, 14 million pieces of NPS and 162 tonnes of precursor chemicals for illicit drug production. In addition, large quantities of counterfeit goods (9 million items), medicines (including falsified medical products against COVID-19), more than 400 million cigarettes, spirits, ozone depleting substances, cash, weapons, military grade electronic equipment, protected wood, illegal waste, stolen vehicles and a large number of falsely declared goods were confiscated. Throughout the years, due to the expansion of the CCP and trainings provided, the quantities of seized commodities have been growing steadily.

Based on these successes and the continued financial and in-kind support of the donor community, the CCP will remain a flagship programme of both WCO and UNODC and will continuously adapt towards the ever changing challenges posed by organized crime structures.



The AIRCOP Project

AIRCOP is a multi-agency project implemented by UNODC in partnership with INTERPOL and the WCO. It aims at strengthening the capacities of international airports in Africa, Latin America and the Caribbean to target and intercept high-risk passengers, cargo and mail as a contribution to the fight against illicit drugs and other illicit commodities (such as wildlife products or falsified medical products), terrorism-related threats (such as arms or potential foreign terrorist fighters), trafficking in persons and smuggling of migrants. It also aims at facilitating communication and coordination between origin, transit and destination countries to disrupt illicit cross-border flows and criminal networks.

This project is funded by the European Union, Canada, France, Japan, the Netherlands, Norway and the United States (INL). AIRCOP is part of the EU's Global Illicit Flows Programme (GIFP) to combat transnational crime and foster South-South, regional and transregional cooperation.

AIRCOP has been implemented in 41 airports in Africa, Latin America and the Caribbean, the Middle East, South-Eastern Europe and South-East Asia.

AIRCOP facilitates secure real-time transmission and sharing of information between law enforcement services at national, regional and international levels. The WCO provides CENcomm, the secure communication tool to exchange operational details through the secure transmission of warning and seizure messages within a closed network of control units situated in international airports, allowing decision-makers to make informed decisions.

During the COVID pandemic, the WCO provided support in using the CENcomm tool for field officers to incorporate it into their daily activities.

The CENcomm 3.0 version was launched in 2021. The new implementations offer a more user-friendly tool to minimise user resistance, allow better data collection and improve communication between law enforcement agencies at airports as closed and secure chat groups can be created.

A total of 505 cases were recorded in AIRCOP in 2021. Africa informed 60% of them. Meanwhile, Latin America and the Caribbean reported 40%. These figures had hardly changed compared to 2020 when 19 countries reported 477 cases of illicit trafficking to the CENcomm AIRCOP platform. This represents a 5.9% increase in cases in 2021 compared to 2020.

Ten countries account for 87% of reported cases. It is noteworthy that three countries reported more than 55% of the cases. Nigeria contributed 23% of the cases, followed by Bolivia (18%) and Côte d'Ivoire (14%).

AIRCOP seizures are divided into goods categories: drug, other restrictions and prohibitions, currency, tobacco, tax and duty evasion, fraudulent or stolen documents, weapons and explosives, CITES, precursor, alcoholic beverages and spirits. Drug seizures are by far the largest, accounting for over 51% of all cases, followed by other restrictions and prohibitions (28%), currency (12%) and tobacco (4%).

In 2021, drugs accounted for 285 seizures. Compared with 314 events in 2020, it is reduced by 9%. Regarding volumes, 1,780 kilogrammes of drugs were seized in 2021, which represents a reduction of 27% in volume compared to 2020.

Five drug substances concentrated 94% of the seized volume in 2021. The primary seizures were cannabis (46%), cocaine (25%), khat (12%), heroin (7%), and tramadol (3%).

The five top countries that accounted for 79% of all drug seizures in volume were Nigeria (45%), Peru (22%), Jamaica (7%), Benin (5%) and Barbados (5%).

Export was the main direction of drug seizures made by the Joint Airport Interdiction Task Forces (JAITFs) in 2021 (71%), followed by import (26%), internal (1%) and transit (2%).

North America and Europe were more destination regions than source regions. However, some flows from these regions to Latin America, the Caribbean, and Africa. Asia was mainly a transit and destination region. Oceania was a net receptor from Africa.

Most of the cases reported of drugs in 2021 were detected through risk profiling (37%), random control (31%), and routine (15%).

Among the main challenges to strengthen Aircop for 2022 are finishing the implementation of CENComm 3, continuing working on training activities focused on data collection to achieve more parametrised registers, and offering valuable information that allows decision-makers to target high-risk air passengers using API, PNR, and ACI, risk management, and alerts communicated through CEN.



The COLIBRI Project

In the 1970s, Jamaican traffickers discovered a new speedy, discreet and appropriate means of transporting over a hundred or so kilogrammes 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 whole world.

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

control this specific means of transport, COLIBRI complements other projects involving the WCO and overseeing air transport, 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.

The strategic aim of the COLIBRI project is to rally Customs and other partner administrations 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 West and Central Africa.

The main objective of the activities planned within the framework of the Project is to enhance the capacities of beneficiary administrations in the fight against trafficking and reduce the gap in the technical skills needed to conduct effective and professional controls by implementing risk assessment and targeted measures tailored to general aviation.

In the light of the recognition that inter-ministerial collaboration and international cooperation are the most effective tools in the fight against illicit trafficking, the WCO-implemented COLIBRI Project appeals to all administrations committed to facing the challenge posed by illicit trafficking to create a real, national, regional and intercontinental network of multi-agency expertise covering the general aviation sector.

The WCO points out that the COLIBRI Project relies on the pooling of existing skills by mobilising a group of some 20 experts from various administrations on three continents, who regularly work with the Secretariat, and who drew up a comprehensive capacity building programme for the Customs and other authorities conducting controls, inspections and the criminal investigation services alike. This group of experts disseminates a series of specialist training courses as well as a teaching and technical manual, assisting recipient administrations in refining the technical expertise of their officers throughout their respective territories. The recourse to the expertise of some countries with experience in facing the challenge posed by general aviation’s activities and use, and the cooperation with international organisations, is essential in the training of the law enforcement officials and the dissemination of best practices.

The Project also promotes intelligence and information sharing between services at the national, regional and international levels. For that purpose, 2019 saw the launch of an initiative to develop an innovative IT system, offering geospatial information, a mapping tool, a database on events and controls, as well as an intelligence-sharing platform and a mobile application. The “COLIBRI Geoportal” is a “secure contact point” for all stakeholders committed to the fight against organised crime relying on general aviation.

Furthermore, the WCO’s real-time secure communication tool (the CENcomm secure messaging system) will be made available to the participants during the coordinated international operations, which will be organised at the end of the Project and evaluate the impact of training courses and the assimilation of best practice.

To guarantee effectiveness and the provision of the best resources to support administrations despite the circumstances characterising the global pandemic and the lack of in person courses, an additional tool was included within the overall package of capacity building resources: the e-learning course. The development of the Course started in March 2021 and it was finalised In December 2021. The e-learning is available on the WCO CLiKC! platform in four languages. The e-course of 6-hour length, is composed by thirteen modules and it allows the evaluation of competencies through a final assessment test.

Additionally, the Geoportal, featuring a mapping tool, geospatial technology, a database and a mobile application, was developed and it is operational in four languages.

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

The Colibri Geoportal brings a whole new dynamic to the way data is used for decision making. Indeed, controls, seizures, clandestine runways and other incidents (reported by law enforcement officers) are recorded in a database along with their exact geographical location. The ability to geolocate a seizure, a control, or any other incident, it is worth mentioning, is a first in the sector. Thus, the intelligence and risk analysis services have a worldwide view (on a map) of the seizures in their territory but also those of the partner countries of the project.

Geoportal is part of a short- and medium-term vision on the exploitation of data for optimal decision-making in the management of threats in general aviation.

Geoportal interface
(Default view)



Canine Activities

Customs has been facing over the years a constantly changing business environment and an increased expectation by the public for more efficiency in its activities. Among the non-intrusive operational tools, canine units have gained prominence and become indispensable in Customs duties. Within this context, professional experts, technical facilities and a tailor-made training methodology catering for different scenarios of Customs are required in this specialised field.

The scope of canine enforcement is expanding from its traditional drug detection role to tackling security issues that Customs must address and overcome as the first line of defence at the borders. Canine teams are nowadays key players in detecting explosives and drugs, but also for other types of contrabands such as currency and illicit CITES protected products.

The WCO is committed to the provision of technical assistance and capacity building as well as to the promotion of expertise and the sharing of best practices among Member administrations for the implementation of international standards in this area. To that effect, in 2021, the WCO has accredited 17 WCO Regional Dog Training Centres (RDTCs) located in different regions, which form a network of professional training centres covering national and regional needs to achieve the WCO strategic priorities.

Moreover, a capacity-building project involving regional workshops on canine fentanyl detection has been launched by the WCO in collaboration with the Bureau of International Narcotics and Law Enforcement Affairs of the U.S. Department of State (INL) and U.S. Customs and Border Protection (CBP). As a pilot project and the first major WCO initiative to build canine detection capacity, the project is expected to share expertise in canine fentanyl detection with the global Customs community.

Additionally, the WCO Global Canine Forum is a global event on canine enforcement which brings together stakeholders of canine facilities of national Customs authorities and experts from international organisations to exchange expertise and best practices for developing a global standard and network of canine use in enforcement. It also allows to identify shared challenges in rolling out new national initiatives with the requisite canine training programmes and operational models.

Operational Activities

In the fight against drug trafficking, the WCO, together with its Members and international partners, have spared no effort in mobilising their resources to combat drug trafficking in their activities, including enforcement operations.

In 2021, the WCO, in collaboration with the WCO Regional Intelligence Liaison Office (RILO) for the Asia-Pacific region (RILO AP) and the Korea Customs Service (KCS), successfully concluded the Global Operation Against Looming Synthetic drugs (codenamed Operation GOALS) to

target illegal trafficking in synthetic drugs around the globe, covering all means of transport including air, land, sea and mail.

Operation GOALS brought together 79 Customs administrations, eight RILOs, and 11 international organisations and enforcement bodies, which resulted in 937 seizures amounting to approximately 6.78 tonnes of drugs, of which 2.325 tonnes were synthetic.

4. Conclusions

The sophistication of transnational crime demands more coherence in the work of law enforcement agencies to minimise potential gaps. Today, in the era of digitalisation, all law enforcement agencies must work in coherently to combat crime and eliminate loopholes that drug traffickers can use to succeed in their illegal activities.

After the COVID pandemic, many processes have moved from the physical to the virtual environment, and drug trafficking is no exception. Criminal organisations take advantage of the facilities for doing business in cyberspace. New communication technologies allow all actors in the drug trafficking supply chain (production, transport, marketing) to coordinate their illegal activities from anywhere on the planet.

COVID pandemic has seen social networks (Facebook, Instagram, etc.), instant messaging applications (WhatsApp, Telegram, Signal), and online games as new channels that connect drug distributors with consumers directly, changing the drug marketing model in many ways: reducing the street market and prices; eliminating participants in the distribution chain; increasing the purity of the product; expanding deliveries by postal service; and finally changing payment methods (cryptocurrencies). Market users, both sellers and buyers, use a codification language like emoji to establish prices, drug type, delivery, etc.

The dark web poses a significant challenge for law enforcement agencies, considering that transactions originating between buyers and sellers are supported by cryptocurrencies (Bitcoin, Ethereum, etc.) that are outside the control of governments or regulations. Additionally, the high degree of encryption, anonymity and non-indexing create the perfect environment for untraceable drug trafficking. It is challenging to identify and investigate drug trafficking markets on the dark web.

Customs officials must increase their knowledge and skills related to cybercrime to combat the threats posed by the exponential growth of e-commerce to prevent illegal drugs from crossing their physical borders, as there are no borders in cyberspace. Cooperation between local and international law enforcement agencies is vital to understand and shut out criminals.



At the beginning of 2022, the International Union for Conservation of Nature (IUCN) estimated that over 8,400 wildlife species were “critically endangered” and almost 30,000 more considered to be “endangered” or “vulnerable”. It also estimates that at least 14 million tonnes of plastic end up in the ocean every year and makes up 80% of all marine debris found from surface waters to deep-sea sediments. From pollution to poaching, from ozone depletion to overfishing, our planet is facing its toughest environmental crisis in human history.

4 ENVIRONMENT





Hornbill skulls mailed from Cameroon. Courtesy: UK Border Force.

Environmental crime is currently one of the most profitable forms of criminal activity due to vast demand and low prosecution rates. Yet environmental crimes impact communities worldwide as ecosystems deteriorate and pollution spreads.

INTRODUCTION

It also costs countries billions in revenue loss every year and undermines the success of Multilateral Environmental Agreements (MEAs) by circumventing internationally agreed rules and procedures. These either ban certain commodities from trade, which makes their trafficking highly profitable, or allow their legal – though restricted – trade, which criminals often exploit to launder illegally acquired products and profits. Furthermore, environmental crimes are often perpetrated by the same criminal networks that deal in drugs and weapons trafficking, as well as terrorism.

Customs enforcement plays a major role in reversing these criminal trends and should therefore rise to the challenge. Environmental crime is very often transboundary and Customs is frontline to detect and stop it. Indeed, Customs are at the centre of mitigation efforts due to their mandates but also because of legal requirements imposed by various MEAs, including:

- The Basel Convention on the Control of Trans-boundary Movements of Hazardous Wastes and their Disposal;
- The Cartagena Protocol on Biosafety to the Convention on Biological Diversity;
- The Convention on the Prohibition of the Development, Production, Stockpiling and Use of Chemical Weapons and on Their Destruction (CWC);
- The Convention on Trade in Endangered Species of Wild Fauna and Flora (CITES);
- The Minamata Convention on Mercury;
- The Montreal Protocol on Substances that Deplete the Ozone Layer;

In 2020 and 2021, Customs administrations reported to the CEN 7,083 seizures of non-compliance with environment-related regulations, accounting for 3,649 seizures in 2020 and 3,434 seizures in 2021.

- The Rotterdam Convention on the Prior Informed Consent Procedure for Certain Hazardous Chemicals and Pesticides in International Trade;
- The Stockholm Convention on Persistent Organic Pollutants.

Customs face tough challenges. Although concern for environmental issues is growing globally, environmental crimes are often not regarded as priority crimes. Law enforcement resources are limited and must cover a wide spectrum of infractions. Because environmental crimes rarely involve direct human suffering or obvious fraud, they often remain regarded as “less severe”. Furthermore, with ever increasing global shipment trends and rapid e-commerce expansion, Customs are confronted to increasing volumes of goods to control. In 2020 and 2021, the COVID-19 pandemic caused widespread global interferences, which had an impact on global supply chains and led Customs to implement measures to facilitate the cross-border movement of relief and essential supplies, to protect the society, to support the economy and to sustain supply chain continuity, all the while trying to protect Customs officers.

The WCO Environment Programme contributes to the fight against environmental crime, particularly in regard to the environmentally sensitive commodities encompassed in Multilateral Environmental Agreements

Figure 1: Number of seizures of environmentally sensitive commodities, 2020-2021

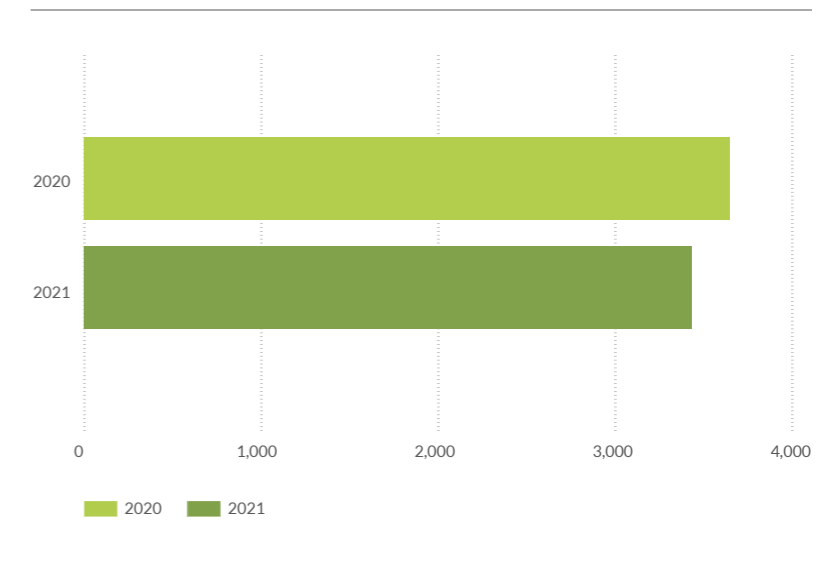
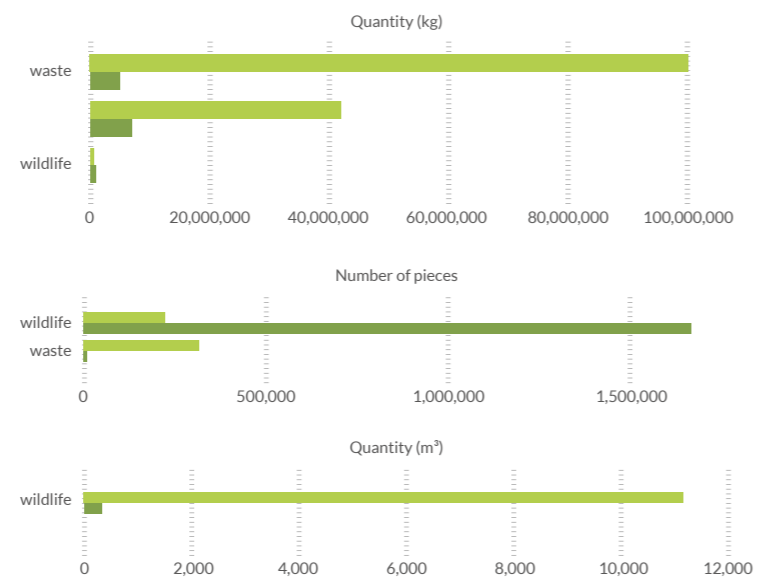


Figure 2 shows the number of seizures and the volume of goods reported in CEN by WCO Members in 2020 and 2021. These seizures account for seizures of flora and fauna, substances controlled under the Montreal Protocol (ozone depleting substances (ODS) and hydrofluorocarbons (HFCs)) and waste.

Figure 2: Quantity of environmentally sensitive commodities seized, 2020-2021



In general, the number of seizures slightly decreased from one year to the next, yet the volumes and numbers of pieces of environmental products intercepted either increased – as was the case for wildlife (including timber) – or decreased as in the case of waste and substances controlled under the Montreal Protocol.

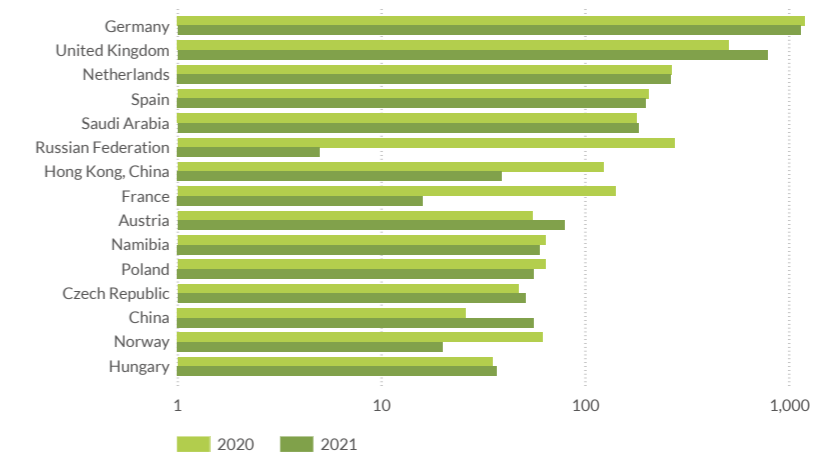
Trade in environmental products is a global phenomenon. However only 65 Members reported cases in 2020, and 61 in 2021. Over this period, 146 Members were implicated as either origin, transit or destination points for flora (including timber), fauna, substances controlled under the Montreal Protocol, and waste products.

Pangolin released after a seizure. Courtesy: Namibian Customs.



Figure 3 compares the number of seizures reported by the top 15 reporting Members in 2020 and 2021, which made up 88% of the total of reported seizures worldwide.

Figure 3: Quantity of environmentally sensitive commodities seized by country (wildlife, ODS, HFCs, and waste)



Germany reported both the highest number of seizures overall in 2020 (1,201 seizures) and 2021 (1,140 seizures). Seizures reported by Germany made up 33 % of all reported seizures in 2020 and 2021.

1. Wildlife

Wildlife trafficking refers to any environment-related crime that involves the illegal trade, smuggling, poaching, capture or collection of endangered species, protected wildlife (including animals and plants that are subject to harvest quotas and regulated by permits), derivatives or products thereof¹. It is driven by strong demand for various products, such as exotic pets, traditional Chinese medicine, trophies and many others, and can have devastating effects on numerous wildlife populations.

Wildlife trade is regulated by the United Nations' Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES), which currently has 184 Parties. The enforcement of this Convention by Customs officers contributes to ensuring that international trade in specimens of wild animals and plants does not threaten their survival. Wildlife trafficking undermines the goals of the Convention and is one of the largest organized criminal endeavours, using profits to fund other organized crimes. Illegal trade in wildlife often uses the same routes used to smuggle weapons, drugs and people.

The analysis of 2021 wildlife seizure data reported in the WCO Customs Enforcement Network (CEN) shows that 65 WCO Members reported 6,751 seizures of fauna and flora (including timber) commodities, including parts and derivatives. WCO Members entered more wildlife-related seizures cases in 2020 than in 2021, yet the quantities of wildlife commodities seized were higher in 2021 than in 2020. Between 2020 and 2021, the number of seizures reported to the CEN database decreased by 5%, from 3,457 to 3,294 seizures.

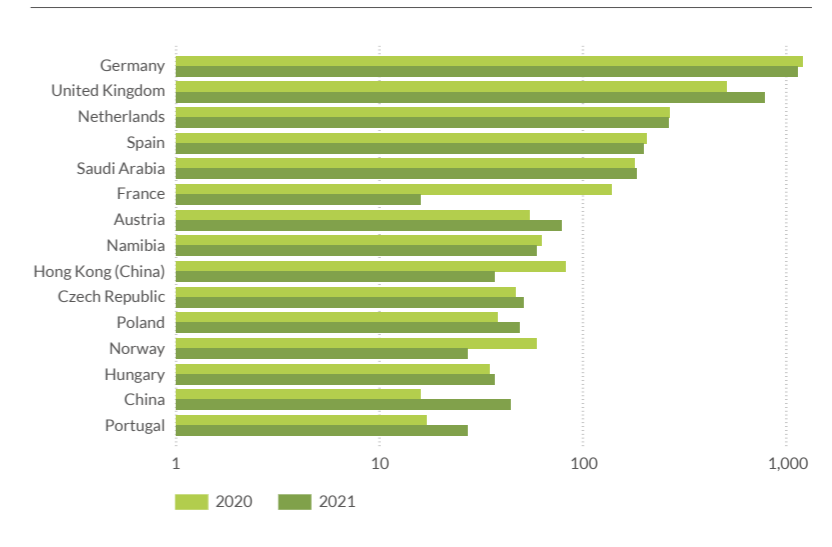
Both years were influenced by the COVID-19-related global measures, which had an overall impact on international trade and implications on the volume of goods in the supply chain. According to some WCO Members, this impacted the number of CITES seizures. Furthermore, the WCO Member Survey showed that there was a 60% decrease in the number of seizures in 2020 and 65% decrease in 2021, compared to 2019.

Seizure data show that all areas of the world are affected by illegal wildlife trade. The phenomenon should concern every WCO Member, yet not all seizures are reported to the WCO CEN databases. CEN data may also suggest that many countries reporting seizures may not have investigated these cases in such a detailed way as to depict the actual routes and stages of the supply chain. It can also be concluded that the quality of seizure data varies from one country to another. Some CEN data lack key information on the routes, destination, quantities and units of the seized commodities. Considering these limitations, the following conclusions regarding illegal wildlife trade in 2020 and 2021 are drawn based on the information provided by WCO Members.

The top 15 Members (figure 4) to have reported data in CEN both in 2020 and 2021 are Germany (33%), the United Kingdom (22%), the Netherlands (7.5%), Spain (6%), France, Saudi Arabia, Hong Kong (China), Austria, Namibia, Czech Republic, Poland, Norway, Hungary, China and Portugal.

Trade in wildlife is a global phenomenon. Although just 44% of WCO Members reported cases in 2020 and 2021, 146 Members were implicated as either origin, transit or destination points for wildlife sensitive commodities. Nineteen Members reporting wildlife-related data in CEN in 2020 did not provide any wildlife-related data in 2021.

Figure 4: Top 15 reporting countries by number of wildlife seizures, 2020-2021



Members from Europe reported the majority of seizures, while Members in Asia-Pacific made the largest seizures in terms of quantity seized. Although these two regions reported the most illegal wildlife trade seizure cases, more data is needed in CEN from other regions in order to better reflect the current state of the global illegal wildlife trade.

Figure 5: Number of CITES seizures by category, 2020-2021

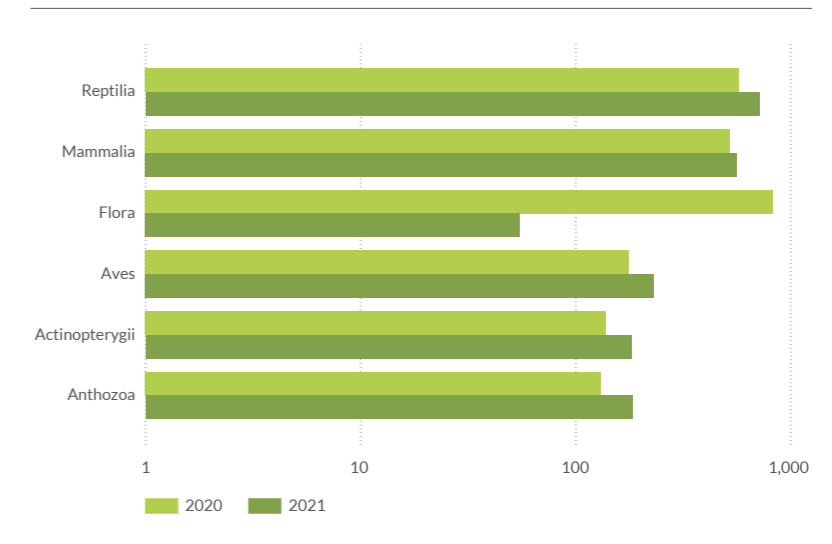


Figure 5 compares the top six reported categories of CITES seizures between 2020 and 2021.

Tokay geckos seized from a shop. Courtesy: Bangladeshi Police (RAB).



1 <https://wildlifetrade.wco.org/Wildlife-Trade/What-is-wildlife-trafficking.aspx>

These categories refer to species of fauna by scientific classifications: reptilia (i.e. reptiles), mammalia (i.e. mammals), aves (i.e. birds), actinopterygii (i.e. ray-finned fishes, including European eels, seahorses and pipefish, as well as a variety of sturgeon), and anthozoa (i.e. marine invertebrates, such as sea anemones and a variety of coral species).

Seized species reported in CEN in 2020 and 2021 included 514 unique types of fauna and flora. Figure 6 shows the seven top commodities seized both in 2020 and 2021, which are all CITES-protected species of fauna and flora: *Cactaceae spp.*, *Crocodylia spp.*, *Loxodonta Africana*, *Pythonidae spp.*, *Prunus Africana*, *Orchidaceae spp.*, *Acipenseriformes spp.*

Figure 6: Quantity of CITES species seized by category, 2020-2021

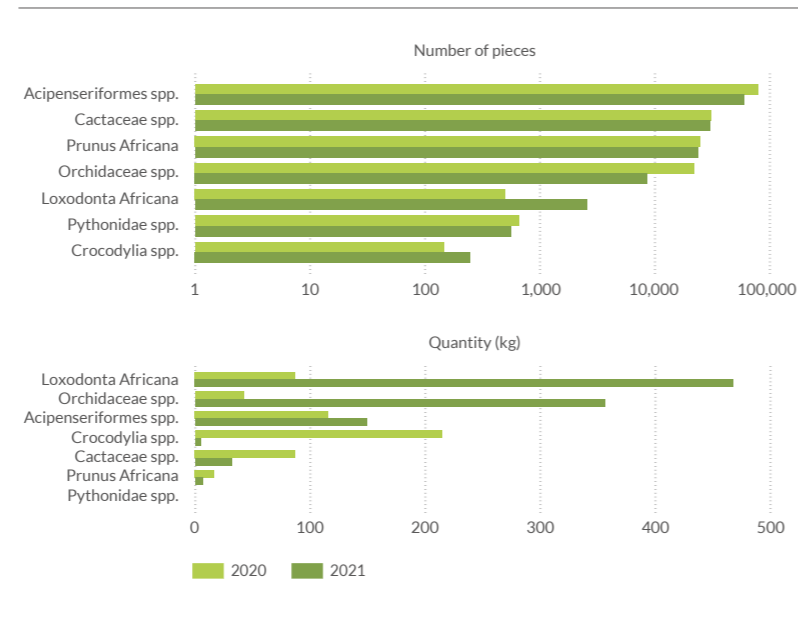
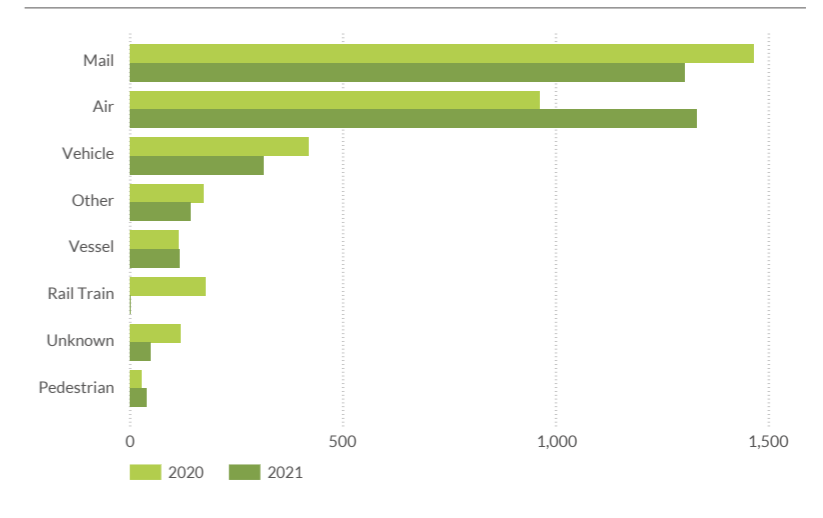


Figure 6 also shows details related to these commodities in terms of quantities seized in kilogrammes and pieces.

For almost all of these commodities, mail has been identified as the main method of conveyance, (see figure 7) which confirms that the COVID-19 pandemic witnessed an increase in online trade, with the number of shipments spiking globally. These circumstances were also exploited by smugglers and companies involved in illegal trade. This may explain why these commodities were seized in such high numbers, as they are suitable to be shipped in small parcels (mail and express couriers). In 2020 and 2021, throughout the COVID measures enforcement period, Customs officers focused more on the postal sector and mail courier, which may have had an influence on the figures and lead to the conclusion that online trade represented a significant trend for wildlife commodities during this period.

Regarding quantities reported to CEN in 2021, there was a significant increase in the quantity of intercepted wildlife commodities reported, both in kilogrammes (60%) and in pieces (645%), compared to 2020. However, the quantity of intercepted timber decreased by 97%. This may result from the fact that timber is predominantly shipped either by road (in trucks) or by sea containers, both means of transport having been heavily disrupted by the pandemic.

Figure 7: Number of CITES seizures by conveyance method, 2020-2021



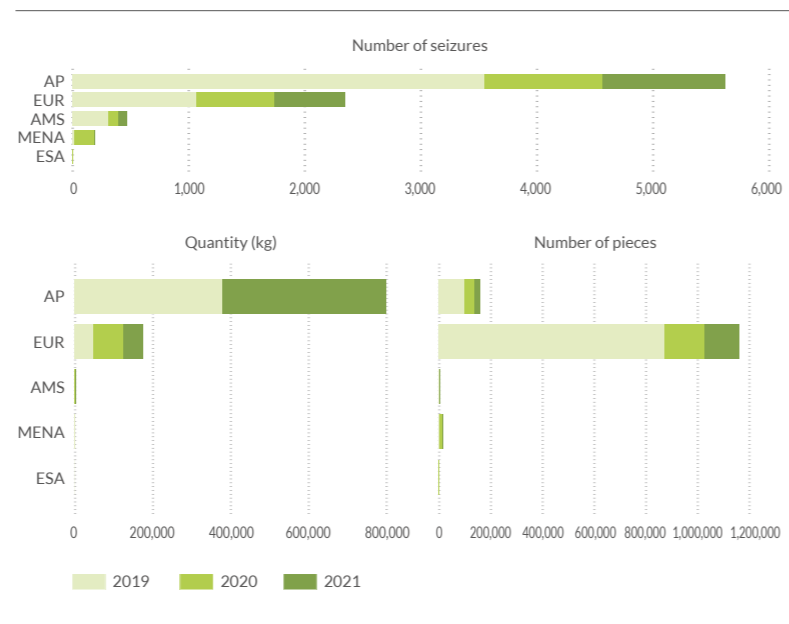
Air and mail transport constituted the main conveyance for wildlife trafficking in 2020-2021, making airports and mail centres the main type of location where commodities were detected. In 2021, air transport increased by 38% compared to 2020. Airports and mail centres were reported as the principal locations where illegal commodities were detected, both accounting for 40% of seizures in 2021. Another means of transport used for wildlife trafficking are vehicles, which were used in 10% of cases in 2020 and 12% in 2021.

