



Council of the
European Union

Brussels, 10 May 2023
(OR. en)

8625/23

LIMITE

ENFOCUSTOM 54
ENFOPOL 230
CORDROGUE 48
ENV 483
COSI 96
FRONT 164
UD 96
JAI 597

NOTE

From:	Presidency
To:	Delegations
No. prev. doc.:	7994/1/23 REV 1
Subject:	Situational Awareness Paper 2023

Delegations will find below the final version of the Situational Awareness agreed by the Law Enforcement Working Party (Customs) on 8 May 2023.



Situational Awareness Paper

2023

Foreword

As the leading authority for the monitoring and control of goods, including cash, and in their role as gatekeepers at the EU's external borders, customs authorities must perform a growing number of tasks, while simultaneously facilitating trade. In addition, many traditional threats and risks of customs-related crime remain relevant.

A prerequisite for the success of customs cooperation in the area of law enforcement and its contribution to the internal security of the EU is a well-established common understanding of the threats and challenges that customs authorities face. As such, the Situational Awareness Paper provides an important information for customs and other law enforcement authorities to efficiently and jointly address these threats and challenges. The Situational Awareness Paper 2023 will serve as a basis for the preparation of the LEWP (Customs) Action Plan 2024-2025.

The Situational Awareness Paper is a direct result of the very good collaboration with other relevant stakeholders and in this regard the Presidency would like to thank the Member States, the European Commission, the European Monitoring Centre for Drugs and Drug Addiction and the European Border Coast Guard Agency and the European Union Agency for Law Enforcement Cooperation for their valuable contributions to this report.

Summary

In view of the preparation of the draft 12th LEWP-Customs Action Plan for 2024-2025, the Presidency would like to highlight in particular the changes that have occurred after SAP 2021. As a consequence of Russia's war of aggression against Ukraine through a full-scale invasion on 24 February 2022 threats to the internal security of the EU have increased and new threats are emerging. Circumvention of sanctions and the risk of smuggling of arms and cultural goods to the EU can serve as examples.

In the report there are several challenges presented that affect the EU and its Member States, some new and emerging, and others well known. Some threats, or risk areas, that MS and EU stakeholders have reported stand out in the sense that the severity of the situation calls for extra attention.

The threats or risks that have increased the most when comparing the seizures made during 2021 with 2022 are seizures of cocaine, cannabis and tobacco as well as seizures of prohibited and restricted goods related to online trade along with violations of sanctions and embargos under the category of safety. The increase in seizures of cocaine and cannabis, that several MS reported is worrying, especially in relation to reports of increasing drug production in countries known for their extensive production of those drugs. Indicators point to increasing violence and corruption because of the competition on the drug market. It is worth noting that the risk of violence and corruption seems to be increasing in Europe, mainly due to the lucrative trade in cocaine, and this violence has spread to sectors outside of the drug trafficking sphere. There are reports of affected lawyers, journalists, government officials and officers in law enforcement which makes the situation even more troubling.

Russia's war of aggression against Ukraine with the subsequent sanctions and embargos against Russia and Belarus, have led to global challenges, including economic disruption in various ways around the world. It is evident that the attempts to circumvent sanctions are ongoing and within a wide array of threat or risk areas. Many attempts to circumvent import and export sanctions are reported, and a specific challenge for customs authorities is the detection of these attempts as individuals, companies and the Russian Federation are often intertwined. Goods that are subject to sanctions are reportedly transported to other final destinations than what is declared. Real company ownerships are obfuscated through deceptive means, and the shadow fleet of tankers with Russian oil is used to export sanctioned goods. Another concerning issue is the risk for the diversion of weapons as a result of Russia's war of aggression against Ukraine. In light of the experience from other wars and conflicts, there is a risk of weapons being diverted and uncontrollably entering the EU, the effects of which is yet to come.

Russia's war of aggression against Ukraine, the Covid-19 pandemic, and the adaptability of criminal networks accentuate the need for customs authorities to be flexible and to be capable of both understanding and meeting threats stemming from unforeseen changes, in the EU and globally.

Glossary

ADD – Antidumping and countervailing duties

CITES – Convention on International Trade in Endangered Species

CN-CODE – Combined Nomenclature code

DG TAXUD – Directorate-General for Taxation and Customs Union (European Commission)

EMCDDA – European Monitoring Centre for Drugs and Drug Addiction

EU – European Union

EUIPO – European Union Intellectual Property Office

EUROPOL – European Union Agency for Law Enforcement Cooperation

FRONTEX – European Border and Coast Guard

HFC – Hydrofluorocarbons

HS-CODE – Harmonized Systems code

INTERPOL – International Criminal Police Organization

IPR – Intellectual Property Rights

IUU – Illegal, Unreported and Unregulated

LEWP (Customs) – Law Enforcement Working Party (Customs)

MTIC – Missing Trader Intra-Community

MS – Member State

NFT – Non-fungible tokens

NPS – New Psychoactive Substances

OCGs – Organized Crime Groups

SAP – Situational Awareness Paper

TBML – Trade-Based Money Laundering

VAT – Value-Added Tax



Table of content

Foreword.....	3
Summary.....	4
Glossary.....	6
1 Introduction	9
2 Methodology used for this SAP	10
2.1 Literature review	10
2.2 Questionnaire.....	11
3 Threats and risk areas.....	12
3.1 Cash control.....	12
3.2 Counterfeit goods	16
3.3 Cultural goods	18
3.4 Customs financial fraud.....	20
3.5 Drug precursors	29
3.6 Environment	32
3.7 Excise goods.....	36
3.8 Health and safety	39
3.9 Narcotics.....	45
3.10 Online trade	50
3.11 Security.....	51
3.12 Effects of Russia's war of aggression against Ukraine	54
4 Conclusions	57
5 References/contributions	58
5.1 Sources	58
5.2 Questionnaire.....	59

1 Introduction

The Situational Awareness Paper has provided customs authorities in the EU with a comprehensive analysis of the common threats faced since it was first produced in 2015. While holding the Presidency of the Council of the EU, Latvia, Malta, Romania, Portugal and now Sweden have had the honor and responsibility to lead on this important and valuable report.

In order for customs authorities to meet the challenges of their broad and complex mandates related to customs cooperation in the law enforcement area and its contribution to the EU internal security, it is vital that customs authorities share a common understanding of the threats and challenges they face. The Situational Awareness Paper constitutes an important contribution in this regard and an important input to the 12th Law Enforcement Working Party Customs Action Plan 2024-2025 that will be drafted and adopted during the Spanish Presidency of the Council of the EU in the second half of 2023.

The Situational Awareness Paper 2023 is mainly a literature review based on the 2021 report. To complete the gaps of information from the literature review a questionnaire was created. In order to ensure that any specific threats stemming from Russia's war of aggression against Ukraine is covered, the questionnaire included specific questions on this topic.

In the future the Situational Awareness Paper will be replaced by the Customs Threat Assessment. The first publication of the new Customs Threat Assessment document is scheduled for March 2025 and then every two years thereafter.

2 Methodology used for this SAP

The Situational Awareness Paper 2023 is largely an update of the previous report from 2021. In accordance with the process agreed by the LEWP-C in January 2023¹, the SAP 2023 is based on its forerunners. To avoid large data collection from the Member States (MS) the work has largely been based on risks identified in the previous SAPs. These risks have been updated primarily based on available reports, assessments, and other relevant papers. In cases where information gaps have been identified, specific requests for information have been sent to relevant stakeholders.

2.1 Literature review

A number of documents and reports have been reviewed as outlined in the bibliography. It should be noted that there was an uneven amount of material for the topics covered in the report. For the category environment, there was a relatively wide selection of reports, whereas other topics, like cultural goods, had fewer sources. It should also be noted that the report focuses specifically on the time period 2021 and 2022, which limited the available sources for the literature review. In addition, reports and documents rarely reflected the perspective of each and every MS. In order to balance the shortcomings of the literature review, questionnaires were developed for those topics for which data was missing. Some reports contained aggregated data outside the timeframe; however, in combination with newer data, the findings were still valuable. As the current Presidency, Sweden also made use of expertise in Swedish Customs.

¹ 16160/22

2.2 Questionnaire

The questionnaires were created after establishing what information was missing from the literature used for the literature review. Those categories that did not have enough information to stand on their own as part of the literature review then constituted the base of the questionnaire. For each selected category, a number of questions were created with a focus on how the specific issue had changed (-or not) by comparing the number of seizures 2021 to the number of seizures in 2022. The aim was to narrow down the number of questions and make the process easier for the respondents and more amenable to data analysis. During the process of creating the questionnaire, some issues, questions, or possible answers were deliberately excluded in order to focus on the main issues. As with all statistics, there is always a risk that different countries may register things differently. Results from the questionnaire are presented in percentages and important to note is that in some cases the graph only shows a 99 % result because of rounding and not using decimals.

3 Threats and risk areas

Each threat or risk area selected for this situational report is presented below. A majority of threats and risks analysed were also covered in the 2021 Situational Awareness Paper, but some areas have been added for 2023. The exact approach differs for different categories: some are presented with the literature review as an approach, some are presented with the questionnaire as a starting point, and some cases use a mixed methodology, in which a combination of the literature review and the questionnaire is used to draw information and conclusions from a broader perspective in order to update and present new relevant information within each category.

Three EU stakeholders; Directorate-General Taxation and Customs Union (DG TAXUD), European Monitoring Centre for Drugs and Drug Addiction (EMCDDA) and Frontex answered the questionnaire as well as twenty-three MS. All answers will be presented in an annex, showing how many countries answered each questions as well as a list of participating MS.

3.1 Cash control

Information within this category is solely based on literature and reports with an EU perspective.

3.1.1 Illicit cash movements

The demand for banknotes within the EU seems to have increased, even though retail transactions in cash have declined overall; this phenomenon is referred to as the “paradox of banknotes”. The criminal economy still remains heavily cash-based, which exposes the EU to significant risks regarding money-laundering and/or terror financing. Criminals seek to move their illicit cash proceeds to countries with financial systems that predominantly use cash and/or have weak supervision of cash. Illicit cash may also be converted to anonymous assets like pre-paid cards and/or other high value assets that are not subject to controls at borders. The revised Cash Controls Regulation, which went into effect in the EU in June 2021, has to a great extent hindered the opportunity for criminals to introduce large sums of illegally obtained cash into the financial system, and has increased the scope of cash controls at the EU’s borders and strengthened authorities’ powers. When leaving the EU with EUR 10,000 or more in cash, it must be declared to customs. The obligation to declare intra-EU cash and cash sent to persons (not physically carried by a person) in the EU differs from MS to MS, where some MS have national legislation regarding obligation to declare, whereas other MS have obligation to declare only on request or demand, and some do not implement intra-EU cash controls.

