



SINGAPORE CUSTOMS 新加坡关税局 **KASTAM SINGAPURA** சிங்கப்பூர் சுங்கத்துறை

MEDIA RELEASE

23 January 2014

Smokers caught for buying contraband cigarettes on the rise

“Strong enforcement efforts by Singapore Customs and close inter-agency collaboration have kept the contraband cigarette situation in check last year. There is a persistent demand for contraband cigarettes. The number of smokers caught for buying contraband cigarettes has increased. Correspondingly, the quantity of contraband cigarettes seized in 2013 has gone up. Singapore Customs will continue to clamp down on buyers and sellers of contraband cigarettes through intensified enforcement efforts and active engagement with the public to raise anti-contraband cigarette awareness.”

Mr Lee Boon Chong

Senior Assistant Director-General

Intelligence and Investigation Division

Singapore Customs

I) Demand for contraband cigarettes persists

The number of smokers caught for buying contraband cigarettes inland went up from 6,248 in 2012 to 6,400 in 2013, an increase of 2.4 per cent (see Table 1).

**Table 1: Number of Smokers Caught for Buying Contraband Cigarettes Inland
(2011 to 2013)**

	2011	2012	2013
Number of Buyers Caught	5,977	6,248	6,400

II) But Singapore Customs continues to take firm action to keep demand In check

II.1 We disrupted the supply of contraband cigarettes, seizing 93.3% more cigarettes in 2013

With syndicates smuggling larger quantities of contraband cigarettes to meet the persistent demand for contraband cigarettes, Singapore Customs intensified its enforcement efforts and collaboration with other enforcement agencies (such as the Immigration & Checkpoints Authority and the Singapore Police Force) to disrupt the supply of contraband cigarettes. In January 2013, 18,000 cartons of contraband cigarettes were seized at Jurong Port. This is the largest haul since 2009. The quantity of contraband cigarettes seized increased 93.3 per cent, from 1.5 million packets seized in 2012 to 2.9 million packets seized in 2013 (see Table 2).

Table 2: Quantity of Contraband Cigarettes Seized (2011 to 2013)

	2011	2012	2013
Quantity of Contraband Cigarettes Seized (million packets)	1.9	1.5	2.9

II.2 Revenue from duty-paid cigarettes continued to rise

Revenue collected from the sale of duty-paid cigarettes continues to display an upward trend. Duty collected increased 4.9 per cent from \$932 million in 2012 to \$978 million in 2013 (see Table 3).

Table 3: Duties Collection for Cigarettes (2011 to 2013)

	2011	2012	2013
Duties Collected from Cigarettes (\$ million)	917	932	978

II.3 About 27,000 offenders were caught in 2013

Overall, the total number of cigarette offenders caught inland and at Singapore's checkpoints saw a decrease of 5.1 per cent, from 28,502 offenders in 2012 to 27,041 offenders in 2013 (see Table 4).

Table 4: Total Number of Illegal Cigarette Offenders (2011 to 2013)

	2011	2012	2013
Number of Illegal Cigarette Offenders Prosecuted	818	776	746
Number of Illegal Cigarette Offenders Compounded	25,346	27,726	26,295
Total Number of Illegal Cigarette Offenders	26,164	28,502	27,041

II.4 We disrupted four syndicates in 2013

Singapore Customs smashed four contraband cigarette syndicates last year. Two of these syndicates had attempted to smuggle more than 10,000 cartons of contraband cigarettes into Singapore, by falsely declaring the cigarettes as floor and wall tiles and by hiding the cigarettes in specially constructed fibre tanks. In an operation last December, Singapore Customs arrested four men and seized 17,393 and eight packets of contraband cigarettes, making this fibre-tank case the second-largest haul of contraband cigarettes last year.



Left photo: 14,400 cartons of contraband cigarettes falsely declared as floor and wall tiles. Right photo: 17,393 cartons and eight packets of contraband cigarettes hidden in specially constructed fibre tanks.

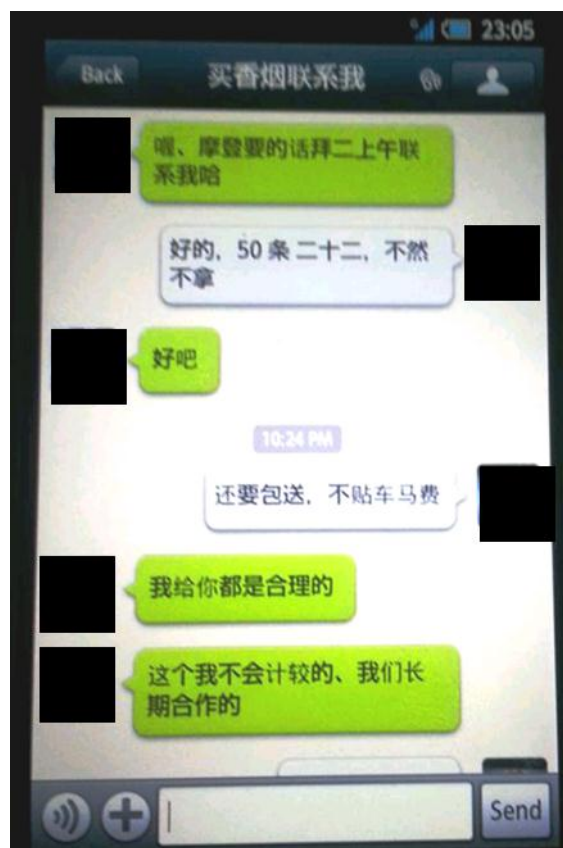
II.5 We stay on top of offenders' new methods of operations

In 2013, 398 peddlers were caught for selling contraband cigarettes (see Table 5).