Regarding concealment methods, the majority of commodities were concealed in mail both in 2020 (41% of seizures) and 2021 (38%). Other main concealment methods were in baggage (20% in 2020 and 22% in 2021) and in freight (13% in 2020 and 20% in 2021). Routine controls represented the main detection method (54% of cases), followed by risk profiling (38%), intelligence (3.7%), and random selection (2.7%).

WCO Survey

Besides CEN data, the WCO Environment Programme also collected data on environmental commodities seizures for 2020 and 2021 via the WCO Survey that was circulated in early 2022. Eighty seven per cent of Members who responded to the Survey provided answers relating to CITES², while 38% of them considered CITES commodities as a high or essential priority. The Survey focused on 2019 to 2021, in order to provide a better overview of pre- versus during pandemic times.. Thirty-two Members provided seizure data related to CITES for this time period.

Figure 8: Number of CITES seizures and quantity seized by region, 2019-2021 (WCO Survey)

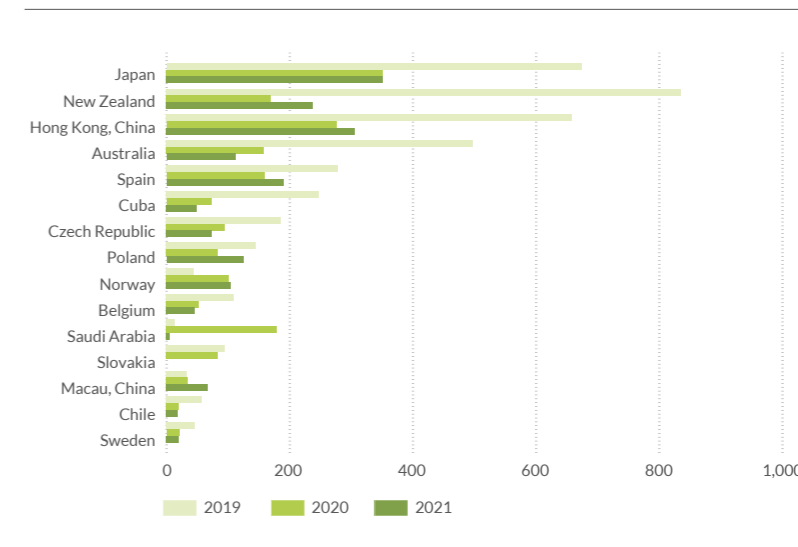


Asia-Pacific region seized the largest quantities in kilogrammes (1,079,165 kilogrammes), followed by Europe (173,828 kilogrammes), while Europe seized the largest quantities in pieces (1,162,556 pieces) followed by Asia-Pacific (158,872 pieces).

² Argentina, Australia, Belgium, Bulgaria, Chile, Colombia, Democratic Republic of the Congo, Costa Rica, Croatia, Cuba, Cyprus, Czech Republic, Germany, Greece, Hong Kong (China), Ireland, Italy, Japan, Latvia, Lithuania, Luxemburg, Macau (China), Madagascar, Mauritius, New Zealand, Norway, Poland, Saudi Arabia, Serbia, Slovakia, Slovenia, Spain, Sweden, the Philippines, Thailand, and Zambia.

Figure 9 shows the number of seizures made by the top 15 reporting countries based on the WCO Survey.

Figure 9: Top 15 reporting countries by number of CITES seizures, 2019-2021 (WCO Survey)



Just as many Members responding to the Survey saw an impact due to the pandemic on the number of seizures made as those who did not see such a link (most of which are European Union (Members). Members who acknowledged the impact of the COVID-19 pandemic on illegal wildlife trade linked it in most cases with a decrease in the number of CITES seizures, due to the lack of or limited travel possibilities (particularly in 2020), closed borders, and smaller trade volumes. These Members also noticed an increase in the number of seizures related to the increase in the number of online sales and postal consignments. One Member noticed an increased number of CITES seizures in 2021 due to more coordinated actions with other law enforcement authorities in other enforcement areas. Data show that, despite a lower number of seizures, the quantities seized increased.

Because the environmental section of the WCO Survey was mostly answered by EU Members, a number of conclusions were drawn in regard to trends as observed by EU Customs administrations. These trends include:

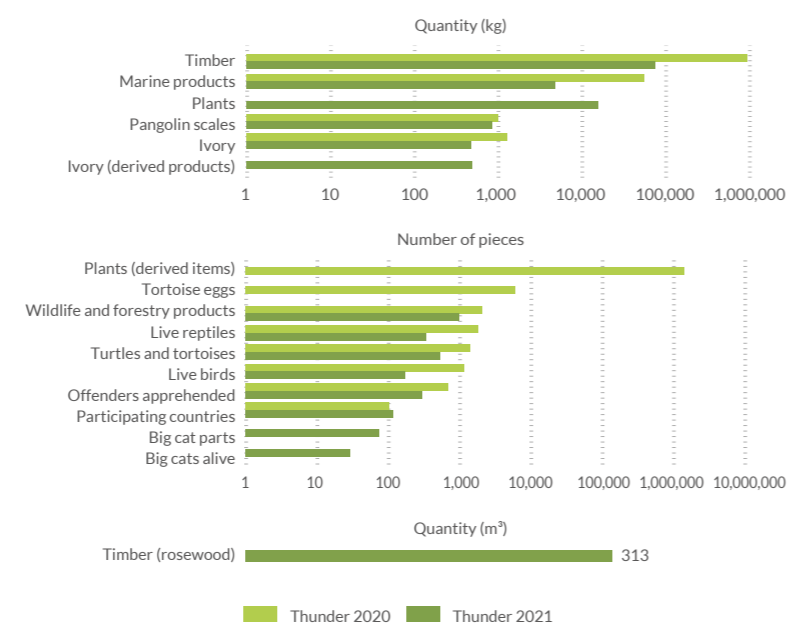
- smuggling of caviar from Russia and Ukraine via air;
- smuggling of CITES commodities purchased online and shipped in postal parcels, often from the United States, Russia and the United Kingdom;
- smuggling of glass eels destined to Asia via air.

Figure 10 compares the main results of the two operations. Operation THUNDER 2021 brought together the highest number of participating countries in a “THUNDER” operation, yet the number of seizures was lower than in 2020. These results seem to confirm the general trends based on CEN data and the WCO Survey.

Operations THUNDER 2020 and 2021

In 2020 and 2021, the WCO and INTERPOL jointly conducted the global enforcement Operation THUNDER, targeting illegal wildlife trade, as part of the yearly Operation THUNDER series. Based on intelligence and risk indicators, officers from Customs, Police and wildlife authorities combined their efforts in targeting specific high-risk routings, conveyances and commodities.

Figure 10: Main results of THUNDER operations, 2020 - 2021



Results of both operations confirmed that illegal wildlife trade shifted online, especially in the context of COVID-19. There has also been an increase in illegal money transfers to launder the proceeds of wildlife and timber crimes, in the use of online platforms to facilitate cross-border trafficking, in commercial and Customs document fraud for export, transit, and import, and in links with other serious crimes (e.g. smuggling of wildlife along with drugs and cash).



Courtesy: South African Customs (SARS).

Case study 1.

SOUTH AFRICA: 160 KILOGRAMMES OF RHINO HORNS SEIZED AT OR TAMBO INTERNATIONAL AIRPORT

On 17 July 2021, Customs officers of the South African Revenue Service (SARS) seized 32 pieces of rhino horns, weighing 160 kilogrammes.

While conducting manifest profiling at the cargo transit warehouses at OR Tambo International Airport, on the outskirts of Johannesburg, the Customs Detector Dog Unit selected a suspicious shipment declared as ‘live plants’, destined for Kuala Lumpur, Malaysia. These indications raised a red flag for Customs. The shipment, consisting of eight parcels, was located and isolated, further to which one of the Customs detector dogs intercepted one of the consignment. Customs officers then proceeded to a physical inspection of the shipment, finding six boxes containing traditional material that concealed 32 pieces of rhino horns protected with bubble wrap.

The species was identified as Southern Square-lipped Rhinoceros, also known as the Southern White Rhinoceros (*Ceratotherium simum simum*), which is protected under Annexes I and II of the CITES Convention.

The South African Police Services’ Directorate for Priority Crime Investigations (HAWKS) was alerted and a criminal case was registered with the South African Police Service (SAPS) for further investigation.

South African Customs had made four other seizures of rhino horn at the same airport over the past year alone, and all bound for Malaysia. In previous shipments the horns were concealed among coffee beans – which helps dissimulate the smell – art pieces and print cartridges.

Rhino horn trade has been banned since 1977, yet they remain highly sought after in Asia, especially in Viet Nam, Malaysia, and China. They are used in traditional medicine, despite a large consensus on the lack of medicinal properties. Decorative objects made of rhino horn, such as libation cups, are also a status symbol.

- Sources:
- CEN database
 - <https://www.news24.com/fin24/economy/south-africa/160kg-of-rhino-horn-seized-at-or-tambo-airport-20210717>
 - <https://cites.org/sites/default/files/eng/com/sc/61/E61-45-02.pdf>

Case study 2.

TEAK WOOD SEIZED BY MYANMAR CUSTOMS



On 17 July 2021, Myanmar Customs seized several containers containing 28 tonnes of teak wood at Yangon's Asia World Seaport. The seizure was the result of an investigation based on intelligence conducted by the Investigation and Anti-Illicit Trade Division. The port's Customs officers seized several containers declared as transporting 25 tonnes of vegetables (green mung beans). The shipment was expedited by a Burmese company and destined for Shanghe, China, via commercial vessel.

Three days later, on 20 July 2021, Myanmar Customs seized additional containers transporting 23.5 tonnes of teak, following the same modus operandi. The vessel was to transit via Singapore before reaching Shanghe.

These seizures were made during Operation Mekong Dragon III, led by INTERPOL and supported by the WCO RILO AP. Although teak is not listed in the CITES Annexes, it is a type of hardwood highly sought after, especially for floors and furniture, and its trade must therefore comply with strict regulations. Myanmar authorities regularly seize illegal timber, and in colossal amounts: authorities have reported the seizure of 614.5 tonnes, made between 28 December 2020 and 3 January 2021, and over 510 tonnes seized between 30 August and 3 October 2021.

Throughout 2020 and 2021, in the midst of the COVID pandemic, many countries have witnessed a rise in illegal logging activities during lockdown periods, especially as law enforcement capacities were limited and reallocated to other priority areas.

Sources:

- CEN database
- http://www.xinhuanet.com/english/asiapacific/2021-10/06/c_1310228748.htm
- <https://www.thestar.com.my/aseanplus/aseanplus-news/2021/01/09/myanmar-illegal-logging-on-the-rise-as-over-600-of-illegal-timbers-seized-covid-19-cases-nearing-130000>

Courtesy:
Myanmar
Customs.



Case study 3.

NIGERIA CUSTOMS SERVICE'S EFFORTS TO COMBAT ILLEGAL WILDLIFE TRADE IN 2021

The dynamism of illegal wildlife trade in recent years, and the fact that Nigeria has often featured in seizure reports as a transit hub to Asian countries, places a great burden on Nigeria Customs Service (NCS).

Acknowledging this fact, as well as the environmental, economic and security implications of illegal wildlife trade, Nigeria has benefited from the support of the WCO's project GAPIN, INAMA and its RILO network. As such, NCS is not deterred by the increase in seizure reports at international level, and relies on the support of the WCO as well as regional and international allies to re-strategize and redefine response mechanisms.

In 2021, NCS shifted its attention to capacity building, risk profiling, intelligence-led enforcement operations and stakeholder cooperation, particularly in the area of information and intelligence sharing as recommended in the INAMA diagnostic report. NCS also leveraged the expertise and resources from NGOs such as Wildlife Justice Commission, particularly in areas of intelligence gathering – at both local and international levels – and actionable intelligence dissemination, which was promptly followed by surveillance and enforcement from the NCS team.

As a result, NCS made three major seizures of illegal wildlife products, followed by the arrest of six suspects, between January and September 2021. At the time of writing this report, the suspects are being prosecuted in court, awaiting conviction. In addition, for the very first time in the history of NCS, crime scene evidence is used to support prosecution: phones and DNA of the commodity seized were analysed to provide adequate evidence for prosecution. Seizures included:

1. On 20 January 2021 at Apapa seaport, NCS seized a shipment destined for Da Nang Port, Vietnam, based on risk profiling. Upon physical inspection, officers uncovered:
 - 5,329 kilogrammes of pangolin scales,
 - 4,752 kilogrammes of elephant tusks (whole and cut),
 - 103 kilogrammes of dried animal bones suspected to be wild cats,



- one rhino horn weighing 5 kilogrammes,
 - 63 pieces of semi-processed wood and 13 pieces of processed wood.
- Following this seizure, a Nigerian suspect was arrested.

2. On 28 July 2021 in Lekki, Lagos, based on intelligence received and international cooperation, NCS seized 7,167.99 kilogrammes of pangolin scales, 888,49 kilogrammes of elephant ivory and 4.6 kilogrammes of pangolin claws. The shipment was destined for Vietnam. Following the seizure, three suspects were arrested, two foreigners and one Nigerian national.

3. On 13 September 2021, in Ikeja, Lagos, based on intelligence received and international cooperation, NCS seized 1,009.51 kilogrammes of pangolin scales and 5 kilogrammes of pangolin claws. The shipment was destined for Vietnam. Following the seizure, two suspects were arrested, one foreigner and one Nigerian national.

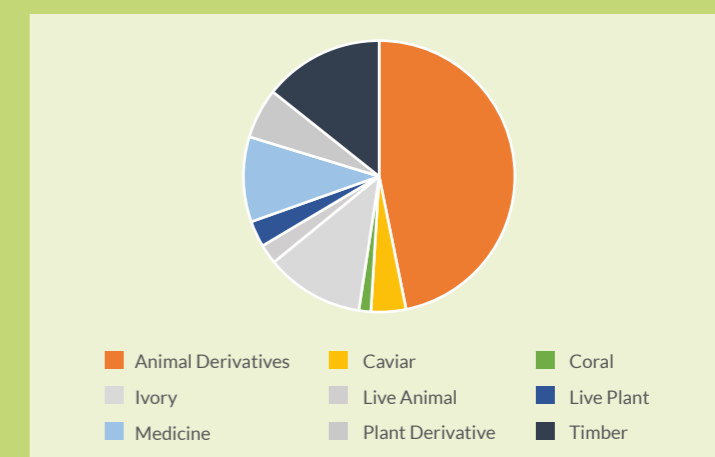


Courtesy: Nigerian Customs.

Case study 4. OVERVIEW OF UK BORDER FORCE'S CITES SEIZURES IN 2021

2021 continued to be a difficult year for enforcement authorities due to pandemic-related travelling restrictions placed on air passengers, although the volumes of goods across all modes of transportation was almost back to pre-pandemic levels by the end of the year. The Border Force CITES team based at Heathrow Airport, London, coordinates the department's response to illegal wildlife trade. Enforcement measures resulted in 717 seizures of fauna and flora products in 2021.

Category Breakdown of UK CITES Seizures for 2021



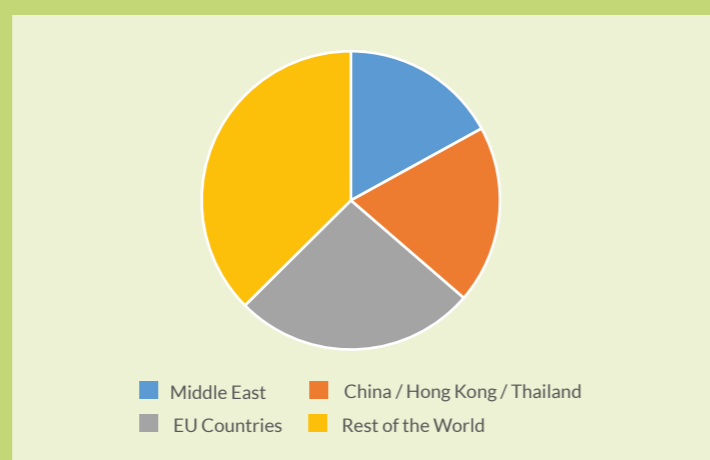
CITES awareness training was provided to 1,500 officers prior to Great Britain leaving the EU on 31 December 2020. CITES import and export permits are now required for the movement of CITES specimens between Great Britain and EU Member States, including Northern Ireland. Prior to EU Exit no licences were required for such movements. Leaving the EU required a new set of risk profiles to be drafted to take account of the new CITES licencing requirements. These profiles resulted in 145 seizures being made from EU Member States, amounting to 20% of the total annual figure. Many of the seizures involved commercial movements of small leather items made from python (*Pythonidae spp*), crocodile (*Crocodylidae spp*) or peccary (*Pecari tajacu*) skin, predominantly imported via air courier, and the main reason for seizure being the lack of UK CITES import permits.

Main Export Countries for UK CITES Seizures for 2021



Targeting exercises to assist risk profile development have been undertaken during 2021, focussing on unlicensed shipments of agarwood chips (*Aquilaria spp*) across multiple transport modes from the Arabian Gulf region, which resulted in almost 50 seizures. This work is continuing into 2022. Risk testing on mail consignments from South East Asia prior to Operation Thunder 2021 indicated a clear and present risk of unlicensed CITES derivative products being imported. This was addressed during Operation Thunder 2021 and resulted in approximately 100 seizures involving live orchid plants, health supplements containing CITES listed derivatives and small leather items. In addition, narcotics, prescription medicines, indecent and obscene material, counterfeit goods, and undeclared cigarettes were also detected.

Regions of Exports for UK CITES Seizures 2021 (Main Locations)



With demand ranging from pet trade to pharmaceutical products, the trafficking of wildlife over the internet and social media platforms is growing. In response, more and more law enforcement administrations are setting up dedicated cyber-enabled wildlife crime units. However, the detection of such crimes remains challenging, especially as vendors have adopted the use of code words to disguise the real nature of illicit items they are selling.

Customs efforts in 2020 and 2021 were undeniably impacted by measures implemented across the world to mitigate the COVID-19 pandemic. As was the case for many other sector, wildlife trade shifted online, even more so than in previous years, yet the supply chain slowed down due to logistical hurdles worldwide. As a result, Customs may have carried out less seizures compared to previous years.

The WCO continues to encourage its Members to share quality data on seizures, in order to provide an accurate picture of current illegal wildlife and timber trade trends. This data will enable to issue relevant policies, refine risk profiles and focus Customs efforts where pertinent. For example, the shift of illegal wildlife trade to online platforms should prompt law enforcement efforts to focus on e-commerce.

2. Substances controlled under the Montreal Protocol

Customs can greatly contribute to preventing and fighting illegal trade in substances controlled under the Montreal Protocol, including ozone depleting substances (ODS) such as hydrochlorofluorocarbons (HCFCs) and substances that highly contribute to global warming, notably hydrofluorocarbons (HFCs). Both HCFCs and HFCs are used in a wide range of industrial and consumer applications, mainly in refrigerators, air conditioners and fire extinguishers. Due to the impact these substances have on the environment they are either being phased out or phased down.

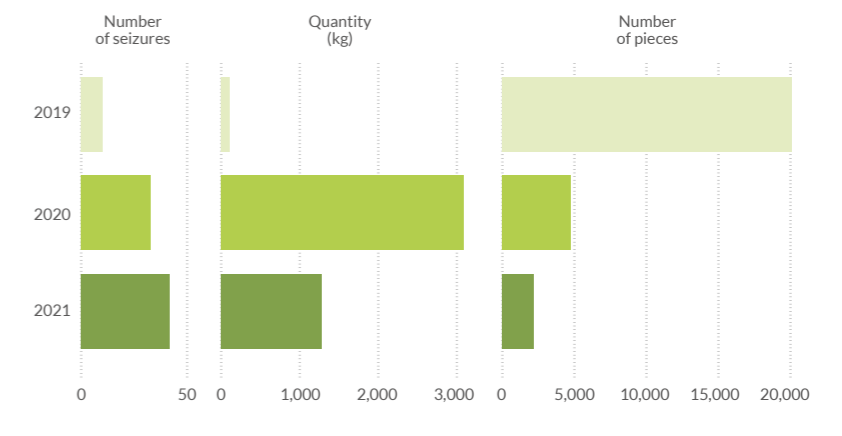
HCFCs are subject to phase-out schedules that entail a gradual reduction of production and consumption of HCFCs until complete phase-out. For developed countries, the complete phase-out deadline was 2020, whereas developing countries have it until 2030, with a margin of 2.5% allowed until 2040.

The Kigali Amendment, which entered into force on 1 January 2019, added HFCs to the list of substances controlled by the Montreal Protocol. Implementing the Kigali Amendment can avoid up to 0.4 °C of global warming by the end of this century. It will contribute to the Paris Agreement's goals which aims to limit global warming to 2 °C by 2100. According to the HFC phase-down schedules, developed countries should phase down their production and imports of HFCs by 85% between 2019 and 2036, while developing countries should phase down HFCs by 80% between 2029 and 2045. Some developing countries will achieve a final reduction of 85% by 2047. Some Parties to the Montreal Protocol started their gradual reduction of HFCs ahead of the phase-down schedules. The earliest steps were made by the EU, which introduced its first reduction step in 2015 and the second in 2018. The reduction of 2018 triggered illegal trade, as evidenced by a number of successful enforcement measures taken by EU Customs administrations.



Figure 12 shows the number and the quantity of ODS seizures as reported in the WCO Survey.

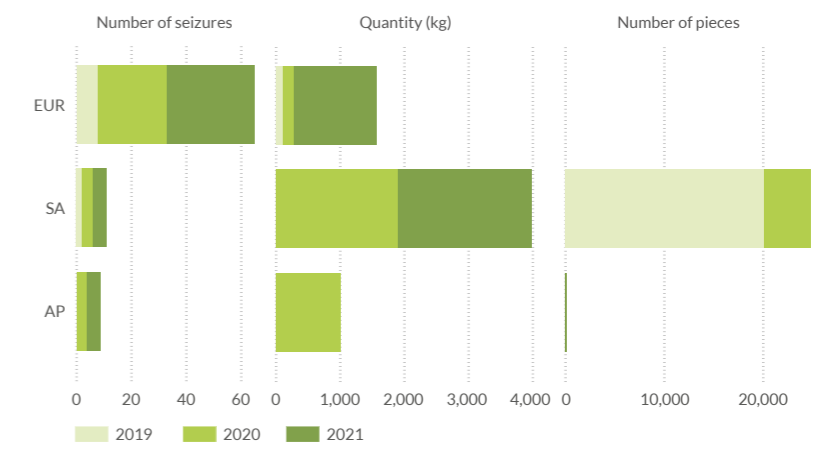
Figure 12: Number of ODS and HFC seizures and quantity seized, 2020-2021 (WCO Survey)



In the WCO Survey for 2019-2021³, 11 Members reported 85 seizures of ODS and 15 Members reported 813 HFCs seizures.

The largest number of ODS seizures was reported in 2021 (42 seizures amounting to 1,284 kilogrammes and 2,195 pieces of products or equipment containing or relying on ODS and involving quantity of refrigerants⁴) followed by 2020 (33 cases amounting to 3,082 kilogrammes and 4,739 pieces), and 2019 (10 cases amounting to 108 kilogrammes and 20,130 pieces).

Figure 13: Number of ODS seizures and quantity seized, 2020-2021 (WCO Survey)

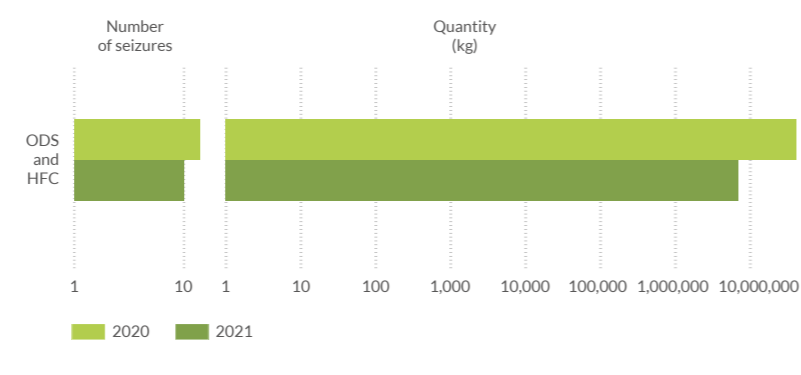


In 2019-2021, as shown in figure 13, Europe reported the largest number of ODS seizures (65 seizures), however the largest amounts were seized in South America (1,910 kilogrammes and 26,956 pieces).

The different phase-out/phase-down schedules for controlled substances stimulate the illegal trade of already banned, restricted or expensive chemicals, especially between neighbouring countries where these substances are available for use and less expensive in one but not in the other.

For the period 2020-2021, CEN cases do not show any significant evidence of illegal trade in substances controlled under the Montreal Protocol. In 2020-2021, three cases were recorded involving 27,081 kilogrammes of HFCs. Additionally, 12 seizures of substances controlled under the Montreal Protocol were recorded during Operation DEMETER VI (2020), amounting to 42 tonnes, of which 75% were HFCs.

Figure 11: Number of ODS and HFC seizures and quantity seized (in kilogrammes), 2020-2021



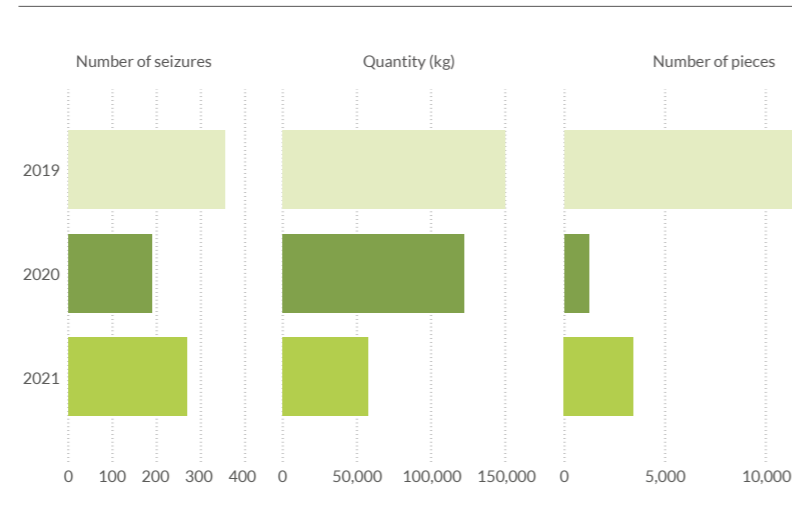
In 2021, nine seizures of substances controlled under the Montreal Protocol were recorded during Operation DEMETER VII, amounting to almost seven tonnes, of which 92% were ODS (figure 11).

³ 3 Members who responded in regard to substances controlled under Montreal Protocol include Argentina, Australia, Belgium, Bulgaria, Chile, Colombia, Costa Rica, Croatia, Cyprus, Czech Republic, Greece, Ireland, Latvia, Lithuania, Macau (China), Mauritius, Moldova, New Zealand, North Macedonia, Norway, the Philippines, Poland, Saudi Arabia, Slovenia, Slovakia, Spain, Thailand, and Zambia.

⁴ Refers to all pieces of products and equipment containing or relying on ODS.



Figure 14: Number of HFC seizures and quantity seized, 2019-2021 (WCO Survey)

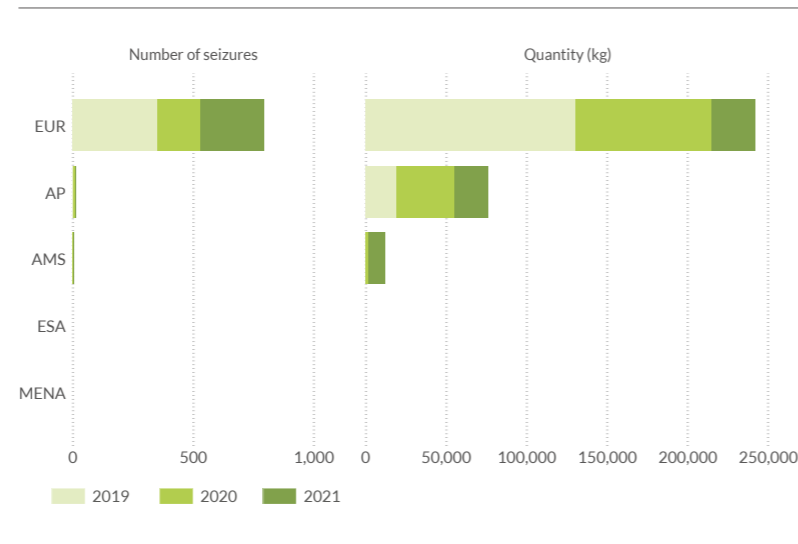


Members also reported illegal trade in HFCs in 2019-2021 (figure 14), involving 813 seizures totalling 329,861 kilogrammes of HFCs and 16,031 pieces of items containing or relying on HFCs.

The largest number of seizures and intercepted quantities of illegal HFCs were carried out in 2019 (355 seizures amounting to 149,919 kilogrammes). There were more seizures reported for 2021 (269) than 2020 (189), yet larger amounts of HFCs were seized in 2020 (122,536 kilogrammes) than in 2021 (57,919 kilogrammes).

The largest number of HFC seizures (796 seizures, representing 98% of all reported seizures) as well as the largest quantities (73% of total volume) of HFCs were seized in Europe.

Figure 15: Number of HFC seizures and quantity seized by region (in kilogrammes) seized, 2019-2021 (WCO Survey)



The data confirms that illegal trade in the EU grew after the EU introduced steps in 2018 to significantly reduce the import and consumption of HFCs. Findings of the UNEP OzonAction Global Montreal Protocol Award for Customs and Enforcement Officers⁵ also confirm that several EU Customs administrations carried out successful enforcement actions related to illegal trade in HFCs in 2018. Infringements involved abuse of quota, smuggling of banned non-refillable cylinders containing HFCs as well as non-compliance with EU labelling requirements for products and equipment containing or relying on HFCs. Furthermore, the European Anti-Fraud Office (OLAF) media coverage highlighting significant seizures effected in Italy, Romania and the Netherlands⁶ confirm that illegal HFCs trade has been a prominent phenomenon in the EU in 2020. HFCs came mainly from China and were destined for Türkiye, to then be transported by road into the EU for internal distribution.

⁵ https://wedocs.unep.org/bitstream/handle/20.500.11822/30375/8097GlobalAward_EN.pdf?sequence=1&isAllowed=y

⁶ OLAF press release No. 4/2020 of 11 February 2020 on the seizure in Lombardy, Italy: https://ec.europa.eu/anti-fraud/media-corner/news/11-02-2020/125-tonnes-illegally-imported-refrigerant-gases-seized-olafs-help_en
 OLAF press release No. 20/2020 of 3 July February 2020 on the seizure in Rotterdam, Netherlands: https://ec.europa.eu/anti-fraud/media-corner/news/03-07-2020/14-tonnes-illicit-climate-damaging-gases-seized-thanks-olaf_en
 OLAF press release No. 23/2020 of 5 August 2020 on seizures in Romania: https://ec.europa.eu/anti-fraud/media-corner/news/05-08-2020/76-tonnes-illicit-refrigerant-gases-detained-romania-thanks-olaf_en
 OLAF press release No. 27/2020 of 24 September 2020 on the seizure in Livorno, Italy: https://ec.europa.eu/anti-fraud/media-corner/news/24-09-2020/olaf-helps-italian-authorities-seize-37-tonnes-illicit-refrigerant_en

Fifty eight per cent of Members who replied to the WCO Survey regarding substances controlled under the Montreal Protocol considered the control of these substances as a high or essential priority. Almost as many Members stated that the COVID-19 pandemic had an impact on trade in ODS/HFCs, as those that stated that they did not see such a link. However, the ones who did see the link indicated that lower trade volumes and passenger traffic contributed to a decrease of cases of HFCs smuggling. EU countries consistently indicated China and Türkiye as the routing related to major risks of HFCs trafficking. EU countries bordering countries where restrictions on HFCs have different phase-down schedules confirmed that illicit trade is caused by difference in prices, and to a large extent concerns smuggling by passengers who do not declare the goods to Customs. In some cases the substances are transported among declared goods.

The smuggling of non-refillable cylinders – which have been banned in the EU since 2007 – has been a component of the illegal HFC trade in the EU. Another risk related to illegal HFCs trade concerns the transportation of illegal HFCs to Western European countries transiting through Eastern European countries. Multiple changes in Customs offices of destination during transit and/or re-export, with the aim of starting a new transit procedure into the EU, is a major red flag. The lack of quota is also of concern in such cases. One country reported that illegal HFCs trade has become a priority, which lead to an increase in the number of irregularities detected. Another EU country pointed out that the lack of data on the illicit trade is due to the fact that this topic has become a focus area only in 2021.

The Survey did not provide any information on types of infringements, yet the illegal transboundary trade in substances controlled under the Montreal Protocol, as corroborated by Parties to the Montreal Protocol in their reports to the Ozone Secretariat⁷, generally involve:

- trading with abuse of the licensing system;
- smuggling of controlled substances;
- trading of banned products and/or equipment (e.g. non-refillable cylinders containing substances controlled under the Montreal Protocol).

⁷ Information on illegal trade reported by the parties | Ozone Secretariat (unep.org)

Banning the import and use of non-refillable or disposable cylinders prevents emissions and illegal trade. Some countries (e.g. EU countries) have banned from the market non-refillable cylinders to prevent uncontrolled emissions of controlled substances as well as increased volumes of waste (due to the disposable nature of these cylinders which end up as scrap material, in landfills or dumping sites). Even after use, these cylinders usually still contain some amount of refrigerant which is then released into the atmosphere. Furthermore, disposable cylinders require a take-back and refill scheme which helps to monitor the movements and use of ODS/HFCs in the country and makes smuggling refillable cylinders more difficult.

