



THE TOBACCO INSTITUTE OF SOUTHERN AFRICA

Media Release

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Over 1,6-million illegal cigarettes seized

Fresh off the back of major seizures in which nearly 700,000 illegal cigarettes were confiscated during the first two weeks of March, law enforcement officials once again demonstrated their commitment to stopping the illegal trade in cigarettes by seizing over 1,600,000 illegal cigarettes in Springs, Pretoria, Zeerust and Pinetown during the period 13 to 17 March 2012.

South African Revenue Services (SARS) Customs Officials seized nearly 300,000 illegal cigarettes in Pinetown, outside Durban on 13 March 2012. The illegal 'Aspen', 'Kingdom' and 'Pacific' cigarettes were confiscated from a retailer in the area. One suspect was arrested and the stock was detained. A vehicle was also held by customs officials.

Members of the South African Police Service (SAPS) seized close on 900,000 illegal cigarettes in three different raids in Gauteng on 15 March 2012. The illegal cigarettes were found at two retail outlets in Springs (Eastern Gauteng) as well as at a reseller's warehouse in Pretoria. Brands confiscated included "Director", "Kingdom", "Pacific", "Remington Gold" and "Sevilles". Four suspects were arrested in connection with the three raids and all stock was detained by officials.

SAPS officials seized around 480,000 contraband cigarettes in Zeerust on 17 March 2012. The "Remington Gold" cigarettes were confiscated from resellers in the area. Three arrests were made and the confiscated stock was transferred to the state warehouse.

"We commend the SAPS and SARS for their on-going effort in addressing the illegal trade in cigarettes," says Francois van der Merwe, CEO of the Tobacco Institute of Southern Africa (TISA). "Their decisive action should send a strong warning signal to those who continue to participate in the illegal cigarette trade."

“The illegal trade in cigarettes is the fastest growing tobacco category globally and locally, with the incidence having almost doubled in South Africa over the past four years. Illegal cigarettes now make up well over 25% of the total cigarette market in the country, costing the government as much as R4-billion in excise duties and VAT because of unscrupulous criminals who avoid tax,” Van der Merwe added.

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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 on which one is the greatest; or up to 5 years in prison. A person prosecuted can therefore pay a fine and go to jail.

How to Spot Illegal Cigarettes:

- 1) Paying less than R 15.00 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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