Table 5: Number of Peddlers Caught (2011 to 2013)

	2011	2012	2013
Number of Peddlers Caught	458	402	398

While most peddlers continued with their attempts to evade detection by operating in dark alleys and back lanes, Singapore Customs has observed an emerging trend of some peddlers leveraging on online media such as instant messaging platforms to sell contraband cigarettes, in their attempt to avoid detection.



Some peddlers made use of instant messaging platforms to sell contraband cigarettes. However, Singapore Customs officers kept a close watch and clamped down on such illegal activities.

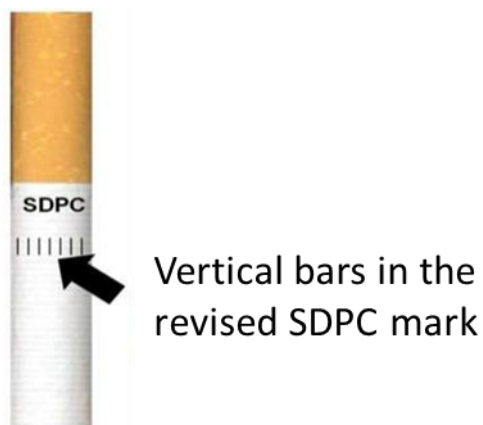
Other illegal cigarette offenders tried their luck at smuggling contraband cigarettes into Singapore by using luxury cars, but they were caught by enforcement officers.



Contraband cigarettes concealed in a luxury car.

II.6 We tightened the regulatory measures

In March 2013, Singapore Customs implemented a revised 'SDPC' (**S**ingapore **D**uty-**P**aid **C**igarette) mark for all cigarettes sold in Singapore. The revised mark, featuring a series of vertical bars around the cigarette stick, allows enforcement officers and the public to better visibly differentiate duty-paid cigarettes from contraband cigarettes. This further enhances the effectiveness of the anti-contraband cigarette operations conducted by Singapore Customs island-wide.



Revised 'SDPC' mark on duty-paid cigarettes.

II.7 And we continue to work closely with the public against contraband cigarettes

Singapore Customs continued to engage the public through its anti-contraband cigarette outreach programmes last year. More than 200 anti-contraband cigarette talks and road

shows were held at schools, foreign-worker dormitories and in the heartlands. These outreach sessions helped to raise public awareness about contraband cigarettes and educate the public on how they have a role to play – by reporting to Singapore Customs contraband cigarette activities they come across in their neighbourhood.

Singapore Customs’ anti-contraband cigarette campaign “1 IS ALL IT TAKES” highlighted the consequences of buying or selling contraband cigarettes.



Singapore Customs officers conducted talks and road shows at schools, foreign-worker dormitories and the heartlands.

OTHER CUSTOMS OFFENCES

35.3 per cent fall in number of liquor offenders

The number of liquor offenders decreased 35.3 per cent, from 1,951 offenders in 2012 to 1,263 offenders in 2013 (see Table 6). The majority of these cases were minor offences committed by travellers coming through Singapore’s checkpoints.

Table 6: Number of Liquor Offenders (2011 to 2013)

	2011	2012 ¹	2013
Number of Liquor Offenders Prosecuted	2	1	5
Number of Liquor Offenders Compounded	2,321	1,951	1,263
Total Number of Liquor Offenders	2,323	1,952	1,268

¹ The 2012 figures have been revised after an offender was prosecuted in 2013.

In April 2013, a joint operation by Singapore Customs and the Singapore Police Force crushed an adulterated liquor syndicate. A total of 504 bottles of adulterated liquor and 63 jerry cans (equivalent to approximately 2,130 litres) containing adulterated liquor, related counterfeit accessories as well as production equipment were seized. Two Malaysian and three Singaporean men have been charged for their involvement. Court proceedings are currently ongoing.

Fuel gauge offences

Four offenders were prosecuted for fuel gauge offences in 2013 (see Table 7). In general, the drop in the number of offenders prosecuted suggests that the public has become more aware of the stern penalties they face should they flout the law.

Table 7: Number of Persons Prosecuted for Fuel Gauge Offences (2011 to 2013)

	2011	2012	2013
Number of Persons Prosecuted for Fuel Gauge Offences	14	17	4

Singapore-registered motor vehicles must have at least three-quarter tank of petrol when departing Singapore. On 1 January 2012, the three-quarter tank rule was extended to the Compressed Natural Gas (CNG) tanks of motor vehicles as well. Motorists are advised not to infringe the three-quarter tank rule as there will be stringent checks at the Woodlands Checkpoint and the Tuas Checkpoint. Those caught tampering with the fuel gauge in their vehicle so that it gives a false reading of the amount of petrol/CNG in their fuel tanks will be liable on conviction to fines not exceeding \$5,000 and/or a jail term of up to 12 months.

Singapore Customs advisory

Buying, selling, conveying, delivering, storing, keeping, having in possession or dealing with duty-unpaid goods are serious offences under the Customs Act and the Goods and Services Tax (GST) Act. Offenders will be severely dealt with. They can be fined up to 40 times the amount of duty evaded, and/or jailed for up to six years. The minimum court fine for first-time and repeat offenders of tobacco-related offences is \$2,000 and \$4,000 respectively. Repeat offenders who are caught with more than two kilogrammes of tobacco products will also face mandatory jail sentences. Vehicles used in the commission of such offences are also liable to be forfeited.

The public is strongly advised not to buy duty-unpaid products. For possessing a packet of duty-unpaid cigarettes, buyers may face a minimum fine of \$500 or prosecution in court.

Members of the public with information on smuggling activities or evasion of customs duty or GST can call the Singapore Customs hotline on 1800-2330000 or email customs_intelligence@customs.gov.sg.

###