There are still many ways for a person to move cash across borders, both when travelling by air or with ground transportation, or by sending couriers with larger amounts of cash, by using postal packages and express cargo, or through *hawala* systems.

Criminals can convert illicit incomes to high-value assets like art, antiquities, cultural goods, precious metals and stones that can be moved across borders with relative ease and little regulatory supervision. The value of assets like these is often subjective and difficult to verify or compare. These (often quite valuable) assets can be sold to accomplices at a highly inflated price, producing invoices that legitimate the transfer of funds. Links have been found between the antiquities trade and drugs, wildlife and arms trafficking, money laundering, and tax crime. The same is true when it comes to financing of war machines and terror organisations, which puts antiquities trafficking on the level of serious transnational organised crime.

3.1.2 Crypto-currencies

Cryptocurrencies continues to grow and can be used by criminals to launder their criminal incomes. A relatively new phenomena is money laundering through non-fungible tokens (NFTs). An NFT is a specific kind of crypto technology, and is a digital asset in the form of art, music, videos, digital items, etc. A common practice of using the NFT market to launder criminal income is through staging fake trades. Criminals use their illegal income to purchase a high-value NFT product, often with cryptocurrency, and then sell the product and appear to have made money from a legitimate transaction.

3.1.3 Free trade zones

Free trade zones are still regarded as high risk for money laundering/terror financing because they offer a number of advantages from a customs/taxation perspective, especially regarding risks of high-value goods held in free ports. The market for high-end art has grown rapidly and luxury free ports are establishing themselves as new players in the arenas of tax avoidance and crime. Free trade zones also pose a counterfeiting threat because they allow counterfeiters to land consignments, tamper with loads and/or the associated paperwork. Tampering with paperwork can facilitate re-exportation of the goods with the opportunity to disguise the true origin and nature of the goods and the identity of the original supplier, without customs intervention.

3.1.4 Trade-based money-laundering (TBML)

Trade-based money laundering is one of the most complex and widely used methods of money laundering, taking advantage of the complexity of trade systems. TBML is a particular challenge in international contexts where the involvement of multiple parties and jurisdictions make “know your customer” (KYC) and AML (Anti-Money Laundering) checks and customer due diligence processes problematic. TBML mainly involves the import and export of goods and the misuse of a variety of cross-border trade finance instruments. Criminals use legitimate trade transactions or networks to camouflage and move illicit proceeds around the world. TBML is often hidden among legitimate trade activities, and stretched across various jurisdictions and organizations, which adds to the challenge of detecting it. The most common TBML methods consist of over-invoicing, under-invoicing, multiple-invoicing, and misrepresentation of quality.

There are risk indicators that can help to recognise TBML, such as structural indicators regarding trading entities and company structures. As well, there are known trading risk factors, which include trade of goods that do not reflect a stated line of business, complex trading deals, unsustainably low profit margins, or entities that make purchases clearly beyond their economic capabilities. In addition, there are document risk indicators and account and transaction risk indicators. To be able to identify all these risks, one must be able to understand pricing, goods, licensing, circumvention and paper-transaction.

3.1.5 New challenges in cash-control

The Covid-19 pandemic and Russia's war of aggression against Ukraine with the subsequent sanctions against Russia have led to specific global challenges, including economic disruption in various measures around the world as well as changes in the behaviour of normal individuals and criminals. Governments around the world took various measures in response to the pandemic, including lockdowns and/or various confinement measures, border closures, and travel restrictions, and then a variety of tax-relief initiatives in order to stimulate economies. Criminals have taken advantage of these economic circumstances, which has enhanced the risk of money laundering in many economic sectors and business activities. These risks include opportunities for criminal groups to make revenue from selling unauthorized medical devices and illicit pharmaceuticals. The market for cybercrime increased when online-purchases became more frequent, including the use of fraudulent identities. The risk of corruption of civil servants also increased because of the need to take urgent measures, e.g., ordering medical supplies and related simplification of procurement rules. This phenomenon can still be observed even though the impact is more limited due to greater awareness of these criminal threats. The pandemic revealed that criminals are quick to adjust their *modi operandi* when circumstances change. Authorities do not have the same opportunities or abilities to adapt so quickly to changes.

Law enforcement authorities, public authorities, financial intelligence units, etc. had to adapt their activities due to restrictions in mobility and personal interactions, which limited on-site checks, interviews, and law-enforcement activities, both within nations and across borders.

The sanctions against Russia have increased progressively since March 2014 in response to the illegal annexation of Crimea and Sevastopol, and the sanctions greatly expanded in February 2022 after Russia's war of aggression against Ukraine. Sanctions against Belarus also expanded in response to Belarus involvement in Russia's war of aggression against Ukraine. These sanctions comprise a multitude of economic, financial and trade measures. In addition, a significant number of persons and entities were added to the sanctions list, with the aim of substantially weakening Russia's economy. The aim is also to deprive Russia and Belarus of critical markets and technology in an effort to try to weaken Russia's ability to wage war. There are indications that Russia and Belarus are trying to circumvent the import-export sanctions. There are also many companies within Europe with Russian beneficial owners, many in real estate, construction, hospitality, and the financial and energy sectors, that have been subject to these sanctions. Russian owners, often oligarchs, have tried to hide their ownership and capital behind complex legal structures across various jurisdictions, which is a challenge for the enforcement of sanctions and for law enforcement investigative activities.

3.2 Counterfeit goods

Information within this category is solely based on existing literature and reports that have an understanding of the issue with an EU-perspective.

3.2.1 Free trade zones

With the possibility to easily move goods within free trade zones comes the risk of criminals using the system by counterfeit goods. Since free trade allows counterfeiters the opportunity to land consignments, they can adapt or tamper with loads as well as with the associated paperwork. Goods can, without customs intervention, be re-exported by sophisticated modi operandi in which the origin and identity of the original supplier are obfuscated.

3.2.2 Environmental harm

The economic consequences of trade with counterfeited goods are substantial, and Europol has estimated that 5.8 % of goods imported to the EU are counterfeit goods. The EU stresses environmental protection standards that are challenged by production of a diversity of goods with materials that do not comply with regulations. For example, counterfeit car parts pose considerable risks to the health and safety of consumers. Some regions in the world, mainly outside of the EU, have been repeatedly confirmed to be production areas for counterfeit goods. Counterfeit goods are also produced within the EU, but this amount is limited compared to the amount produced outside the EU. Europol highlights that counterfeit packaging materials and semi-finished products are frequently seized at EU borders which indicates manufacturing facilities within the EU. Regardless of the origin of counterfeited goods, when detected in the EU, these goods must be destroyed by the union's authorities, adding to overall waste.

Customs and law enforcement authorities in the EU frequently detect counterfeit pesticides, which can be both less effective and more toxic than declared, can destroy crops and fields, and pollute water resources. Finally, they can have serious effects on the health of farmers who use these of pesticides and on consumers eating the food products.

3.2.3 Criminal networks and counterfeit goods

Europol states that the production of illicit food products, especially drinks, is increasingly professional and sophisticated and succeeds in controlling the whole distribution chain. Overall, there are many complex dimensions to counterfeiting connected to the laundering of proceeds using e.g. TBML and offshore jurisdictions. Much is unknown about the financial dimension of intra-EU counterfeiting actors, but it is reasonable to assume that criminal networks importing and distributing counterfeit goods (including importation of semi-finished products) are operating from outside the EU. It is clear that criminal networks involved in production of counterfeit goods can create a criminal business model and establish modern and professional production facilities closer to destination markets.

3.2.4 IP rights infringements

IP (Intellectual Property) rights infringements are present in numerous business areas, from everyday products in households (such as cosmetics and personal hygiene products) to pharmaceuticals products. As was evident during the early stages of the Covid-19 pandemic and the sudden and rapid increase of online purchasing and marketing, criminals turn to websites and other online marketplaces to reach out to consumers. Videos and sponsored advertising on social media deceptively lure consumers to buy branded goods, especially clothes and clothing accessories. Illicit digital content offers increased during the pandemic. Websites on servers in Europe, Asia and the Middle East distribute a variety of illicit content. Criminals with advanced technological knowledge can conceal digital traces and create resilient hosting networks. Links have been found between digital content piracy and other cybercrime activities, such as the distribution of malware.

Among the most affected commodities targeted by IP design and trademark infringements are semiconductor chips and mobile phones and their accessories and components, where counterfeiters are exploiting global supply shortages.

3.3 Cultural goods

To get an understanding of the subject and to identify potential issues related to Russia's war of aggression against Ukraine, this category is based on findings from reviewing relevant literature and information from the questionnaire.

3.3.1 Trafficking of cultural goods

Trafficking of cultural goods creates opportunities to transfer value among parties and generate significant profits for those actors. Trafficking of cultural goods is often closely linked to organized crime, and has also been tied to conflict parties and terrorists. There are several reasons that this type of crime is quite an attractive way to make, or launder, money. There is a potential for high margins and a relatively low risk of detection. The size of the licit and the illicit markets and a continuing increase in global demand from collectors, investors, and museums is also attractive. Trafficking in cultural goods can have devastating and irreversible effects on cultural heritage both within EU and globally.

3.3.2 Money laundering through cultural goods

The transfer of value is key when it comes to money laundering and cultural goods. Objects such as arts, antiquities, and precious metals and stones are all types of high value commodities that can enable a transfer of value. For criminals, this means that cultural goods can be converted into high value assets that can be moved across borders as well as being stored with relative ease and a relatively low risk of being scrutinized. Eurojust also presents several cases in their report *Report on money laundering* that criminals use cultural goods as a way to launder money.

The difficulty of verifying or comparing the value of an asset such as a piece of art or an antique object makes it an attractive way to launder money. Inexpensive pieces of art or antiques can be bought and sold at very high prices and in that way transfer value from one accomplice to another. Links between the antiquities trade and the trafficking of drugs, wildlife, and arms, money laundering, tax crimes, and the financing of military equipment and terror organisations have all been widely reported, which puts antiquities trafficking on the level of serious transnational organised crime. At the end of 2022, the European Commission comprehensively adapted its policy on trafficking in cultural goods with the aim of disrupting this form of crime and protecting cultural goods from being harmed by criminal activities.

Places where there are (or have recently been) crises or conflicts are particularly at risk when it comes to illegal trafficking of cultural goods. This trend is evident in countries that have been recently affected by conflict such as Syria, Iraq and most recently Ukraine.

