

JTI donates to the National Customs Authority dogs and cars for fighting against the illicit traffic with tobacco products

Bucharest, December 9 - JTI and the National Customs Authority (NCA) have signed the extension of the *Cooperation Protocol on combating the illicit cigarette trade*, launching today a *Program for the assistance, endowment and training of mobile canine teams to fight the illicit traffic with tobacco products*, to be developed for a three-year period.

The first 10 canines to be trained for tracking down tobacco products – together with the customs officers from various border-crossing points – at the professional training centre in Giurgiu, were delivered to the NCA headquarters. According to the concluded protocol, JTI Romania shall provide each team with a car modified to transport the four-footed. Furthermore, the company shall ensure the equipment and food for the teams during the training period, as well as the cigarettes necessary for the exercise. During these three years, three series of 10 teams each shall be trained. Each training session shall last 90 days. The assistance program includes 30 dogs and 30 cars.

JTI has been the first tobacco company in Romania to sign, in 2005, a *Cooperation Protocol to combat the illicit cigarette trade*, with the National Agency for Fiscal Administration (NAFA). As the excise collecting liability was subsequently transferred from the NAFA to the NCA, JTI Romania has signed in July 2008, a Cooperation Protocol with this institution, which was now extended. „*The basic principle of this Protocol is represented by the mutual support in the anti-smuggling fight. JTI Romania offers, among others, training for recognizing the products, support for identifying counterfeit products, for the identification of false markings, as well as information related to the technique used in the cigarette manufacturing process. The NCA provides JTI Romania with cigarette samples retained for seizure purposes and, also, sends data and information regarding the cigarette captures*”, has stated Gilda Lazar, Corporate Affairs & Communications Director at JTI Romania. „*JTI's internal efforts are a part of the company's global policy. JTI shall continue to collaborate in the future with the authorities, in order to limit the black market and to create a healthy business environment*”, has added Gilda Lazar.

Support information:

In 2007, JTI has concluded with the European Commission an Agreement to combat illicit trade, for a 15-year period, which totals USD 400 million. According to this document, in case of seizures exceeding 50,000 cigarette pieces, the manufacturing company shall pay in full the tax difference between the state in which the cigarettes were seized and the state in which they were manufactured. Should the seizures total 90 million pieces in one year, the tax difference shall be paid 4 fold.

In Romania, smuggling occupied a quarter of the total cigarette market at the end of September. According to the last study of the Novel research company, forecasting the data for the end of the year, the illicit trade has significantly dropped during the third quarter compared to the record level of 36,2% in January, but has grown compared to July, when it has reached 21,3%. The regress of smuggling is due to the concerted efforts of the authorities, to the definition of a strategy to combat smuggling and fiscal evasion, as well as to the changes occurred in the regulation environment. The return to the increase of criminality was generated by the VAT rise and, accordingly, of the cigarette excise and prices.

In this context, with the support of the National Customs Authority, JTI Romania has launched in November a comprehensive campaign for raising the awareness and warning of the population with regard to the negative effects of smuggling, an advertising campaign called „Smuggling severely harms the society”.