Non-refillable cylinders containing HFCs banned in the EU. Courtesy: Polish Customs.



Non-compliance with other requirements, such as labelling requirements

Although not required by the Montreal Protocol, certain Parties have introduced labelling requirements for products and equipment containing or relying on controlled substances. For enforcement purposes, the main advantage of labelling controlled substances is to enable quick identification of the substance. If legislations provides for it, it may also enable the identification of the producer and country of origin, which can be very useful in assessing the risk of illegal trade. Therefore, the design of the label of controlled substances is also an important element of the legislation aimed at the phase-out and phase-down of controlled substances and is often part of the Customs enforcement measures.

Unlabelled cylinder containing HFCs. Courtesy: Polish Customs.



Based on the Survey's data regarding substances controlled under the Montreal Protocol, in comparison with 2019, the number of ODS seizures increased by 230% in 2020 and 320% in 2021, while there was a 47% decrease in the number of illicit HFCs trade cases in 2020 and a 24% decrease in 2021. The prominent increase in the number of ODS seizures should entail greater Customs enforcement efforts. Likewise, despite the decrease, illegal trade in HFCs subject to phase-down measures may continue and be intensified, with further phase-down steps to be applicable at different stages in different countries worldwide.

Of all MEAs and environmentally sensitive commodities, the WCO Survey indicates a very high recognition of the Montreal Protocol's requirements. 58% of Members who responded to the Survey in regard to ODS and HFCs rated these commodities as high or essential priority, which was higher than the priority given to CITES (38%) or waste (35%). This may indicate that substances controlled under the Montreal Protocol are and will be a focus area for Customs, which is highly recommended given the reasons behind controlling these substances.

3. Waste

The lack of proper management of hazardous and other wastes threatens the environment and people when waste shipped across borders is not properly controlled and sustainably managed in destination countries. Bypassing the existing rules on transboundary movements of waste is an environmental crime. However, waste can also be a valuable resource and have a positive economic value. International trade in waste has increased considerably and markets for some waste streams (e.g. metal, paper, plastic and scrap) have become more and more globalized in the last decades.

Depending on the type of waste, its hazardous characteristics, its origin and destination and the intended treatment, certain requirements and procedures can be imposed to regulate the transboundary movements of those wastes. Accordingly, both enforcement of waste-related legislation as well as facilitation of trade in waste are necessary. Other circular economy policies and incentives may further impact the waste trade, for example by setting new standards for product design, re-use or repair, secondary materials and recycling operations. In some cases transboundary movements of wastes may be further regulated, restricted, prohibited or become economically non-profitable.

Regardless, Customs play and will play a vital role in ensuring that transboundary movements of hazardous and non-hazardous waste take place according to the rules of the Basel Convention, regional agreements and national legislation, by identifying and stopping shipments suspected of non-compliance, as well as facilitating legal shipments.

Under the Basel Convention, illegal traffic is defined as a transboundary movement of hazardous wastes:

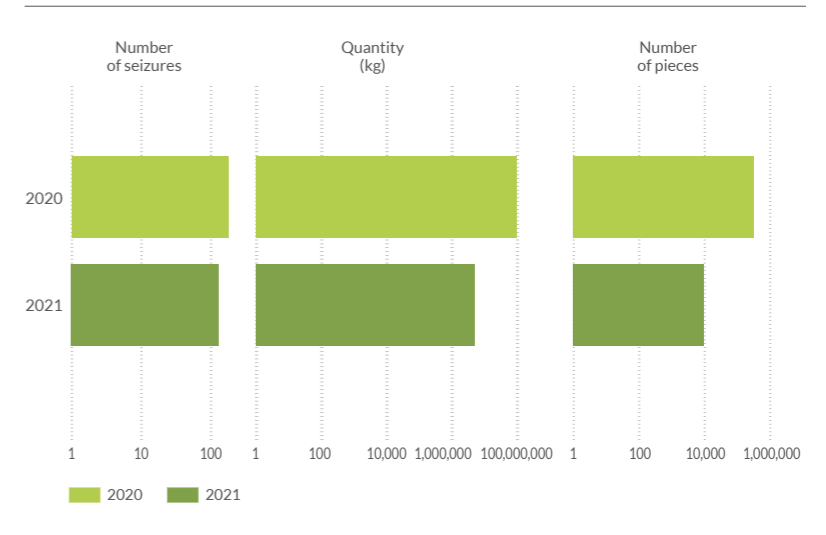
- without notification pursuant to the provisions of the Convention to all States concerned;
- without the consent of a State concerned;
- through consent obtained by falsification, misrepresentation or fraud;

Waste data for 2020-2021 (figure 16) involved 308 seizures, amounting to 105,238,121 kilogrammes and 327,851 pieces of waste (100,277,809 kilogrammes and 317,999 pieces in 2020 and 4,960,312 kilogrammes and 9,852 pieces in 2021).

- that does not conform in a material way with the documents; or
- that results in deliberate disposal (e.g. dumping) of hazardous wastes in contravention of the Convention and of general principles of international law.

However, Parties to the Convention may consider certain waste hazardous and thus prohibited under their national legislation. The data provided by Members in CEN and in the WCO Survey may contain information on infringements detected by Customs in regard to the Basel Convention or their national legislation.

Figure 16: Number of waste seizures and quantity seized, 2020-2021



The data includes seizures reported by Members who participated in WCO Operations DEMETER VI (2020) and DEMETER VII (2021), providing data on 231 shipments which involved over 103,023,735 kilogrammes of wastes (99,000,000 kg in 2020 and 4,023,735 kg in 2021).

The number of seizures decreased by 27% from 2020 to 2021, with a massive decrease both in quantities expressed in kilogrammes (99.9%) and in number of pieces (97%). These results are due to very large seizures made during Operation DEMETER VI (2020). The seizure data provided for Operations DEMETER VI and DEMETER VII will be analysed separately later in the chapter.

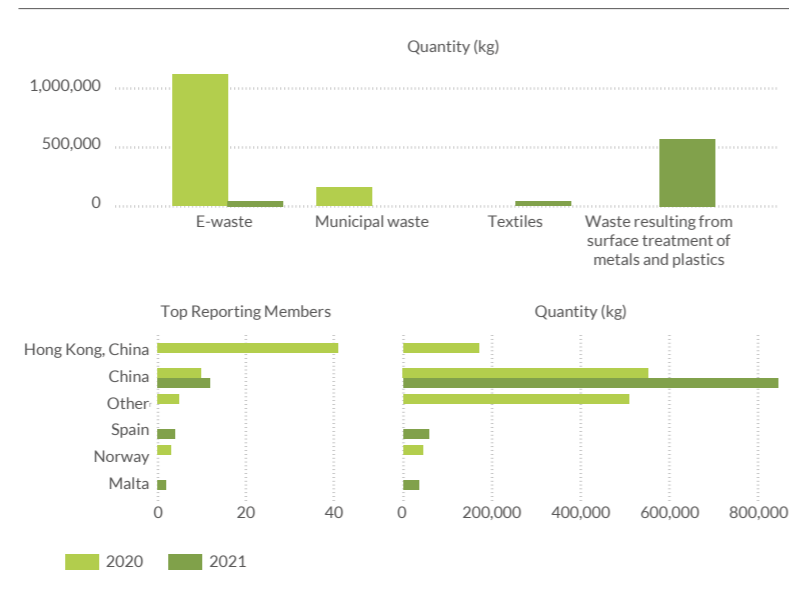
Figure 17 shows that in 2020, 59 seizures of 1,277,809 kilogrammes and 239,499 pieces of waste were reported, while in 2021, 18 seizures totalling 936,577 kilogrammes and 2,958 pieces of waste were reported.

Figure 17: Number of waste seizures and quantity seized by Customs procedure, 2020-2021



The data shows a 70% decrease from one year to the next in terms of numbers of seizures, but only a 27% decrease in the quantity of reported waste seized. In 2020, almost 60% of waste was seized at import, and in 2021 import controls led to the detection of 90% of waste seized.

Figure 18: Quantity of waste seized by category, 2020-2021



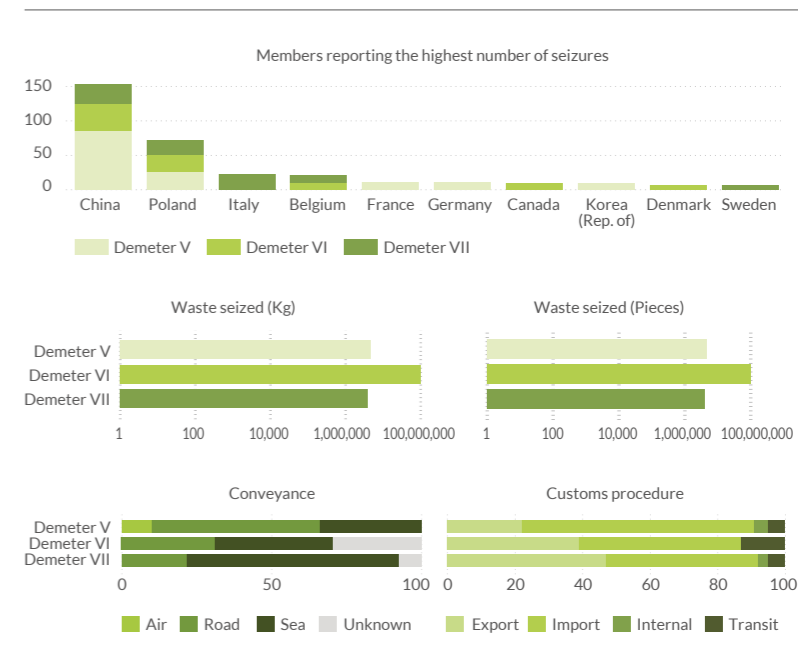
China was the top reporting Member as well as the main destination country in both 2020 and 2021. Overall, developed countries accounted for the main departure countries, including the United States, Canada, and various EU countries.

8 Electronic and electrical waste

The DEMETER operations enforced in 2019, 2020 and 2021 have been summarized in Figure 19. The data resulting from these operations are analysed separately as they do not necessarily reflect the data Members report throughout the rest of the year.

The various WCO DEMETER operations⁹, with the first one dating back to 2009, have become synonymous with global Customs enforcement efforts aiming at enforcing provisions related to transboundary movements of waste and, since 2019, substances controlled under the Montreal Protocol.

Figure 19: Overview of DEMETER operations, 2019-2021



The number of participating Members slightly dropped in 2020, however Operation DEMETER VII (2021) recorded the highest number of participants in a DEMETER operation, with 87 WCO Members. Over the years, a rising number of seizure cases have been detected at export; between 2019 and 2021 this number increased by 113%. In terms of conveyance, illegal waste is mainly shipped by sea and road transport, with sea transport becoming more prominent in 2021. The number of reported seizures dropped by 44% between 2019 and 2021 (with a significant decrease of 41% between 2019 and 2020 and only a 6% decrease between 2020 and 2019). In terms of quantity of wastes seized, the results for the years 2019 and 2021 are comparable. However 2020 seizures were exceptionally high, amounting to 99,000 tonnes, due to 40 large seizures made by China. Over 2020 and 2021, the main commodity detected during DEMETER operations was metal waste, while in 2019 e-waste predominated. In terms of routings, major departure locations involved developed countries (Canada, Belgium, Germany and Poland). China and Poland were the main destination countries for the past three DEMETER operations. China, Poland and Belgium reported the highest number of seizures over the past three DEMETER operations.

⁹ <http://www.wcoomd.org/en/topics/enforcement-and-compliance/activities-and-programmes/environment-programme.aspx>

Case study 5.

ITALIAN CUSTOMS TACKLED ILLICIT WASTE, ODS AND HFC TRAFFICKING DURING OPERATION DEMETER VII

Italy's Guardia di Finanza participated in Operation DEMETER VII (2021). As part of the Operation, in collaboration with the Customs and Monopolies Agency, the Corp intensified its controls on shipments of waste, incorrectly classified or in storage conditions that did not comply with regulations. These efforts resulted in significant seizures:

- Upon arrival in the port of Palermo of a motor ship coming from Tunisia, Customs controlled the vehicle of a Tunisian citizen and found a non-refillable cylinder containing 13.6 kilogrammes of refrigerant gas chlorodifluoromethane (F-Gas type R22). The control resulted in a complaint of a subject to the Judicial Authority and the seizure of the goods.
- In a Customs warehouse in Vado Ligure, during the examination of a container intended for export to Cameroon, Customs found undeclared used goods, without traceability or sales documentation. Customs classified the goods as special and dangerous waste. The check resulted in a complaint of a subject to the Judicial Authority. Eight tonnes (63 pieces) of e-waste were seized, consisting of various home appliances (printers, refrigerators, televisions, etc.).
- In a Customs warehouse in Vado Ligure, during the examination of a container intended for export to Egypt, Customs found undeclared used goods without traceability or sales documentation. Customs classified the goods as special and



Courtesy: Italian Guardia di Finanza.

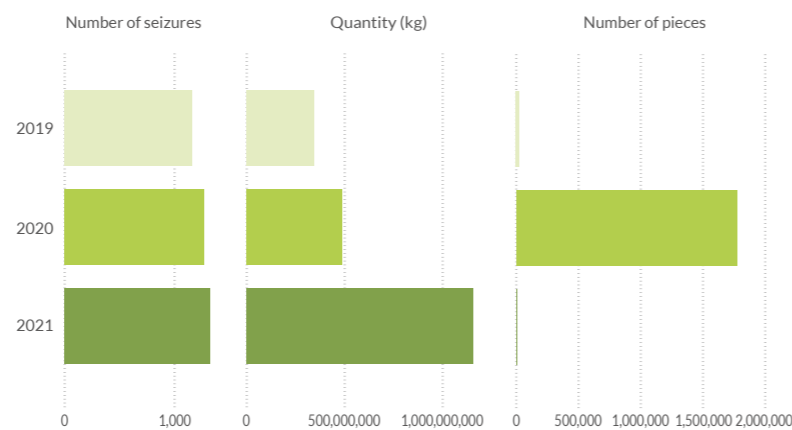
dangerous waste. The check resulted in a complaint of a subject to the Judicial Authority. 19.43 tonnes (387 pieces) of waste were seized, consisting mostly of car parts.

- In the port of Brindisi, Customs controlled a van coming from Albania. During inspection of the vehicle, officers found discrepancies between the documents provided, which certified some of the engines transported, and the actual items. This resulted in a complaint of two subjects to the Judicial Authority. Customs seized the van and the undeclared waste, consisting of 47 car parts.
- In the port of Ravenna, following a request for exportation of goods destined for Pakistan, Customs controlled five containers declaring 193 packages of "rubber scraps and scraps - used rubber tire scrap", for a total weight of 141,500 kilogrammes. In order to verify the existence of the conditions for exporting goods to non-EU countries, the Guardia di Finanza consulted OLAF, which reported that the recipient company did not have the authorization to import waste into Pakistan and, consequently, the Italian exporting company did not have the certification required for export purposes.

In addition to CEN data, seizure data for the period 2019-2021 was also reported via the WCO Survey.¹⁰ Forty-one per cent of Members who responded to the Survey reported waste seizures. Among the Members who responded to the waste-related questions, just as many recognised an impact of the COVID-19 pandemic on the number of seizures made (41%) as the ones who did not (41%). Members who saw the link noticed lower trade volumes, which brought about fewer Customs controls and fewer detections of irregularities. However, some Members consider that once the supply chain distortions are over, new trends in waste trafficking also relating to new product sectors will emerge, such as healthcare waste.

Twenty-seven per cent of Members noted a decrease in the number of waste seizures, while 18% reported an increase in the number of seizures, which relates to higher level of controls and taking part in joint international enforcement operations. For example, during the 2021 Interpol Operation 30 Days at Sea¹¹, Latvian Customs reported (in the WCO Survey) on cooperation with the State Environmental Service and carrying out enhanced controls of maritime transportation of plastic waste, rubber waster, e-waste, used tyres and lead batteries. As a result, 29 inconsistencies were detected in accompanying documents, one illegal consignment was detected, and two administrative offence proceedings were initiated.

Figure 20: Number of waste seizures and quantity seized, 2019-2020 (WCO Survey)



Based on the Survey and as reflected in figure 20, the number of seizures reported in 2019, 2020, and 2021 do not differ significantly¹². However, in terms of the quantity of waste seized, there was a 236 % increase between 2019 and 2021.

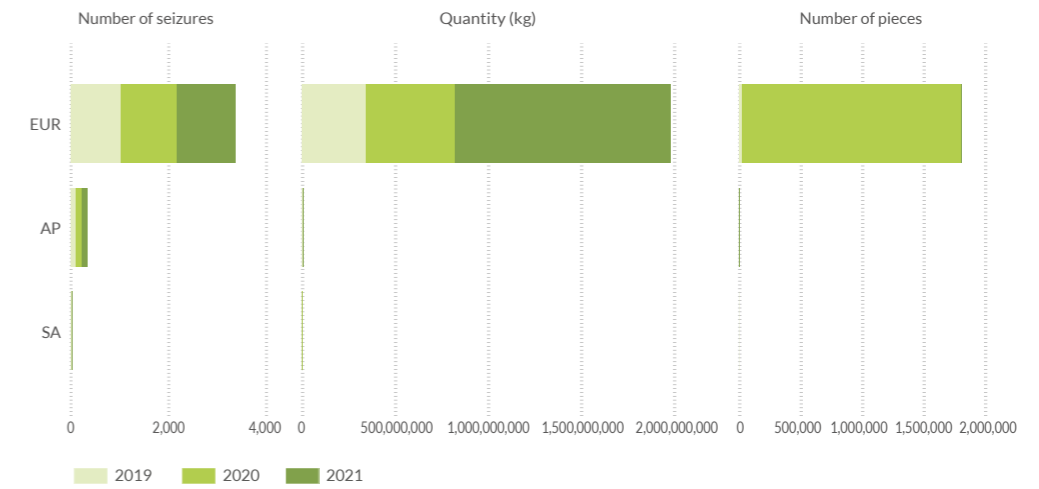
¹⁰ Argentina, Belgium, Bulgaria, Chile, Costa Rica, Croatia, Cyprus, Czech Republic, Germany, Greece, Hong Kong (China), Ireland, Italy, Kosovo, Latvia, Lithuania, Macau (China), Madagascar, Mauritius, Moldova, New Zealand, North Macedonia, Norway, Philippines, Poland, Saudi Arabia, Serbia, Slovakia, Slovenia, Spain, Sweden, Thailand, Union of Myanmar, and Zambia.

¹¹ <https://www.interpol.int/en/News-and-Events/News/2021/Operation-30-Days-at-Sea-3.0-reveals-1-600-marine-pollution-offences-worldwide>

¹² The data provided in the WCO ITR Member Survey differs from CEN data because the data was reported by a different set of Members.

The highest number of seizures was reported by Europe (90%), followed by Asia-Pacific (9%) and South America (0.6%). Likewise, the largest amount of waste seized was reported by Europe (99.7%).

Figure 21: Number of waste seizures and quantity seized by region, 2019-2021 (WCO Survey)



Of the total number of seizures, EU Members seized 75% of the reported cases and 99.7 % of the quantity of waste seized over the period 2020-2021. In terms of the quantity reported for 2019-2021, EU Members seized 60% of the total reported quantity in 2021. The quantity of waste seized between 2019 and 2021 increased by 239%.

In the WCO Survey, Customs administrations noted the following infringements as the main types of irregularities encountered: misdeclaration, misdescription (e.g. “brand new” or “refurbished goods”), declaration as non-hazardous material, lack of proper labelling, and tampered documents (Safety Data Sheets not indicating hazardous chemical components).

Furthermore, EU Members noticed a risk linked to internal movements of waste within the EU, involving vehicles (including damaged vehicles, used parts and tires, and car catalysts), mixed waste, municipal waste, construction waste, plastic waste, paper waste, rubber waste, metal scrap, used cooling aggregates, e-waste (including electronic scrap, used computers, batteries and accumulators), wood waste, alternative fuel, tobacco waste, slags and ashes, chemical waste, used vegetable oil, and soil and stone waste. Changes in legislations related to plastic waste can also create risks of fraud.



Other trends identified by EU Members involved:

- attempts to send banned waste through another EU Member State;
- exports of waste towards new destinations;
- countries with poorly developed environmental legislation or waste disposal in transit countries (notably by sea transport);
- misdeclaration of waste shipments, incorrect classification of hazardous waste as non-hazardous waste (especially crushed plastics of various types mixed with other additives originating from municipal waste);
- waste for which disposal requires written notification or consent being declared as green waste or raw material;
- declaring used cars – considered as hazardous waste – as spare parts;
- waste shipments that do not match the information provided in the accompanying documents (e.g. the waste does not arrive at a waste facility but at another location instead, such as a landfill).

Global changes in waste management and recycling policies have had an impact on the global waste trade, such as the rerouting of certain waste streams to alternative destinations. This has brought to light illegal practices, such as shipping waste to countries that did not allow their import, or that do not have the capacities to treat the waste in an environmentally sound manner.

Outbound shipments of plastic waste originally destined for mainland China have been diverted to other destinations in Southeast Asia (Indonesia, Malaysia, Hong Kong, India, Laos, etc.). Also, the road networks and border crossing points have seen an increase in cross-border shipments from Western European countries to Western Balkan countries and Türkiye.

Waste streams of major international concern

Multilateral measures such as the Basel Convention, or unilateral measures such as Chinese import restrictions on plastics, unsorted paper and other waste imposed since 2017 and 2018, create a risk of diversion of certain waste to countries with relatively weak standards of waste management, governance or enforcement. In recent years, plastic waste and e-waste have attracted greater attention, especially in regard to their large volumes and the environmental crisis brought about by their illegal shipments from developed countries to Africa and South East Asia.

E-waste

According to the UN's Global E-waste Monitor 2020, a record 53.6 million metric tonnes (Mt) of e-waste was generated worldwide in 2019, up 21% in just five years. The report predicts global e-waste will reach 74 Mt by 2030, making e-waste the world's fastest-growing domestic waste stream, fueled by ever higher consumption rates of electric and electronic equipment, short life cycles, and lack of repair options. Only 17.4% of e-waste discarded in 2019 was collected and recycled, meaning that high-value recoverable materials (e.g. gold, silver, copper, platinum) conservatively valued at US \$57 billion, were mostly dumped or burned instead of being collected for treatment and reuse¹³.

Under the Basel Convention, e-waste presumed to be hazardous are listed in Annex VIII, which includes e-waste containing certain hazardous substances (listed in Annex I to the Convention) such as mercury and cadmium, as well as mixed batteries and cathode ray tube glass. E-waste presumed to be non-hazardous are listed in Annex IX. These include printed circuit boards without accumulators and waste not contaminated with Annex I constituents. Parties to the Convention may define stricter requirements for waste they consider to be hazardous on their territory. Hazardous waste or other waste that require special attention must be sent to or through another country that is a Party to the Basel Convention with the application of the Prior-Informed Consent (PIC) Procedure.

In 2019, the Ban Amendment of the Basel Convention entered into force. Consequently, all transboundary movements of hazardous waste covered by the Convention intended for final disposal, reuse, recycling or recovery operations by Parties included in Annex VII¹⁴ to States not included in Annex VII are prohibited. This has impacted the enforcement of transboundary movements of e-waste regulations. For example, under the LIFE SWEAP Project¹⁵, 32,427 inspections were conducted by 28 countries between early 2018 and June 2020¹⁶. Most involved e-waste, plastic, paper and metal waste, car parts and end-of-life vehicles. A total of 2,586 violations were recorded for the period 2018-2020, of which 364 concerned e-waste. The highest increase (650%) of illegal shipments concerned waste batteries.

¹³ <https://ewastemonitor.info/gem-2020/>

¹⁴ Parties and other States which are members of the OECD, EC, Liechtenstein

¹⁵ co-funded by the European Commission's LIFE fund and coordinated by the IMPEL Network

¹⁶ <https://www.sweap.eu/wp-content/uploads/2020/07/SWEAP-inspection-results-2018-2020-updated.pdf>

The information provided to the WCO confirms that Customs are actively involved in the control of e-waste. E-waste was the main commodity seized during Operation DEMETER V (2019). It was also the main waste commodity reported in CEN in 2020, representing 87% of all reported waste seizures.

Plastic waste

Plastic has become an essential commodity on a global scale. On the one hand, widespread practices of dumping or uncontrolled burning of plastic waste are particularly dangerous to the environment, polluting soil, water and air. On the other, plastic waste is a valuable resource. More than half of the plastic waste intended for recycling has been exported to countries all over the world. China was the lead destination for plastic waste up until 2018, when it gradually banned the importation of most plastic waste. This gap in the accessibility to the plastic waste market led to the re-routing of thousands of containers of plastic waste from Europe and North America to other countries in Asia-Pacific, a trend that has posed increased challenges in many Asia-Pacific countries. Customs play an essential role as illegal trade reinforces risks and threats associated with inadequate treatment of plastic waste.

The enforcement of regulations on transboundary movements of plastic waste is part of Customs' response to waste-related legislations. Hazardous plastic waste is subject to the Basel Convention PIC Procedure, meaning that transit and import countries must give their consent prior to the movement of such waste. National regulations can extend the scope of plastic waste commodities that are considered hazardous. Mixed plastic waste is neither hazardous waste nor clean plastic, but requires special consideration and application of the PIC procedure. Clean, recyclable plastic is presumed to be almost contamination-free. The challenge in the enforcement of legislations for this type of waste is to apply the proper Basel Convention mechanisms as well as identifying whether the waste is free from contamination for which national standards may apply. The role of Customs is to apply the relevant procedures in order to prevent illegal trade and facilitate legal trade. The challenges related to this type of waste are common to other wastes, particularly the proper identification of waste.

Until 31 December 2020, plastic waste was considered non-hazardous and the PIC Procedure was not required. This has changed since the entry into force of the Plastic Waste Amendments to the Basel Convention on 1 January 2021. Since then, new categories of hazardous plastic waste and mixed plastic waste require special consideration. As these amendments have not yet been implemented by all Parties to Basel Convention, the impact of the amendments cannot be fully reviewed or analysed.

The scale of illegal trade in plastic waste has not been reflected in the WCO CEN database nor in Operations DEMETER VI and VII results, at least not sufficiently enough to analyse Customs' enforcement response to plastic waste. However, the results of Operation DEMETER VII show that 88% of plastic waste seizures reported during the Operation were destined for Asia-Pacific.

The challenges related to increased numbers of plastic waste shipments to Asia-Pacific and faced by Customs and other law enforcement authorities have also been confirmed by the Customs administrations of Indonesia, the Philippines, Sri Lanka and Vietnam, who participated in the WCO Asia Pacific Plastic Waste (APPW) Project (implemented by the WCO Environment Programme since April 2020¹⁷).

The main findings of the APPW Project confirm that Customs awareness should be raised on the risks and requirements related to plastic waste in order to enhance the implementation and enforcement of existing provisions concerning the transboundary movement and environmentally sound management of plastic waste.

Systematic data collection and analysis help to determine policy, procedural and operational responses. In particular, risk management depends on reliable data on both legal and illegal trade. Furthermore, Customs-to-Customs exchange of information at both regional and international level can help establish patterns of illegal trade. Enhanced interagency cooperation is crucial considering the fragmented competences among different authorities. Finally, capacity building increases the knowledge and skills of Customs officers, which in turn leads to improved understanding of the requirements related to plastic waste.

The WCO Survey provided a number of observations related to Customs enforcement of regulatory measures on plastic waste, in particular the Plastic Waste Amendments to the Basel Convention, from the perspective of departure countries (European countries) and countries affected by the Chinese ban on the import of most types of plastic waste.

Thailand, one of the countries affected by these changes, noticed that following its own ban on importation of plastic scraps since October 2020, a new trend emerged involving imports of plastic scraps into Free Zones to avoid import controls.

European countries noticed that the regulation changes for plastic waste shipments modified the trends of such shipments. Since Chinese ban on importations, there have been more exports of plastic waste to various Asian countries and Türkiye. European countries therefore must control waste declared as non-hazardous and destined for Southeast Asia, as these shipments may be possibly mixed with hazardous waste and thus banned for export from Europe to those countries.

In 2021, enforcement measures had to be updated in order to reflect the change in the legislation related to plastic waste. Poland provided a relevant example in this regard.

¹⁷ <http://www.wcoomd.org/en/topics/enforcement-and-compliance/activities-and-programmes/environment-programme/ap-plastic-waste-project.aspx>

Case study 6.

POLISH CUSTOMS STOPPED 254,419 KILOGRAMMES OF PLASTIC WASTE DESTINED FOR MALAYSIA



Plastic waste
Courtesy: Polish
Customs.

In January 2021, Polish Customs did not allow the export of eight shipments of plastic waste destined for Malaysia, due to lack of compliance with the EU's waste legislation implementing the Basel Convention, specifically the Plastic Waste Amendments. The shipments amounted to 254,419 kilogrammes of plastic waste. Having detected the shipments using risk profiling, Polish Customs refused the export and informed the competent environmental authority to decide on further proceedings.

The amendment to Annex VIII, with the insertion of a new entry A3210, clarifies the scope of plastic wastes presumed to be hazardous and therefore subject to the PIC procedure. The amendment to Annex IX, with a new entry B3011, clarifies the types of plastic waste that are presumed not to be hazardous and, as such, not subject to the PIC procedure. The amendment involving the insertion of a new entry Y48 in Annex II covers plastic waste, including mixtures of such wastes, unless these are hazardous or presumed to not be hazardous. This category of mixed plastic wastes is also subject to the PIC procedure.

Exports from the EU of hazardous plastic waste covered by entry A3210 as well as hazardous plastic waste covered by entry Y48 to countries to which the OECD Decision does not apply are prohibited. Exports of non-hazardous plastic waste covered by entry B3011 to countries to which the OECD Decision does not apply are subject to controls (prohibition, procedure of prior written notification and consent or general information requirements) as communicated by the receiving country to the European Commission.

Sources:

- Polish Customs
- Basel Convention Plastic Waste Amendments: <http://www.basel.int/Implementation/Plasticwaste/PlasticWasteAmendments/Overview/tabid/8426/Default.aspx>

In 2021, OECD exporters of plastic waste primarily shipped to Malaysia, Vietnam, Indonesia, and India¹⁸. The top exporters included Japan, United States, Netherlands, Germany, Australia, Belgium, and United Kingdom. Plastic waste exports, primarily from the United Kingdom and the European Union to Türkiye, remained high in 2021. Plastic waste exports from the United States to South America increased in 2021. This should be taken into consideration in risk assessments and enforcement measures by countries of export and import.

The three WCO sources of information for waste seizures – the CEN database, DEMETER operations' results and the WCO Survey – do not provide consistent data nor the possibility of drawing coherent conclusions related to the scale and type of Customs enforcement of waste legislations. The most consistent data are extracted from DEMETER operations and the WCO Survey's responses regarding enforcement in EU countries. The WCO encourages its Members to consistently report their seizures to CEN throughout the year, and not just during operations, to avoid skewing the analysis and help provide an accurate picture of the global trade.

Seventy-seven per cent of Members who have responded to the Survey provided information regarding waste. Of those, 35% considered waste as a high or essential priority commodity. However, considering the detrimental effect of illicit waste trade on the environment and human health, targeting illegal waste trade and taking appropriate Customs actions is important. Customs monitoring and facilitating legal waste trade is essential to support some of the circular economy approaches.

Based on the data reported to the WCO and on open-source data, one can observe that the waste trade and markets are influenced by changes in policies, technologies, shipping costs and new or revised regulations. This requires Customs administrations to respond to these changes adequately in order to prevent illicit waste trade.

Members should consider the implementation of stronger enforcement response to waste-related issues. Customs response to illicit waste trade include setting the right priorities, targeted capacity building, risk management and effective enforcement. Effective Customs-to-Customs communication and collaboration with environmental authorities is also key.

Analysing data concerning illicit waste trade is only possible when the data required for such an analysis is recorded and can be retrieved. Current datasets are incomplete and scattered across different platforms. Improving the recording and storage of data would support analysis and would help identify trends and understand *modi operandi*, which in turn will help Members determine their priorities.

As of 2021, new HS codes for certain e-waste commodities have been implemented, which should facilitate future research on the trade in e-waste. Currently, data on (illegal) e-waste trade are lacking, as no dedicated HS codes existed before 2020¹⁹. Specific measures for HS changes in relation to plastic waste are currently discussed by the WCO and the Basel Convention Secretariat, which should also help Customs enforcement.

¹⁸ UN Comtrade database: <https://comtrade.un.org/>

¹⁹ Only at EU level: <https://www.sweap.eu/new-customs-codes-for-electric-and-electronical-waste-and-scrap/>

4. Conclusions

The high uptake of MEAs clearly shows that the subject of illegal transboundary trade in environmentally sensitive goods has global support. Yet the results of enforcement activities often show that more needs to be done to effectively prevent and address these traffics. Crimes that affect the environment are very often cross-border by nature and Customs play an essential role in monitoring, controlling and preventing illegal trade in environmentally sensitive goods as they are uniquely mandated and positioned at countries' borders, or at critical points in the supply chain. Awareness of international and national legal instruments, taking a risk-based approach to controls, constant capacity-building, and cooperation at national and international levels have been identified as key factors for effective Customs enforcement of trade measures involving environmental goods.

The ITR's Environment Chapter focused on the transboundary illegal trade in wildlife and timber products, substances controlled under the Montreal Protocol, and waste, as these were the main environmentally-sensitive commodities reported to the CEN database by WCO Members. However, the scope of environmental crime has been widening to also cover various other hazardous chemicals, fishery crimes and trade in minerals, where Customs enforcement should be also focusing on awareness raising, improving cooperation, data gathering, capacity building, and finding innovative solutions. Considering the complexity of environmental crimes, its transboundary nature, its diversity of activities and impacts, the various type of actors involved, and its linkages with other serious crimes, there is a need to adopt a global response to combating environmental crimes.