As part of the questionnaire, both MS and EU stakeholders were asked whether or not they have encountered any trafficked cultural goods. The EU stakeholders did not indicate that they had encountered any cultural goods that originated in Ukraine. Frontex raised the issue of cultural goods being looted by Russian forces, which might result in some goods ending up in private collections and sold at auctions later on.



13 % of MS indicated that they have seen cultural goods being trafficked from Ukraine since the start of Russia's war of aggression against Ukraine. Another MS that has encountered refugees that are bringing their personal belongings points out the difficulty of knowing what goods might be trafficked and what might be rightfully moved.

3.4 Customs financial fraud

This category is based solely on the answers from the questionnaire, and as part of the questionnaire both MS and EU stakeholders had the opportunity to answer whether or not they have seen a change related to customs financial fraud since the last SAP. A majority of MS reported no change in this area. There were no answers from EU stakeholders.

3.4.1 Anti-dumping and countervailing duties

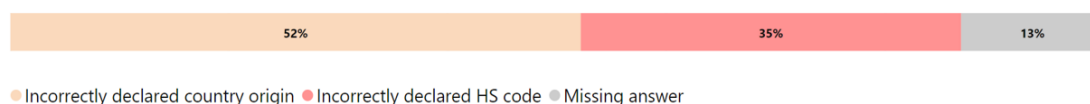
Evasion of anti-dumping and countervailing duties can occur in various forms. To evade anti-dumping, it is not unusual for complicated transport patterns and transit movements to be used in order to hide the true origin of goods. As anti-dumping duties are high (up to 99.7 %), the loss of revenue in the event of irregularities can be significant.

Most MS reported that issues categorized as Anti-dumping and countervailing duties have not changed between 2021 and 2022. Some MS report a decrease of this issue and a few MS reported an increase.

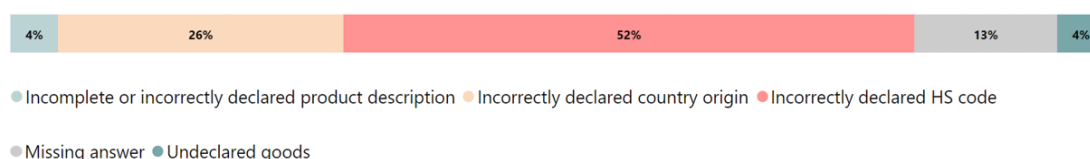


MS reported that the most common causes for issues related to evasion of Anti-dumping -and countervailing duties are incorrectly declared country of origin, followed by incorrectly declared harmonised system (HS) code. These categories also are shown to be the second-most frequent underlying cause for this risk criteria.

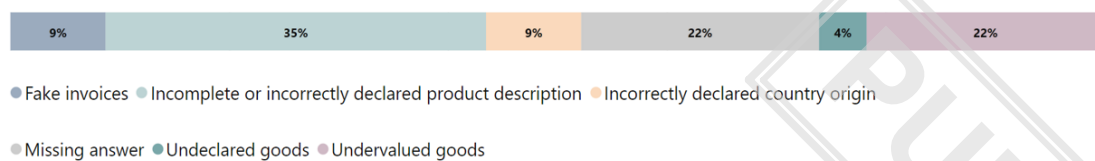
Main underlying cause for this risk criteria



Second-most common underlying cause for this risk criteria



Third-most common underlying cause for this risk criteria



3.4.2 Duty relief

Duty relief (i.e. exemption from or reduction of customs duty) can be granted to imported goods that are not available in the EU. Duty evasion arises when duty relief is claimed either without grounds or without all conditions being satisfied.

The most commonly reported development from MS were that no change occurred in the category of Duty relief between 2021 and 2022.

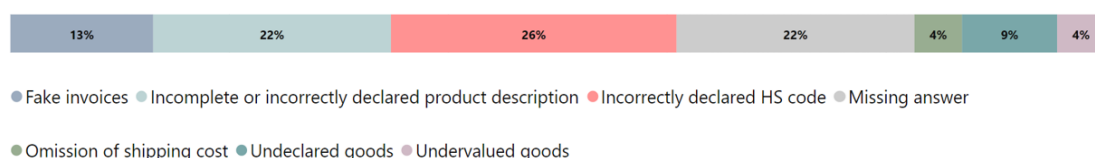


MS reported that the most common causes for Duty relief issues were incorrectly declared HS codes and undervalued goods. The second-most frequently reported underlying cause for duty relief issues was incomplete or incorrectly declared product description.

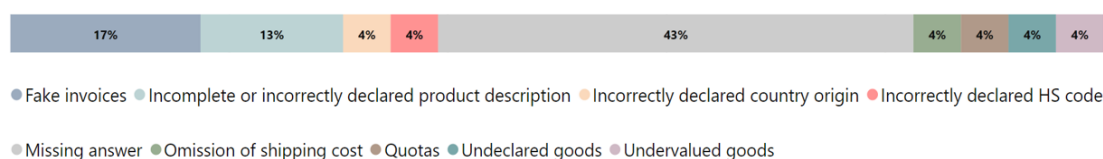
Main underlying cause for this risk criteria



Second-most common underlying cause for this risk criteria



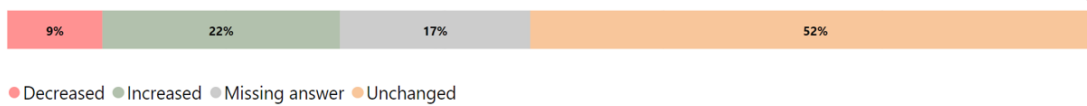
Third-most common underlying cause for this risk criteria



3.4.3 Misclassification

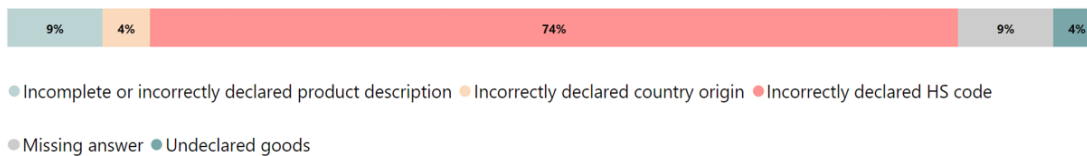
Concealing of HS code refers to the wrongful declaration of goods, and Misclassification is one of the most common types of error linked to loss of revenue. Misclassification typically entails correct duties and/or taxes not being levied. In the long term, misclassification results in improper advantages being obtained.

Most MS reported that the development of issues categorized as Misclassification was mostly unchanged between 2021 and 2022. Some MS reported an increase and a few MS reported a decrease.

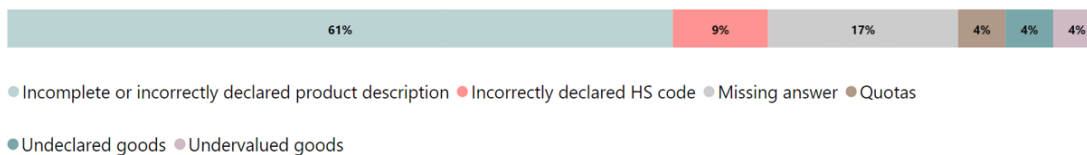


MS reported that the most common cause for this risk criteria was incorrectly declared HS code, followed by incomplete or incorrectly declared product description, and undeclared goods.

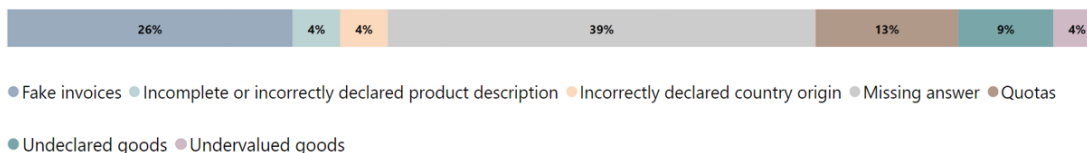
Main underlying cause for this risk criteria



Second-most common underlying cause for this risk criteria



Third-most common underlying cause for this risk criteria



3.4.4 MTIC (Missing Trader Intra Community)

MTIC fraud is a specific form of VAT fraud which is complex and organized. It has an EU dimension since it requires cross border trade and all MS are affected to a greater or lesser extent.

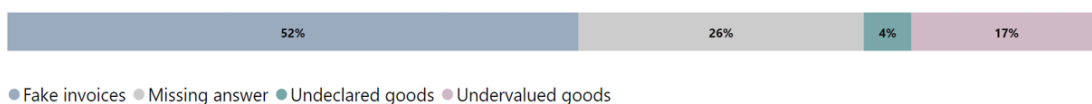
MTIC fraud is committed when VAT is stolen from a government by criminals, who exploits cross border trading where the movement of goods between jurisdictions is VAT-free. VAT is only applied to sales within a MS, and at that Member State's domestic VAT rate, and should be paid to the competent authority. In the case of MTIC, no VAT is paid to the authority when the goods are sold.

Most MS reported that the development of issues categorized as MTIC was unchanged between 2021 and 2022. A few more MS reported an increase than reported a decrease. 17 % of MS did not answer this question.

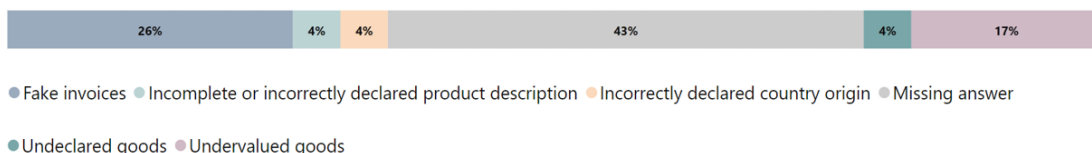


MS reported that the most common causes for issues related to MTIC were fake invoices and the second-most common cause was undervalued goods. Missing answer was also common in this category, more so in this one than the others. For an answer to not be given was also common in this category, more so here than in the other categories.

Main underlying cause for this risk criteria



Second-most common underlying cause for this risk criteria



Third-most common underlying cause for this risk criteria



3.4.5 Preferences

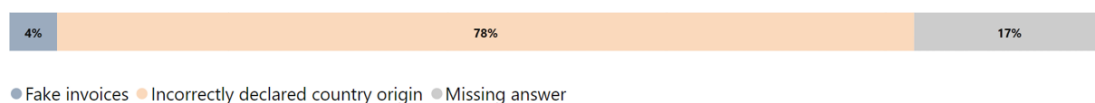
The European Union has granted trade preferences to developing countries. The system grants preferential tariff treatment (reduced duty or duty-free treatment) unilaterally to products that originate in developing countries.

