

Brussels, 8 November 2005

Case Study – Customs operation FAKE

The success of the joint customs operation “FAKE” is attributable to the close cooperation and constant communication between EU customs authorities. This case study traces the discovery of a consignment of counterfeit cigarettes during this operation, which was coordinated by the European Anti-Fraud Office (OLAF) and Directorate General Taxation and Customs Union (DG TAXUD). Its operational phase took place from 17-27 May 2005 within OLAF’s permanent technical infrastructure. “FAKE” ended with a debriefing of all participants today, 8 November, in Rome.

On 8 May 2005, a bill of lading was issued for the transport of a container from the port of Ningbo (China) to the port of Antwerp (Belgium) on board a vessel chartered by an international shipping company.

The vessel left Ningbo on 9 May and was due at Antwerp on 2 June 2005. Meanwhile, the bill of lading was sent to the shipping company’s representative at Antwerp.

The bill of lading was submitted to the Antwerp customs authorities by the ship owner’s representative and a risk analysis was conducted.

This document states that the consignment in question consisted of 12 908 plastic bowls manufactured by the company J registered at Chiwan (China) and that the recipient was the company P in Warsaw (Poland), a retailer of plastic goods.

So far, from the commercial standpoint, there was nothing unusual. However, the Belgian customs official considered that logistically it did not make much sense to unload the container in Antwerp and then send it by road to Poland.

The Belgian customs official therefore decided to enter the essential information contained in the document into OLAF’s Anti-Fraud Information System (AFIS) in order to check whether the Operational Coordination Unit (OCU) at OLAF’s permanent operational centre had any comments to make on it. This Unit, which was set up to run the FAKE operation, is staffed by 11 liaison officers (LO) from the Member States and two Commission officials (from OLAF/TAXUD), who are coordinating the operation.

The Polish LO commented that the company P had not committed any irregularities since it was set up in 2001. However, the German, Spanish and Maltese LOs commented that the Chinese consignor is not known as a reliable economic operator. The French LO then provided information indicating that the consignor was involved in cigarette trafficking on 7 July 2004. The UK LO added that the cigarettes in that case had been declared as garden furniture. Meanwhile, the OLAF coordinator noted anomalies concerning the telephone number entered in the bill of lading and the telephone number of the firm in Poland.

On 27 May 2005, the OCU selected the container in question and requested a physical check on its arrival in Antwerp.

When the vessel arrived at Antwerp on 2 June 2005, the container was opened by the customs authorities, who found 8 703 000 counterfeit MARLBORO cigarettes representing a loss of €1 300 000 in customs and excise duties.

Meanwhile, the Polish customs authorities carried out checks and found that the telephone number was that of a mobile phone and that the Polish company in question was not involved in the trafficking. The names of the owner of the telephone and his accomplices were given to the Polish authorities.

All information and audiovisual material on the OLAF website:
http://europa.eu.int/comm/anti_fraud/budget/index_en.html