The Environment Chapter provided many significant examples of Customs enforcement efforts worldwide to fight environmental crime, but to meet the scale of the threat and the urgency for response, more targeted enforcement efforts are needed and should be achieved by strengthening Customs enforcement.

With the active support of the WCO Secretariat, Customs must explore ways to effectively monitor and control trade in environmental goods. To this end, Members are encouraged to make use of available instruments and tools as well as capacity building opportunities, to share seizure information via CEN and to participate in WCO global operations such as DEMETER and THUNDER.

5. Projects and Operations

The WCO Environment Programme contributes to the fight against environmental crime, particularly in regard to the environmentally sensitive commodities encompassed in Multilateral Environmental Agreements (MEAs). Through this Programme, the WCO is an active Partner to various intergovernmental organizations. The WCO collaborates with the Secretariats of MEAs within the Green Customs Initiative (GCI), coordinated by the United Nations Environment Programme (UNEP). GCI provides collaborative activities aimed at raising the awareness of Customs officers on trade-related MEAs. The

WCO is also part of the International Consortium on Combating Wildlife Crime (ICCCWC) that comprises four other international organizations: the CITES Secretariat, INTERPOL, the United Nations Office on Drugs and Crime (UNODC) and the World Bank. ICCWC provides support to national wildlife law enforcement agencies, as well as to the regional and sub-regional networks that focus on combating wildlife trafficking. WCO activities conducted under the ICCWC banner are funded by the European Union (INTPA), the United Kingdom (DEFRA) and the United States (DoS).

Under ICCWC auspices, the WCO Environment Programme developed new training materials for the WCO e-learning platform, CLiKC!. The modules focus on CITES, risk management and species identification, legal and illegal wildlife trade issues, risk profiling, seizure methodology, enforcement, collaboration, and information and intelligence sharing mechanisms. The Programme also published the *Frontline Customs Officers' Guide to Key Multilateral Environmental Agreements*, which aims to supply practical information to frontline Customs officers on key aspects of the MEAs.

In 2020 and 2021, in addition to activities conducted under the GCI and ICCWC umbrellas, the WCO Environment Programme implemented various projects related to wildlife (INAMA) and waste (Asia Pacific Plastic Waste Project), as well as global enforcement operations such as the THUNDER and DEMETER operations series.

The INAMA Project

The INAMA Project aims to strengthen the enforcement capacities of targeted Customs administrations in South American, sub-Saharan African, and Asian countries in mitigating illegal wildlife trade, focusing especially on CITES-listed species. The Project is funded by the US Department of State and currently has two sub-projects, "INAMA Global" and "INAMA India". The Projects will run until September 2023.

THE SIDA PROJECT

Since September 2021, the WCO Environment Programme is implementing a bilateral project with the Swedish International Development Cooperation Agency (Sida) which aims to strengthen the enforcement capacities of selected Customs administrations in sub-Saharan Africa to conduct more effective enforcement operations targeting illegal wildlife trade as a starting point for criminal investigations. Strong emphasis is given to risk management and data collection. The Project will run until August 2023.

The Asia Pacific Plastic Waste (APPW) Project

Funded by the Government of Japan, the key aim of the Project was to strengthen the response of Customs to effectively deal with legal trade of plastic waste, to mitigate the threat of illegal plastic waste shipments, and to sensitize Administrations on the Basel Convention's plastic waste Amendments that became effective on 1 January 2021.

Since its launch in March 2020, the APPW Project achieved several deliverables. It developed a *Self-assessment tool* to allow WCO Members to assess their ability to enforce the Basel Convention provisions and to prevent and deal with cases of illegal plastic waste trade. A Training Framework was also developed, providing a step-by-step approach on how to build capacity to enhance detection and risk management. The *Frontline Customs Officers' Guide to Key Multilateral Environmental Agreements* was amended to include the latest references to the Basel Convention and its recent Amendments. Finally, a dedicated section on the Basel Convention and plastic waste was added to the WCO Coordinated Border Management (CBM) Compendium. These tools are available either on the Project website²⁰ or on the WCO Members website. The Project will run until June 2023.

THUNDER and DEMETER Operations

By participating in global WCO operations, Customs have a unique opportunity to take enforcement actions and assess their capacities and the strength of their cooperation mechanisms.

The lead actors in these operations are the WCO Secretariat and its partners: INTERPOL for THUNDER, and for DEMETER the Regional Intelligence Liaison Offices (RILOs) for Asia-Pacific and Western Europe, and China Customs. DEMETER operations have also been supported by the Basel Convention, UNEP, OLAF, the WCO-UNODC Container Control Programme, INTERPOL, Europol, the EU Network for Implementation and Enforcement of Environmental Law (IMPEL), and the RILO network.

Lessons learned during WCO global operations highlight the need for risk assessments in order to strengthen Customs and other law enforcement coordination, and to ensure that quality seizure data is available. During WCO operations, seizures are reported via the WCO CENcomm platform. Providing seizure data can bridge the knowledge gaps regarding environmental crimes, including their extent and impact, the offenders and *modi operandi*, and the links with other serious offences.

Obtaining quality data for seizure and trend analysis remains a challenge for the WCO and the Environment Programme. The CEN database should remain up-to-date to reflect the current challenges that Customs are facing.

²⁰ <http://www.wcoomd.org/en/topics/enforcement-and-compliance/activities-and-programmes/environment-programme/ap-plastic-waste-project.aspx>



Turtle eggs. Courtesy: Peruvian Customs.

In 2020, to encourage Members to report their seizure of environmental goods, the WCO provided four significant improvements to CEN, in particular to the fields pertaining to fauna and flora seizures:

1. The CITES list of species has been updated to enhance the accuracy of the data logged and better reflect the current state of the illegal wildlife trade.
2. New fields are available in the seizure reporting form in order to facilitate data input, making subsequent analysis clearer and more accurate.
3. All fauna and flora seizures are now grouped under the same "commodity" category, with a subfield enabling to distinguish CITES-listed and non-CITES-listed species.
4. The mapping of historical data for each category is under way. This will add tremendous value when analysing data over long periods of time, providing a more accurate historic of the evolution of trends and patterns.

Collecting accurate data is crucial for the WCO to design up-to-date and pertinent strategies, as well as providing informed and accurate guidance to its Members for them to, in turn, design efficient and effective policies and strategies.



Customs plays a key role not only in securing government revenue but also in the global fight against smuggling and illicit trade of all kinds. Traditional WCO Customs enforcement activities in the domain of counterfeit and pirated goods have resulted in significant seizures and interceptions of IPR infringing goods, many of which have the potential to adversely impact public health and safety as a result of substandard and unregulated manufacturing practices.

5 IPR, HEALTH AND SAFETY





Courtesy: Lithuanian Customs

The COVID-19 pandemic has given new impetus to the IPR, Health and Safety Programme in the framework of the WCO COVID-19 Action Plan. The core activities carried out under the IPR, Health and Safety Programme have contributed to the successful implementation of the WCO Covid-19 Action Plan, which has been identified by Members as a top priority.

INTRODUCTION

The IPR, Health and Safety Section of this Report examines the global illicit trade in counterfeit and medical goods in 2020-2021. 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, medical devices and medical technologies, as well as products that are counterfeit, genuine products that lack appropriate authorization or licenses, and undeclared products.

After the World Health Organization (WHO) declared the COVID-19 pandemic on 11 March 2020, trade volumes declined significantly in the second quarter of 2020, but then started recovering.¹ Trade in counterfeit goods did not show a significant decline after the declaration, supply remaining relatively high in 2020 and 2021. Illicit trade is still considered an important source of profits for criminal organisations, regardless of the world suffering from COVID-19.

Members reported 46,398,823 pieces and 554,359 kilogrammes of non-medical IPR goods in 2021, while reporting 38,046,160 pieces and 847,885 kilogrammes in 2020. Overall, non-medical IPR products increased by 21% in 2021 relative to 2020. Regarding illicit medical products, Members reported 295,005,532 pieces in 2021, while reporting 304,869,626 in 2020 with a decrease by 3% in 2021 relative to 2020.

¹ <https://unctad.org/news/global-trade-hits-record-high-285-trillion-2021-likely-besubdued-2022>

The top 20 reporting Members are not the same in 2020 and 2021, whether in number of pieces or number of seizures. Counterfeit products were reported by Members in all WCO regions which confirms that the threat of IPR crimes is global.

Restrictive measures against COVID-19 affected conveyance modes of illicit trafficking. Vessel was still predominant in terms of number of pieces. However, mail consignments - which increased by 66% in 2021 from 2020 - was the most frequent transportation mode for counterfeit products specifically for individual use. This could suggest that consumers increased their use of online shopping amid the COVID-19 crisis enabling criminals to send illicit items directly by mail.

During 2020 and 2021, 45% of IPR products and 32% of medical products departed from the Asia-Pacific region, while 32% departed from the 'unknown' category. The percentage increase of counterfeit products departing from Asia-Pacific region was 300% in 2021 relative to 2020.

Europe and Americas regions were the main destinations for counterfeit products. During 2020 and 2021, Europe was a destination for 48% of the total counterfeit pieces while the Americas was a destination for 34%. The counterfeit products heading to Europe region increased by 71% in 2021 from 2020.

The terms 'counterfeiting' and 'piracy' are used to describe a range of illicit activities related to IPR infringements. This Section focuses primarily on the infringement of copyright, trademarks, design rights and patents (the Annex at the end of this Section provides further information on the conversion rules applied and the different terminology used).

Courtesy: Congolese Customs.

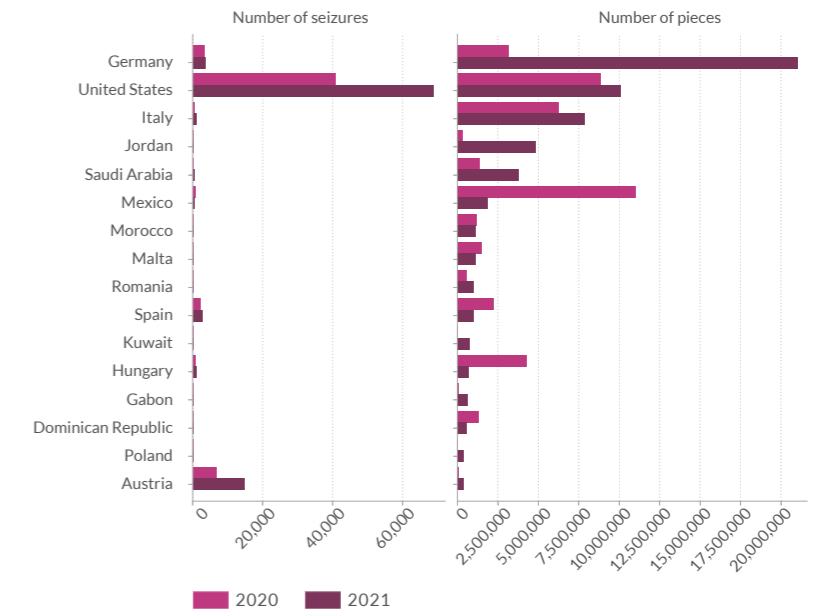




Courtesy: Beninese Customs

The top reporting Members shown in Figure 2 reported 54% of the total counterfeit pieces and 60% of the total seizure cases in 2021.

Figure 2: Number of IPR products seizures and quantity seized by country (in pieces), 2020-2021



In terms of number of pieces, Germany, United States, Italy, Saudi Arabia, and Mexico were the top five reporting Members in 2021. All these countries, except for Saudi Arabia, were also among the top five reporting Members in 2020.

The number of seizures of counterfeit goods was relatively high in the United States over both years, as 26% and 43% of the total seizure cases in 2020 and 2021 respectively, were reported by the United States. Similarly, seizures were also relatively high in Austria, Germany and Spain in 2020 and 2021.

The number of pieces reported by Germany increased in 2021 by more than 500% relative to 2020. This increase was of 14% in the United States, 25% in Italy, more than 1,000% in Jordan, and more than 170% in Saudi Arabia. The number of seizures increased in the United States by 68% in 2021 relative to 2020, 120% in Austria, 21% in Spain and 11% in Germany.

1. Overall trends in trafficking of IPR products

Figure 1: Number of IPR products seizures and quantity seized (in pieces), 2020-2021

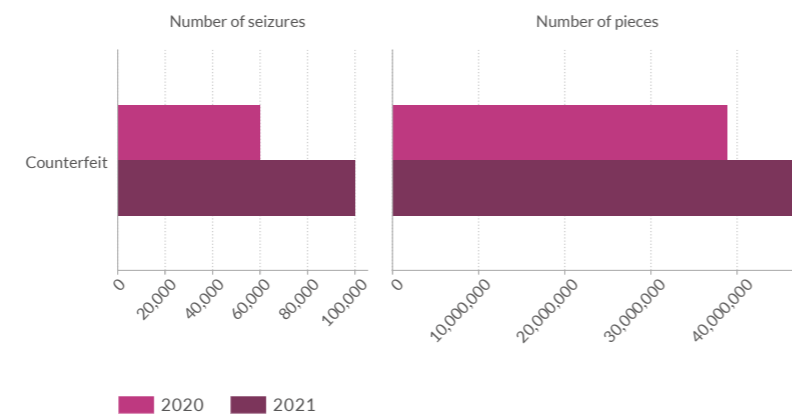
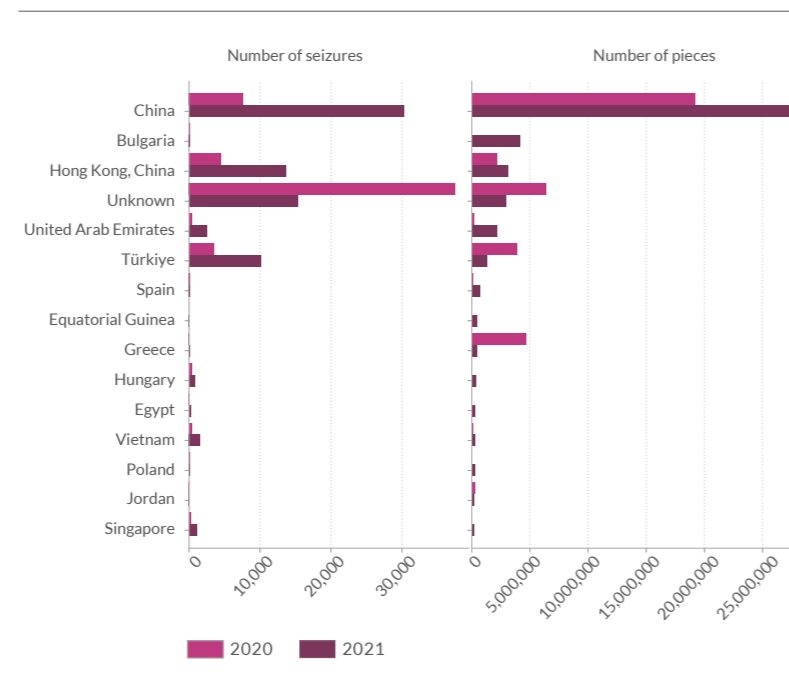


Figure 1 compares the number of IPR products seized by number of seizures and quantity (in pieces) seized in 2020 and 2021.

More than 60,000 seizure cases with 38.9 million pieces were intercepted in 2020. Seizures of counterfeit goods were much higher in 2021, with more than 100,000 seizures accounting for over 46.9 million pieces. Seizures increased by 66% in 2021 compared to 2020, while the number of pieces increased by 21%.

Figure 3 shows the main departure countries for IPR products by number of seizures and quantity (in pieces) seized in 2020 and 2021.

Figure 3: Overview of the main departure countries for IPR products by number of seizures and quantity seized (in pieces), 2020-2021



Ninety-two percent of the total number of pieces in 2020 and 2021 departed from the following countries: China, Unknown, Hong Kong (China), Türkiye, Greece, Bulgaria, Spain and United Arab Emirates. Of this total, 55% departed from China, and 10% from Unknown.

The number of pieces departing from China increased by 45% in 2021 from 2020, and by more than 5,000% from Bulgaria, 43% from Hong Kong (China), and more than 800% from the United Arab Emirates.

Relating to the number of seizures, 33% of the total seizure cases during 2020 and 2021 departed from unknown departures, 24% from China, 11% from Hong Kong (China), and 8% from Türkiye.

Seizures of IPR products departing from China were higher in 2021 compared to 2020, while incidents departing from unknown countries were higher in 2020 than in 2021. Seizure cases of IPR products departing from China increased by 300% in 2021 compared to 2020, 200% in Hong Kong (China), and 190% in Türkiye.

Figure 4: Overview of the main departure countries to destination countries by quantity seized (in pieces), 2020

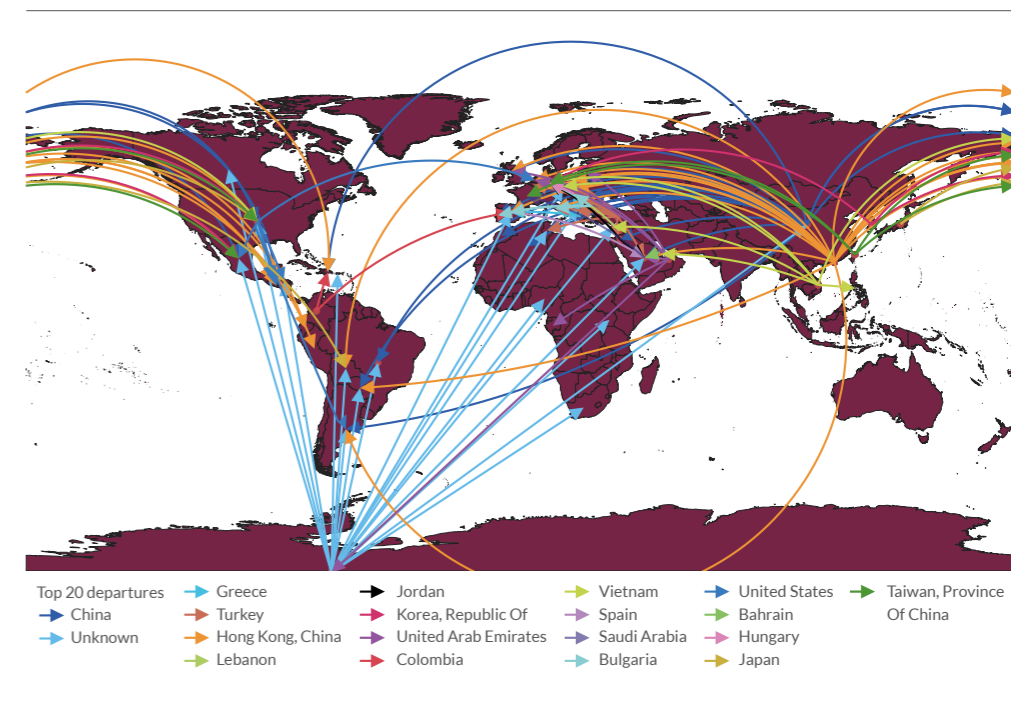


Figure 4 illustrates the main departure countries to destination countries by quantity (in pieces) seized in 2020.

Of the total quantity seized, 99% departed from the 20 countries² shown on the map. More than two thirds left from China and unknown departure countries, while the Americas region was a destination for 60% of the IPR products departed from Asia-Pacific (24% of the total seizures). Europe was a destination for 30% (73% of the total seizures).

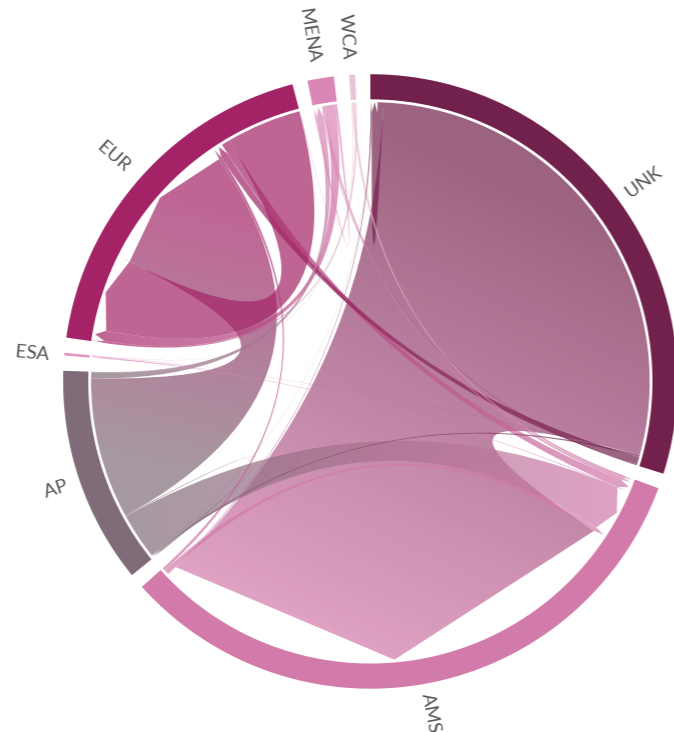
The Americas was the main destination for IPR products leaving from unknown departure locations. This is further confirmed by the 90% of goods that left from unknown departure countries and headed to the Americas (97% of the unknown seizures). Other regions received IPR products with unknown departures but in relatively low amounts.

Twenty-three percent left from Europe (10% of the seizures) with main departures in Greece, Türkiye, Spain, and Bulgaria. The main destinations were countries within the same region. Relatively low quantities departed from the Americas and the main destinations were countries within the same region (94%).

² Although Brazil is among the top 20 departures, it is not depicted on the map because of the internal direction of the seizures. Antarctica is used as a synonym for unknown departures.

As shown in figure 5, two thirds of the total number of IPR seizures in 2020 departed from an unknown region, and almost all of these seizures headed to the Americas.

Figure 5: IPR products trafficking flows by region, 2020



Asia-Pacific was the departure region for 24% of seizures, almost three quarters of these headed to Europe, whereas 23% went to the Americas.

Seizures leaving from Europe were relatively low (10%) and most of these destined to countries within the same region.

Figure 6: Overview of the main departure countries to destination countries by quantity seized (in pieces), 2021

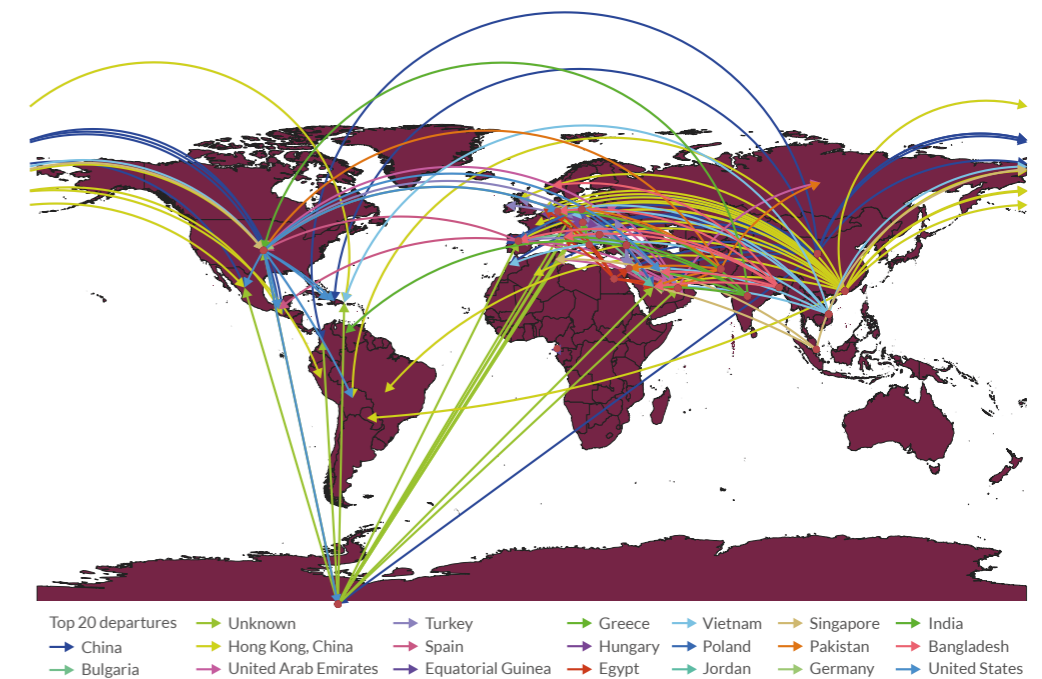


Figure 6 shows the 20 main departure countries to destination countries by quantity (in pieces) seized in 2021.

Of the total quantity seized, 97% departed from the top 20 countries indicated on the map. Most of these departures were from Asia-Pacific and Europe, in addition to unknown departure countries.

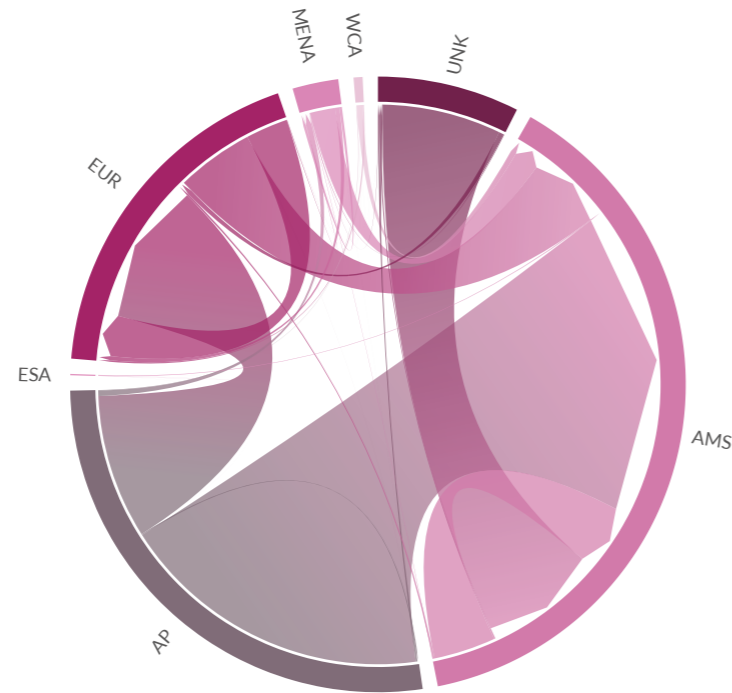
Seventy percent of the quantity seized (57% of the seizures) left from Asia-Pacific, representing a 47% increase from 2020. Of the total quantity seized, 66% (43% of the total seizures) departed from China and Hong Kong (China).

Like in 2020, the main destinations from Asia-Pacific were Europe and the Americas. The second group of the top 20 departure countries belongs to Europe. With 17% of IPR products (14% of the seizures) departing from this group, the main destinations were countries within the same region.

Also similar to 2020, the main destinations for unknown departure countries were countries in the Americas.

As shown in figure 7, 60% of the total number of IPR seizures in 2021 departed from Asia-Pacific. Two thirds of these seizures headed to the Americas and – approximately – one third to Europe.

Figure 7: IPR products trafficking flows by region, 2021



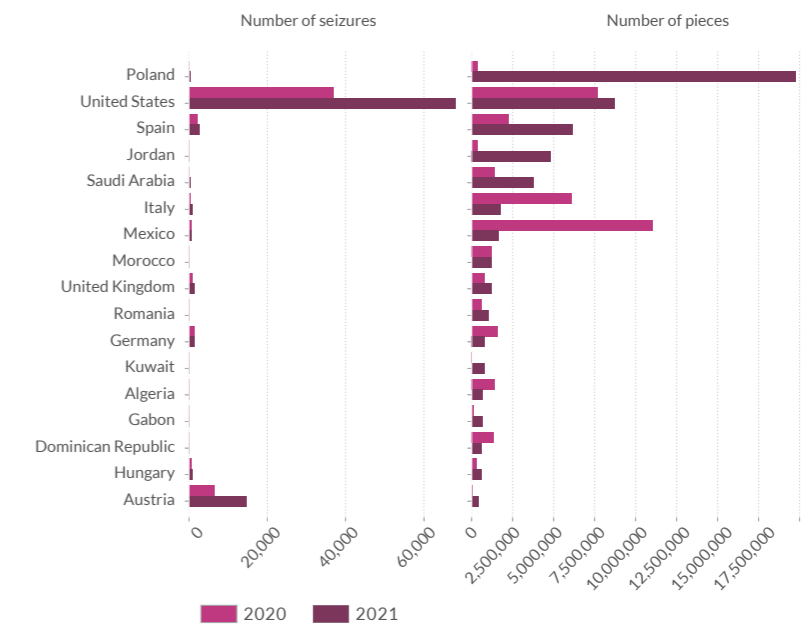
Unknown departure region represented the second most common departures in 2021 (15%) and almost all of these seizures went to the Americas.

Of the 15% of the total seizures leaving from Europe, two thirds went to the Americas, while the other one third was destined to countries within the same region.

A relatively low number of seizures departed from the Americas (8%), most of these destined to countries in the same region.

Figure 8 shows the main destination countries for IPR products by number of seizures and quantity (in pieces) seized in 2020 and 2021.

Figure 8: Overview of the main destination countries for IPR products by number of seizures and quantity seized (in pieces), 2020-2021



The top destinations shown in the figure received 51% of the total number of pieces and 60% of the total seizure cases in 2021.

Poland alone was a destination for 18% of the total pieces in 2021, while the U.S. received 8% and Spain 6%.

The highest number of seizures was in the United States, with 42% of the total seizure cases in 2021, followed by Austria with 9%.

The number of pieces destined to Poland increased by more than 5,000% in 2021 from 2020, 14% to the United States, 175% to Spain, more than 1,000% to Jordan, and more than 175% to Saudi Arabia.

Figure 9: Number of IPR products seizures and quantity seized by category (in pieces), 2020-2021

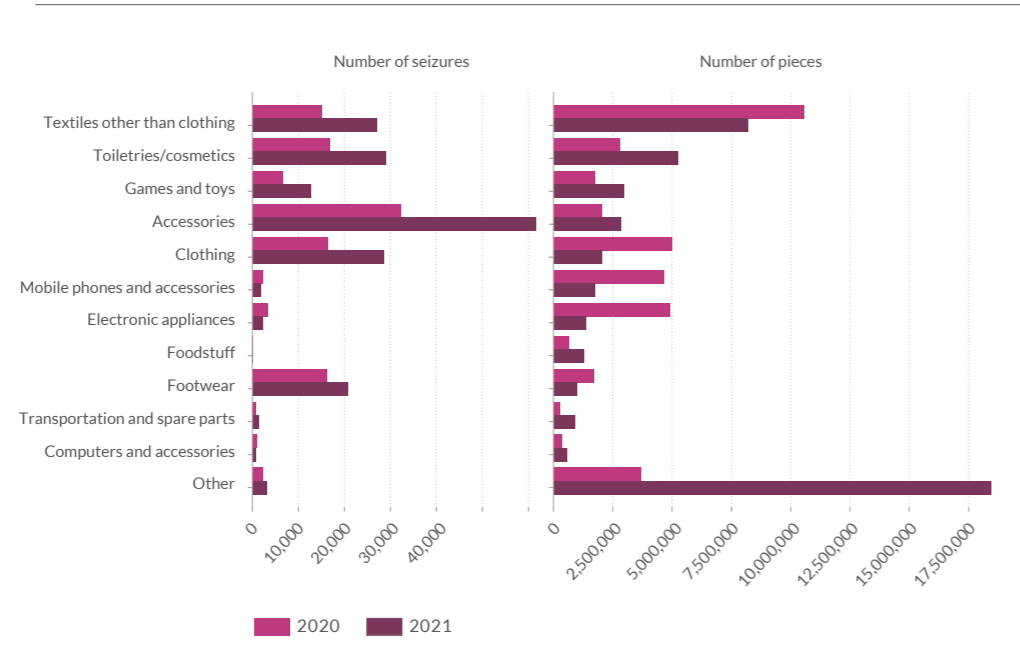


Figure 9 compares the number of seizures of IPR products and the quantity (in pieces) seized in 2020 and 2021 by category.

Batteries, hand tools, labels and stickers, stationary, lighters, furniture, sports and exercise matters, packaging and zip fasteners, which are all listed under the “Other” category, represented 22% of the total amount of counterfeit goods in 2021 with a 400% increase compared to 2020.

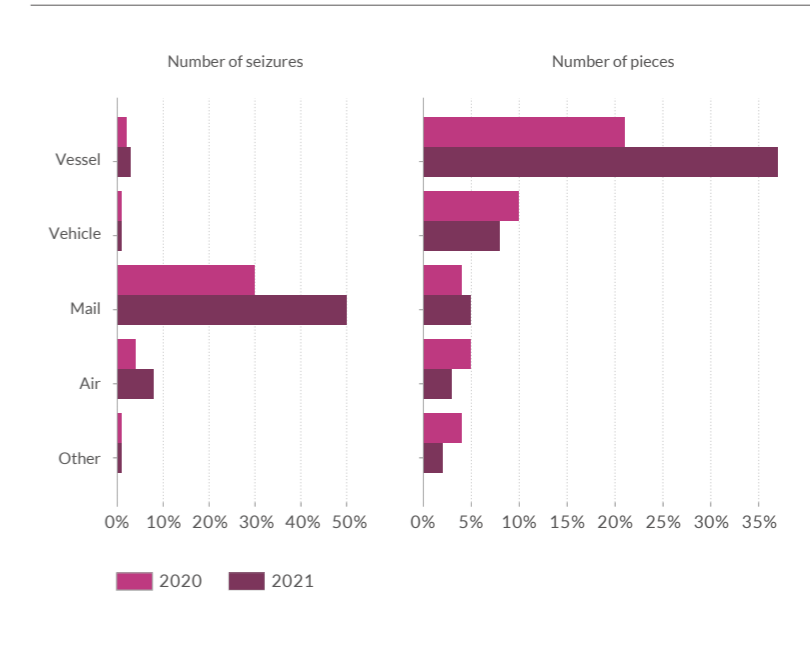
Textiles other than clothing, toiletries and cosmetics, clothing, mobile phones, footwear, games and toys, and accessories, were among the top ten categories over both years.