If preferential treatment is claimed even though not all conditions are met (e.g. failing to present formally correct evidence such as certificates or a declaration of origin for the goods), the correct amount of duty is not levied. Most MS reported that issues categorized as Preferences were unchanged between 2021 and 2022. A few MS reported a decrease. 22 % of MS did not answer this question.

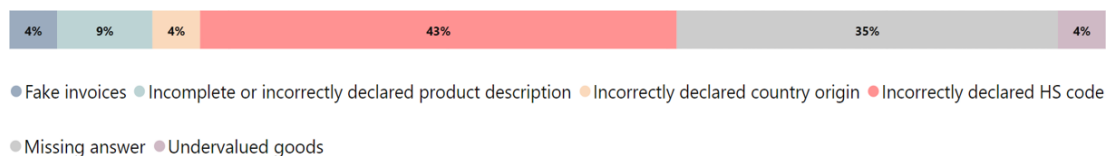


Many MS reported that incorrectly declared country of origin was the most common cause for issues related to Preferences. Many MS reported that incorrectly declared HS code was the second-most common underlying cause for this risk criteria.

Main underlying cause for this risk criteria



Second-most common underlying cause for this risk criteria



Third-most common underlying cause for this risk criteria



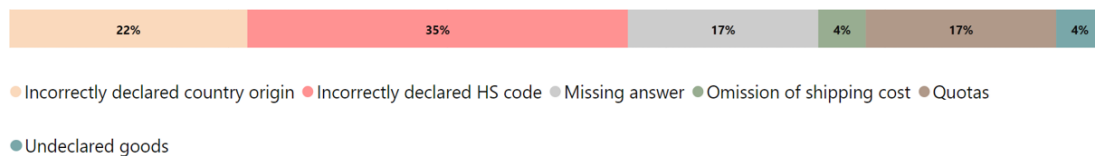
3.4.6 Quotas

A tariff quota is a set value or a set amount of certain goods that can be imported with reduction in or exemption from ordinary rates of customs duty in defined periods. Most MS experienced no change regarding Quotas between 2021 and 2022. Some MS reported a decrease but no MS reported an increase. 22 % of MS did not answer this question.

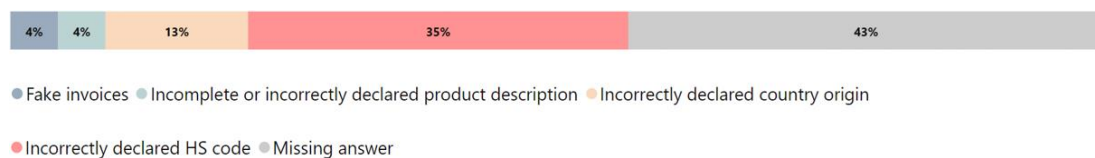


MS assessment of the most common cause for the risk criteria related to Quotas was incorrectly declared HS code, followed by incorrectly declared country of origin.

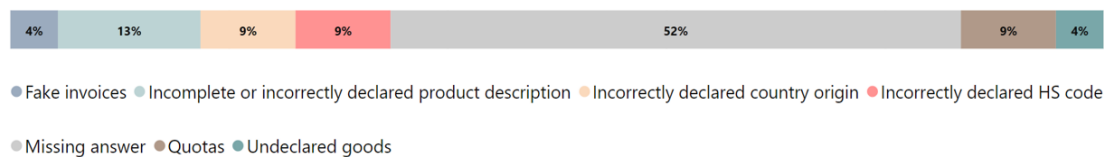
Main underlying cause for this risk criteria



Second-most common underlying cause for this risk criteria



Third-most common underlying cause for this risk criteria



3.4.7 Suspensions

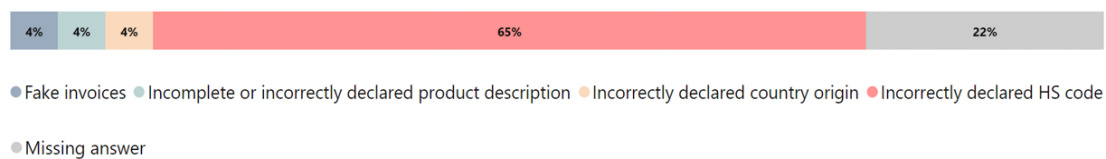
Suspensions are a form of duty relief (exemption from or reduction of customs duty) that can be granted on the import of material that are used for industrial production and are not available in the EU. Duty evasion arises when duty relief is claimed either without grounds or without all conditions being satisfied.

Most MS reported no change between 2021 and 2022 regarding issues categorized as Suspensions. A few MS reported a decrease.

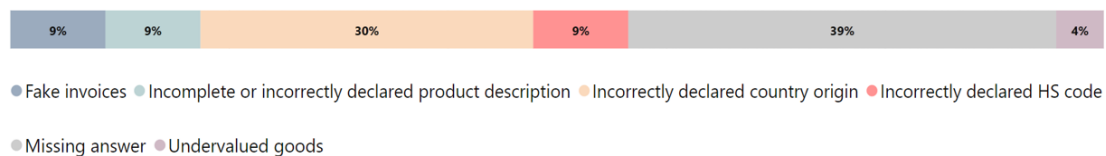


MS reported that incorrectly declared HS code, incorrectly declared country of origin, incomplete or incorrectly declared product description and fake invoices were the most common causes of duty evasion issues in connection with suspensions.

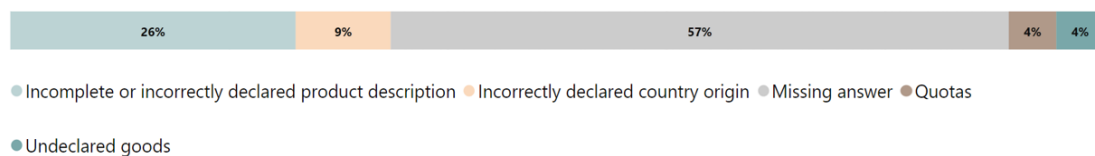
Main underlying cause for this risk criteria



Second-most common underlying cause for this risk criteria



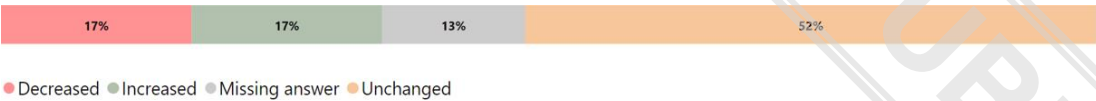
Third-most common underlying cause for this risk criteria



3.4.8 Undervaluation

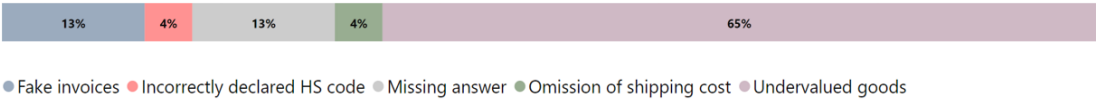
Undervaluation is when the importer declares a value of imported goods which is lower than the actual value, often accompanied by the presentation of fake commercial documents. Undervaluation of imported goods causes huge losses to the EU and MS' budgets every year.

MS reported various developments regarding issues categorized as Undervaluation. Most MS reported no change between 2021 and 2022, and an equal number of MS reported an increase or a decrease in this category.

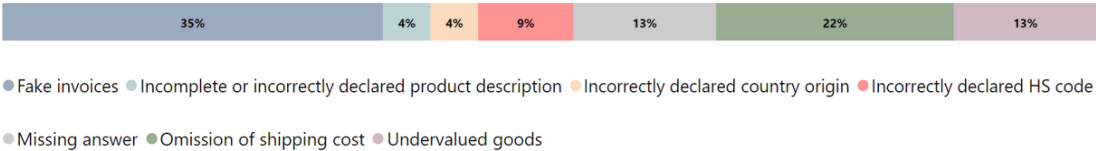


By the nature of this category, the most commonly reported cause was undervalued goods. MS also stated that fake invoices, omission of shipping cost, and incorrectly declared HS code were the most common causes of duty evasion issues in connection with Undervaluation. For example, importing companies sometimes ordered double invoices from suppliers located abroad so that lower-value invoices could be presented to the relevant authorities. There are also cases in which invoices were for a value higher than the imported goods, and it is reasonable to suspect that this method was used in connection with money laundering.

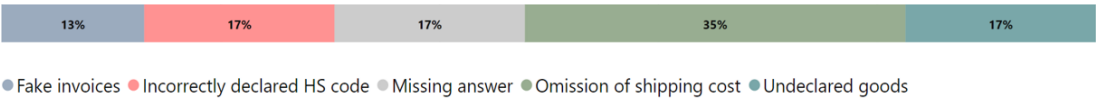
Main underlying cause for this risk criteria



Second-most common underlying cause for this risk criteria



Third-most common underlying cause for this risk criteria



3.4.9 VAT

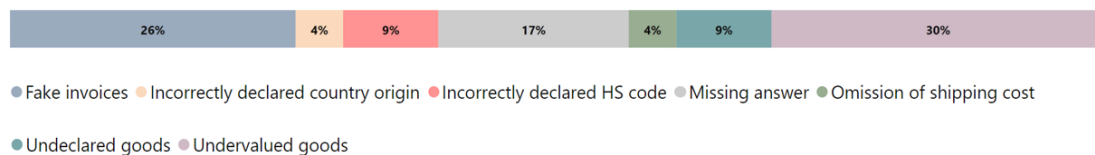
Tax evasion via value added tax (VAT) fraud in cross-border trade within the EU is assessed as constituting a serious threat that annually costs the tax authorities huge sums. VAT and duty relief for low-value consignments are thought to create an incentive for goods to be systematically undervalued in import declarations in order to evade paying VAT and duty. VAT evasion is usually associated with e-commerce, which is generally regarded as a flow that it is difficult to control.

Most MS reported that the development of issues categorized as VAT evasion has not changed, while more MS reported that they had seen an increase rather than a decrease in this category.

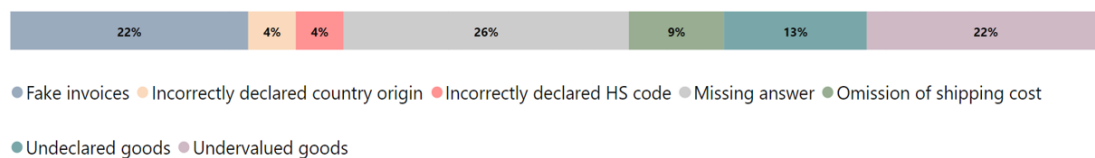


MS reported that fake invoices, undervalued goods and undeclared goods were the most common causes of VAT fraud issues.

