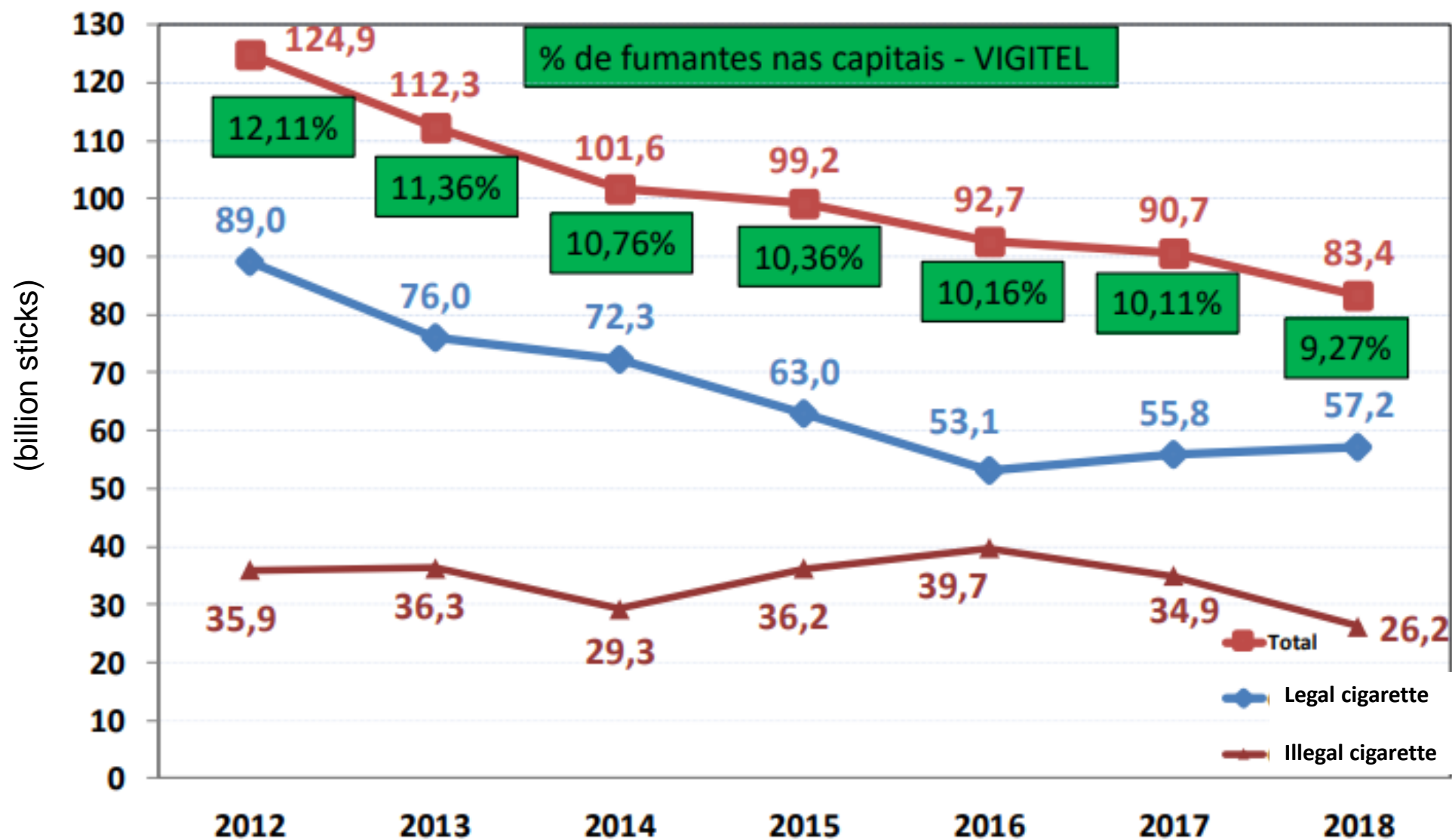

Illicit Trade in Brazil

Experience from the Brazilian Federal Police

MOP 3 - February 2024

Number of cigarettes consumed: legal and illegal – 2012-2018



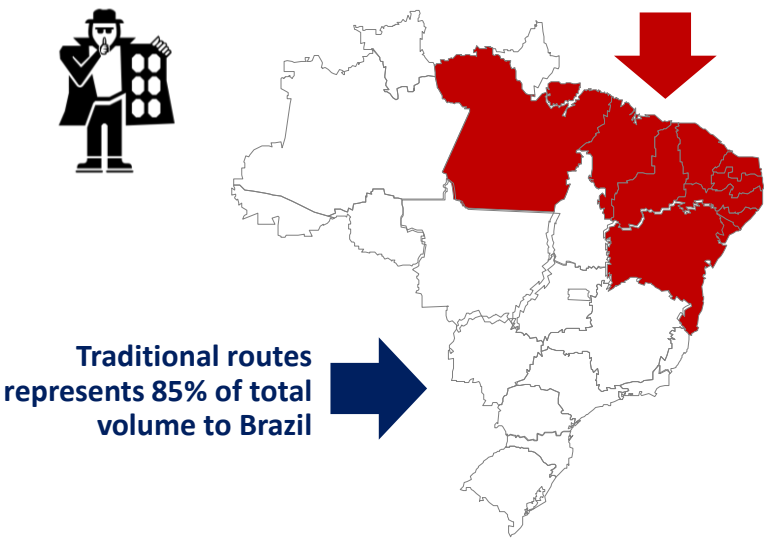
% Seizures vs. Consumption:

Only 7% to 10%... 17 Thousand kilometers of challenge... Roads and rivers...

