



THE TOBACCO INSTITUTE OF SOUTHERN AFRICA

MEDIA RELEASE

For Immediate Release

6 February 2012

Over 5-million illegal cigarettes destroyed in Polokwane and more to come

The South African Revenue Service (SARS) reinforced their intent to drive down the illegal trade in cigarettes by destroying over 5-million illegal cigarettes in Polokwane last week. The illegal cigarettes were recovered from various interventions in the area over the past months, including raids and seizures at retailers, resellers and wholesalers stocking illegal cigarettes.

Tobacco Institute of Southern Africa (TISA) CEO Francois van der Merwe said: “The millions of illegal cigarettes destroyed are evidence of the very successful private/public partnership that exists between TISA, SARS and other Government Agencies. We believe this partnership is the only way to successfully combat illicit trade in tobacco products. If these cigarettes were not confiscated and were sold in South Africa, the loss in excise duties alone to the South African Revenue Service (SARS) would have been R 2,469,090 (two million four-hundred and sixty-nine thousand and ninety rands).

The Tobacco Institute of Southern Africa (TISA) assists the South African Revenue Services with the destruction of illegal cigarettes by means of custom-built hammer mills that shred the illicit product into fine pieces. These shreds are then ploughed into landfill sites. All destructions take place in the presence of SARS officials.

“During 2011, around 1,2 billion illegal cigarettes were seized through over 7000 interventions by law enforcement officials. Also in 2011, approximately 800 key players in the illicit industry were arrested on charges relating to the smuggling and trade of illegal cigarettes. The arrests should send a strong warning signal to other illicit traders that no-one is above the law,” Mr van der Merwe said.

NOTE TO EDITORS

Penalties:

The penalties if a retailer, or reseller, is caught with illicit products and prosecuted under the Customs and Excise Act (evasion of taxes) are: A fine of R20 000 or three times the value of the goods, depending of which one is the greatest; or up to 5 years on prison. A person prosecuted can therefore pay a fine and go to jail.

How to Spot Illegal Cigarettes:

- 1) Paying less than R 14.50 for a pack of 20s (suspect price)
- 2) There is no excise stamp on the pack
- 3) The tar and nicotine readings are higher than 12 mg Tar and 1.2 mg respectively
- 4) There are no health warnings on the pack

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Ends