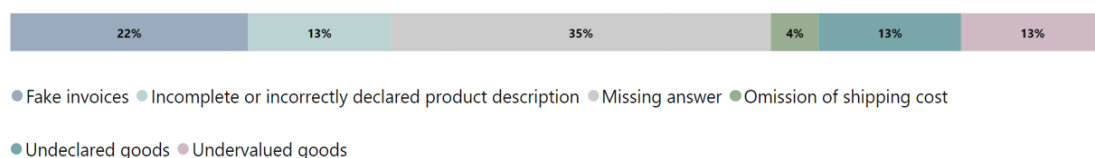
Main underlying cause for this risk criteria



Second-most common underlying cause for this risk criteria



Third-most common underlying cause for this risk criteria



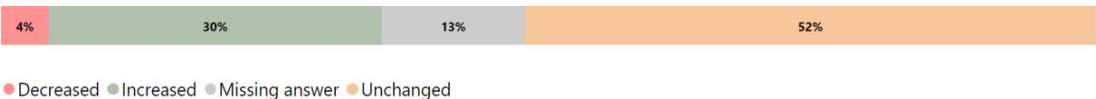
3.5 Drug precursors

This category is based solely on the answers from the questionnaire. As part of the questionnaire, both MS and EU stakeholders were asked whether or not they have seen a change related to drug precursors since the last SAP.

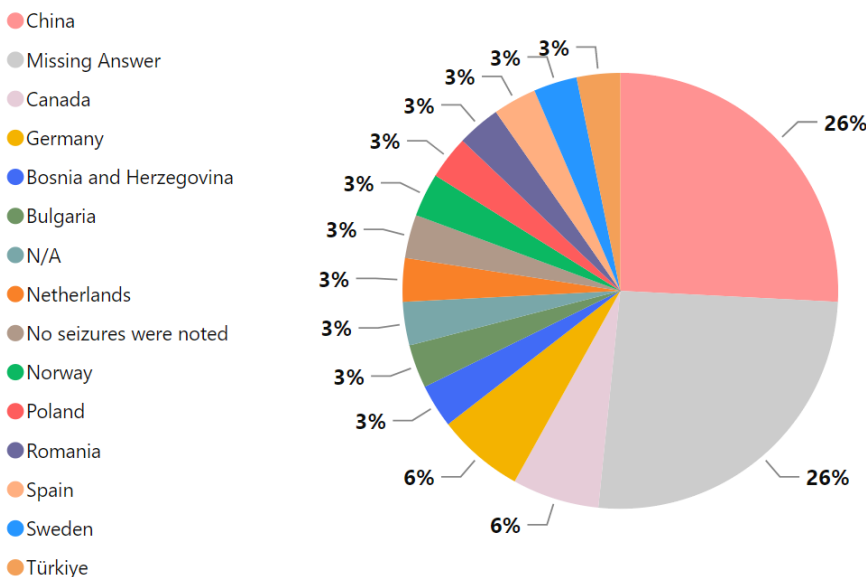
Representing the category EU stakeholders, EMCDDA reported that they have seen an increase in precursors used to process cocaine and for manufacture of MDMA, amphetamine and methamphetamine. In 2021, several new precursors were detected. A generic issue highlighted by the EMCDDA was how effortlessly criminal networks adapt to legislation and measures implemented for the control of precursors, exploiting the time lag between the identification of new precursors and the substances becoming scheduled.

3.5.1 Scheduled substances

Most MS reported that the development of seized substances categorized as Scheduled substances was unchanged, but nearly one-third of MS reported an increase.



MS reported that most non-scheduled substances (26 %) had been detected in shipments originating from China, while fewer (6 % each) originated from Canada and Germany, and far fewer (3 % each) originated from other countries (Norway, Bosnia and Herzegovina, Bulgaria, Poland, Romania, Spain, Sweden and Türkiye).



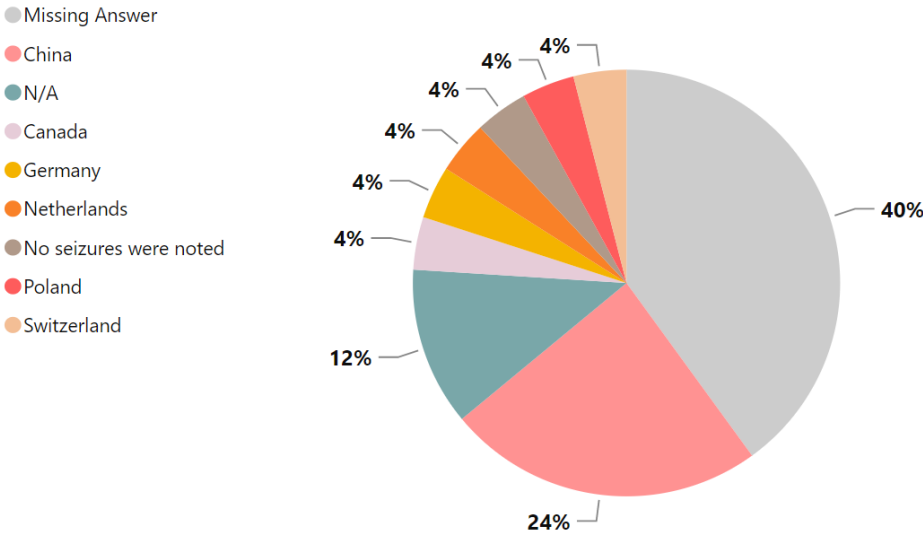
3.5.2 Non-scheduled substances

Most MS reported that the situation with seized substances categorized as Non-scheduled substances was unchanged between 2021 and 2022.



13 % of MS reported that they have seen an increase of seizures of Non-scheduled substances, 73 % reported no change, and 4 % reported a decrease in seizures of Non-scheduled substances.

MS reported that most Non-scheduled substances (24 %) had been detected in shipments originating from China, while far fewer originated from Canada, Germany, Netherlands, Poland and Switzerland (4 % each).

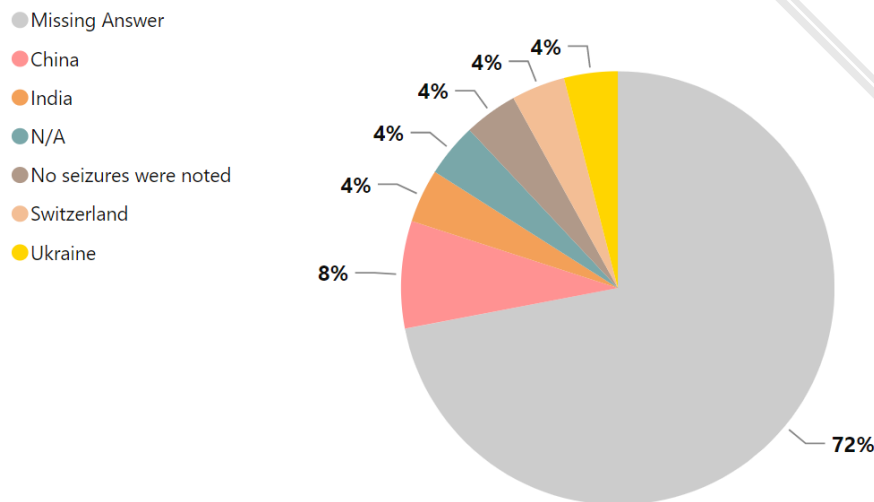


3.5.3 Other

MS reported in most cases that the situation is unchanged between 2021 and 2022 regarding seized substances categorized as Other.



MS reported that most seizures classified as Other (8 %) had been detected in shipments originating from China, while shipments originating from India, Switzerland, and Ukraine made up the rest (4 % each).



The questionnaire included an open question about whether the MS wanted to highlight anything in particular about the situation with precursors. One MS mentioned that manufacturers of illegal drugs seem to be very adaptable and can change their processes, and as soon as a substance changes from non-scheduled to scheduled, new, analogous non-scheduled substances appear. Another MS mentioned the level of sophistication in the *modi operandi* in which criminals make use of their extensive knowledge of pharmaceuticals to hide precursors in chemical products that are not scheduled.

3.6 Environment

This category is based only on findings from reviewing the relevant literature. The category includes the endangerment of the survival of flora and fauna, the risk of species extinction, the compromise of biodiversity, and the risk for transmissible diseases that endanger humans are all risks that increase as a result of wildlife crimes. Wildlife crime is lucrative, and its illegal economy relies on money laundering and tax evasion, generating a loss of revenue for affected countries. Criminal networks active in environmental crime in the EU can be divided into two main categories. The first category is criminal networks that have been active for many years in other illegal activities, and have begun committing environmental crimes either as a shift in criminal activity or as an extra source of profit. The second category is opportunistic owners and operators of legal businesses who decide to profit by engaging in environmental crime, often together with their legal business associates. The two categories of networks have similar capabilities, and both tend to be highly sophisticated and have expertise in operating behind the facade of legal business structures. Cooperation with other criminals is common, and they often share skills, expertise, and jointly use trafficking routes and other criminal infrastructures like means of transport, corruption, money laundering, and document fraud, especially to curb operational costs.

3.6.1 Wildlife crimes

Global wildlife trafficking affects the EU directly: according to Europol, the EU is the main destination for trafficked wildlife and it functions as a hub for the global wildlife trafficking. The EU is also a point of origin for endemic wildlife trafficked to other continents. Across the EU, the majority of trafficked wildlife specimens are commercialised in online marketplaces and social media platforms.

The species-laundering is a consequence from the illegal trade of protected wildlife. A common approach is through labelling specimens as non-CITES listed, meaning that they are not endangered species, and the documents for the import of legal stock are also used for illegal purposes and for final sale to end users. European traffickers are increasingly targeting local non-CITES listed species as a result of growing controls within the EU. Raptors and songbirds are especially prone to trafficking from Europe to Africa.

Due to high demand in the European food markets, criminal networks are increasingly engaging in illegal, unreported and unregulated (IUU) fishing of various species of molluscs, generating profits of several millions of Euros per year. Illegal trade in molluscs is linked to document fraud, money laundering, corruption, and often to labour exploitation onboard fishing vessels, in clam gathering locations, and in processing facilities.

