

## Media Releases 2007

### International Customs Day

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**Pretoria, 26 January 2007** -- South Africa, through the South African Revenue Service (SARS), today joins the 169 members of the World Customs Organization (WCO) in observing International Customs Day and reiterating this country's commitment to join the global offensive against all forms of illegal trade.

Global trade in counterfeit and pirated goods is growing at an alarming rate and internationally the value of counterfeit and pirated goods is estimated at US\$650 billion. The WCO estimates that trade in counterfeits accounts for 7% of global merchandise trade and that these products are now produced on an industrial scale.

Similarly the WCO reported 4 000 seizures in 2004 involving some 166 million goods. The 170 members of the WCO collectively administer 98% of world trade. The WCO provides customs administrations with a Global Customs Cooperation Network to identify the cross-border movement of high-risk goods and to prioritize joint action on the illegal trade in fake goods. Tools have been developed to advance international cooperation such as the electronic Customs Enforcement Network, Regional Intelligence Liaison Offices and sophisticated risk management and targeting instruments.

Being part of an increasingly globalised economy, South Africa is not immune to the trade in illicit products.

During the past two years SARS, through its Customs operations, has seen a steady increase in the number and value of detentions of counterfeit and pirated goods: from 335 in 2004/05 (value – R235 million) to 725 (value – R540 million). These detentions included DVDs, CDs, clothing, footwear, cellular telephone accessories, vehicle parts and cosmetics.

During 2006 Customs already detained counterfeit goods illegally bearing the 2010 Fifa World Cup logo – 4 years before the actual event. The trend follows the German experience where 2 500 seizures were made ahead of and during the 2006 Fifa World Cup.

This morning the Commissioner of SARS and SARS officials were joined by representatives from the Southern African Federation Against Copyright Theft (SAFACT) in issuing some 15 000 pamphlets at designated street intersections in Johannesburg, Pretoria, Durban and Port Elizabeth to raise public awareness about the dangers of counterfeit goods.

SARS appeals to South African consumers not to support the trade in counterfeit goods. There is strong supportive evidence indicating indelible links between counterfeit trade and organised crime. The same smuggling and concealment techniques for drug trafficking are used by counterfeit traders as well as methods to obscure the origin and destination of counterfeit and pirated merchandise.

The money individuals spend on that "inexpensive" blockbuster movie will eventually flow into such activities as money-laundering, the financing of human trafficking, narcotics and illegal weapons and international terrorism.

There is international consensus that the trade in counterfeit goods can exist and flourish because of consumer demand. Without the consumer, the market would not survive.

SARS will continue to work within the WCO context to fight counterfeit trade and will continue to improve the resource capability of Customs.

South African consumers can report suspicious trading activity, piracy or copyright infringements to one of the following numbers:

- SARS fraud hotline: 0800 00 28 70
- SAFACT hotline: 0860 22 55 050
- RISA hotline: 0860 PIRATE/0860 747 283

ENDS

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