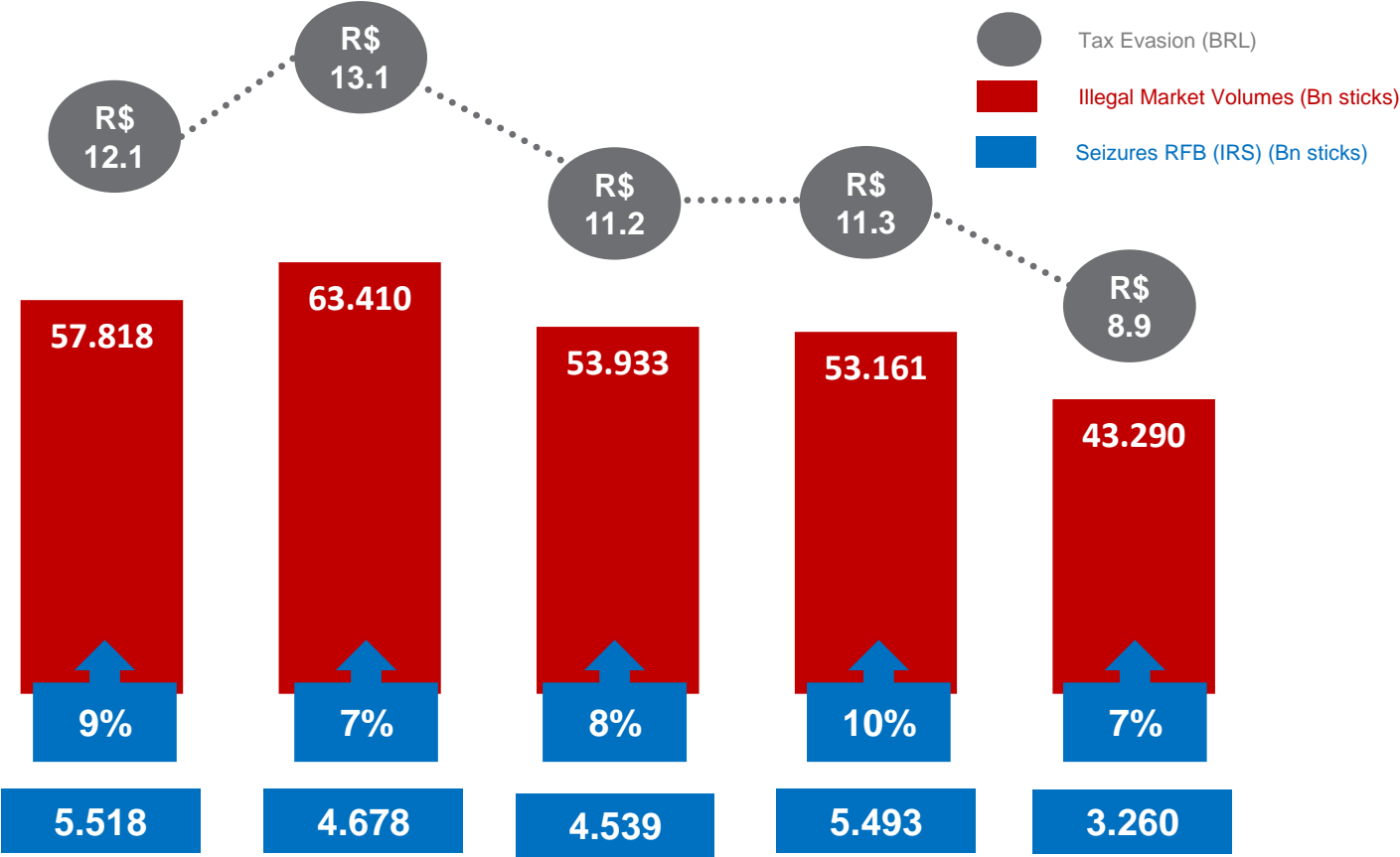
Contraband routes

Organized Crime exploiting new alternatives, such as Caribbean Hubs for South American cigarettes

Caribbean Hubs: contraband in North and Northeast of Brazil



Only 7% to 10%... 17 Thousand kilometers of challenge... Roads and rivers...