The fishing system is under heavy strain, and 93 % of stocks are fully or excessively exploited. In all oceans, commercial fish stocks are under serious stress as a result of overfishing and often due to destructive fishing methods. Europe is a key origin of glass eels smuggled to Asia, and in the last decade, illegal trafficking of the European eel to Asia has become a key environmental threat to the EU. There has recently been a shift in the *modi operandi* in the smuggling of glass eels, in that criminals have diversified the routes for trafficking as a countermeasure against detection. Previously, it was most common to transfer eels via airfreight containers, but as a result of increasing controls on air travellers, criminal networks now increasingly use facilities in eastern Europe, the Balkan region, northern Africa and western Asia as transit points for eel bulks before they are transferred to Asia.

Criminal networks are active throughout the entire chain of the EU's fishery sector and are involved in IUU fishing. One of the most problematic crimes in the EU related to illegal fishing is that of bluefin tuna in the Mediterranean Sea. Due to the high worldwide demand, bluefin tuna meat is one of the most profitable types of meat on the market. Bluefin tunas are essential to the marine ecosystem and its biodiversity because they are a key element in the marine food chain. A decrease of the bluefin tuna stock could have significant negative consequences for the ecosystem of the Mediterranean.

In addition to significant environmental damages and economic losses, illegal fishing activities threaten food safety (because illegal fish are not checked for contamination) and food security (overfishing will eventually lead to the collapse of the fishing industry).

3.6.2 Waste and pollution

Illicit waste trafficking is a great source of profit for criminals. Waste crimes generate extensive pollution to the air, soil and water, and cause long-term damage to the physical environment and to human health. A challenge to stopping waste trafficking is that most shipments already are in the receiving country when they are stopped. The amount of plastic waste in the world has multiplied during the last 30 years and the market for plastic waste is complex. The Financial Action Task Force (FATF) have concluded that the main source countries for illicit waste trafficking are in North America and Western Europe. Primary receiving countries for this waste are in Southeast Asia, South America and Sub-Saharan Africa. However, not all illicit waste ends up in another country. Waste handled illegally can be dumped at sea or disposed locally, thus never leaving the origin country. Since profit is high when disposal costs are low, illegal waste transporters are motivated to seek out countries where waste disposal is cheap and simple. Waste is by its nature large and heavy, which requires great transportation capacity. Hazardous waste, including e-waste, is trafficked in a vastly organised way.

From a customs perspective, it is well known that waste is declared wrongly as second-hand goods, which implies that the goods will be used again. However, inspections again and again have shown that illegal waste has been masked as legal second-hand goods. In the European context, a common illicit waste criminality is arranged by legitimate enterprises importing more waste than they are permitted so that they can subsequently export parts of it to the countries mentioned previously, or dispose it within a European border illegally. The upcoming waste shipment regulation will facilitate recycle and reuse of waste within the EU. Waste export regulations will be stricter in order to reduce environmental issues in receiving countries.

The increase in waste exports corresponds with the increase in plastic manufacturing. Criminal businesses quickly prospered across the world by exploiting the high demand for plastic waste management and the bureaucracy of international trade legislation. The declassification of hazardous waste as non-hazardous is the main *modi operandi* used to traffic dangerous substances. Plastic waste and end-life-vessels is often sent to Southeast Asia. Waste of electric and electronic equipment (WEEE) is often shipped to Africa. Countries with less thorough inspections of plastic exports can be exploited by criminals for illegal exports. Criminal networks based in the EU also traffic illicit waste from Western Europe to Central and Eastern Europe.

Offences like the trafficking of fluorinated gases (F-gases) and greenhouse gases are now a reality in Europe. Other related crimes are VAT fraud associated with the EU Emission Trading System. Countries in Europe with a strong chemical industry (e.g. Netherlands, Belgium) face challenges regarding air, water and soil pollution. Illicit drug production causes environmental harm, and the EU is a significant production area for synthetic drugs and cannabis. Criminals involved in the illegal trading of F-gases in the EU are increasingly using online tools to attract international buyers and take measures to decrease the risk of detection, for example by using refillable cylinders. Europol emphasizes that illegal production, importation, exportation, sale or use of F-gases and other ozone-depleting substances (especially R-22 and hydrofluorocarbons, HFC) pose a serious threat to the ecosystem.

3.6.3 Other environmental crime threats/risks

Forestry crimes refer to the illegal logging of timber and other intentional, illegal destruction of vegetation. In a world-wide study, Interpol concluded that forestry crimes were the most significant by value of criminal gains internationally. Illegal logging and illegal land clearing is most common outside the EU, but is evident in Eastern Europe. Western Europe, on the other hand, is a destination area for wood from illegal logging. The negative impact from forestry crimes is severe and affect humans, wildlife and animals as well as legal businesses operating in the market. Effects can be evident in the form of deforestation, droughts, increasing emissions of greenhouse gases, and overall climate degradation. Forestry crimes are sometimes a side effect of illegal mining carried out in areas rich in valuable materials like gold or diamonds.

Another environmental crime is the illegal trade in domestic animals. For example, the illegal sale of certain breeds of puppies is highly profitable, and these crimes come with animal suffering and a risk of spreading diseases. Sweden noted a shift in pet trafficking during 2022 from trafficking of puppies to pregnant female dogs, often late during the gestation period, which leads to suffering for the female dog. Sometimes litters are birthed while dogs are in transit from Southern European countries to Northern countries, and thus happens under poor conditions.

3.7 Excise goods

This category is primarily based on answers from the questionnaire. Both MS and EU stakeholders were asked to answer whether or not they have seen a change related to excise since the last SAP. Information regarding Russia's shadow fleet comes from open sources and adds to our understanding of how Russia is trying to avoid the sanctions and embargos that have been imposed on the country.

One of the EU stakeholders answered this question, Frontex, reported that they have noticed problems related to tobacco and fuel as a result of the embargos against Russia and Belarus, or otherwise related to the situation in Ukraine. Frontex reports that the smuggling of cigarettes out of Belarus seems to be continuing despite the sanctions imposed on Belarus. There seems to be a shift in the modi operandi towards the use of railway compositions and drones. Furthermore, Frontex reports that Russia's war of aggression against Ukraine has severely affected the Ukrainian government's work against illicit tobacco production in the country, which has led to increased production of illegal cigarettes in the western parts of Ukraine.

Frontex also reported that the prices of petroleum products and oil for end-consumer use rose as a result of the reduction in imported Russian oil, and with the rising prices, the share of the excise VAT has increased as well, which makes smuggling to avoid these duties more lucrative.

3.7.1 Alcohol and alcoholic beverages

MS reported that the development of illegal manufactured goods categorized as Alcohol and alcoholic beverages was mostly unchanged between 2021 and 2022. A few MS reported a decrease.



Most responding MS reported no change in the amount of seized Alcohol and alcoholic beverages. Some MS reported an increase and a few reported a decrease. One MS reported that as a result of the sanctions and embargos, customs controls have intensified and thus made it more difficult to import or smuggle alcohol across its border.



3.7.2 Energy products and electricity

MS reported that the development of illegally manufactured goods categorized as Energy products and electricity was mostly unchanged between 2021 and 2022. A few MS reported a decrease.



MS reported that the development of seized goods categorized as Energy products and electricity was mainly unchanged. An equal, small number of MS reported either an increase or a decrease.



One MS reported that as a result of the sanctions and embargos, the shortage of oil has affected the price of fuel and energy products and there has been an increased demand for fuel from the EU to Ukraine.

3.7.3 Fuel

Most MS reported that development of illegal manufactured goods categorized as Fuel has not changed between 2021 and 2022, and an equal number of MS reported either an increase or a decrease.



MS reported that the development of seized goods categorized as Fuel was mostly unchanged, followed by MS reporting that the seizures have increased.



Rising prices of fuel were reported as a consequence of the sanctions and embargos against Russia and as a result, the demand for cheaper illegal fuel has risen. MS also reported that they saw attempts to circumvent sanctions and embargos by changing modi operandi or changing the Combined Nomenclature (CN) code of certain products.

3.7.4 Non-harmonized products

Most MS reported that the development of illegally manufactured goods categorized as Non-harmonized products was unchanged between 2021 and 2022.



Most MS reported that the development of seized goods categorized as Non-harmonized products is again unchanged.



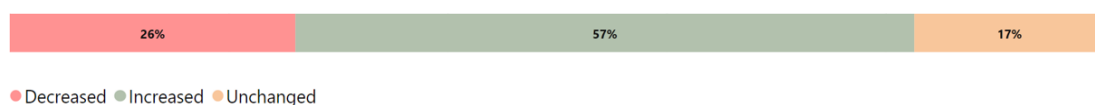
3.7.5 Tobacco

MS reported that the development of illegal manufactured goods categorized as Tobacco mostly is unchanged, however, one-third of MS reported an increase. As a result of Russia's war of aggression against Ukraine and the sanctions and embargos against Russia and Belarus, some MS reported that they have seen a decrease of smuggled cigarettes from Belarus and Russia, and one MS reported that it has seen an increase in illegally produced cigarettes as a result of increasing demands of the market. MS also reported that they have seen criminal groups involved in cigarette smuggling change their modi operandi and that they are adapting to the current situation. Some MS highlight the risk of Ukrainians fleeing the war ending up in illegal tobacco factories.

Most MS reported that the development of illegal manufactured goods categorized as Tobacco was unchanged. However, many MS also reported that they had noticed an increase of seizures.



A majority of MS reported that the development of seized goods categorized as Tobacco has increased. Some MS have experienced a decrease and a few MS perceive the situation as unchanged.



3.7.6 Russia's shadow fleet

The term “shadow fleet” is used to describe tankers that through deceptive means, attempt to circumvent sanctions against oil producing countries like Iran, North Korea, Venezuela, Syria and now Russia. Since Russia's war of aggression, and the subsequent sanctions on Russian oil, the shadow fleet has grown. One indication of the growth of the Russian shadow fleet is the overall number of tankers that is sailing without cargo or destination; from a mean of 14 tankers at any given point during 2022 to a record number of 311 tankers at the beginning of 2023. At the same time the number of empty tankers hailing Russian ports was only a third of what it was at the beginning of 2022, from 103 down to 33. Record prices on the second-hand market for tankers and a severely aging tanker fleet in Russian ports further indicates that the Russian shadow fleet is growing. Estimates of the shadow fleet ranges from 300 to 600 tankers and the fleet constitutes a real threat to the efficiency of the EU sanctions.

3.8 Health and safety

This category consists solely of the results from the questionnaire, and both MS and EU stakeholders were asked to answer whether or not they have seen a change related to health and safety since the last SAP. MS often reported an unchanged situation, although more than a third of MS did not answer the question. Two EU stakeholders answered this category, namely DG TAXUD and Frontex. DG TAXUD reported that all categories are at the same levels that they were when the previous SAP was produced. DG TAXUD mentioned China as the primary country of origin in the category of product compliance and product safety, the United Kingdom in the category of animal health (for live animals) and human health, Russia in the category of plant health, and Brazil in the category of animal health.