The most frequent seizures in 2021 were for accessories, toiletries and cosmetics, clothing, and footwear. Seizures of accessories increased by 90% in 2021 compared to 2020, toiletries and cosmetics by 72%, clothing by 74%, games and toys by 95%, and footwear by 28%.

Even though transportation and spare parts were seized in relatively small amounts, the percentage increase of this category in 2021 was 76% from 2020, and the same applies to watches with a 58% increase.

Figure 10 shows the number of IPR products seizures and the quantity (in pieces) seized by conveyance method.

Figure 10: Number of IPR products seizures and quantity seized by conveyance (in pieces) method, 2020-2021



Conveyance by means of vessel and vehicle remained high, while mail represents the most used conveyance for smaller consignments.

Thirty-seven percent of the total number of pieces in 2021 were transported by vessel with a 73% increase from 2020.

Small consignments seizure cases increased by 66% in 2021, similarly, seizures that were transported by air increased by 80% from 2020.

Courtesy: Beninese Customs.



Figure 11 shows the different directions in which shipments of IPR products were moving when they were confiscated in 2020 and 2021.

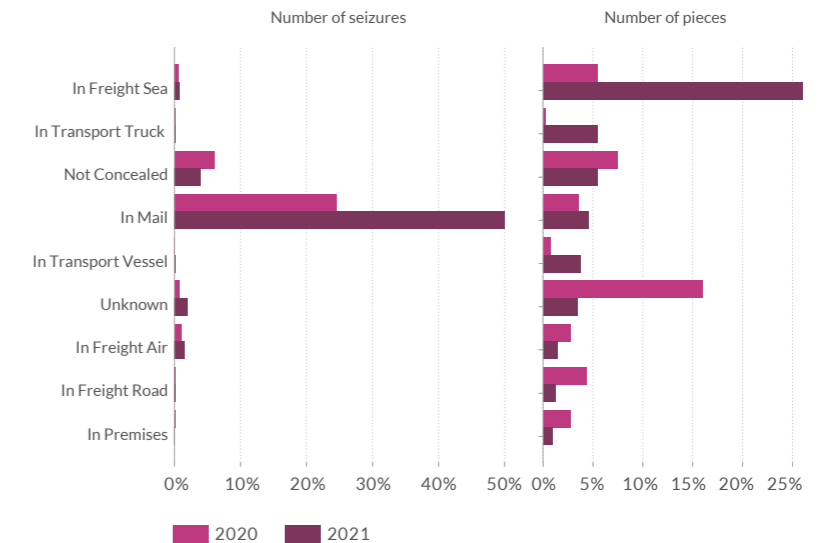
Figure 11: Number of IPR products seizures and quantity seized by Customs procedure (in pieces), 2020-2021



The percentage of IPR goods that were in transit consignments in 2021 was much higher than all the other directions with a 200% increase compared to 2020. Furthermore, the seizure cases in transit increased by 12%. The quantity seized at import decreased by 26% in 2021. However, the number of seizure cases at import increased in 2021 by 74% from 2020.

Figure 12 shows the different concealment methods used to smuggle counterfeit goods in 2020 and 2021.

Figure 12: Number of IPR products seizures and quantity seized by concealment method (in pieces), 2020-2021



Most of the pieces were concealed in sea freight, lorries, and small consignments. The quantity concealed in sea freight increased by 377% in 2021. Concealment in small consignments also saw an increase, with a 26% rise from 2020.

Mail was the most frequent method of concealment with 50% of the seizure cases concealed in small consignments. Small consignment incidents increased by more than 100% in 2021 relative to 2020.

1. General trends in the illicit trade of counterfeit goods (based on CEN data, open source and the WCO Survey)

According to UNCTAD “the value of global trade reached a record level of \$28.5 trillion in 2021,” representing a 25% increase on 2020, and 13% on 2019, prior to the COVID-19 pandemic³. As UNCTAD describes, after the WHO declared the pandemic officially on 11 March 2020, trade volumes declined significantly in the second quarter of 2020, but then started to show a recovery.

When we look at CEN data, trade in illicit nonmedical items did not reflect any significant decline after the declaration, the supply remaining relatively high in 2020 and 2021.

Therefore, the trade in illicit nonmedical item is still considered as an important source of profits for criminal organisations, despite the world being on strict restrictive measure due to COVID-19. In fact, criminals exploited the pandemic situation by accelerating the distribution of IP infringing goods.

Via the WCO Survey, some countries highlighted the impact the pandemic had on seizures of IPR infringing goods, mentioning consumers’ increased use of internet and social media to purchase goods, leading to a higher number of seizure cases. For example, one country mentioned the high demand of personal protective equipment leading to an increase of IPR infringements of this kind of products.

Further analysis of the number of cases and quantity seized, shows that the quantity per seizure decreased from 2019 to 2021. This could reflect an increase in personal internet shopping due to the COVID-19 pandemic further accelerating the trend towards e-commerce.

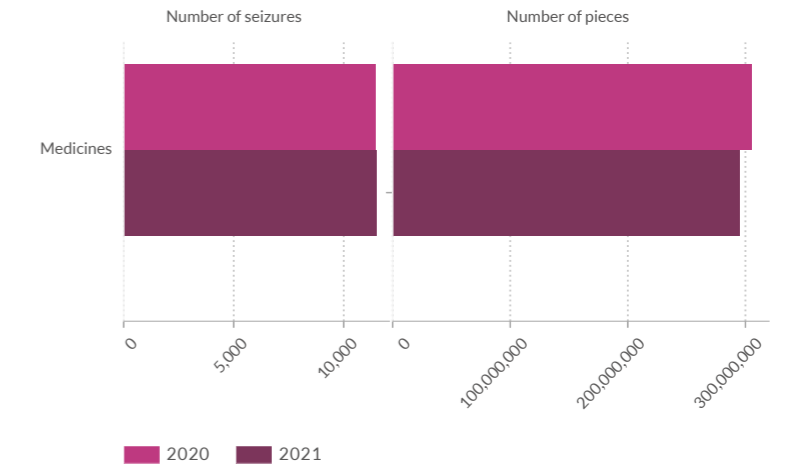


Courtesy: Cameroon Customs.

2. Overall trends in trafficking of medical products

Figure 13: Number of medical products seizures and quantity seized (in pieces), 2020-2021

Figure 13 compares the number of medical products seized by number of seizures and quantity (in pieces) seized in 2020 and 2021.

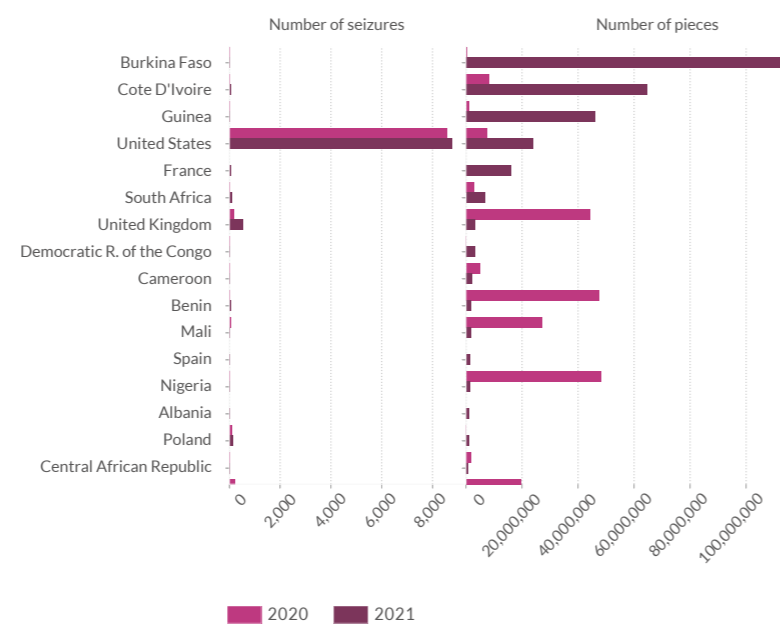


In 2021, seizure cases amounted to 11,502 with more than 295 million pieces seized, whereas 11,451 seizure cases with almost 305 million pieces were reported in 2020. The reported quantity decreased by 3% while the number of the seizures increased by 0.5%.

³ <https://unctad.org/news/global-trade-hits-record-high-285-trillion-2021-likely-be-subdued-2022>

Figure 14 shows the top countries reporting seized medical products by number of seizures and quantity (in pieces) seized in 2020 and 2021.

Figure 14: Number of medical products seizures and quantity seized by country (in pieces), 2020-2021



Of the top reporting countries in 2021, more than half are in Africa; Burkina Faso alone reported 19% of the total number of pieces with an increase of 43,000% in 2021 relative to 2020.

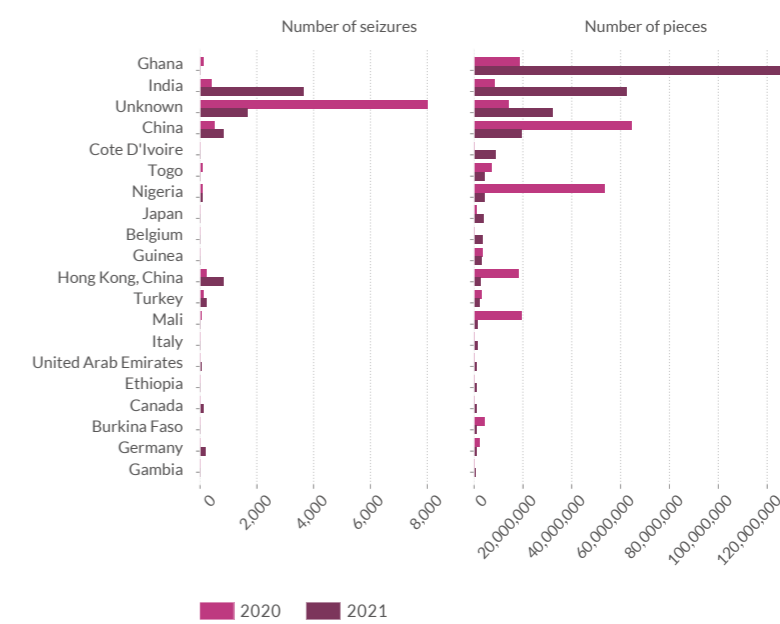
Seven countries from Europe were among the top reporters in 2021. There was a remarkable increase in the number of pieces reported by France while there was also a noticeable decrease in those reported by the United Kingdom, however the number of seizures increased by 170%.

In terms of number of seizures, the United States reported 40% of total seizure cases in 2021 and is fourth in the quantity seized, after three African countries.

Most of the top reporters listed in 2021 were also in listed in 2020 such as, Benin, United Kingdom, United States, Mali, Togo, Senegal, Cameroon, and Côte D'Ivoire.

Figure 15 shows the main departure countries for illicit medical products by number of seizures and quantity (in pieces) seized in 2020 and 2021.

Figure 15: Main departure countries for medical products by number of seizures and quantity seized (in pieces), 2020-2021



Half of the top 20 departure countries listed in 2020 and 2021 were from Africa: Ghana, Nigeria, Mali, Côte D'Ivoire, and Togo were at the top of the list both years. The quantity departed from Ghana increased by more than 500% in 2021 relative to 2020, while the percentage increase was of more than 12,000% for Côte D'Ivoire.

India, China and Hong Kong (China) were not only main departures for illicit medicines in terms of quantity but they were also the most frequent departures in number of seizures. The quantity departed from India increased by more than 600% in 2021 and the increase in seizures was even more. Although the quantity departed from China decreased in 2021, the number of the seizures increased by 65%, and the same can be observed with Hong Kong (China).

A large number of medical products and a relatively high number of seizure cases departed from unknown departure locations.

Figure 16: Main departure countries to destination countries by quantity seized (in pieces), 2020

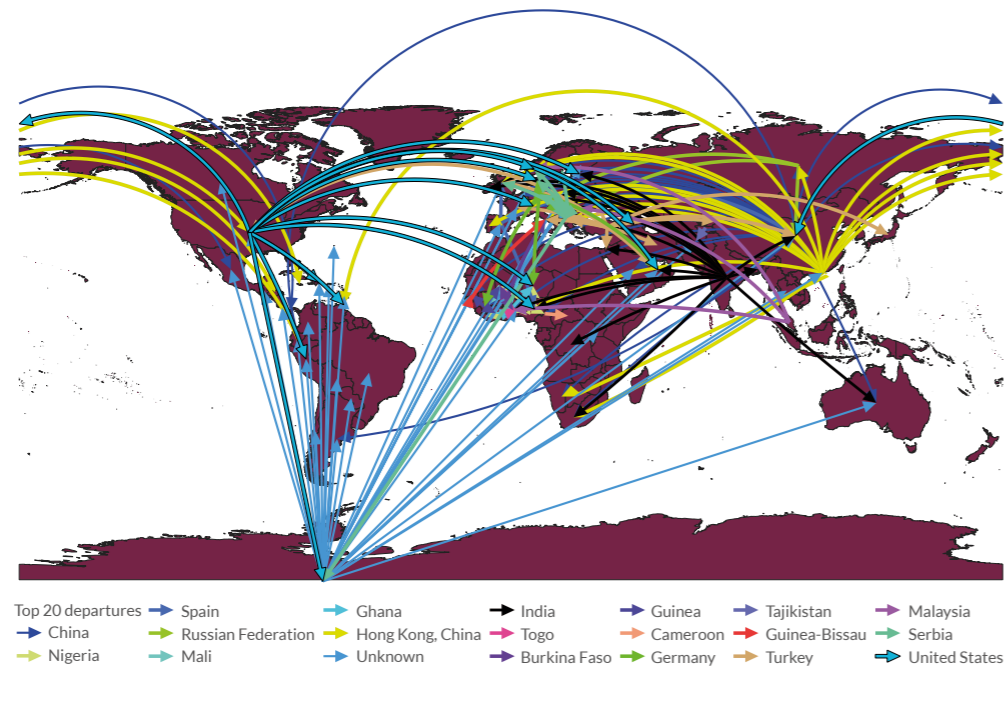


Figure 16 illustrates the 20 main departure countries to destination countries by quantity (in pieces) seized in 2020.

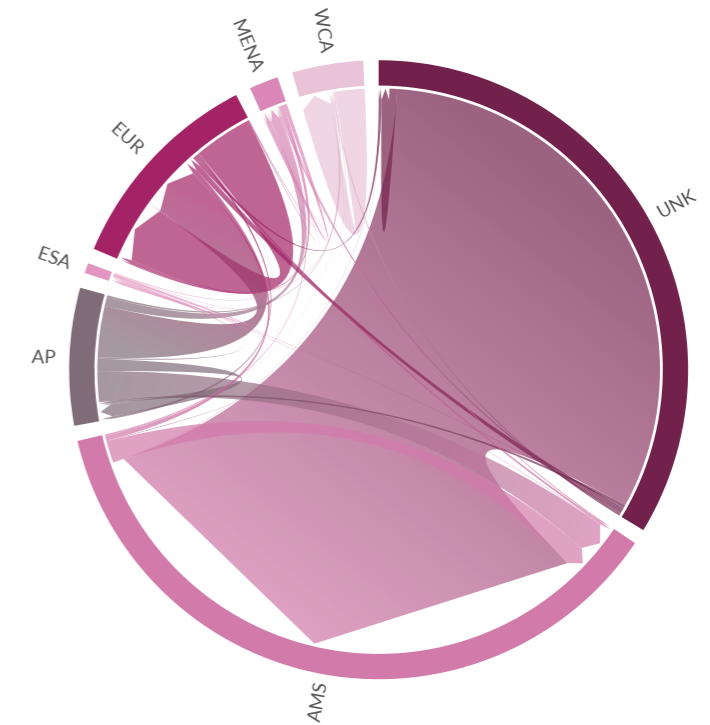
Ninety-seven percent (87% of the seizures) departed from these top 20 countries. The main departure countries are in West and Central Africa, Asia-Pacific and Europe, with 95% of the quantity seized leaving from these three regions.

Thirty-eight percent departed from countries in West and Central Africa and the main destinations for almost all of these seizures (99%) were countries in the same region. Asia-Pacific accounted for the departure of 32% of the total quantity seized and the main destinations were countries in Europe and West and Central Africa. Europe accounted for 25% and the main destinations were West and Central Africa and Asia-Pacific.

In terms of number of the seizures, 70% departed from unknown country locations and 51% were concealed in small parcels. The main destinations for seizures from unknown locations were the Americas and Europe.

Figure 17: Medical products trafficking flows by region, 2020

As shown in figure 17, the unknown departure region was the most common departure in 2020 (70% of the seizures) and the main destination for these seizures was the Americas region.



Asia-Pacific was the second most common departure region (12% of the seizures), with almost two thirds of these seizures going to Europe and approximately one third headed to the Americas.

A relatively small number of seizures left from Europe (8%), West and Central Africa (4%), and Americas (4%) regions, and almost all of these seizures went to countries within the same regions.

Figure 18: Main departure countries to destination countries by quantity seized (in pieces), 2021

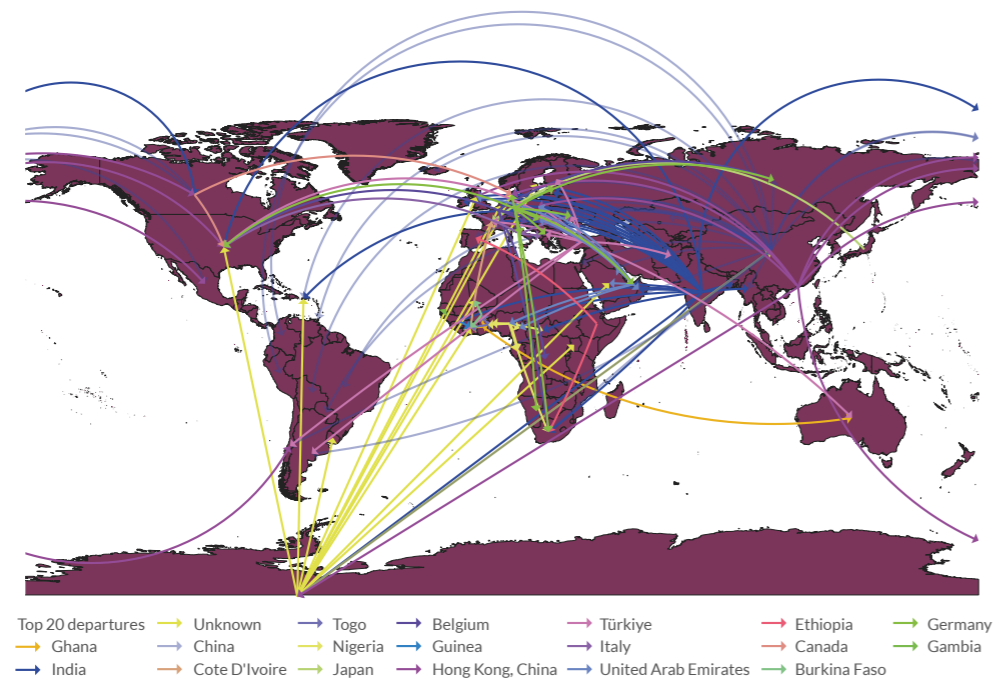


Figure 18 shows the 20 main departure countries to destination countries by quantity (in pieces) seized in 2021.

Ninety-seven percent (68% of the seizures) departed from these top 20⁴ countries. Ghana and India accounted for 66% of the total quantity, while 11% (15% of the seizures) departed from unknown locations with an increase of 127% from 2020.

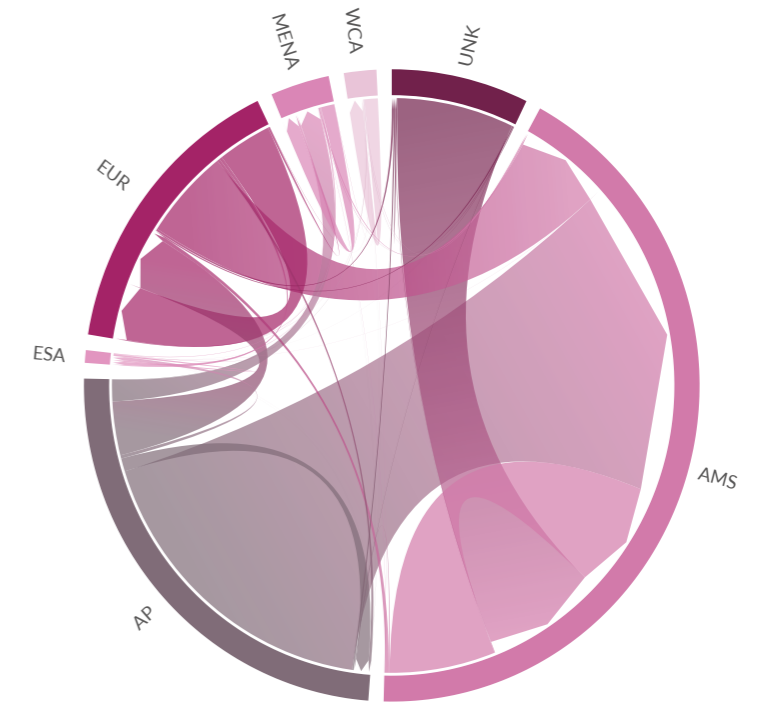
Most of the top 20 countries are from West and Central Africa, Asia-Pacific and Europe. The West and Central Africa region accounted for 53% of the departing quantity representing a 36% increase from 2020, while 31% departed from Asia-Pacific with a 7% decrease. Ninety-nine percent of medical products leaving from West and Central Africa, went to countries within the same region.

The main destinations for departures in Asia-Pacific, were countries in West and Central Africa and Europe regions, and the main destinations from unknown locations were the West and Central Africa and Americas regions. Most of what left from Europe headed to countries in the same region and to countries in the West and Central Africa.

⁴ Although Brazil is among the top 20 departures, it is not depicted on the map because of the internal direction of the seizures. Antarctica is used as a synonym for unknown departures.

Figure 19: Medical products trafficking flows by region, 2021

As shown in figure 19, Asia-Pacific was the most common departure region in 2021 (50% of the seizures) and the main destination for these seizures was the Americas.



Europe was the second most common departure region (20% of the seizures), and almost two thirds of these seizures went to the Americas and approximately one third headed to countries in the same region. A relatively small number of seizures departed from an unknown region (15%) and the Americas region (14%), and almost all of these seizures went to the Americas region.

Figure 20: Number of medical products seizures and quantity seized by category (in pieces), 2020-2021

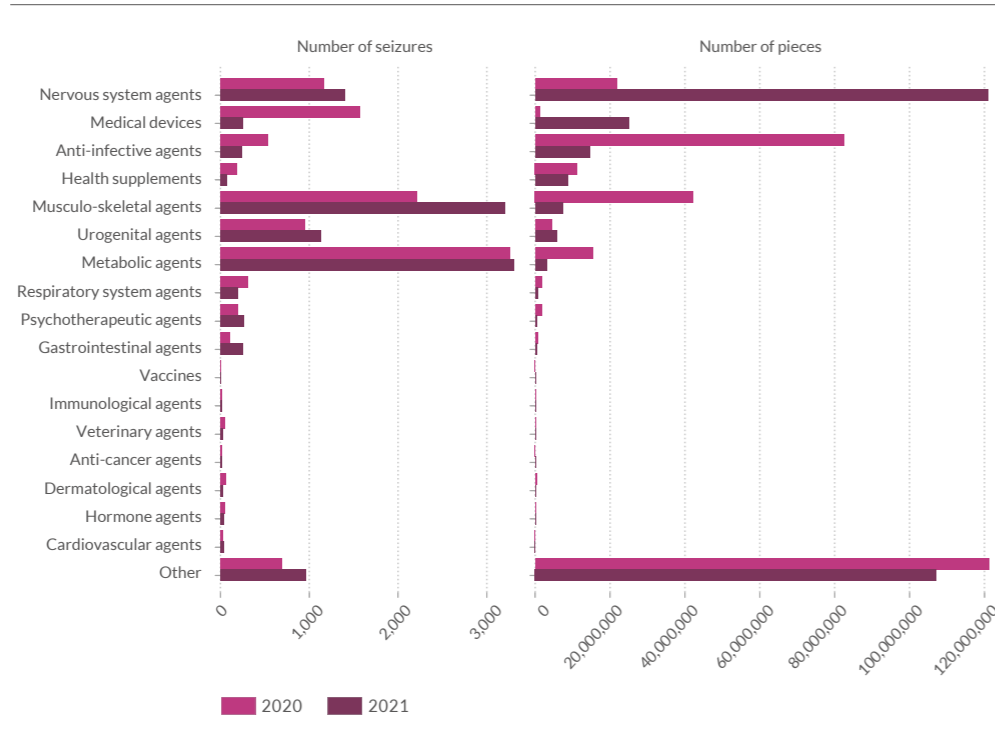


Figure 20 compares the number of seizures of medical products and the quantity (in pieces) seized in 2020 and 2021 by category.

The figure indicates that 0.5% fewer pieces were seized across all categories with a drop from 304,869,626 pieces in 2020 to 295,005,532 in 2021. However, the number of seizure cases increased by 3% with an increase from 11,451 seizures in 2020 to 11,502 in 2021.

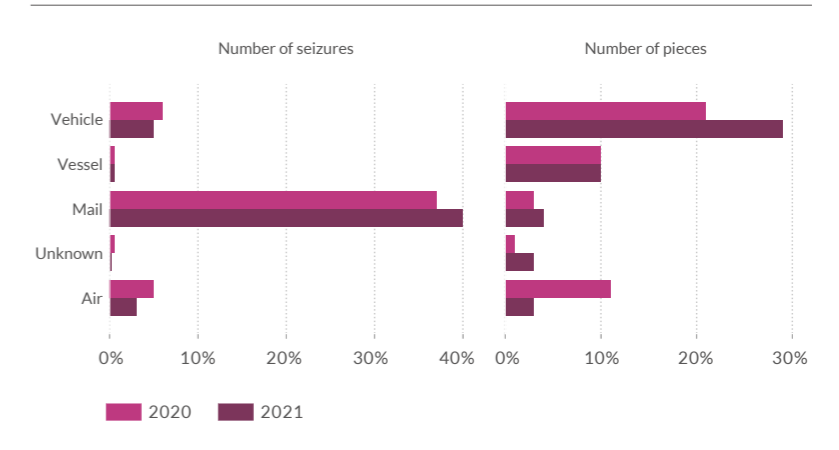
The increase in the number of pieces of nervous system agents was the most notable, jumping from 21,899,485 pieces in 2020 to 120,834,365 pieces in 2021 (400%). The increase was not only in the number of pieces of this category but also in the seizure cases which increased by 21% in 2021.

Medical devices was the second most seized type of medical products in number of pieces in 2021 with an increase by more than 1,800% relative to 2020. The most frequent seizures were for metabolic agents and musculo-skeletal agents.

Medical products that were not categorized and hence listed under the "Other" category, decreased by 11% in terms of number of pieces, however, seizures increased by 40%. It is noteworthy that this category was the largest quantity seized in 2020 and the second largest in 2021.

As shown in figure 21, mail was the most frequent transportation mean for medical products seizures both in 2020 and 2021.

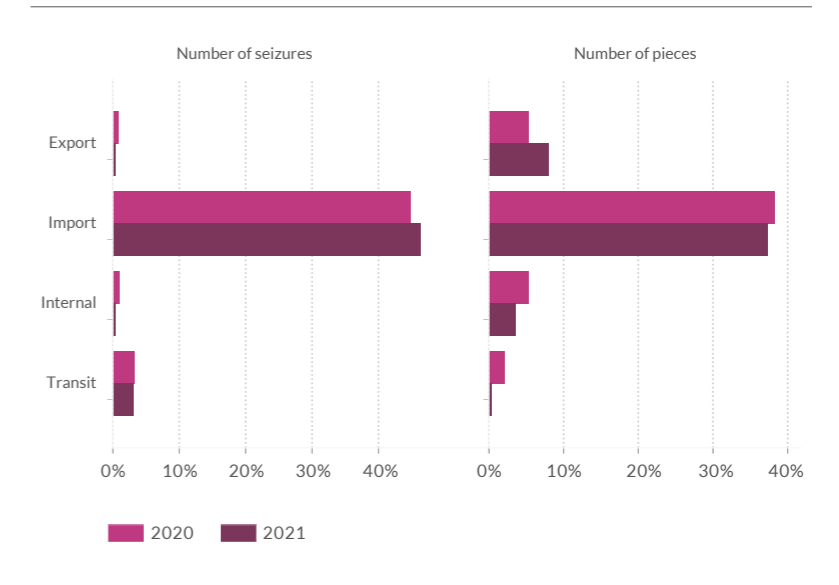
Figure 21: Number of medical products seizures and quantity seized by conveyance method (in pieces), 2020-2021



Close to 40% of the total seizure cases were transported by mail in 2021, with an increase of 8% from 2020.

Vehicle was the main transportation means by quantity of medical products as almost one third of the total pieces were transported by this mean in 2021 with an increase by 38% from 2020. The second largest quantity was transported by vessel in 2021, however in 2020, air was the second most used (after vehicles).

Figure 22: Number of medical products seizures and quantity seized by Customs procedure (in pieces), 2020-2021

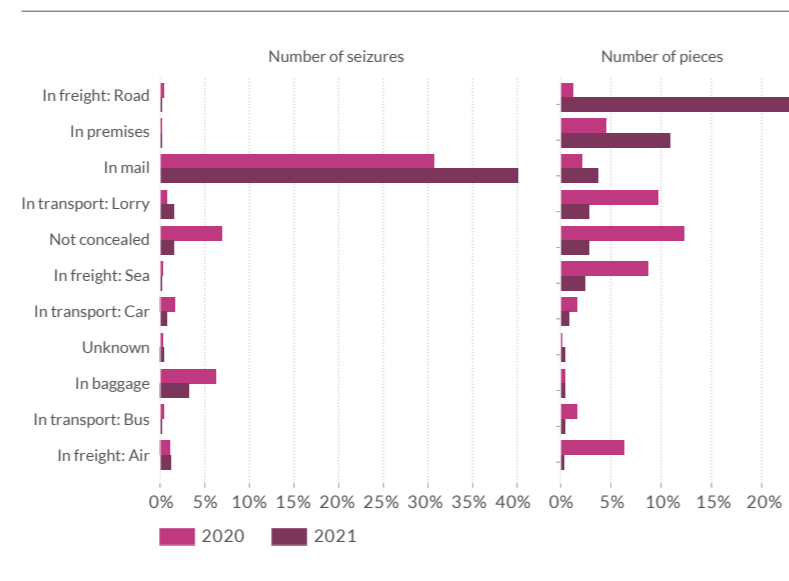


Most of the seized medical products were at import both in 2020 and 2021, and 8% of the total pieces were at export in 2021, with an increase by 50% from 2020.

Figure 22 shows the different directions in which shipments of medical products were moving when they were confiscated in 2020 and 2021.

As shown in figure 23, small consignments was the most frequent concealment method used both in 2020 and 2021, with an increase by 31% in 2021 from 2020.

Figure 23: Number of medical products seizures and quantity seized by concealment method (in pieces), 2020-2021



In terms of number of pieces, road freight was the highest concealment method with an increase by more than 1,700% in 2021 from 2020. Medical products concealed in premises were also relatively high and increased in 2021 by 140%.

In baggage was the second most frequent concealment method for illicit medical products.

General trend in the illicit trade of medical products (based on CEN data and open source)

The top three medical products seized in Burkina Faso, Côte d'Ivoire and Guinea were anti-infective agents, health supplements and nervous system agents. It can be considered that these items were smuggled for COVID-19 prevention or its treatment.⁵ These items were likely to be imported from Middle East, South Asia or East Asia by vessel to be mainly distributed to African countries by vehicle.

⁵ <https://www.theguardian.com/world/2021/sep/13/ivermectin-treatment-covid-19-anti-vaxxers-advocates>



Courtesy: UK Border Force.

Case study 1.
UK BORDER FORCE SEIZES NUMEROUS ANTI-EPILEPTIC MEDICINES

In 2021, nervous system agents increased by 452% compared to 2020. Especially in Europe region, hypnotic and sedative, and anti-epileptic, was the most common commodity types of nervous system agents. Members reported many seizures of Pregabalin, a type of anti-epileptic. One of the most notable seizure case was reported by United Kingdom Border Force.

The UK Border Force reported 389,280 pieces of Pregabalin wrapped in plastic and hidden in big barrels with mango pickles. The consignment was targeted because of its main risk indicator: the commercial size of the importation (1,160 kilogrammes) destined to a residential address and not to a factory. The consignment came from India.

Courtesy: Peru Customs.



Case study 2.
SEIZURES OF MEDICAL DEVICES INCREASE WITH COVID

Medical devices increased by 1,878% from 2020 to 2021. A greater variety of medical devices were reported by countries in 2021, with the trend being the illicit trade in oxygen-related medical devices needed for COVID-19 treatment. Many oxygen related medical devices were reported, especially from Members in the Americas region. Peru Customs reported seizures of oxygen concentrators and oxygen cylinders.

Case study 3. SWISS CUSTOMS SEIZE IVERMECTIN



Courtesy: Swiss Customs.

Anti-infective agents decreased -82 % from 2020 to 2021 but a spike in illicit e-commerce shipments of anti-infective agents (mainly anti-parasitics) was observed. Anti-parasitic agents, such as ivermectin, have been approved as a COVID-19 treatment by some Members and this has boosted the illicit supply chain of these medicines worldwide, with major spikes in the Europe and East and Southern Africa regions, especially through e-commerce.