Structural and integrated Operations by the Federal Police contribute to reduce contraband or increase its prices / logistics

Ação integrada de forças de segurança apreendem 18 toneladas de fumo

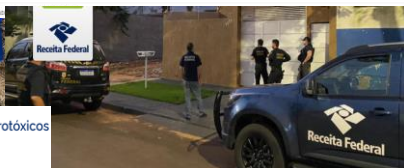
Durante Operação Hórus em ação conjunta do BPFRON, 21ª BPM, MAPA e ADAPAR, na Operação Ronda Agro, na quarta-feira (29) em Santo Antônio do Sudoeste, em patrulhamento em local utilizado para crimes fronteiriços, foi localizada uma quantia de 18...

30 de março de 2023



Receita Federal inicia a primeira fase da Operação Retribuição

Receita Federal e Polícia Federal realizam operação contra crimes de contrabando, sonegação fiscal e lavagem de dinheiro.



PF, BPFRON e BOPE localizam depósito de cigarros e agrotóxicos contrabandeados em Foz do Iguaçu/PR

Polícia prendeu uma pessoa, responsável pelo imóvel que servia como depósito.

Publicado em 03/03/2023 08:02

Compartilhe



PF em ação conjunta apreende caixas de cigarros contrabandeados no Lago de Itaipu

Os cigarros estavam em uma embarcação que fazia a travessia irregular para as margens brasileiras.



Operação Agro-Hórus realiza grande apreensão de produtos ilegais em Jaguarão

Por: Jéssica Gomes - 10/03/2023 às 10:01



COBRA/BPFRON e PF realizam grande apreensão de cigarros

Ação ocorreu em Altonia-PR e ainda apreendeu dois lançes e um veículo

Publicado em 02/04/2023 12:18 - Atualizado em 02/04/2023 08:40

Operação da PF cumpre mandados de busca e afasta do cargo policial civil investigado por contrabando de cigarros no RN

Ação foi deflagrada nesta sexta-feira (3) em conjunto com a Polícia Civil do Estado.

Por: G1 RN - 03/03/2023 09:37 - Atualizado há 2 meses



POLICIAL

PM, PF e SEFAZ fazem operação contra fábrica de cigarros clandestina no Cabo de Santo Agostinho

▶ Ouvir

Por: REDAÇÃO PORTAL

De acordo com as investigações, a fábrica funcionava durante a madrugada, e após a produção dos cigarros, os produtos eram embalados e transportados para outro lugar a fim de evitar a fiscalização.



Cláudio - Notícias - Regional

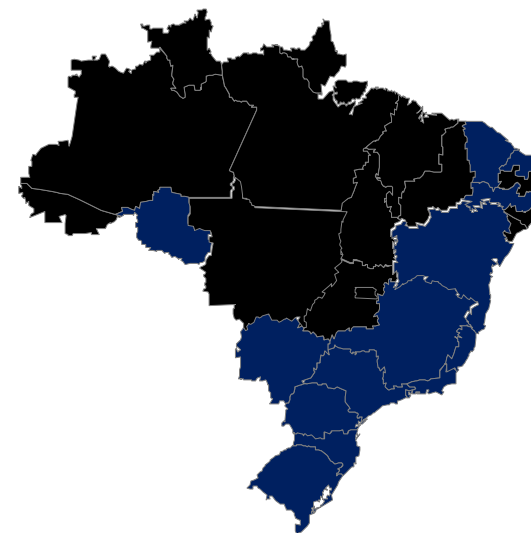
Cláudio: PM prende cinco responsáveis por trabalho análogo à escravidão em fábrica clandestina de cigarros

Cinco homens foram presos nesta terça-feira (16) em Cláudio, acusados de [submeter funcionários a condições análogas à escravidão](#) em uma fábrica clandestina de cigarros.

Segundo a Polícia Militar, foi recebida uma denúncia anônima de um galpão localizado na rodovia MG-260 que produzia cigarros com o rótulo de uma marca conhecida no mercado.

54 Structural actions in 2022

46 in 2023



Main Brands easily found in the Brazilian Market

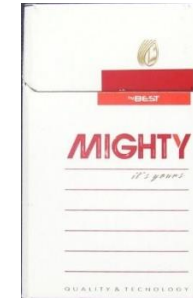
URION



TABESA
TABACALERA DEL ESTE S.A.