Frontex reported that it has seen an increase since the previous SAP in human health, product compliance and the category referred to as other. For human health and product compliance Frontex reported that the main countries of origin are China (including Hong Kong) and Türkiye. Furthermore, they reported that the Covid-19 pandemic affected the demand for online retail and products sold through social media, two places where supervising organisations have insufficient capacity to control goods, which in turn results in high risk for goods that do not meet health requirements.

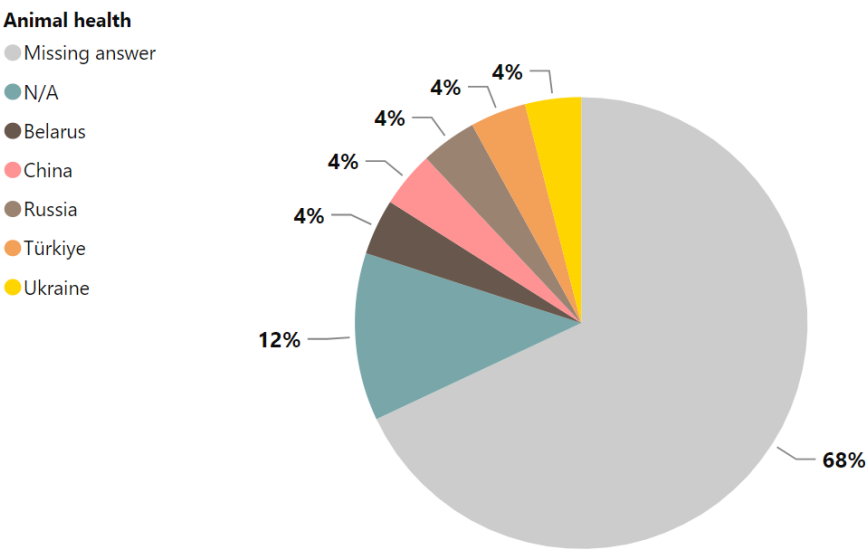
3.8.1 Animal health

MS reported that the development of seized goods categorized as Animal health was mostly unchanged between 2021 and 2022. Some MS identified an increase, and more than one-third of MS did not answer.



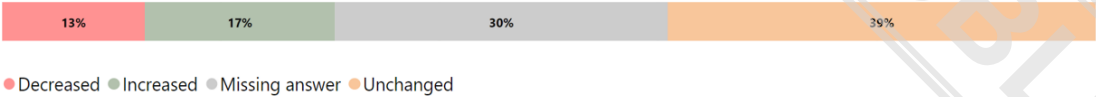
Only a couple MS commented on this category and two issues brought up were the risks associated with people travelling to other countries with their pets, or buying pets abroad with the risk of spreading disease if the animals did not have the relevant vaccines and necessary documents. One MS reported that it had seen an increase in imports after the Covid-19 pandemic related to this category.

When it comes to origin of the goods, most MS did not answer this category or did not have available data. Belarus, China, Russia, Türkiye and Ukraine were the origins of about 4 % of the cases in this category.



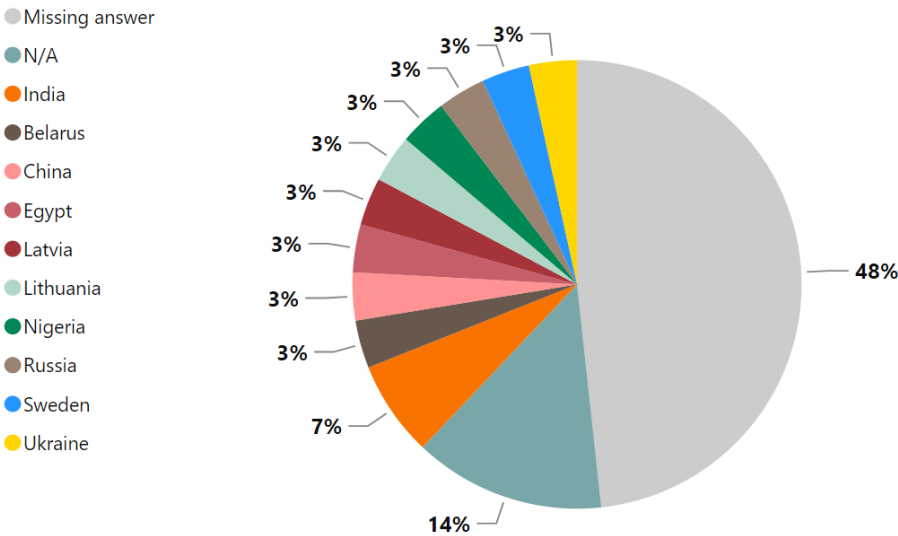
3.8.2 Human health

A majority of MS reported that the development of seized goods categorized as Human health was unchanged between 2021 and 2022, followed by MS that reported that there had been an increase, and a few MS reported a decrease.



Only two MS commented on this category, and issues brought up were again the risks associated with people travelling to other countries with their pets, or buying pets abroad with the risk of spreading disease if the animal did not have the relevant vaccines and necessary documents. One MS reported that it had seen an increase in imports after the Covid-19 pandemic related to this category. One MS reported that pharmaceuticals seized in postal traffic had increased.

When it comes to the origin of these goods, most MS did not answer this category or did not have data available. India was the origin of 7 % of these cases, and Belarus, China, Egypt, Latvia, Lithuania, Nigeria, Russia, Sweden and Ukraine were all 3 % each in this category.



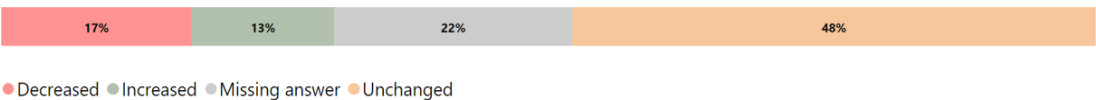
3.8.3 Other

For the category of Other under health and safety, only one MS commented, reporting that there had been an increase in online shopping in the previous years and mentioning greater social acceptance of counterfeit products. The answer highlights that even though customers often are aware of the harmful effects of counterfeit goods, they still purchase these goods. China was reported to be the main country of origin for this category.



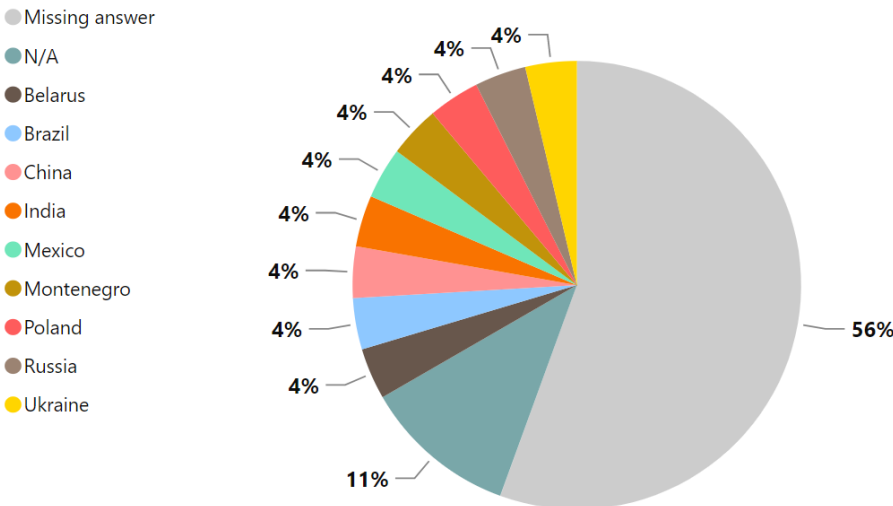
3.8.4 Plant health

A majority of MS reported that the development of seized goods categorized as Plant health was unchanged between 2021 and 2022, while some reported a decrease and a few reported an increase.



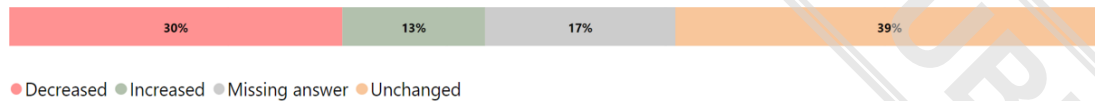
One MS reported that the number of seizures has gone up but the quantities has decreased.

When it comes to the origin of these goods, most MS did not answer this category or did not have data available. Belarus, Brazil, China, India, Mexico, Montenegro, Poland, Russia and Ukraine were each about 4 % of the cases in this category.



3.8.5 Product compliance

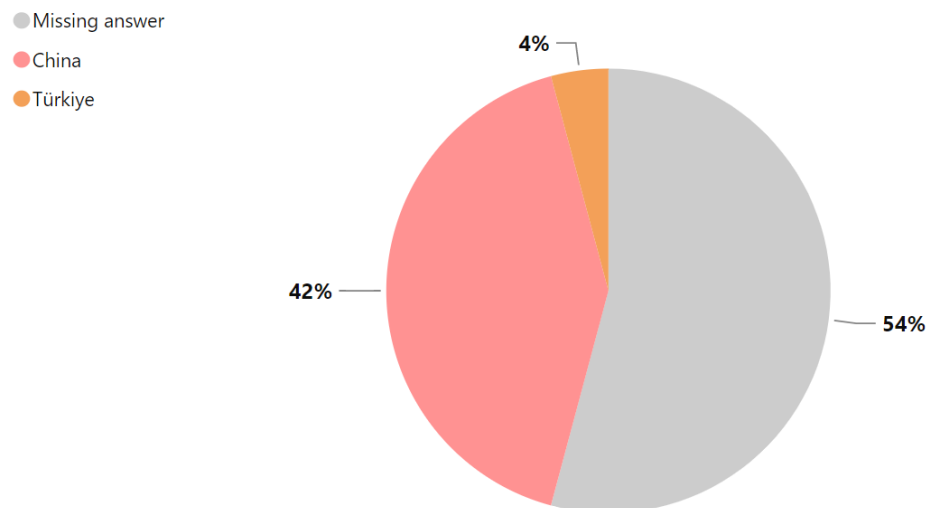
Most MS reported that the development of seized goods categorized as Product compliance was unchanged. Nearly one-third reported a decrease and a few MS an increase.



