

# **The role of Customs Authority in fighting against illegal trade with cigarettes**

Bucharest, 2016

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# Study case – Illicit traffic with cigarettes in Romania

## E.U. internal border :

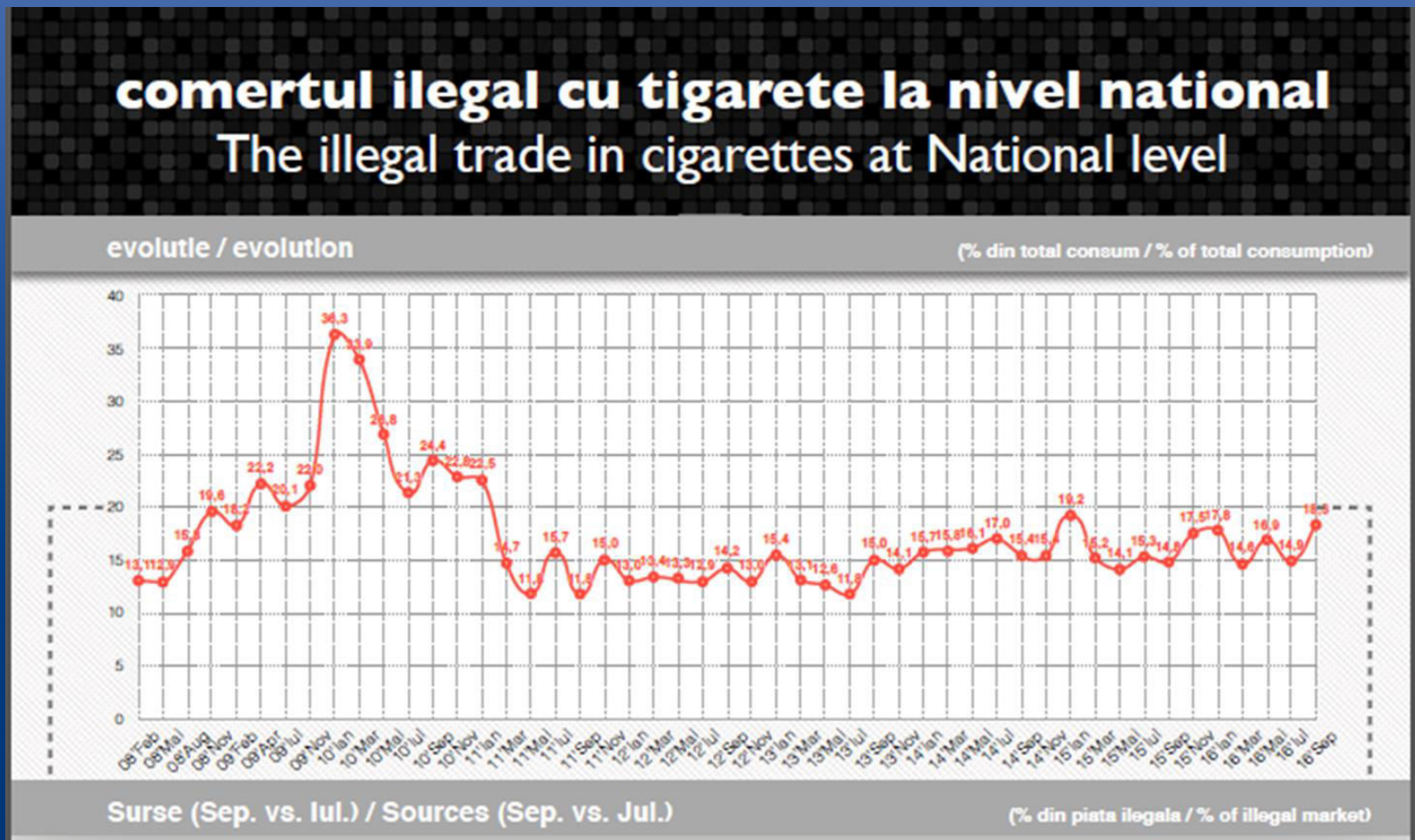
- Hungary 448,0 km
- Bulgaria 631,3 km

## E.U. external border :

- Moldova 681,3 km
  - 6 customs offices
- Ukraine 649,4 km
  - 5 customs offices
- Serbia 546,4 km
  - 5 customs offices
- Black Sea 193,5 km
  - 3 customs offices
- Danube 1.075 km
  - 10 customs offices