Swiss Customs seized a mail parcel containing anti-parasitics (270 pieces of Ziverdo kit and 100 pieces of ivermectin). The parcel was detected through intelligence. Customs also confirmed that before the pandemic they had little, if any, ivermectin being imported in the country as the “ivermectin tablet” is not registered as human medicine in Switzerland. Once the media communicated that ivermectin may be useful for the prevention of respiratory treatment in COVID infections, they observed a massive increase in the “illegal” ivermectin importation.

According to open source, ivermectin is being praised by “anti vaxxers” as a “miracle cure” for COVID-19. Anti-vaxxers may also have been behind the surge in private ivermectin imports reported during Operation STOP II. Not only anti-vaxxers but also the fully vaccinated may seek to purchase ivermectin as a COVID-19 treatment.

Case study 4. ILLICIT VACCINES GET SEIZED IN SEVERAL COUNTRIES

Courtesy: Italian Customs.



Vaccines increased 1,382% from 2020 to 2021. In 2021, illicit COVID-19 vaccine seizure cases were also reported from several Members. In May 2021, Italian Customs inspected a vehicle at a port. A cool box was found in their vehicle, and inside the cool box were three vials of the AstraZeneca vaccine (30 doses).

Furthermore, in May, Mexico Customs checked a cool box during an inspection of express courier parcel cargo at an airport, and two vials of Pfizer/BioNTech vaccine were found in the cool box (12 doses). The shipment was declared as “MEDICAL PRODUCT AS GIFT”.

In these cases, illicit COVID-19 vaccines were detected from passenger’s vehicles and small consignments. Importers and exporters were individuals, quite different from the strictly government-controlled transportation of COVID-19 vaccines, and this was a malicious case with an extremely high risk of health safety hazards.

In addition to the WCO member’s seizures of illicit COVID-19 vaccines, illicit vaccines were reported via open source. For example, in March 2021, fake Sputnik V vaccines were seized in Mexico after being discovered in a cooler box in a private jet⁶.



Courtesy: Mexican Customs.

⁶ <https://www.gob.mx/sat/prensa/aduanas-y-ejercito-mexicano-decomisan-vacunas-sputnik-v-en-aeronave-privada-en-la-aduana-de-campeche-043-2021>

3. Operation STOP and STOP II



The WCO quickly responded to the illicit trade in medicines following the COVID-19 pandemic declaration by WHO in March 2020 and took immediate action by conducting an emergency operation to strengthen coordinated Customs border controls. Operation STOP Operation began in 2020 and STOP II was launched in 2021. Here some results of both Operations:

STOP Operation	Members	Seizure Cases	Seizure Pieces
from 11 th May to 12 th July 2020	51	1233 cases out of a total 1683 seizures/detentions	- Illicit medicines 307.2 million pieces - illicit medical supplies/equipment 47.8 million items - illicit sanitizer gel 2.7 million liters
STOP II Operation	Members	Seizure Cases	Seizure Pieces
- 1 st phase 30 th April 2021 to 3 rd June 2021	83 Members	- 2360 cases reported	- Illicit medicines 365.7 million units
- 2 nd phase 25 th June 2021 to 30 th September		- 3434 cases recorded in WCO platform, CENcomm IPR group.	- 195.5 million pieces - illicit medical supplies/equipment 156.7 million items - illicit COVID-19 vaccines 13.5 million doses

Annex 1 – Conversion rules

For the sake of consistency and to harmonize the measurement units, the following conversion rules were applied:

One kilogrammes of IPR products such as, footwear, clothing, textiles other than clothing are considered as one piece.

Most of the reported medicines and medical devices were reported in pieces. However, some of them were reported in kilogrammes, grams, litres and millilitres; for the sake of consistency and to harmonize the measurement units used, the following conversion rules were applied:

- For medicines reported in kilogrammes and grams, every 600 mg is considered to be one piece.
- For health supplements and sanitizers, every litre is considered to be one piece.
- For medicines reported in millilitres, every 100ml is considered to be one piece.
- For vaccines reported in kilogrammes, every millilitre is considered to be one dose.
- For face masks, gloves and gowns reported in kilogrammes, every 3.5g is considered to be one piece.

For this Report, the number of pieces is indicative of the size of the risk, while the number of seizures is indicative of the frequency of the risk.

E-commerce seizures refer to small consignments concealed in small parcels and mail.

Due to the large number of items listed under medical devices, and for reasons of practicality, similar items were grouped together under a single category as follows:

- “PPE” refers to: gowns, shoe covers, head covers and overalls.
- “Face masks” also refers to: face shields.
- “Respiratory devices” refers to: nebulizers, nasal cannulas, nebulizer masks, filters, respiratory circuits, cannula hoses and heated breathing tubes.
- “Oxygen devices” refers to: oxygen cylinders, oxygen concentrators, ventilators, oxygen regulators, parts of medical oxygen balloons and compressors.
- “Syringes” refers to: syringes and needles.
- “Other” refers to: surgical threads, dental devices, blood collection tubes, in vitro diagnostic tests, sensors, drug tests, medical headphones and laboratory tools.

Courtesy:
Bolivian Customs.





6 REVENUE

Revenue collection continues to be a key responsibility of Customs across the globe. Revenue collection risks in the Customs environment have changed little over the years, although efforts by organized crime to circumvent Customs duties and taxes are increasingly sophisticated and therefore more challenging to disrupt.





Illegal trade in excise goods has a significant impact on governments' efforts to secure global supply chains, while depriving them of vital revenues that are crucial in financing and supporting public services.

INTRODUCTION

Another well-founded concern of governments is that criminal proceeds derived from these illegal activities will, almost inevitably, be invested in other illicit activities, thereby undermining public safety, good governance, and the rule of law.

The COVID-19 pandemic resulted in the restricted movement of people across borders, and a decline in production and trade. However, Customs has been busy ensuring the smooth cross-border movement of essential goods to keep the lifeline of economies.

Insufficient sources of raw materials for production and trade are another key factor that supported illegal trade during the COVID-19 pandemic. Closed borders and restrictions imposed by governments were a major source of supply chain disruption.

Despite air and land borders being closed for passengers, criminal networks found ways to continue smuggling and feeding the black market with drugs, alcohol, cigarettes, etc. As governments across the globe took measures to curb the spread of COVID-19, they also had to pay attention to the side effects of some of these measures. Negative unintended consequences included the weakening of local manufacturing and retail sectors, loss of employment and tax revenue, and the change in behavioral patterns of ordinary people by normalizing the purchasing of illicit goods. The strengthening of organized crime networks is of particular concern, as their gains will continue to affect negatively countries long after COVID-19 has been brought under control.

From a Customs and law-enforcement perspective, the primary arenas of excise fraud are:

- smuggling or illegal importation of excise goods;
- illegal manufacture of excise goods;
- diversion of goods without paying excise duties.

According to Euromonitor's white paper on *Illicit Trade in Times of Coronavirus*: "Unintended negative consequences during COVID-19 have been seen in countries where governments have implemented and enforced policies related to:

- restrictive access to raw materials;
- temporary ban of legal goods being sold;
- control over which channels products are sold in; or
- higher excise taxes on goods.

As they have a direct impact on selling prices of legitimate goods, these actions incentivize consumers to seek lower priced goods within the illicit market, where options are readily available at large discounts below market price due to tax and regulatory evasion. Alcoholic drinks and tobacco have seen disruption and migration towards illicit trade. These industries have the largest distortions caused by excise taxes, artificial channeling and increases in the price of raw materials."¹

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



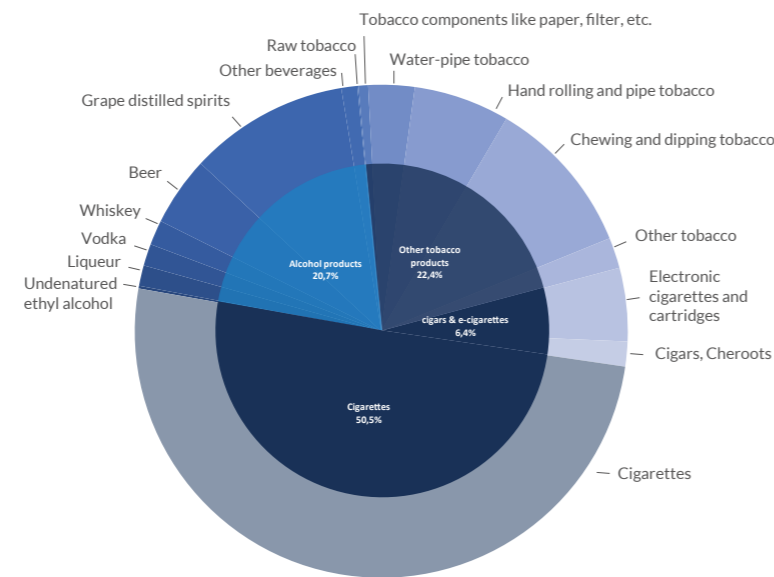
¹ <https://go.euromonitor.com/white-paper-consulting-2020-COVID-19-and-illicit-trade.html>

1. Overall trends in illicit trade of tobacco and alcohol products from CEN data

In 2021, 77 countries reported 29,219 seizures of tobacco and alcohol products in the CEN database, whereas in 2020, 99 countries reported 17,419 seizures. It is to be recalled that a case may refer to several seizures, for instances a case involving different goods will be documented with separate seizures.

Figure 1: Percentage of seizures by product category, 2021

The centre circle in Figure 1 separates all seizures of excise goods in 2021 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



In 2021, the majority (50.5%) of seizures were of cigarettes, accounting for about half of all reported revenue seizures. Seizures of other tobacco products accounted for 22.4% of all seizures, the second-most common type.

Among seizures of other tobacco products, 46.3% were of chewing and dipping tobacco, 28% were of hand rolling and pipe tobacco, and 13.5% were of water-pipe tobacco.

In 2021, cigars and e-cigarettes were again the least common type of seizure, accounting for 6.4% of all seizures.

Figure 2: Percentage of tobacco and alcohol seizures, 2020-2021

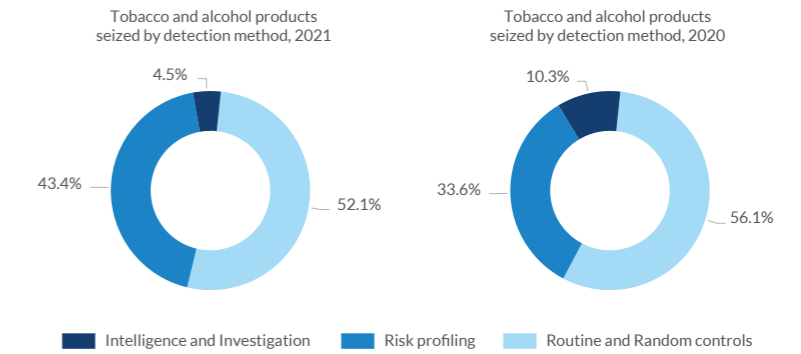
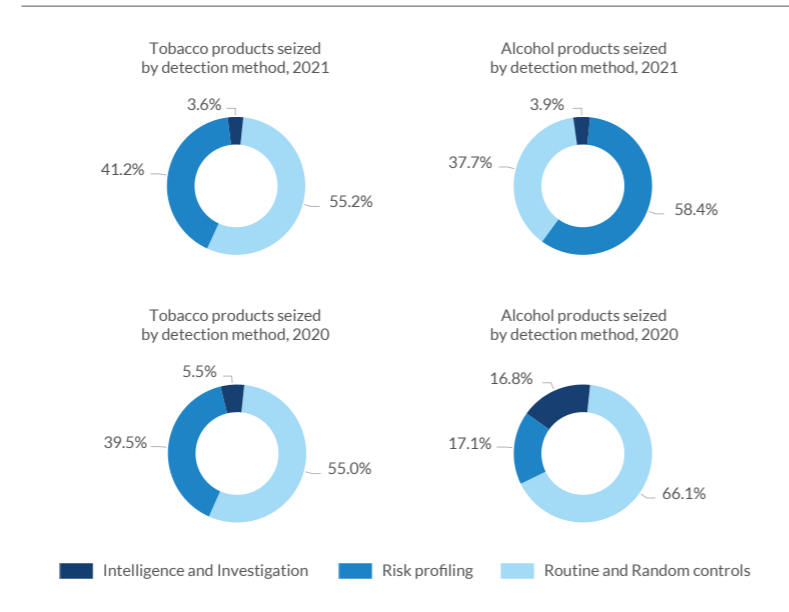


Figure 2 provides an overview of reported seizures in 2020 and 2021 by Customs detection method.

For tobacco products and alcohol products combined, the majority of seizures in 2021 were detected through routine and random controls (52.1%). It was also the most productive detection method in 2020 (56.1%).

Figure 3 differentiates tobacco products and alcohols products by Customs detection method, in 2020 and 2021.

Figure 3: Percentage of tobacco and alcohol products seizures by detection method, 2020-2021



In 2021, a majority of cases of tobacco smuggling were detected through routine and random controls (55.2%). In 2021, a large majority of seizures of alcohol smuggling were detected through risk profiling (58.4%), while it only represents 41% of seizures involving tobacco products.

However, this figure should not be interpreted as demonstrating a difference between alcohol products and tobacco products regarding the most efficient method for Customs to detect smuggled goods. Indeed, in 2020, for alcohol products, routine and random controls was the most productive detection method, accounted for 66.1%. Risk profiling was the second most productive method (17.1%) and intelligence the third most productive method (16.8%).

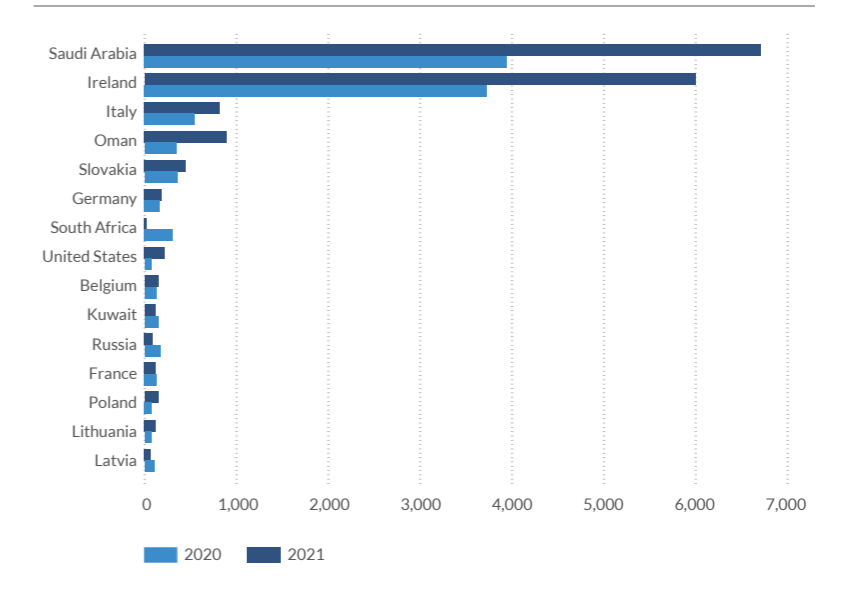
In 2021, intelligence and investigation accounted for 3.6% of seizures of tobacco products and 3.9% of cases of alcohol products. If this numbers appears as being relatively stable, it must be noted that in 2020, 16.8% of cases were detected based on this detection method.

Figure 4 compares the 15 top reporting countries in 2021 and 2020. In 2021, Saudi Arabia and Ireland reported the highest number of cases, 6,715 and 5,998 respectively, with an increase of 70.1% and 60.9% from 2020 to 2021.

1. Overall trends in trafficking of tobacco products

In 2021, 73 countries reported 23,181 seizures of tobacco products whereas in 2020, 92 countries reported 15,378 seizures of tobacco products to the CEN database.

Figure 4: Number of tobacco products cases by country, 2020-2021



No major changes occurred in regards the top 15 reporting countries. Yet, four countries present among the top 15 reporting countries in 2021 were not in the top 15 reporting countries in 2020 (United States, Lithuania, Belarus, Türkiye). These four countries were, in 2020, in 16th, 17th, 68th and 26th position, respectively.

In the top 15 reporting countries, the four countries with the most significant change are Belarus, United States, Oman and Türkiye. The number of cases Belarus reported rose by 2,850% (from 4 to 118). The number of cases reported by the United States rose by 190.8% between 2020 and 2021 (from 76 to 221), the number of cases Oman reported rose by 159.7% (from 345 to 896), and the number of cases Türkiye reported rose by 109.3% (from 43 to 90).

On the other hand, the number of cases reported by Kuwait dropped by 22.1% (from 149 to 116), and the number of cases reported by France dropped by 9% (133 to 121), all between 2020 and 2021.



Courtesy: Lithuania Customs.

Figure 5A: Number of tobacco products seizures and quantity seized by category, 2020-2021

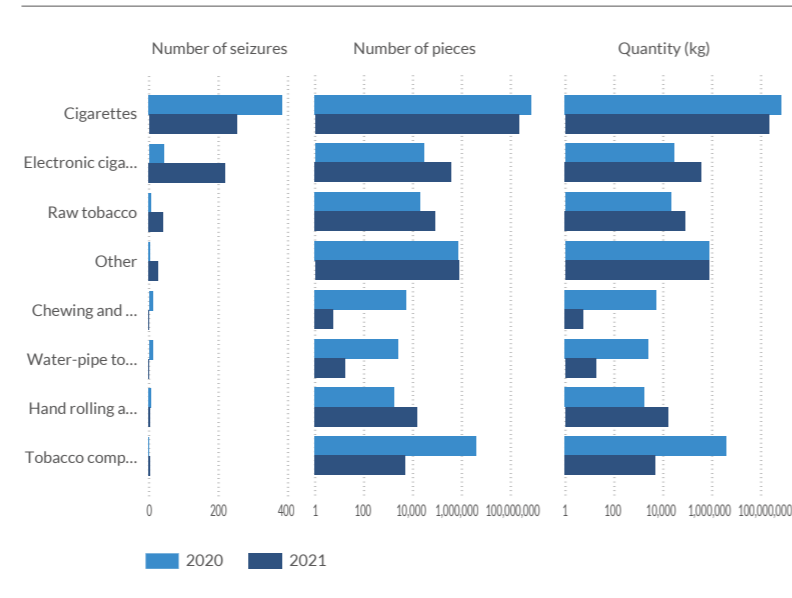


Figure 5A compares the number of seizures and quantity seized (in pieces and kilograms) in 2020 and 2021 for each category of tobacco products except cigarettes, which is shown in Figure 5B.

Compared to 2020, there were significant increases in the number of seizures in different categories: a 455.8% increase of cigars and cheroots, a 127.3% increase of chewing and dipping tobacco, and a 83.4% increase of electronic cigarettes and cartridges. Only seizures of water-pipe tobacco decreased between 2020 and 2021, by 3.6%.

This overall increase reflects the total increase of the number of seizures from 2020 to 2021 (+67.7%).

Seizures in the category e-cigarettes and cartridges have increased significantly since 2017 when 278 seizures and 445,006 pieces were seized. The number of seizures reflect the growing importance of e-cigarettes since their emergence on markets.

Seizures in chewing and dipping tobacco are the highest in number in 2021; this category was the second most important in 2020 (behind hand rolling and pipe tobacco).

Regarding the number of pieces seized, the category cigars, cheroots saw a very important increase of 7,592.7% (from 7,212 to 554,821). This can be explained by two important seizures, one in Saudi Arabia of 315,000 pieces (routine control, in a truck at seaport) and one of 103,160 pieces in Ireland (risk profiling, in premises inland). These two seizures represents 75.4% of the total of seizures in this category.

There was a sharp rise in the quantity seized for the category chewing and dipping tobacco, with an increase of 449.5% in 2021. Two important seizures in Kuwait and Saudi Arabia (of 676,500 and 322,000 kilograms) represent 81% of the total quantity seized in that category in 2021.

In the top 10 of quantity seized, raw tobacco represents 11.4% and water pipe tobacco 9.5%.

Figure 5B: Number of cigarettes seizures and quantity seized, 2020-2021

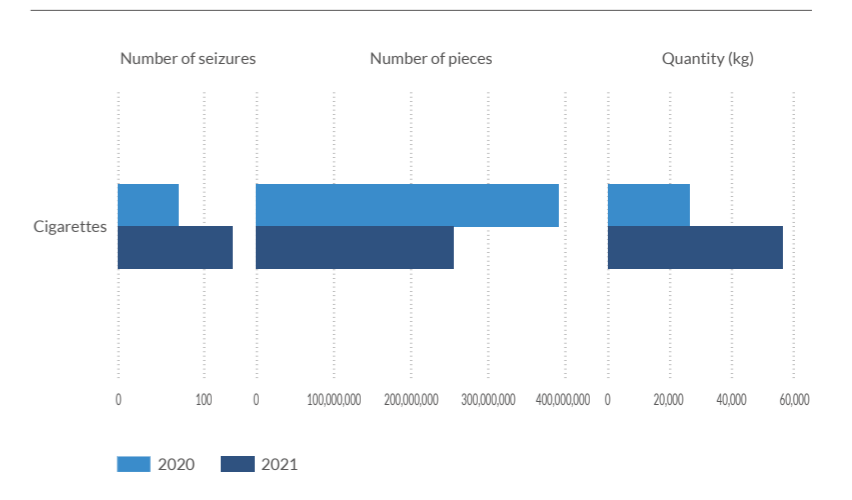


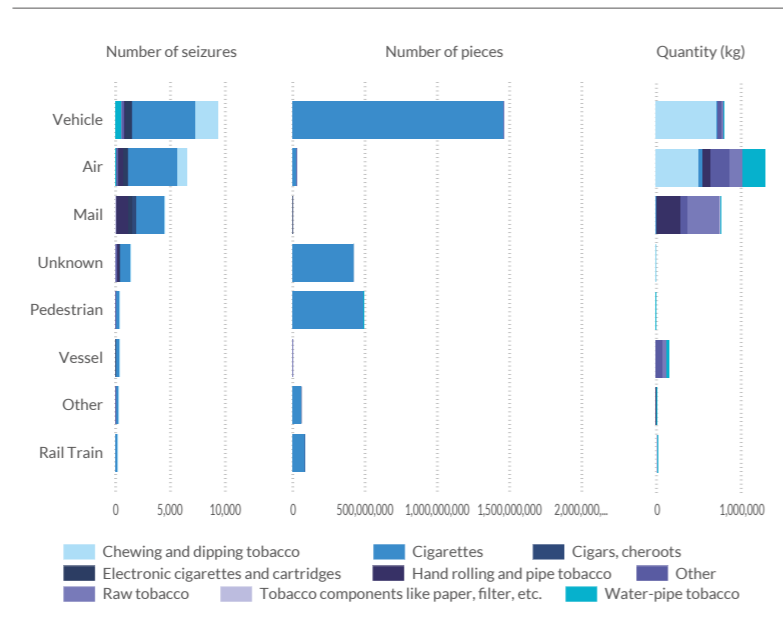
Figure 5B compares the number of cigarettes seized by number of seizures and quantity (pieces and kilograms) in 2020 and in 2021.

Customs administrations reported a 42.7% increase in the number of cigarettes seizures reported, but a 34.7% decrease in the number of cigarettes seized (pieces). In 2021, 14,749 seizures were reported and a total of 2,559,937,321 pieces, whereas in 2020, 11,337 seizures and a total of 3,920,395,093 pieces were reported.

In 2021, the ten largest seizures of cigarettes represent 15.6% of all cigarettes seized (in pieces). In 2020, the ten largest seizures represent 21% of all cigarettes seized. These relatively low figures are to be compared with 2019, when the ten largest seizures of cigarettes yielded 34.6% of all cigarettes seized.

Figure 6 compares the number of seizures, and the quantity seized (in pieces and kilogrammes) by conveyance method for tobacco products in 2021.

Figure 6: Number of tobacco products seizures and quantity seized by category and conveyance method, 2021



Most seizures (40.2%, or 9,314 of 23,181) were made from vehicles. Of these, a vast majority were of cigarettes (61.5% or 5,748), followed by 21.6% of chewing and dipping tobacco, and 6% of electronic cigarettes and cartridges.

The 6,582 seizures from air account for 28.4% of all seizures in 2021 while seizures in mail represents 19.5% of all seizure in 2021. The same ranking (vehicles, air, mail) is to be seen for the number of pieces and for the quantity seized.

Three categories represent 86.9% of the quantity seized. The quantity of chewing and dipping tobacco seized accounts for 45.8% of the total quantity seized. Hand rolling and pipe tobacco represents 27.8% and water-pipe tobacco 13.3% of total quantity seized.

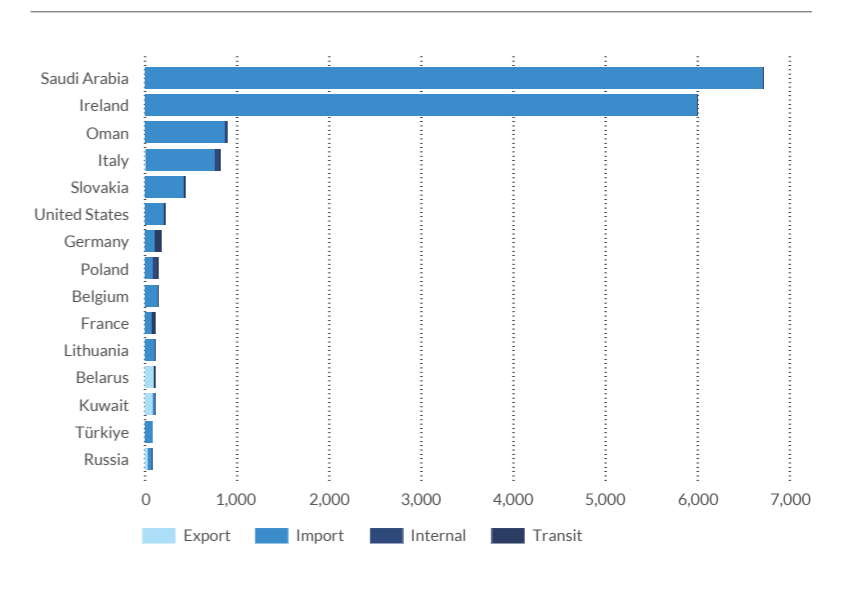
Looking at seizures of cigarettes for 2021, the number of cigarettes seized in 2021 by type of concealment (in baggage, in transport, in premises, in mail, etc.) is a robust indicator. It reveals that the majority of pieces of cigarettes seized were concealed in transport (34.2%). The transport category refers to passenger car, truck, bus, container, etc.

Freight represents 28% of the total of pieces of cigarettes that were seized. Seizures in premises represent 6.9% of the total of cigarettes pieces seized in 2021 (or 175,612,576 pieces).

Additionally, the location of the seizure provides an interpretation regarding the two most important means of concealment for cigarettes (transport and freight). A majority of cigarettes seized in freight are intercepted at seaport and land boundary; these two locations account for 90.92% of all cigarettes seized.

Figure 7 shows the 15 countries that reported the most tobacco products cases in 2021 and indicates the direction in which shipments were moving when recovered.

Figure 7: Number of tobacco products cases by Customs procedure, 2021



Of the 16,242 cases reported by these 15 countries, 96.3% (15,647) occurred at import. Only 120 cases (0.7%) occurred internally, 267 cases (1.6%) occurred at export, and 208 (1.3%) occurred in transit.

The two countries with the most reported cases, Saudi Arabia and Ireland, reported respectively 99.8% and 99.98% of their cases as occurring at import. Bosnia and Herzegovina reported 90.5% of their cases as occurring internally and Thailand reported 85.7%.

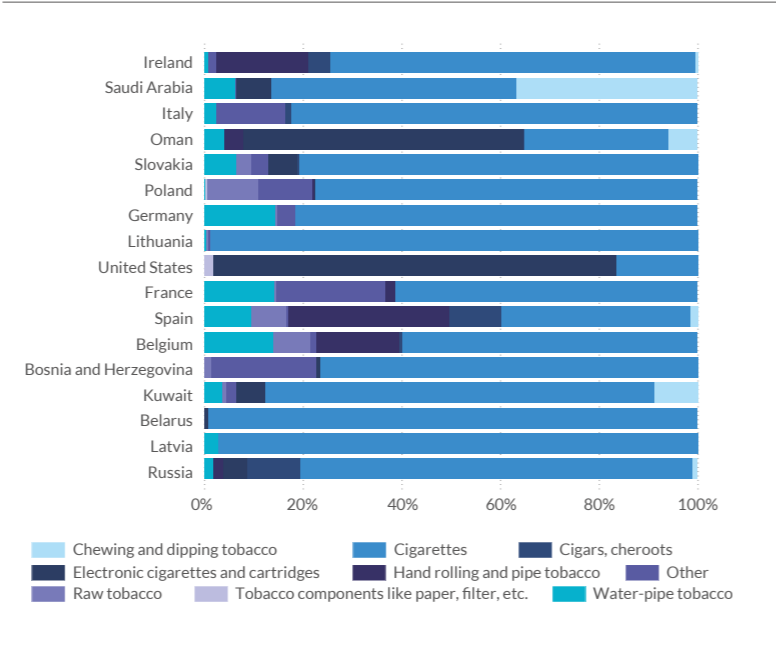
In 2021, four countries reported a majority of recoveries that did not take place at import but internally: Bosnia and Herzegovina (90.5%), Singapore (64.2%), Albania (72.7%), and Thailand (85.7%).

Seven countries reported cases of seizures recovered at export: Belarus (83%), Kuwait (78.4%), Ukraine (53.8%), Japan (66.7%), Guinea (66.7%), Moldova and Burundi (1 case).

Finally, Germany reported 38.8% of its cases as occurring in transit. This number is to be compared with cases occurring at import representing 58% of cases.

Figure 8: Proportion of tobacco products seizures by category and country, 2021

Figure 8 depicts the proportion of seizures for each category of tobacco products reported by each country.



Out of 17 countries that reported at least 100 seizures in 2021, around two-thirds (11 or 64.7%) reported cases in at least five of the categories shown in the figure above.

For 11 of these 17 countries, seizures in one category (cigarettes) represent at least 70% of the total of their seizures, and for three of these countries (Lithuania, Belarus, Latvia), at least 90% of their seizures fell in only one category.

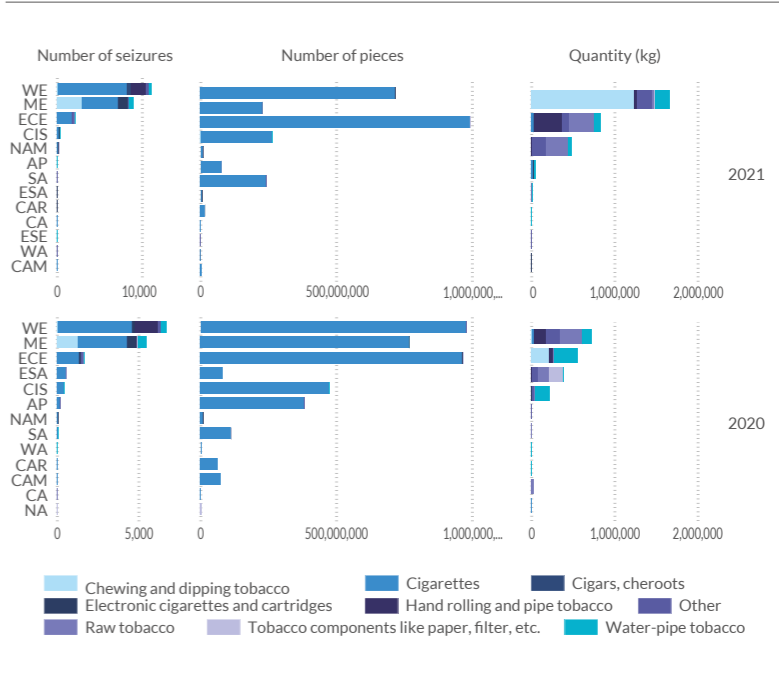
Most seizures were of cigarettes, and of the 73 countries that reported seizures, 50 (68.5%) reported at least half of their seizures as seizures of cigarettes. Twenty-three countries (31.5%) reported that seizures of cigarettes represent less than half of the seizures.

Out of the five countries that reported the most seizures in 2021 – Ireland, Saudi Arabia, Italy, Oman and Slovakia – only Oman did not report the majority of its seizures as cigarettes.

Not all countries reported primarily cigarettes. In Oman, 56.6% (534) of reported seizures were electronic cigarettes and cartridges. In Bahrain, 85.3% (70) of reported seizures were chewing and dipping tobacco. Finally, electronic cigarettes represented 81.6% (208) of seizures in the United States.

Figure 9 compares the number of seizures of tobacco products, and the quantity seized (in pieces and kilogrammes) by reporting region in 2020 and 2021.