Best Tobacco



Cigarette brands from other countries widely consumed in Brazil



In 2022, 2 of 5 top sellers brands are ilegal in Brazilian Market

Share of Market		2017	2018	2019	2020	2021	2022
1°	Rothmans	12%	12%	12%	19%	21%	24%
2°	Eight	12%	15%	16%	12%	15%	12%
3°	Dunhill	8%	7%	7%	8%	8%	9%
4°	Gift	11%	13%	12%	9%	9%	9%
5°	Chesterfield	2%	2%	3%	5%	6%	8%
6°	Kent	7%	5%	3%	4%	2%	5%
7°	Lucky Strike	2%	2%	3%	5%	6%	5%
8°	San Marino	4%	4%	4%	4%	4%	4%
9°	Classic	5%	4%	4%	3%	3%	3%
10°	Marlboro	5%	4%	3%	2%	2%	3%





Cooperation between Law Enforcement Agencies in Brazil

The Federal Police of Brazil is gradually implementing cooperation, through Technical Cooperation Agreements, with:

- Federal Revenue Service (to see the way the criminal organizations move their money and what methods they use to launder money and return it to the formal market, as legal money – we need judicial order for that)
- Ministry of Defense, mainly the Navy (to find ships traveling across the Atlantic Ocean from Central America to the North and Northeast of Brazil)
- Public Prosecution Service (It is important that police does a well done, without nullities, so that the MPF can carry out the criminal process, obtaining the appropriate legal penalties for the smugglers)
- Federal Attorney General's Office (to have jurisprudential assistance and also access to civil cases that took place against companies and people who commit smuggling)
- National Treasury Attorney's Office (to confiscate the assets of smugglers and their “straw men”, after all the organ that does the most hurt for criminals is their pocket)
- Ministry of Labor (sometimes we dismantle clandestine factories that use workers in ways similar to slavery, which increases the criminal penalty. The authority to certify this condition lies with the Ministry of Labor)

Cooperation with law enforcement agencies in other countries

Nowadays there is still little cooperation between nations to combat smuggling, unlike what happens with the fight against drugs:

- **Adidos** (the Federal Police has official police attachés in several countries. They help us with contacts and ask diligence and information for local police)
- **Interpol** (the work to repress smuggling is still small with Interpol. This year we will try to get closer to them to seek help in this area)
- **Ameripol** (one of our objectives this year is a meeting with Ameripol to discuss mutual cooperation in the fight against smuggling, as smuggling in Brazil comes from neighboring countries, with a not significant amount coming from Asia)
- not significant)
- **UNODC** (UNODC works in partnership with the Brazilian government in different areas. Amongst them: Drug trafficking and transnational organized crime, according to UNTOC and Money laundering, asset management and recovery. We think we can work with UNODC inserts on these two items)
- **OMA**: (the World Customs Organization is important , as it covers more than 90% of Customs around the world. We don't have contact with OMA yet, but we will look for them, as we believe they can help us in the fight against smuggling, especially cigarettes that come from countries to the south of Brazil, go up through the Pacific Ocean and down through the Atlantic Ocean to supply the market in the North and Northeast regions of Brazil)

MOP Recommendations

Key Inputs

The proposed study roadmap should include a set of proposals which could be adopted at MOP4 to tackle the threat of key inputs in tobacco manufacturing, as a collaborative way of combatting the illegal market and MOP's commitment to a world without smuggling.

This should include:

- **Ways of sharing overall production data, including data on existing machinery and equipment within each country**
- **Data on overall production and exports to other countries**
- **Ways of publicly declaring data on import and export of main raw materials (tobacco, filters, etc)**
- **Tax collection data on cigarettes sold legally**
- **Estimates of overall consumption and how this can be used to identify weaknesses in the supply chain**

MOP Recommendations

Safe Havens, or Hubs of Illicit Trade

It is important to act now as major hubs continue to generate profits for criminal groups that are very hard to prevent.

- **Therefore countries should sign information cooperation pacts, especially those mentioned above, and work together between their security and tax forces, to once and for all curb the illegal transit of cigarettes and tobacco products across their borders.**
- **The penalties for this type of cigarette smuggling crime at both origin and destination should be tougher**
- **Irregular machines or machines used in processes of manufacturing smuggled products or counterfeiting products should be destroyed when seized (either at origin or at destination).**



Federal Police of Brazil

Rodrigo Koehler

Head of Smuggling Enforcement Division

Thank you !!!

nusof.cgfaz.dicor@pf.gov.br

*(Please send this email any information you have about
cigarette smuggling in Brazil and South American countries,
so that we can work together! Together we are stronger!!!)*