



SINGAPORE CUSTOMS

MEDIA RELEASE

SAY **NO** TO CONTRABAND CIGARETTES

Singapore Customs is clamping down demand for illicit cigarettes at the street level in order to curb smuggling. Just in the first six months this year, a total of 3,084 buyers of contraband cigarettes from street peddlers were booked. The number caught was a four-fold increase over the same period last year. The number of peddlers caught also increased 20% from 381 in 2006 to 456 in 2007.

Enforcement Efforts Produce Positive Results

2 Singapore Customs' tough enforcement measures and a good intelligence network have produced positive results in 2007, as shown below.

| Enforcement Results | | Jan to Jun <u>2007</u> | Jan to Jun <u>2006</u> | 2006 (entire) |
|--|---------------------------------------|------------------------|------------------------|----------------|
| No of Duty-Unpaid Cigarettes Seized (in packets) | | 2.5 million | 2.3 million | 5.3 million |
| Total Duty and GST Involved | | \$18.8 million | \$17.5 million | \$37.6 million |
| Persons Caught | Persons Arrested and Charged in Court | 653 | 509 | 1,186 |
| | Persons with Offences Compounded | 11,036 | 3,601 | 8,081 |
| | Total No of Offenders | 11,689 | 4,110 | 9,267 |
| No of Tip-offs received | | 1,004 | 740 | 1,314 |

3 From January to June, more than 2.5 million packets of duty-unpaid cigarettes were seized. The number of persons caught and compounded with duty-unpaid cigarettes

catapulted 206 % to 11,036, compared to 3,601 during the same period in 2006. The composition sum is at least \$200 per packet for buyers of duty-unpaid cigarettes. Another 653 persons were charged in Court, a 28 % increase over the previous year. The highest Court sentence for such customs offenders from January to June 2007 was a nine-year jail term.

4 Mr Teo Eng Cheong, Director-General of Customs said, “While Singapore Customs has stepped up enforcement efforts against smuggling syndicates, our actions will be more effective if consumers stop buying contraband cigarettes from illegal peddlers.”

Crushing More Cigarette Smuggling Syndicates

5 A total of 96 cases each involving more than 10,000 packets of duty-unpaid cigarettes were successfully foiled by our officers. This is almost 10 times the number of cases during the same period last year. In April 2007, seven syndicate members were each sentenced to a minimum of 25 months imprisonment for smuggling 226,000 packets of duty-unpaid cigarettes, the largest haul in 2007 so far.

Case Files – Where Contraband Cigarettes Get in the Way

6 It does not pay to be involved in the buying and selling of contraband cigarettes. In May 2007, a retired man squandered his savings to stockpile contraband cigarettes for illegal sale. Singapore Customs officers raided the man’s flat and seized 76,000 packets of duty-unpaid cigarettes. The man was charged and sentenced to 34 months jail. In another case, a 38-year-old man who paid a \$200 composition sum for his packet of contraband cigarettes regretted not heeding his friends’ advice not to smoke illegal cigarettes.

7 In the month of June 2007 alone, 50 foreign workers involved in distributing and peddling contraband cigarettes were arrested during Singapore Customs’ operations. They were sentenced to jail terms ranging from two weeks to 55 months. Singapore Customs urge employers to safeguard their interests and join in the public education efforts to curtail workers’ involvement in such illegal activities.

Singapore Customs Affirms Commitment to Contain Cigarette Smuggling

8 Singapore Customs warns that buying, selling, conveying, delivering, storing, keeping, having in possession or dealing with contraband cigarettes are serious offences

under the Customs Act. On conviction by the court, offenders can be jailed as well as fined. The vehicles used in the commission of the offence are also liable to forfeiture.

9 Members of the public with information on smuggling activities or evasion of Customs duty or GST should contact the Singapore Customs Intelligence Hotline at 1800-2330000 or email to customs_intelligence@customs.gov.sg.

End of Release

ISSUED BY: SINGAPORE CUSTOMS

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