Figure 9: Number of tobacco products seizures and quantity seized by category and region, 2020-2021



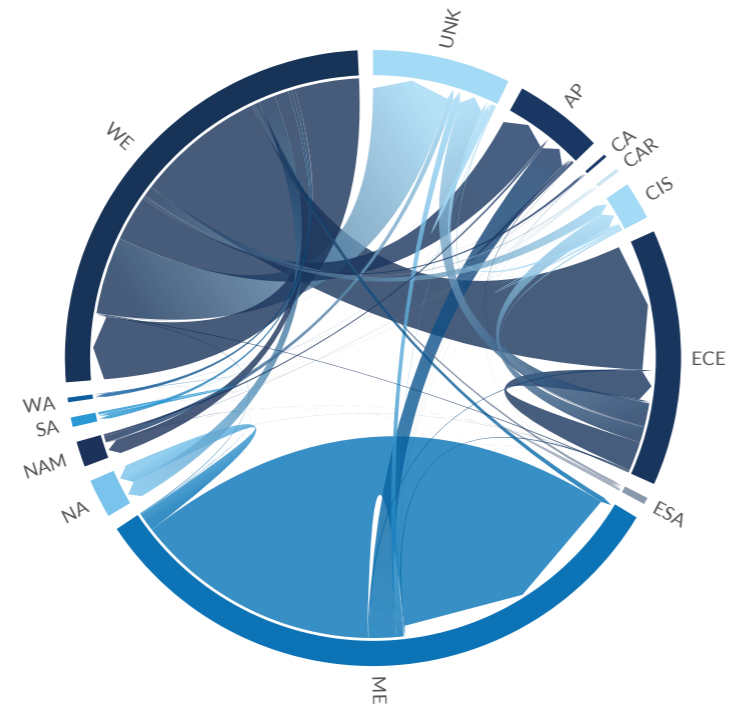
In both years, Western Europe and the Middle East, reported the first and second most seizures of tobacco products. In 2021, the two regions reported respectively 47.7% (11,119) and 38.8% (9,003) of the seizures. Thus, 86.5% of seizures were reported in two regions.

In 2021, the sum of seizures in three regions - Western Europe, Middle East, and Eastern and Central Europe - accounts for 22,325 seizures, representing 96.3% of the total number of seizures.

Both in 2020 and 2021, cigarettes represent a vast majority of quantity seized (in pieces). Cigarettes represent more than 90% of pieces seized in Asia-Pacific, Caribbean, Central Africa, Central America, CIS, Eastern and Central Europe, Eastern and Southern Africa, South America, Western Europe. The only exception is North America in 2021, for which cigarettes represent only 16.5% of the total of pieces seized while electronic cigarettes account for 81.6%.

Figure 10: Tobacco products trafficking flows by region, 2021

Figure 10 depicts intended trafficking flows of tobacco products to, from and within reporting regions in 2021.



The Middle East, and Eastern and Central Europe, were the most popular origin regions, with 7,543 flows starting in the Middle East and 4,808 flows starting in Eastern and Central Europe. These flows accounted for 32.5% and 20.7% of all 23,181 flows, respectively. Asia-Pacific represents 10% of the flows (2,334).

The vast majority of the Middle East's outward flows (7,328 flows, or 97.1% of its flows) were destined for locations within the Middle East. Thus, only 10.6% of flows starting outside the Middle East ended in the Middle East.

Comparatively, flows from Western Europe to Western Europe represents 8.3% of total flows. Western Europe ranks first as intended destination, with 43.8% of flows (or 11,193 flows) coming from outside Western Europe. Furthermore, Western Europe was the most popular destination for flows starting in Asia-Pacific, Caribbean, Central Africa, Central America, Eastern and Central Europe, Eastern and Southern Africa, North America, South America, and West Africa.

Eastern and Central Europe was the most popular destination for flows starting in CIS.

Middle East was the most popular destination for flows starting in North Africa. (52% vs. 47.1% to Western Europe).

Figure 11: Heat map of tobacco products trafficking instances by country, 2021

Figure 11 is a heat map of trafficking instances in 2021 colored by frequency.



The colouring indicates the number of times the country was either the origin or destination point for one or more seized shipments of tobacco products, regardless of where the seizure took place or which country reported it. From the darkest to the lightest blue colors, the coloring indicates more than 5,000 instances, between 500 and 5,000 instances, between 100 to 500 instances, fewer than 100 instances.

The Figure depicts all countries in which tobacco products were known or intended to have been trafficked in 2021. Three countries had more than 2,000 instances: Ireland (9,842), Saudi Arabia (7,851), United Arab Emirates (3,087) and 42 countries had more than 100 instances.

In 2021, 11 of the top 15 countries involved in the highest number of trafficking instances were also among the top 15 countries to report seizures, indicating that a high number of trafficking instances often, but not always, indicates the country has reported high numbers of seizures.

On the other hand, 77 countries had trafficking instances but did not report any seizures in 2021. Yemen for instance, had the sixth most trafficking instances (1473), but did not report any seizures in 2021.

Of the 149 countries for which trafficking instances were reported, 18 had more than 500 instances, 38 had between 51 and 500 instances, 56 had between five and 50 instances and 38 had fewer than five instances.

Of the 18 countries that were the origin or destination point for a seized shipment in more than 500 instances, seven are in the Middle East, four are in Eastern and Central Europe and three are in Western Europe.

Case study 1.
THIRTY TONNES OF TOBACCO SEIZED
AT THE PORT OF TRIESTE, ITALY



Courtesy: Italian Guardia di Finanza Trieste.

The Italian Customs Police and the Italian Financial Police (Guardia di Finanza) seized a shipment of nearly 30 tonnes of tobacco products of foreign manufacture at the Port of Trieste in November 2021. The shipment had come from Malawi and the tobacco was intended to be sold on the EU market European territory.

The tobacco had been falsely declared as raw product, resulting in much lower customs fees and VAT payments. Consequently, the two individuals suspected of the illicit trade, both Turkish citizens, were in total evasion of excise duty, VAT and customs fees, leading to estimated damages of €5 million to the EU and national budgets.

The Venice office of the European Public Prosecutor's Office (EPPO) took over this case in December, and will lead the investigation from now on.

Source: <https://www.epo.europa.eu/en/news/epo-venice-office-30-tonnes-tobacco-seized-port-trieste>



Operation Pathfinder – RILO CIS and the WCO Revenue Programme

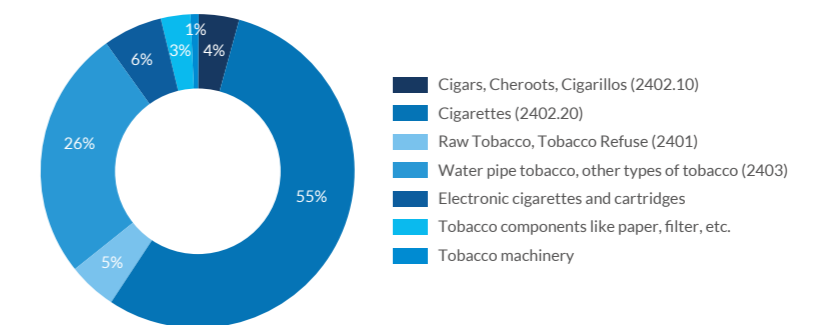
The WCO Revenue Programme and the Regional Intelligence Liaison Office (RILO) for the Commonwealth of Independent States (CIS) jointly initiated Operation Pathfinder; from 1 to 21 November 2021 (three weeks).

The Operation targeted all types of tobacco and tobacco products, as well as equipment, chemicals, papers, and other materials involved in the illicit production of tobacco products, transported from/to/through the territories of the countries participating in the Operation as part of commercial consignments transported by sea, road, rail, mail, and air (objects of the Operation).

Fifty-nine Customs administrations from three WCO Regions, six RILO offices, the WCO Secretariat, the European Anti-Fraud Office and Interpol took part in the Operation.

During the operational phase, participants seized more than 80 million cigarettes, 85 tonnes of tobacco and raw tobacco. There were also seizures of tobacco machinery, electronic cigarettes and their components; in addition, an illegal tobacco factory was identified.

Figure 12: Share of seizures per commodity



Fifty-five per cent of seizures conducted during the Operation related to cigarettes, 26% to water pipe tobacco and other types, 6% to electronic cigarettes and cartridges, and finally 5% to raw tobacco and tobacco refuse.

Customs services from all participating regions conducted significant seizures and exchanged information within the operational phase. Large-scale seizures were conducted by Australia, Bulgaria, Egypt, France, Hong Kong (China), Ireland, Italy, Kyrgyzstan, Poland, Qatar, the Russian Federation, and Thailand.

Seizure statistics conducted during the operational phase confirm the on-going trend of tobacco product smuggling in cargo in the regions of Europe, Asia-Pacific, North of Africa, Near and Middle East (MENA), highlighting the need to further improve mechanisms of international counteraction in this area.



Courtesy: Singapore Customs.

2. Overall trends in trafficking of alcohol products

Forty-one countries reported 6,038 alcohol products seizures in 2021, a 195.8% increase from 2020, when 51 countries reported 2,038 seizures.

Figure 13: Number of alcohol products cases by country, 2020-2021

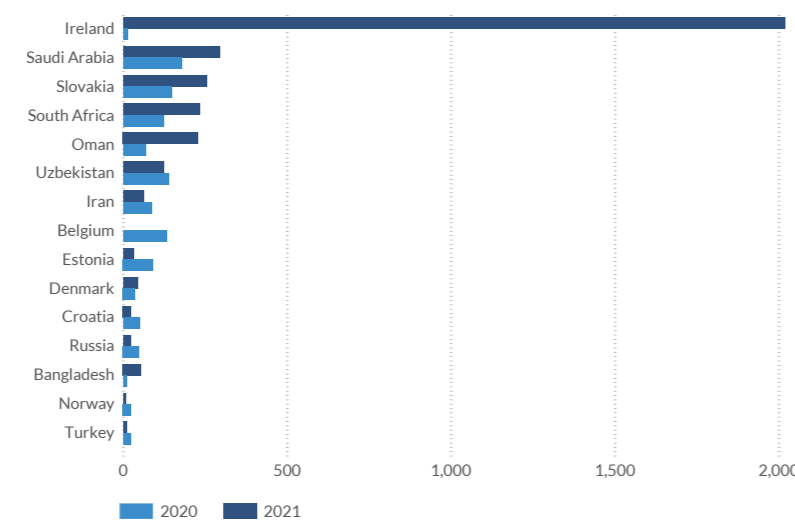
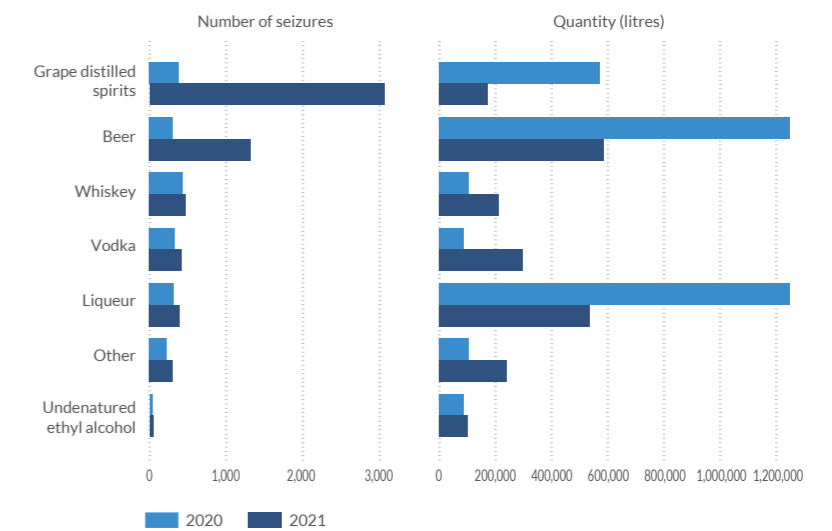


Figure 13 shows the number of cases for the 15 top reporting countries in 2021. In 2021, 3,621 cases were reported and 1,331 in 2020.

Saudi Arabia reported the greatest number of cases in 2020, and the second-largest number of cases in 2021. The number of cases increased by 64.8%, from 179 cases to 295 cases in 2021. Ireland reported by far the greatest number of cases in 2021, the number of cases increased by 13,360%, jumping from 15 cases to 2,019 cases in 2020.

Figure 14 compares the number of seizures and volume seized by category of alcohol products in 2020 and 2021.

Figure 14: Number of alcohol products seizures and quantity seized by category (in litres), 2020-2021



Members reported 6,038 seizures of 2,147,939.7 litres of alcohol products in 2021, a 195.8% increase in the number of seizures (2,041 in 2020) but a 45.2% decrease in litres seized from 2020.

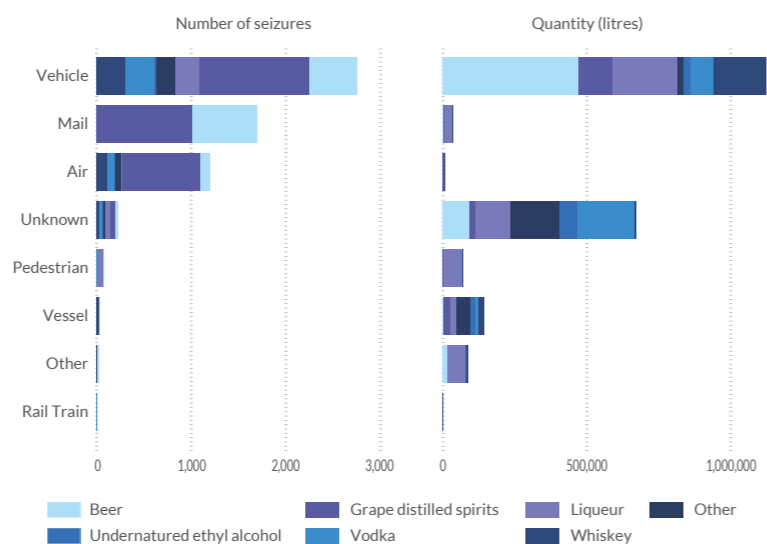
Every category saw an increase from 2020 to 2021 while the total number of litres of seized alcohol, resulting from fewer amounts reported in beer, grape distilled spirits and liqueur, while the other categories show increased amounts.

The category with the greatest number of seizures in 2021 was grape distilled spirits, with 3,065 grape distilled spirits seizures accounting for 50.8% of all alcohol products seizures in 2021. Yet, the 173,116.7 litres seized accounted for only 8% of the volume of alcohol products seized. Beer seizures accounted for 22% seizures in 2021 and 27.3% of litres seized. Vodka and whiskey accounted for a further 6.9% and 7.9% of all seizures, respectively.

Litres of liqueur seized dropped most precipitously, decreasing from 1,495,607 litres in 2020 to 535,319.5 litres in 2021. Beer, whose number of seizures jumped from 15.1% in 2020 to 22% in 2021, decreased from 37.4% of litres seized in 2020 to 27.3%. Grape distilled spirits increased from 19% in 2020 to 50.8% in 2021.

Figure 15 compares the number of seizures, and the quantity seized by conveyance method for all seizures of alcohol products in 2021.

Figure 15: Number of alcohol products seizures and quantity seized by category and conveyance method (in litres), 2021



Most seizures (45.6%, or 2,752 of 6,038 seizures) were from vehicles (seizures from vehicles, including contraband stashed in hidden compartments of cars, trucks, and vans). Of these (42.2%), a vast majority were of grape distilled spirits, 18.3% were of beers, and 11% and 11.3% were of vodka and whiskey, respectively

The main change compared to previous Illicit Trade Reports is the number of mail seizures, accounting for 28.2% of seizures of alcohol products (1,701) while very limited in 2019 and in the previous years. This can be interpreted as a change in flows. Indeed, in 2020, mail represented only 1% of all seizures (20 out of 2,041).

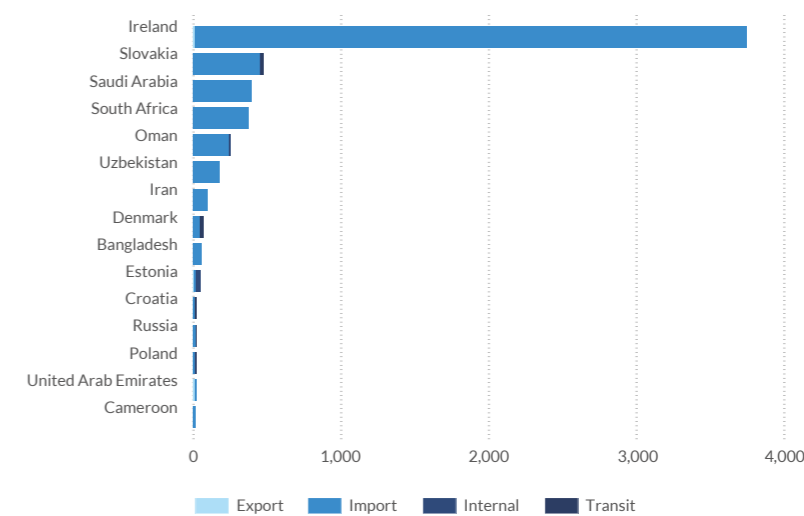
In 2021, air represents 19.8% of seizures (8.8% in 2020).

Between 2020 and 2021, there was a drop in pedestrian seizures, from 7.8% to 1.4%, which follows the ten points drop in vehicle seizures (from 55.7% to 45.6%) and the three points drop in vessel seizures (from 3.9% to 0.7%). The physical restrictions implemented by countries may be a reason for this change.

Vehicle seizures is also the main type of seizures as regards the quantity seized: it accounts for 52.4% of all seizures (1,125,057 litres). Undocumented seizures account for the second main category marked as unknown (31.3%). The issue of missing documents should be addressed since it is a recurrent problem (26.3% in 2020). Vessel seizures accounted for 6.8% of the seized quantity.

Figure 16 shows the 15 countries that reported the most alcohol products cases in 2021 and indicates the direction in which target shipments were moving when recovered.

Figure 16: Number of alcohol products cases by Customs procedure and country, 2021



Of the 3,458 cases reported by these 15 countries 96.9% (3,350) occurred at import. Only 21 cases (0.6%) occurred at export, 38 cases (1.1%) occurred internally, and 49 (1.4%) occurred in transit.

The two countries with the most reported cases, Ireland and Saudi Arabia reported respectively 99.7% and 100% of their cases as occurring at import. Germany reported 52.9% of its cases as occurring in transit and Denmark, 31.8%.

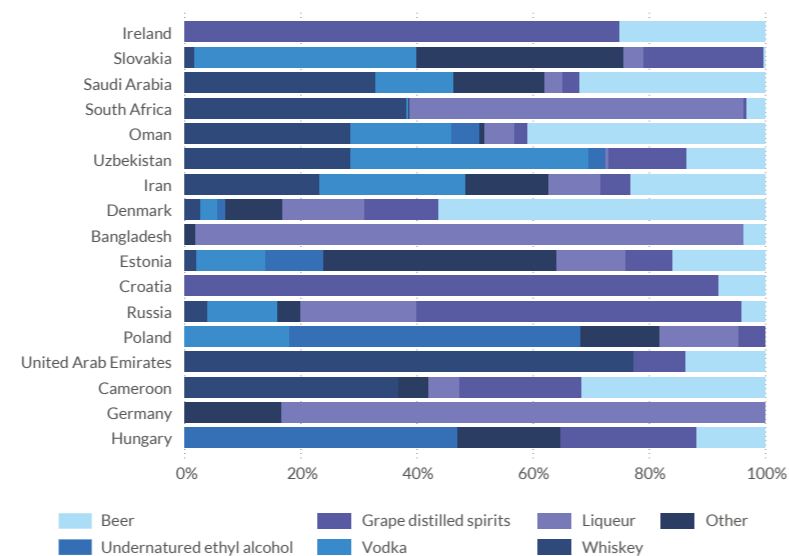
In 2021, Germany, Hungary and Serbia reported more than 50% of cases occurring in transit, accounting for respectively 52.9%, 71.4% and 66.7% of their respective cases.

In 2021, Poland, Myanmar, Singapore, Mali and Latvia, reported more than 50% of cases occurring internally, accounting for respectively 55.5%, 100%, 100% (one case reported) and 100% (one case reported).

In 2021, only Argentina reported more than 50% of its cases as occurring at export (55.6% or five cases out of nine reported).

Figure 17 depicts the proportion of seizures for each category of alcohol products reported by each country. Countries differed widely in types of alcohol products seized most often.

Figure 17: Proportion of alcohol products seizures by category and country, 2021

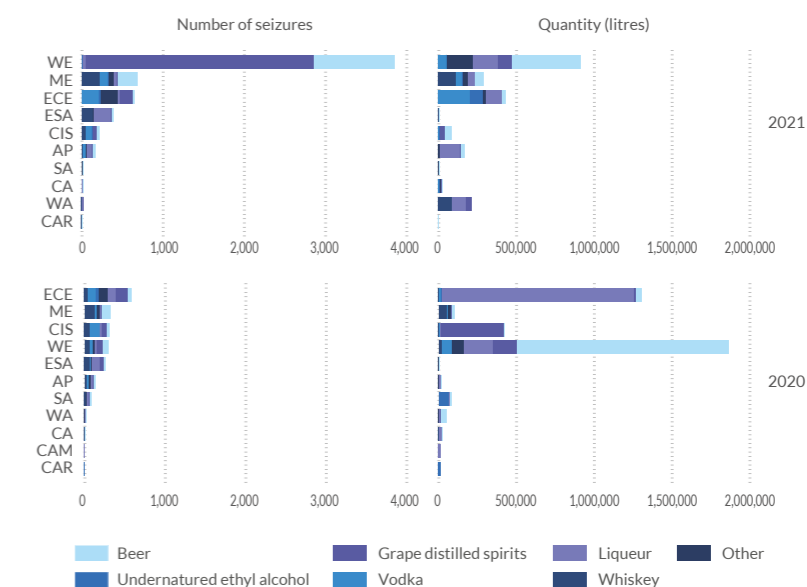


Of the 41 countries that reported seizures of alcohol products in 2021, 27 reported at least ten such seizures. Of these 27 countries, beer represents more than fifty percent of all seizures in two instances: Belarus (60%) and Denmark (56.3%).

Out of the 27 countries that reported at least ten seizures in 2021, 17 (63%) reported cases in at least four of the categories shown in the Figure above.

Figure 18 compares the number of seizures of alcohol products and the quantity seized (in litres) by reporting region between 2020 and 2021.

Figure 18: Number of alcohol products seizures and quantity seized by category and region (in litres), 2020, 2021



Seizures of alcohol products increased by 195.8% from 2020 to 2021 across all regions (2,041 to 6,038).

The biggest increase in reported seizures occurred in Western Europe, 1,175.8% jumping from 302 to 3,853 seizures.

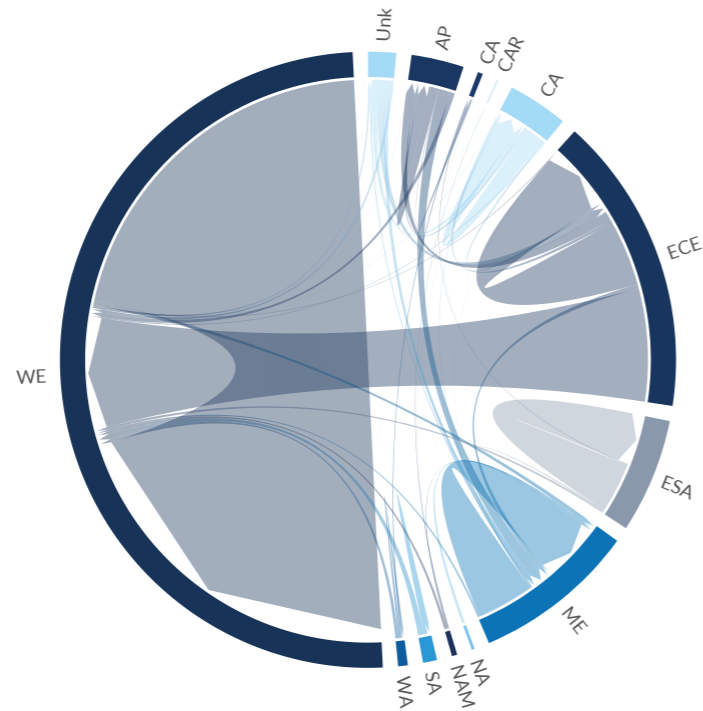
In 2021, Western Europe, Middle East, and Eastern and Central Europe, were the three regions that reported the most seizures. Western Europe accounts for 63.8% of reported seizures in 2021, while the Middle East represents 11.4%, and Eastern and Central Europe accounts for 10.7%. In 2020, Western Europe represented 14.8%, third most important after Eastern and Central Europe (28.7%), and CIS (15.1%).

In 2021, seizures reported by Ireland accounted for 97.3% of the seizures reported in Western Europe (3,749 of 3,853). This particular situation must be highlighted as the main conclusions are impacted by the important number of seizures reported by Ireland.

However, in terms of quantity seized, the prevalence of Western Europe in 2021 and 2020 appears more obvious. Indeed, with regards to quantities seized, Western Europe represented 47.7% of all quantities seized in 2020 and 42.5% in 2021. In 2020 and 2021, Eastern and Central Europe was the second region in terms of quantity seized (respectively 33.3% and 20.3%).

Figure 19: Alcohol products trafficking flows by region, 2021

Figure 19 shows intended trafficking flows of alcohol products to, from and within reporting regions in 2021.



Flows within regions accounted for 4,422 of 6,038 flows, or 73.2% of all flows, meaning 73.2% of flows are happening in the same region (departure and destination are the same).

Western Europe, Eastern and Central Europe were the most popular origin regions, with 2,860 flows (47.4% of all flows) starting in Western Europe and 1,515 flows (25%) starting in Eastern and Central Europe. Two thousand eight hundred four flows originating in Western Europe were destined for locations within Western Europe, representing 98%.

Most of Eastern and Central Europe's flows were headed to Western Europe (57.6%) or locations within Eastern and Central Europe (33.7%). Following the conclusion on flows within region, Western Europe is the most common intended destination, reported as the end point of 3,871 flows (64.1%).

Flows within regions are important in the following cases: 93% of flows originating in Middle East ended in Middle East, 91.7% of flows originating in Eastern and Southern Africa ended in Eastern and Southern Africa, and 90.9% of flows originating in Central Africa ended in Central Africa.

Figure 20: Heat map of alcohol products trafficking instances by country, 2021

Figure 20 is a heat map of trafficking instances in 2021 coloured by frequency. The colouring indicates the number of times the country was either the origin or destination point for one or more seized shipments of alcohol products, regardless of where the seizure took place or which country reported it.



Six of the fifteen countries involved in the highest number of trafficking instances were also among the top 15 countries to report cases, indicating that only part of the number of trafficking instances can be explained by higher levels of reporting.

Ireland is the country that reported the most seizures and is also the destination point for a seized shipment in the most instances. Ireland reported 62% of seizures (3,749) and was reported in 31% of instances (3,750 total instances).

Of the 205 countries for which trafficking instances of alcohol products were reported, two had more than 500 instances (Ireland and France), 28 had between 51 and 500 instances, 44 had between five and 50 instances and 33 had fewer than five instances.

Due to the high number of flows having Ireland as destination, flows going to Ireland are the most significant. For instance, flows to Ireland represent 98.3% (118 out of 120) of flows from Belgium, 100% from Denmark, 99.2% from France, and 95% from the UK. Ireland received the most flows from France, Netherlands, and Germany.

Case study 2. CUSTOMS GOOD PRACTICES RELATED TO COVID-19 AND ALCOHOL DETECTIONS



Courtesy: Polish
Customs.

The whole world has been affected by the COVID-19 pandemic since the beginning of 2020. Customs Administrations reacted immediately to the emerging trends to enable its counteraction in the most efficient way possible.

During the first months of 2020 a significant amount of confiscated alcohol were donated by the National Revenue Administration of Poland (KAS) to be used to make disinfectants to support the fight against coronavirus.

In face of the threat of coronavirus and thanks to the early measures undertaken by the National Revenue Administration together with the justice system in Poland the alcohol originally intended to be destroyed after being confiscated as part of criminal investigations, was donated in order to be used to prepare disinfectants for objects, surfaces, rooms and means of transport.

The confiscated alcohol was donated to hospitals, the state fire service, emergency services and health care facilities.

Source:
Project SHOT report (RILO ECE and WCO).



Case study 3. OPERATION BAD DRINK

Courtesy: Italian
Guardia di Finanza.

In 2021, Italian Guardia di Finanza conducted Operation "BAD DRINK" focused on denatured alcohol and hand sanitizers intended to the clandestine production of wines and spirits.

The Economic and Financial Police Unity of the Guardia di Finanza based in Naples gave execution of search decrees issued by the Public Prosecutor's Office of Naples North as part of an articulated investigative activity.

The subject of the investigations was the introduction into the national territory of large quantities of disinfectant and denatured alcohol of foreign origin that were used for the production of alcoholic beverages.

During the Operation, the seizures of products were done in Campania and Puglia, and technical analysis carried out by specialized laboratories. The laboratories detected the use of the same illegal chemical profile, typical of denatured alcohol intended for industrial use and sanitization.

This illegal activity also made it possible to evade the payment of excise duties, as the imported disinfectant product which is not the subject to payment of the excise tax in Italy, was subsequently used for the production of alcoholic beverages.

The Operation resulted in seizures of about 2,800 litres of alcohol, a large amount of champagne and wine packages, over 9,000 bottles of liqueurs, and 900 bottles of extra virgin olive oil.

In addition, searches in printers and commercial warehouses lead to the seizure 300,000 counterfeit state stamps as well as numerous clichés for printing false labels that were affixed to extra virgin olive oil products of illicit origin.

Finally, the suspects were detained with large sums of money and numerous checks, most likely proceeds of the criminal activity.

Source: Italian Guardia di Finanza.



As the first line of defense, Customs play a critical role in countries' ability to prevent dangerous goods, including explosive precursors as well as weapons and materials of mass destruction, from illegally entering a country and being used to cause serious bodily harm.



Australian Border Force Marine Unit Officer boarding ship at sea.
Courtesy: Australian Border Force.

Although terrorist related fatalities have decreased in many western countries in recent years, conflict zones continue to witness a large number of attacks and fatalities with 97% of terrorist related fatalities occurring in these conflict zones.¹

INTRODUCTION

Nevertheless, a total of 44 countries recorded terrorist related fatalities in 2021 which indicates that the threat of terrorism is still a major cause for concern throughout much of the world.

To combat these threats the WCO Security Programme continues to engage in a variety of security related initiatives including:

1. Restricting the illicit trade in Small Arms and Light Weapons (SALW) through several regional SALW focused security projects.
2. Countering the proliferation of Weapons of Mass Destruction (WMDs) through the WCO's Strategic Trade Control Enforcement Programme.
3. Countering the threat posed by Improvised Explosive Devices (IED) and precursor chemicals through the WCO's Programme Global Shield activities.
4. Supporting efficient passenger controls to help identify foreign terrorist fighters through the use of API/PNR targeting systems such as the WCO's Global Travel Assessment Systems (GTAS).
5. Countering terrorist financing through operations targeting bulk cash smuggling and money laundering by suspected terrorists (see Section 2 for more details).

¹ <https://reliefweb.int/report/world/global-terrorism-index-2022>

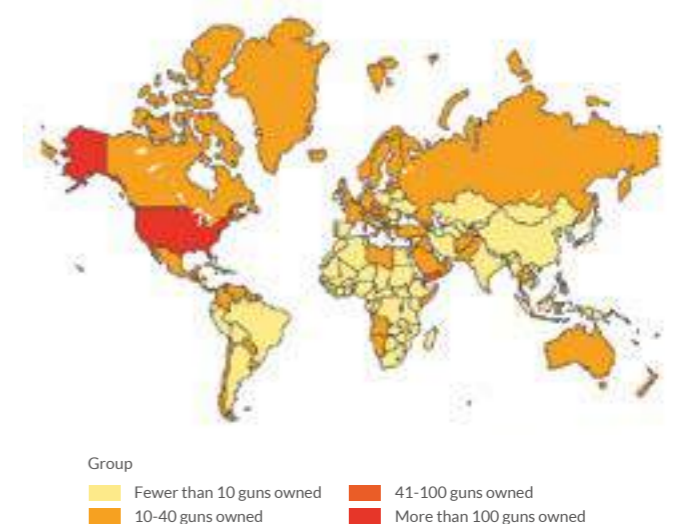
Figure 1⁴ provides an overview of the civilian gun ownership rates around the world which can be used as an indicator for determining high risk source countries for SALW, as diversion from civilian gun owners poses a serious risk to SALW trafficking.

1. Overall trends in weapons and ammunition trafficking

Given that the vast majority of Security Programme related seizures reported by WCO Members the CEN fall into the category of SALW/ firearms, most of this Section will focus on examining recent trends in the illicit firearms trade.

Firearms have the ability to cause mass casualties as well as facilitate serious organized crime and political instability around the world. Current estimates suggest that there are around 250,000 firearms related deaths each year.² Moreover, there are believed to be more than 800 million Small Arms and Light Weapons in circulation around the world.³ With around 85% of weapons believed to be in the hand of civilians, the risk of their use in crimes as well as terrorist attacks poses as serious risk to the safety and security of many countries.

Figure 1: Overview of global civilian gun ownership



The United States' high gun ownership rate of 120 firearms for every 100 people as well as having the highest number of firearms in circulation amongst civilians makes them one of the primary source countries for SALW trafficked in several regions around the world.⁵

² <https://worldpopulationreview.com/country-rankings/gun-deaths-by-country>

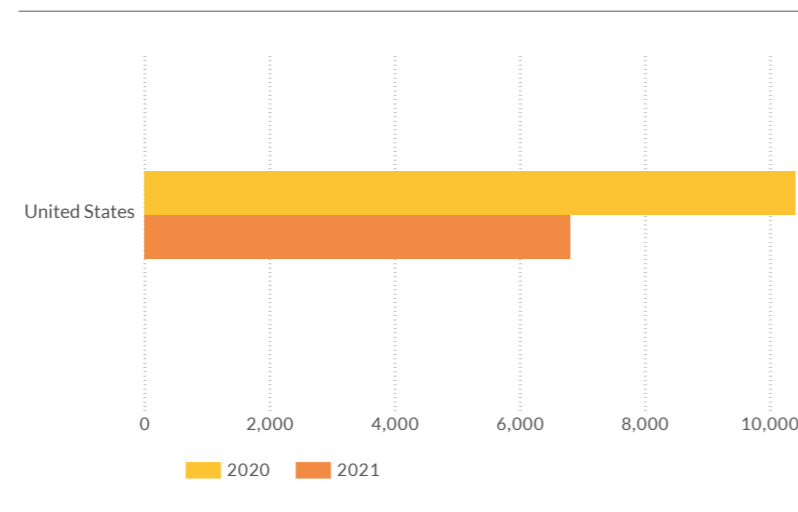
³ <https://www.smallarmssurvey.org/database/global-firearms-holdings>

⁴ Data used in figure x primarily gathered from: <https://worldpopulationreview.com/country-rankings/gun-ownership-by-country>

⁵ <https://worldpopulationreview.com/country-rankings/gun-ownership-by-country>

Figure 2A provides an overview of the seizures reported by the United States which account for 92% (10,421) of all reported weapons seizures in 2020 and 88% (6,828) in 2021.

