

The illicit trade grows rapidly: one of five cigarettes placed on the market is smuggled! A new public anti-smuggling campaign in the most affected counties

Timisoara, March 12, 2015 – Today a new public awareness campaign regarding the strong negative effects of smuggling was launched, to be developed during the period March – June, in 15 counties located near the South, South-West, North and North-East borders, which are the most affected by the illicit cigarette trade. The campaign shall be developed in cooperation with the General Customs Direction, acting within the National Agency for Fiscal Administration, with the direct support of the Territorial Border Police Inspectorate of Timisoara and of the Timis County Police Inspectorate Campania, being initiated by Euromonitor Business Consulting Services, at www.faracontrabanda.ro, with JTI's support. The campaign messages were created by Publicis and shall be shared by **pastel**, through several channels: press, outdoor advertising, direct communication.

The cigarette black market has suddenly grown in January 2015 up to 19.2%, compared to 15.4% in November last year, according to the data provided by the Novel research company. The percentage of 19.2% beats the record of the past four years, during which the average of the illegal cigarette trade reached 14.7%.

„In January 2015, the illegal cigarette trade has recorded significant increases in most areas of the country, as compared to November 2014. Other considerable increases of the illegal trade were registered in the West (plus 6.2 p.p. up to 29.4%) and South-West (plus 4.4 p.p. up to 26.3%). The area most affected by the black market remains, as in 2014, the North-East, which, in January 2015, has registered a growth of 10.8 p.p., reaching 41.2%. Related to the origin, also in January 2015, the “cheap whites” have continued to hold the highest percentage on the black market, specifically 51.3%. The percentage of the products originated from Moldova, Ukraine and Serbia remains relatively constant (20.8%; 19.8%, and 2.5%)”, has stated **Marian Marcu, Manager of the Novel Research Company**.

„We are launching this public campaign in border areas, because such areas are and have always been the most vulnerable to smuggling. In the neighbouring countries, which are not members of the European Union and apply a different taxation system than the Community, the price of a cigarette pack is 5-6 times smaller than in Romania. Consequently, the profit of smugglers is huge. The message of the campaign **Appearances are deceptive**, plays the role of highlighting the fact that the smuggler networks take advantage in particular of the people with modest incomes. Each and every one of us should understand that the black market is a plague to society, and that anyone buying a pack of apparently “cheap”, smuggled cigarettes allows him/herself to be robbed and directly contributes to the increase of criminality”, has stated **Cristina Vasileoiu, general manager of Euromonitor Business Consulting Services**.

„We have the largest external border of the EU, measuring over 2,000 kilometres. Cigarette smuggling represents, due to the magnitude of the loss for the State budget, a critical issue at national level. As already stated, a new National Strategy is necessary to fight against the illegal cigarette trade, for the period 2015-2018, aimed at the enhancement of the regulation environment and the actual measures that should be implemented in a concerted manner by all responsible institutions. The National Customs Direction shall continue to act firmly also in the future in order to reduce smuggling and shall encourage initiatives such as this, meant to raise awareness regarding the severity of the phenomenon. At this time, in these points are active, with the support of the cigarette manufacturers, 33 canine teams trained to detect cigarettes and 11 canine teams with double training – drug and cigarette detection. Cooperation protocols were signed between the National Agency for Fiscal Administration and the large cigarette manufacturers, between the General Customs Direction and the Customs Administration in Moldova and Serbia, having as purpose to combat the illegal cigarette traffic. A similar document shall be agreed upon with Ukraine. Moreover, we shall implement certain measures specific for traffic control at the customs points”, has stated **Claudiu Ardeleanu, General Manager of the General Customs Direction**.

„Considering also the prejudices caused to the State budget, the Romanian Border Police has taken and shall continue to enforce independently or together with the other competent institutions, strong measures in all competence areas, in order to detect and punish the persons involved in the illicit trade of consumer goods and products subject to excises, as well as to retain for seizure purposes the trafficked merchandise. A proof thereto represent the operative actions permanently developed by our institution in order to annihilate crime groups, as well as the smuggled cigarette captures registered in our competence area. At the same time, I consider that a major role in the prevention and fight against this phenomenon is played by the citizens, who can support the State authorities by reporting such criminal activities. Consequently, we would like to attract good-willed citizens on the side of the law enforcement, thus, the people can call in confidence the emergency line of the Border Police at 0219590, where they can announce or report the illegal deeds done in our competence area”, has stated the **chief commissioner Iliuță Cumpănașu, head of the Territorial Border Police Inspectorate of Timisoara**.

„In the context of the activities developed in order to fight against organized crime, the Timis County Police Inspectorate, along with the other territorial structures of the Ministry of Internal Affairs, acts in the cross-border sector to combat cigarettes and tobacco smuggling, particularly through the communication channels and in the localities at the border with Serbia. Thus, under the coordination of the Romanian General Police Inspectorate and of the prosecutors of the Directorate for Investigating Organized Crime and Terrorism, certain actions are frequently developed, in an integrated system, with border police officers, and with the specialized support of the officers of the Internal Protection and Information Department, in order to identify the criminal persons and organized groups involved in smuggling acts. Based upon the Cooperation Plans, together with the Timis County Gendarmerie Inspectorate and the local Police, specific actions are permanently organized in the cities located in Timis County, in order to fight against the illicit street trade of cigarettes and other products subject to excises. In cooperation with the representatives of the fiscal administration, a plurality of competences and unit coordination is achieved, in order to concentrate resources for efficiently fighting against smuggling, counterfeiting and illicit trade of tobacco products. The objective of the Timis County Police Inspectorate is to stimulate the activities developed by the police officers in this area, in order to improve results”, has stated the **police chief commissioner Ion Mirescu, proxy head of the Timis County Police Inspectorate.**

„The abrupt growth of smuggling in January is mostly the result of the fiscal policies not harmonized with the efforts to combat smuggling. The geo-political context is added thereto: the conflict in Ukraine, the depreciation of the hryvnia and the Moldovan leu, the inflation in the Republic of Moldova are reflected in the cigarette price charged in the neighbouring countries and represent an incentive for the escalation of smuggling. Soon, the small traffic agreement between Romania and Ukraine shall become enforceable, which means that the citizens living in the borderline areas shall be free to circulate without visas. It is, doubtlessly, praiseworthy for the history of the relationships between the two countries, but the criminals shall take advantage of this gap. Even a long awaited achievement regarding the infrastructure, such as the launching of the Vidin-Calafat Bridge, shall negatively impact the legal cigarette market. As on the internal border of the EU, between Bulgaria and Romania, the customs control no longer exists, the transports of tobacco and “cheap whites” are alarmingly on the raise. Therefore, it is in our interest to support the efforts of the authorities and campaigns such as this”, has stated **Gilda Lazăr, Corporate Affairs & Communications Director at JTI Romania, Moldova and Bulgaria.**

The most important information and communication materials of our campaign are posted on the platform www.faracontrabanda.ro. This is the fourth regional public campaign implemented by Euromonitor Business Consulting Services, aimed at the reduction of the cigarette black market. The previous campaigns resulted in noticeable drops of the illicit cigarette trade in the areas where they were launched.