

## Media Releases 2007

### SARS Customs destroys illegal cigarettes at Beit Bridge

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**Pretoria, 6 February 2007** -- Customs officials of the South African Revenue Service (SARS) today destroyed a large consignment of contraband cigarettes at the Beit Bridge border post.

The cigarettes were seized during border control operations last year.

The 1 065 contraband master cases have an estimated street value of R4.5 million. A master case contains 10 000 individual cigarette sticks. Contraband cigarettes are smuggled into and from South Africa in violation of the Customs and Excise Act which prohibit any form of trade in a number of these listed brands. They pose a serious health threat to unsuspecting consumers as contraband is illegally manufactured.

The manufacturing process pays little attention to South Africa's health specifications and the cigarettes contain much higher levels of tar and nicotine than what South African health regulations allow for.

Cigarette smuggling is a major and growing concern for SARS because of the vast amounts of revenue that is evaded in each smuggling incident. The large increase in reported cases, the links to organised crime and the scale of corruption indicate the seriousness of the problem.

The consignment that was destroyed at a burning site near Beit Bridge today was confiscated on one day during September last year. Had these goods found their way into the supply and retail chain potential losses in revenue would be huge.

During the 2005/06 financial year SARS Customs officials conducted 1 056 seizures and confiscated 228 million individual cigarette sticks amounting to R93.5 million. Of these seizures 153 were contraband and the remaining 85.5% were counterfeit cigarette seizures. Cigarettes seizures have increased by 49.5% when compared to the last financial year.

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

If South African citizens are serious about combating all forms of crime, it must be understood that buying smuggled counterfeit and contraband goods creates a lucrative market for illicit activity. The proceeds of these products – which may present a short term financial gain or “bargain” for the consumer – finances other forms of crime or criminal activity by highly organised syndicates. Often these are the same syndicates who sell or buy stolen goods from burgled homes.

Beit Bridge in particular has become a focus point to combat cross border crime including smuggling. Only yesterday Customs officials together with members of the South African Police Service (SAPS) searched a truck and trailer transporting cotton oil cakes from Zimbabwe. A total of 5823 cartons of illicit cigarettes to the value of R494 995 were found hidden between and on top of the mentioned load. Four suspects were arrested who were expected to appear in the Polokwane Magistrates Court today.

During the same operation the Customs team also detained a Mercedes vehicle with 400 cartons of illicit cigarettes to the value of R34 000.00. One suspect has been arrested.

ENDS

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