Figure 2A: Number of weapons and ammunition seizures in the United States, 2020-2021



The number of weapons seizures reported to CEN decreased by 32% from 11,337 seizures in 2020 to 7,730 seizures in 2021. This decrease in reported seizures is largely related to the fact that the 2021 data set did not include seizures reported by US Customs and Border Protection (CBP) from the fourth quarter of 2021 (October-December 2021).

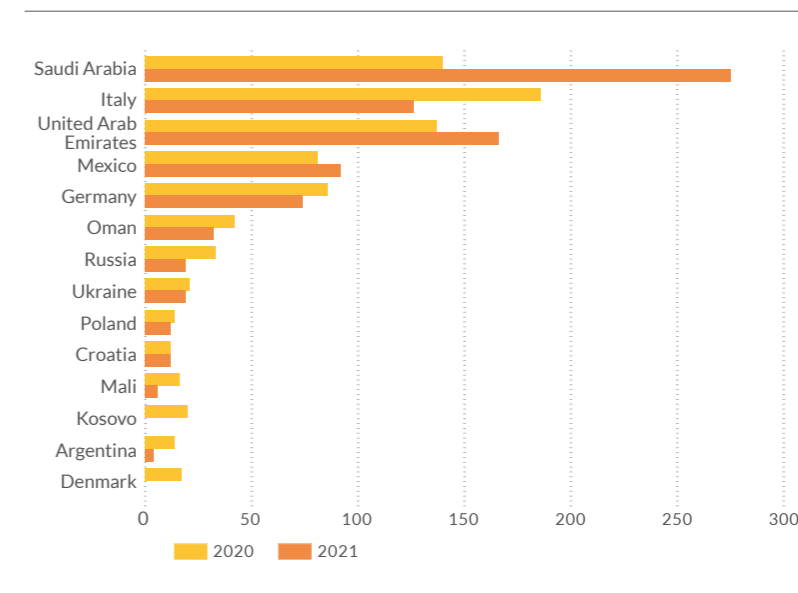
In fact, seizures reported by the United States account for 92% (10,421 see figure 2a) of all reported weapons seizures in 2020 and 88% (6,828) of all reported weapon seizures in 2021. This is in line with previous years which also show a high proportion of U.S. reported seizures.

There are a number of reasons for the high presence of U.S. reported seizures. Firstly, the US CBP provides a large quantity of total seizures to CEN which closely resembles their total yearly seizures whereas other WCO Members may be more selective in choosing which seizures to share in the CEN database. Secondly, as previously mentioned the United States has a very high overall gun ownership rate amongst their civilian population with 42% of US households owning one or more firearms.⁶ Thirdly, in some countries weapons trafficking does not fall within the remit of Customs and as a result, seizures made by Customs officers within those countries are often transferred to the Police or military who are in charge of compiling and reporting the number of yearly weapons seizures.

⁶ <https://www.statista.com/statistics/249740/percentage-of-households-in-the-united-states-owning-a-firearm/#:~:text=The%20share%20of%20American%20households,one%20gun%20in%20their%20possession.>

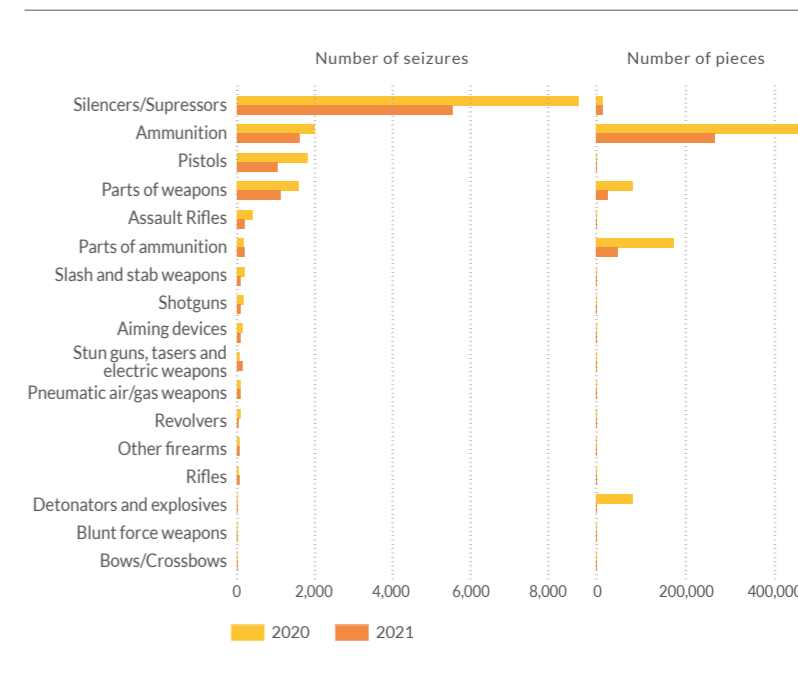
Figure 2B shows the countries which reported the highest number of weapons and ammunition seizures other than the United States. In 2021, 37 countries reported weapons seizures to CEN compared to 48 countries in 2020 which is a 30% decrease in the number of reporting countries.

Figure 2B: Number of weapons and ammunition seizures by country, 2020-2021



In addition to the large volume of seizures reported by the United States, significant seizures were reported by Saudi Arabia (275), United Arab Emirates (166), Italy (126), Mexico (92), Germany (74), Oman (32), Russian Federation (19), and Ukraine (19) in 2021. Overall, the top reporting countries remained largely the same for both 2020 and 2021.

Figure 3: Number of weapons and ammunition seizures and quantity seized by category, 2020-2021



The 7,730 weapons seizures reported to CEN in 2021, resulted in the recovery of 265,663 rounds of ammunition (down 72% compared to 2020), 3,724 firearms (down 54% compared to 2020), 20,204 firearms components and firearms accessories (down 7.5% compared to 2020) as reflected in figure 3.

Figure 4 provides a complete overview of the routings identified in 2021.

Figure 4: Weapons and ammunition trafficking routes, 2021



In total, 338 weapons trafficking routes were identified in 2021 which is 13 less (352) than were identified in 2020. Despite identifying 338 routings in 2021 around half (176) were only observed on a single occasion with 85% of identified routes occurring less than five times. The most frequently occurring weapons trafficking routing was from an unknown source country to the United States, making up 50% of all seizures. This was followed by Canada to the United States with 21% of all seizures and United States to Mexico accounting for 18% of all seizures.

Outside of the Americas frequent occurring, routes include Hong Kong (SAR) to the United States (56), Singapore to Saudi Arabia (54), Netherlands to Saudi Arabia (48), China to Saudi Arabia (30), United States to the United Arab Emirates (27), Oman to the United Arab Emirates (24) and Jordan to Saudi Arabia (21). The large volume of seizures involving Saudi Arabia is largely related to the increased reporting by Saudi Arabia as the country also serves as the WCO region's Regional Intelligence Liaison Office (RILO).

Figure 5: Weapons and ammunition trafficking flows by region, 2021

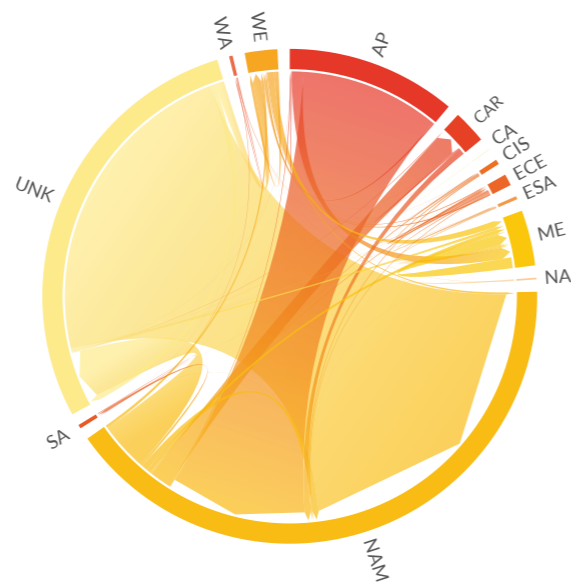


Figure 5 provides a complete overview of the regional flow of weapons being seized in 2021.

2. Firearm component trafficking

The trafficking of firearms components which can be purchased through e-commerce sites as well as the dark net and are then assembled into fully functioning weapons within a country after import, poses an increased security risk.

As shown in image B, once a firearm has been disassembled and broken down into a number of component parts, it becomes much harder to identify the parts as belonging to a firearm when examining a package using nondestructive technologies like x-ray scanners. Moreover, as consumers become more used to purchasing both legal and illegal goods through traditional e-commerce sites as well as crypto markets on the dark net, the online market for weapons and their component parts continues to increase.

B: Revolver seizure. Courtesy: Cuban Customs.

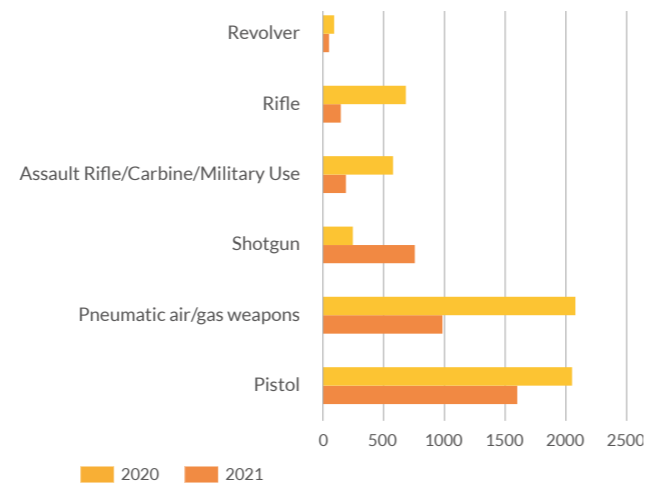


Recent studies of the weapons trade on the dark net indicate that the majority (75%) of online vendors who sell weapons on the dark net provide their customers with worldwide shipping. This same study also indicated that around half (55%) of these online weapons vendors are based in the United States with around 25% being based in Europe. The listings even provide customers with assurances that the firearms being purchased will be sent to them disassembled and in different packages, using several mail carriers in order to avoid detection; as well as providing customers with instructions to assemble the firearms once all the packages have been received.

⁶ https://www.aic.gov.au/sites/default/files/202103/ti622_illicit_firearms_and_other_weapons_on_darknet_markets.pdf

With the average price of a handgun sold on these platforms being around \$700 (USD) and assault rifles selling for upwards of \$3,000 (USD) per gun, it becomes clear how lucrative this illicit online business can be for tech savvy traffickers. WCO Members confirmed these findings in their responses where they noted that broken down weapons concealed within mail and express courier packages presented the greatest risk for weapons trafficking within their country. Survey respondents also repeatedly noted the United States as the primary source country for these broken down weapons with weapons components typically being concealed amongst small electronic appliances and other metallic household goods in order to thwart the efforts of non-intrusive inspections.

Figure 6: Quantity of firearms components seized, 2020-2021



In 2021, firearms components including accessories like aiming devices and silencers, accounted for 6,399 seizure cases, which is a decrease of 52% compared to 2020. As you can see in figures 6 and 7, firearms accessories like rifle scopes, silencers/suppressors and magazine clips were seized with much more frequency than core weapons components like barrels, cylinders, frame/receivers, slides and bolts. The large number of magazine seizures in 2020 were mainly the result of a very large seizure in Mali which resulted in the seizure of 25,000 magazines. Although this type of large scale weapons trafficking appears to be rare, the large consignment of weapons components which were headed to an ongoing conflict zone, would have provided insurgent groups in the region significant arms reinforcements that could lead to further destabilization within the region.

Figure 7: Quantity of firearms accessory seized, 2020-2021

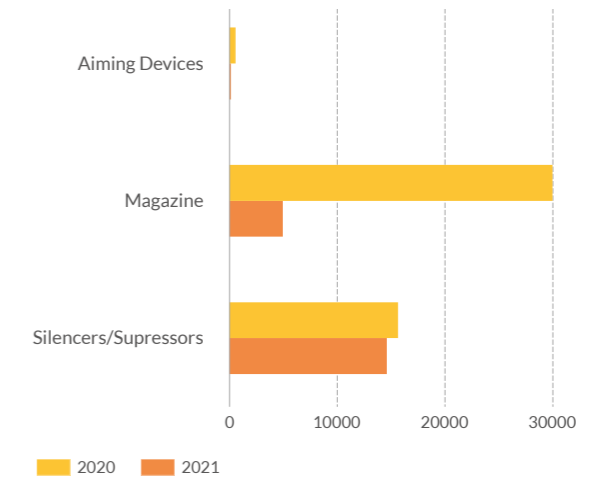


Figure 8: Percentage of all weapons seizures by detection method, 2021

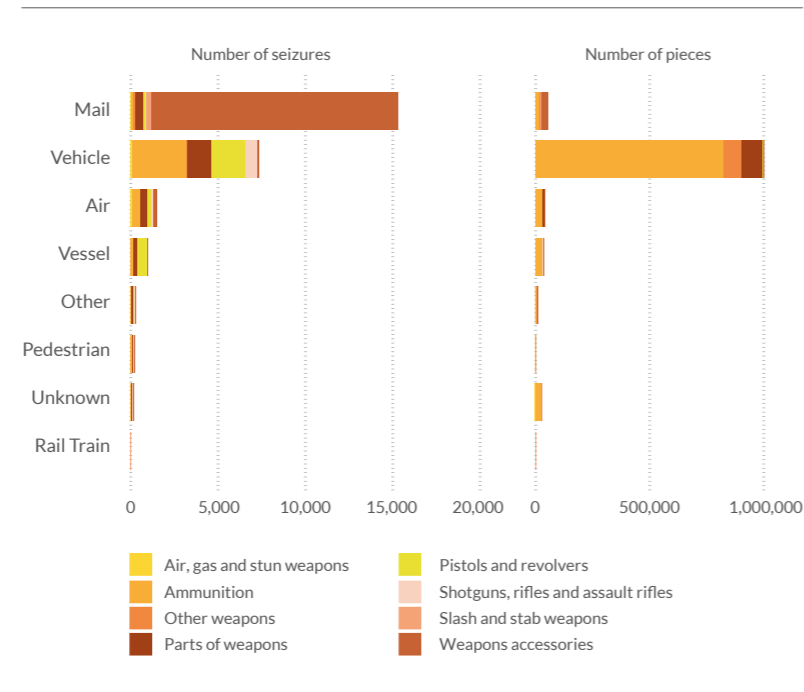


Figure 8 shows that risk profiling was by far the most frequently used detection method for weapons seizures with risk profiling being used in 96% of weapons components cases and resulting in the recovery of 78% of the total weapons components seized.

The second most common detection method was routine control which was used in 3% of weapons components occurrences and resulted in the recovery of 17% of total weapons components seized.

Even though risk profiling was the most common detection method used by Customs to detect weapons components, this method resulted in a lower average seizure size than other methods, with 2.9 weapons components being seized on average using this detection methods. This is considerably smaller than seizures which were detected using random selection which had an average seizure size of 27.6 and intelligence (including tip-off) which resulted in the average seizure of 19.4 weapons components.

Figure 9: Number of weapons and ammunition seizures and quantity seized by category and conveyance method 2020-2021



In terms of concealment around 75% of seizures were concealed in the mail resulting in 60% of the total weapons components seized in 2021. However, the average seizure size of weapons components trafficked through the mail was small at 2.8 weapons components per seizure. Only weapons concealed on persons (1.9) and in premises (2.7) had a smaller average seizure size. Weapons components concealed in freight resulted in the largest average seizure size in 36.8 components seized per seizure followed by transport (7.9) and in baggage (7.1). This was partly due to two large freight concealed seizures which contained 420 weapons components and 147 weapons components which increased the average freight seizure size to 36.8 compared to 14.4 without these two outlier cases.



3. Firearms trafficking

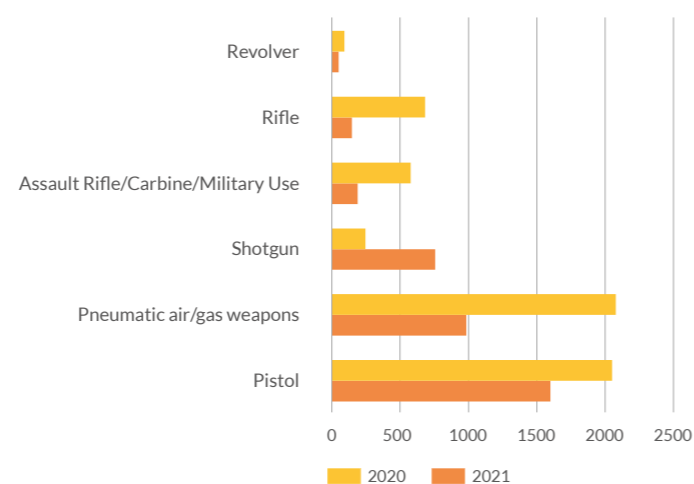
The large number of weapons which are in circulation amongst the civilian population in countries like the United States poses an increased risk of weapons trafficking as it provides more opportunities for diversion from legal weapons possession to illicit gun ownership. Firearm diversion from legitimate civilian, military and law enforcement stockpiles to the hands of weapons traffickers can take place in a number of forms including:

- Diversion from military deployments for example through military service, theft, “military/conflict souvenirs”, enemy capture etc.
- Theft from government/civilian stockpiles
- Diversion/theft from private security companies and weapons manufacturers
- Reactivation of decommissioned or antique firearms
- Diversion from weapons “recycling” or the disposal surplus weapons and;
- The conversion of non-lethal firearms to lethal firearms

In 2021, WCO Members submitted 1,082 firearms seizure cases to CEN which is a 17% decrease compared to the number of seizure cases reported in 2020. This drop in seizures is largely the result of the missing Q4 data from the United States which was previously mentioned in the Section. These 1,082 seizures resulted in the recovery of 3,724 firearms which is again a decrease from 2020 which led to the recovery of 5,727 firearms. Survey responses from WCO Members indicate that the majority of Members did not witness a significant increase or decrease in weapons seizures with the exception of several countries in the Latin America region who noted a significant increase in weapons seizures in 2021 compared to 2020.

As indicated in figure 10, pistols were the second most seized type of firearm with over 1,500 pieces being seized in 2021 and more than 2,000 pieces being seized in 2020.

Figure 10: Number of firearms seizures by category and quantity, 2020-2021



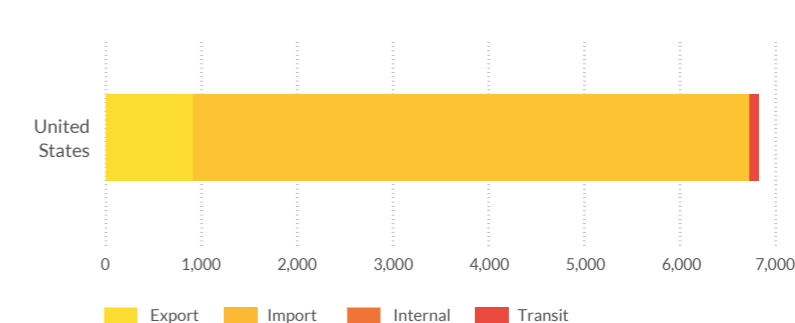
As shown in figure 10, pistols and pneumatic air/gas weapons are the most frequently seized type of firearm. In general the majority of firearms seizures were small in scale with an average of 2.5 weapons recovered per seizure. In fact, in 94% of cases, the seizure led to the recovery of a single firearm. Reported incidents of large scale weapons trafficking (i.e. seizures leading to the recovery of ten or more weapons) were extremely rare and only accounted for around 1% of cases involving firearms seizures.

While the large volume of pneumatic air/gas weapons may appear to be less of a security risk than traditional firearms, the ability to convert such weapons into more lethal firearms as highlighted in Case study 2, poses a serious security risk. Several WCO Members highlighted a new trend involving, “the smuggling of Turkish-made alarm guns which have been converted into more lethal firearms. In some cases, the manufacturer’s markings are [being falsified], giving the impression that they are original firearms from a reputable manufacturer.”

Firearms seizure.
Courtesy: Trinidad and Tobago Customs.

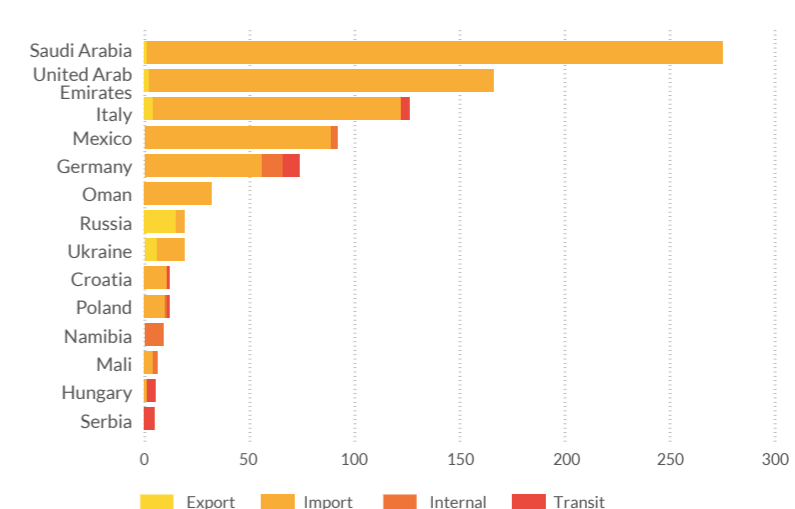


Figure 11A: Number of weapons and ammunition seizures in the United States by Customs procedure, 2021



The majority of weapons seizures (67%) in 2021 were recovered upon import, followed by export at 26% with only 5% of weapons seizures taking place upon transit and 2% taking place internally. Moreover, around 44% of all firearm seizures were recovered from land boundaries particularly on the US-Mexico border and to a lesser extent the US-Canada border. For a more detailed overview of the exact location of weapons seizures please see figure 11. It is worth noting that while many of the weapons being seized on the United States’ southern border with Mexico are the results of other attempts to traffic goods like drugs or people, weapons seized on the United States northern border with Canada are often not the result of trafficking attempts but the failure of American travelers to properly declare their firearms when entering Canada.

Figure 11B: Number of weapons and ammunition seizures by Customs procedure, 2021



Other popular land routes for weapons seizures are from Eastern Europe and the Balkans to countries in Western/Southern Europe. This type of small scale cross border trafficking in Europe is often referred to as “ant trade” trafficking since these activities are usually being carried out by a larger group of individual traffickers rather than large scale smuggling attempts.

Firearms were concealed in a number of different areas most notably in transport and within freight with two large seizures of over 600 and 800 pieces of firearms accounting for the bulk of seizures concealed in these two areas. One Member notably reported seeing several instances where weapons were concealed amongst large illicit drug shipments; with another Member reporting weapons being concealed in used car imports.

Broadly speaking, the data collected through CEN, the Member surveys, and open sources, points towards two distinct types of weapons trafficking. The first being the aforementioned “ant trade” where individuals traffic a small quantity of firearms across a land border often within passenger vehicles. The most popular routes for this type of trafficking are seen at either US or EU external borders, with US seizures generally taking place on the US Mexico border, while seizures in Europe tend to take place on the EU’s external border in Eastern Europe and the Balkans. Similar regional style small scale weapons trafficking has also been observed on land borders of other regions including Asia-Pacific, Africa, and the Middle East, although this appears to be occurring at a smaller scale than what we are seeing in North America and Europe.

The second most common form of weapons trafficking identified during this analysis is the small scale trafficking of firearms through mail and parcel services. These are often broken down into components and concealed amongst electronics and other household goods in order to avoid detection. This form of trafficking is more commonly seen in a larger variety of countries and regions with most of the weapons being sourced from North America, Europe, and countries in Asia.

Figure 12: Location of firearm seizures, 2021



Case study 1.

LARGE CONSIGNMENT OF WEAPONS, AMMUNITION AND POLICE EQUIPMENT SEIZED IN TRINIDAD AND TOBAGO

On 23 April 2021, Customs and Police in Trinidad and Tobago seized a large consignment of weapons and ammunition which included 30 firearms and 763 rounds of assorted ammunition. The seizure was made after law enforcement authorities had received information from their international partners two weeks earlier that a large shipment of weapons was in route to Trinidad and Tobago. Weapons seized included:

- 15 high powered weapons
- 13 pistols
- 1 revolver
- 1 shotgun
- 293 rounds of 5.56 ammunition
- 321 rounds of 9mm ammunition
- 32 rounds of 12 gauge shotgun cartridges
- 25 rounds of .380 ammunition
- 91 rounds of 10mm ammunition
- 4 police sirens
- 4 police blue lights
- 1 bullet proof vest
- 28 rifle magazines
- 7 extended 9mm magazines
- 21 regular 9mm magazines
- 1 - 5.56 drum magazine
- 3 - 9mm drum magazine
- 2 shotgun barrel chokes
- 1 tactical bag
- 6 balaclavas
- 4 - 5.56 magazine holders

This seizure highlights a number of concerns that weapons trafficking poses. Firstly the large quantity of weapons and high caliber weapons seized could pose serious security risks in the hands of organized crime and terrorist groups. It was later reported that the seizure was believed to be linked to a plot to attack a local prison in order to help prisoners escape.

The inclusion of dangerous accessories like drum magazines and extended magazines have the potential to make regular firearms even more lethal since these types of magazines enable the carrier of the firearms to shoot a larger number of bullets before needing to



Courtesy: Trinidad and Tobago Police Service.

reload. Moreover the weapons were trafficked into Trinidad and Tobago from the United States where the majority of these items are much easier to obtain.

This further confirms the findings of the CEN data which show that the majority of weapons seized in the America's and the Caribbean originated from the United States. Lastly, this Case study highlights the importance of good cooperation between countries as the seizure was made following the sharing of intelligence between U.S. and Trinidadian law enforcement authorities.

Sources:

- <https://www.guardian.co.tt/news/raid-uncovers-major-gun-ammunition-cache-in-piarco-6.2.1319008.2a75e4f410>
- <https://newsday.co.tt/2021/04/23/major-illegal-arms-cache-seized-at-piarco-bond-2/>
- <https://newsday.co.tt/2021/04/25/police-probe-jailbreak-plot-linked-to-arms-cache/>



Courtesy: Finnish Customs.

Case study 2. FINNISH CUSTOMS SEIZES 100 GAS GUNS

Over a one year period, Finnish Customs officers have seized a total of around 100 firearms which were primarily being trafficked into Finland via the mail. The seized firearms largely consisted of gas guns/starter pistols which in their existing state are non-lethal. However, investigations into several of these seizures did uncover worrisome trends. For example, in one case, Customs officers were able to seize 12 unauthorized gas weapons from an individual's home. During the investigation it was revealed that this individual had successfully imported and redistributed a further 27 gas weapons which he had sold to other individuals on the dark net.

In a separate case, Finnish Customs' investigation into an a single imported gas weapon revealed that the importer had set up a workshop within their home to covert these types of gas weapons to be able to fire standard bullets which would make them lethal. Further investigation revealed that the individual was in the possession of more than 10 gas weapons as well as a thousand cartridges and weapons components.

Thanks to ongoing international cooperation efforts with authorities from Czechia, Finnish Customs were able to successfully uncover more than a dozen cases of authorized firearms imports which had initially successfully reached Finland.

This case study highlights the danger that blank firing/gas weapons can pose after they have successfully entered a country and undergone the necessary conversions to make them lethal. It also shows that criminals are using technologies such as crypto markets and the dark net to distribute weapons clandestinely through the mail. Lastly, the case study further shows how effective international cooperation can help uncover cases of trafficking which may otherwise have gone unnoticed.

Sources:

- <https://tulli.fi/-/tulli-paljasti-100-ampuma-aseen-luvattomat-machantuonnit-rikkoksesta-epailtyna-kymmenia-henkiloita-ympari-suomea>
- <https://www.helsinkitimes.fi/finland/news-in-brief/19555-in-pictures-finnish-customs-reveal-seizures-of-100-illegal-firearms.html>

4. Programmes, projects and operations

Strategic trade control

The Strategic Trade Control Enforcement (STCE) Programme at the WCO was initially formed after the United Nations passed United Nations Security Council Resolution 1540 (UNSCR 1540) with the remit to support Customs Administrations to develop the capacity to implement effective enforcement measures. UNSCR 1540 seeks to prevent non-state actors from attempting to acquire, develop, manufacture, possess, transport, transfer or use any nuclear, chemical or biological weapons. In order to help achieve this objective the STCE Programme delivers trainings to Customs administrations on how to properly identify, detect and prevent the trade in these goods as well as organizing several global/regional strategic trade focused operations.

Small arms and light weapons

The WCO Security Programme is currently running two separate regional SALW focused security projects. The first regional project is a joint project together with the Small Arms Survey and INTERPOL which provides training to Customs officers in the Middle East and North Africa Regions. Following the successful completion of the first iteration of this project a second phase of the project was launched in 2021 which would build upon the knowledge and training provided during the first phase of the Project.

In early 2022 the WCO launched a second regional SALW project, Project HAMMER, which focuses on firearms and narcotics trafficking in the Caribbean region. This regional project will deliver SALW as well as anti-narcotics trafficking training and mentoring to Customs officers working in the Caribbean region.

Passenger controls

As part of its efforts to help countries more effectively target high risk passengers including Foreign Terrorist Fighters (FTFs), the WCO provides Members with a free of charge targeting system known as the Global Travel Assessment System (GTAS). GTAS uses Advance Passenger Information (API) and Passenger Name Record (PNR) data to more effectively target the most high risk passengers who travel by air.

In addition WCO has been active in developing effective passenger controls in the maritime space where it is currently developing standards for API and PNR like data which can be used in the maritime cruise sector together with the International Maritime Organization through its work in the Passenger Facilitation Control Working Group.

PGS global

Programme Global Shield (PGS) is a longstanding international effort to monitor the licit movement of chemical precursors and counter the illicit diversion of explosive precursors and other materials which are used by terrorist groups and insurgents to manufacture Improvised Explosive Devices (IED's).

In late 2021 the WCO Security Programme launched a new global focused PGS project, PGS GLOBAL, which was made possible through donor funding from the United States Department of State and the European Commission. This project will look to establish a more comprehensive PGS analysis by combining open source data with CEN and CENcomm data to provide WCO Members and other stakeholders with the information they need for their national risk assessments.

WEST AFRICA SECURITY PROJECT

In March 2021 the WCO launched a regional security project which targeted several beneficiary countries (Côte d'Ivoire, Togo and Ghana) in the West and Central Africa region. This security project sought to build upon the capacity building activities which had been undertaken under the recently completed Security Project for West and Central Africa. During the project the WCO conducted a series of diagnostic activities at major ports, airports and land borders in the Côte d'Ivoire, Togo and Ghana region. The diagnostic activities helped provide guidance on how the beneficiary countries could enhance revenue and security related Customs procedures within those facilities.



ABBREVIATIONS

AMS	Americas	ME	Middle East
AP	Asia-Pacific	MENA	Middle East and North Africa
API	Advance Passenger Information	NA	North Africa
APSP	Asia Pacific Security Project	NAM	North America
CA	Central Africa	nCEN	National Customs Enforcement Network
CAR	Caribbean	NCP	National Contact Point
CCF	Customs Cooperation Fund	NPS	New psychoactive substances
CCP	Container Control Programme	OCU	Operational Coordination Unit
CEN	Customs Enforcement Network	ODS	Ozone depleting substance
CENCOMM	Customs Enforcement Network Communication Platform	OPCW	Organization for the Prohibition of Chemical Weapons
CIS	Commonwealth of Independent States	PCU	Port Control Unit
CITES	Convention on Trade in Endangered Species of Wild Fauna and Flora	PITCH	Preventing Illicit Trafficking of Cultural Heritage
ECE	Eastern and Central Europe	PGS	Programme Global Shield
ESA	Eastern and Southern Africa	PNR	Passenger Name Record
EUROPOL	European Police Office	RILO	Regional Intelligence Liaison Office
HKD	Hong Kong dollars	SA	South America
HMRC	Her Majesty's Revenue and Customs (United Kingdom)	SALW	Small Arms and Light Weapons
HSI	Homeland Security Investigations (United States)	STCE	Strategic Trade Control Enforcement
IAEA	International Atomic Energy Agency	UNEP	United Nations Environment Programme
IATA	International Air Transport Association	UNESCO	United Nations Educational, Scientific and Cultural Organization
ICCCWC	International Consortium on Combating Wildlife Crime	UNK	Unknown
ICE	Immigration and Customs Enforcement (United States)	UNODC	United Nations Office on Drugs and Crime
IED	Improvised explosive device	UNSC	United Nations Security Council
INCB	International Narcotics Control Board	UNSCR	United Nations Security Council Resolution
INTERPOL	International Criminal Police Organization	USD	United States Dollar
IPR	Intellectual Property Rights	WA	West Africa
IWT	Illegal Wildlife Trade	WCA	West and Central Africa
JAITF	Joint Airport Interdiction Task Force	WCO	World Customs Organization
LSD	d-Lysergic acid diethylamide	WE	Western Europe
MDMA	3,4-Methylenedioxy-n-methylamphetamine (ecstasy)	WHO	World Health Organization



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