# The level of illicit trade in cigarettes in Romania



# The Romanian Experience – first stage

- **1. January 2010 – level of illicit traffic 36,3 % (Start to decrease)**

Measures taken:

- Creating a Task Force Group to develop and oversee The National Strategy for Fighting Against Illicit Trade in Cigarettes (Members: National Customs Authority, Financial Guard, Border Police, National Police, Secret Service and main tobacco producers JTI, BAT, PMI)
- Increasing customs cooperation with neighboring countries (Republic of Moldova, Ukraine, Serbia) and with OLAF, WCO, EUBAM, SELEC (Example of good practice ROMOLUK 2013)
- Increasing institutional dialogue with main tobacco producers (JTI, BAT, PMI)
- **Results: July 2013 – level of illicit trade decreased to 11,8 %**

# The Romanian Experience – second stage

- ***2. July 2013 - level of illicit traffic 11,8 % (Start to increase)***

## Causes:

- Re-organisation of the National Agency of Fiscal Administration and abolition of the National Customs Authority. Today in Romania customs authority is executed through NAFA with the General Customs Directorate as a unit within NAFA.
- Excessive taxes and unpredictable fiscal regulation
- Lack of integrated strategy to fight this phenomenon
- ***Results: January 2015 – level of illicit traffic increased to 19,2 %***
  - ***September 2016 - level of illicit traffic increased to 18,3 %***

# Enhancing the administrative capacity of customs authority within NAFA

- Internal administrative measures
- Reorganizing the customs activity within National Agency for Fiscal Administration
- Enhancing the administrative capacity of k9 teams and mobile teams
- Reinforcing the operational capacity of customs mobile teams
- Creating an specialized department for developing institutional cooperation and Napoli Convention
- Developing the institutional cooperation with private sector and civil society

# Enhancing the administrative capacity of customs authority within NAFA

- External measures
- Organizing international meetings for developing transborder cooperation:
- July – November 2016 – Republic of Moldova, Ukraine, Hungary, Bulgaria, Serbia, Germany, WCO, EUBAM, OLAF, SELEC
- Participating in JCO (Ex. ROMOLUK 1, 2 etc) and Working Groups
- *Main Objective: Customs Authority of Romania have to become one of the main pillar of stability from customs cooperation point of view in the region*



# Measures needed to secure the EU borders





# Measures needed to secure the EU borders

- *“Simplify what is legal and preventing what is illegal”*
- Develop an ***integrated strategy for fighting against illicit traffic with goods and customs frauds at the Eastern EU borders***
- Members of the Task Force Group to develop and oversee this strategy should be OLAF, WCO, EUROPOL, INTERPOL, FRONTEX, SELEC, EUBAM, the EU countries from this region and representatives from business and from the law enforcement authorities in the Eastern Partnership countries
- The strategy should be based on three frameworks:
  - Legislative
  - Administrative
  - Operational

# Measures needed to secure the EU borders

- The law enforcement authorities in the EU eastern countries should be re-organised to better counter new threats and challenges from the region resulting from vulnerabilities in the economic and social environment
- Create a ***Border Integrated Information Centre*** (with representatives from EU Eastern countries, OLAF, EUROPOL, INTERPOL, FRONTEX, EUBAM, SELEC) – with responsibility for managing an integrated risk analysis database and coordinating the JCO/JBO from this region
- Enhancing cooperation among EU and NonEU customs authorities
- The law enforcement authorities from the Eastern Partnership would be involved in JCO/JBO, according to the principle launched at the WCO Heads of Customs Authorities Meeting (Kiev 2012) “Dismantle the Barriers

“Borders divide, Customs connect”  
([www.wcoomd.org](http://www.wcoomd.org))

Thank you!

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