Two MS reported an increase in the number of products, even though the number of seizures has decreased. Two MS reported imports of goods related to the Covid-19 pandemic, one of which reported that these imports have increased as a result of increased controls, and the other of which reported that these imports have decreased.

A majority of cases (42 %) had China as the country of origin for the seizures while Türkiye was the only other country of origin mentioned (4 %). 54 % gave no answer for this category.

Product compliance



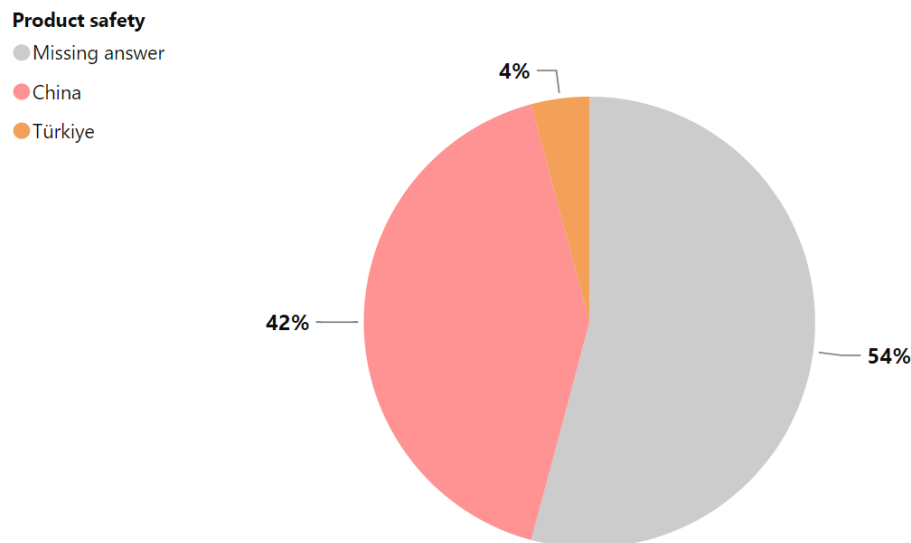
3.8.6 Product safety

Most MS reported that the development of seized goods categorized as Product safety was unchanged. Nearly one-third did answer. Some MS experienced a decrease and a few MS reported an increase.



Several MS commenting on this category reported that there were fewer imported goods related to the Covid-19 pandemic in 2022 than there had been in 2021. One MS reported that issues with regulations within that country result in very few products being classed as dangerous.

MS reported the same answers as for Product safety as for Product compliance regarding the origin of these products. A majority of cases (42 %) had China as the country of origin for the seizures while Türkiye was the only other country of origin mentioned (4 %). 54 % gave no answer for this category



3.9 Narcotics

Narcotics is one of the categories where a mixed approach, including both literature review and questionnaire, was used in order to get a picture of how the situation with the specified drugs has changed since the last SAP. All MS answered the questions related to narcotics in this questionnaire. In addition, EMCDDA and Europol presented two reports on the subject of cocaine and methamphetamine in 2022, and therefore more data were available about these drugs.

3.9.1 Cannabis

Most MS reported that the development of seized drugs categorized as Cannabis increased in 2022 as compared to 2021. Roughly one-third reported that there has been no change and some MS reported a decrease.



A majority of MS reported that they saw an increase of seized cannabis and a consistent high demand for the drug, and one MS reported a possible attitude change towards more liberal views on cannabis in its society. Several MS also reported that they saw an increase in cannabis being smuggled by express parcels. The speed of express services makes it challenging for customs to detect these shipments before the parcels reach their end customers.

EMCDDA reported an increase in seized quantities of cannabis (herb and resin) in Europe in 2021, reaching the highest levels in a decade, in excess of 1000 tonnes. Most of the cannabis resin available on the European drug market comes from Morocco and Spain. Spain plays a large role for the European cannabis market as the main entry point for cannabis resin produced in Morocco, and both countries are production areas for cannabis plants.

Cannabis production within the EU occurs to a varying degree in all MS, however, the level of production in some MS does not meet the demand of its market and therefore there is intra-EU trafficking. There has been an increase in MS reporting Spain as the origin of herbal cannabis seizures. An increased domestic production and the involvement of organized crime groups (OCGs) in the Netherlands may help explain why Spain is now exporting herbal cannabis to the rest of Europe.

Even though Spain is the primary entry point for cannabis resin to the EU, there has been some diversification in trafficking and modi operandi to the EU in the last few years. Maritime shipping containers, lorries on ferries, recreational crafts and fishing boats all continue to be common ways of transporting cannabis resin. EMCDDA also reported that the use of speedboats that can transport up to 3 tonnes has increased considerably over the last few years. Small private aircrafts are also used between Morocco and Spain as well as for intra-EU trafficking.

3.9.2 Cocaine

A majority of MS reported that the development with seized drugs categorized as Cocaine has increased and about one-fourth reported that there has been a decrease.



EMCDDA and Frontex also reported an increase in the occurrence of cocaine the last few years. There are also indications of an increase in production in south America which could be a contributing factor to the increase of cocaine in Europe.

They also report indications of the total amount of cocaine seized during 2022 will be even higher than before and again, break new records. The largest seizures are made in ports in Belgium, Netherlands and Spain. Increasing seized amounts are also being found elsewhere in Europe indicating that trafficking groups are extending their activities to ports where cocaine interdiction measures might be less intensive.

The availability of cocaine in Europe is most likely at an all-time high, and it is more affordable for consumers now than it was in the past, despite record quantities seized during the period. MS report indications that the total amount of cocaine seized in 2022 will be higher than ever and break records. The largest seizures were made in ports in Belgium, Netherlands and Spain. Increasing, cocaine has also been seized in ports elsewhere in Europe, indicating that trafficking groups are extending their activities to ports where cocaine interdiction measures might be less intensive.

According to the report, *EU Drug Market: Cocaine*, the European consumer market for cocaine continues to grow, and most MS reported that not only have they seen an increase of seized cocaine, but also that the drug has become more popular in their societies. Cocaine is the most commonly used illicit stimulant drug in Europe, and Western and Central Europe are reported to constitute the second-largest cocaine consumer market in the world after North America. Levels of use vary among MS, but is thought to be most prevalent in the southern and western parts of Europe.

In the EU, a majority of the cocaine seized has been transported by sea, primarily in maritime shipping containers. Cocaine is sometimes shipped to the EU directly from the countries of production, but also from neighbouring countries of departure in South and Central America and the Caribbean. Traffickers use a wide range of innovative methods to smuggle cocaine, however, the main route used to smuggle cocaine into Europe is simply the maritime route from South America to Western Europe, where smugglers can take advantage of the licit containerised trade, in which many routes are and can be used. There is evidence that the EU is also increasingly being used as a transit point for cocaine shipments intended for non-EU countries, particularly in Eastern Europe, Oceania and possibly Asia.

There are indications that cocaine paste is being refined within Europe which could indicate that part of the process in producing cocaine for the consumer market has moved from Latin America to Europe. These intermediary products can constitute a risk that new, inexpensive, smokable cocaine products may emerge in the European market.

Corruption and violence were reported as particularly problematic concerning cocaine smuggling. Corruption and intimidation of port workers, both in the private and public sector, is a key enabler of cocaine smuggling, and there are indications that corruption related to the cocaine market is present in other sectors of European society. It is estimated that almost 60 % of criminal networks use corruption to facilitate their activities.

Over the last decade, criminal groups involved in the cocaine trade have been associated with the rising number of incidents of violence linked to drug markets in the EU. Although it is difficult to monitor, serious violence related to the cocaine trade appears to be increasing and criminals seem to quicker turn to more violent acts. There are cases where cocaine-related violence has been directed outside of the drug trafficking sphere towards people such as lawyers, journalists and government officials.

3.9.3 Heroin

Responding MS reported diverse situations regarding the development of seized drugs categorized as Heroin. Almost half of MS reported no change between 2021 and 2022, while both increases and decreases were reported from other MS.

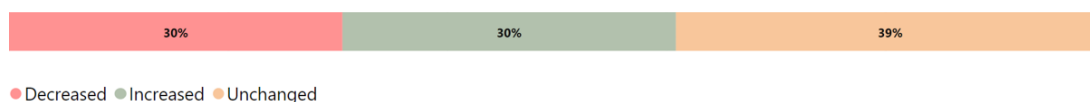


Most MS reported that their heroin market is small. One MS reported that it has seen a slight increase in heroin being shipped in small parcels and assessed that this change might be a result of Russia's war of aggression against Ukraine, which has affected the Balkan route of drug trafficking.

EMCDDA stressed the difficulties in estimating the occurrence of heroin in Europe. Data from 2021 indicate that Afghanistan's production of opium is at historically high levels. Seizures have increased in Türkiye and large consignments have been detected at EU ports, indicating that heroin might be more affordable for consumers. Preliminary data from 2022 showed that heroin seizures along the Balkan route decreased.

3.9.4 Synthetic drugs

A similar number of MS reported increase, decrease or an unchanged situation in the category of Synthetic drugs.



It should be noted that this category comprises a range of drugs, making it somewhat difficult to get an idea of the overall picture.

Most MS reported that most seizures are made in postal, express and courier shipments. One MS reported that it has seen an increase in crystal meth, and one MS reported that it has seen an increase in mephedrone, which has mainly been detected in the possession of Ukrainian citizens.

For amphetamine and methamphetamine seizures specifically, EMCDDA have noted a significant increase in EU the last few years, both in the amount seized as well as the number of reported seizures. For methamphetamine, this increase may be explained by increased methamphetamine production in laboratories within the EU as well as facilities outside the EU, e.g. Iran, Mexico or Nigeria, that then transit Europe. Methamphetamine production within the EU occurs on an industrial scale in the Netherlands and to a lesser extent in Belgium. These two countries also have the highest number of amphetamine and MDMA production facilities, including the knowledge, chemicals, and equipment required for the three drugs (all of which overlap considerably).

It was also noted that methamphetamine shipments seized in the EU arrive through a number of different methods of transportation, such as couriers in planes, in passenger cars or trucks, by train or ferry, or by parcel and post services (parcel and post services are often connected to methamphetamine sold online). Larger quantities of methamphetamine are often moved into the EU in maritime shipping containers or air cargo.

EMCDDA further reported that there was a higher number of seizures of MDMA tablets (ecstasy) going towards Latin America, Türkiye and Southeast Asia in 2022 than in 2021. This route is nearly the opposite of the established cocaine and/or heroin trafficking routes (Balkan Route).

A critical element that is not well understood at present is the importation of precursors and auxiliary chemicals that support synthetic drug production in the EU, especially concerning the role of source countries. The wide array of substances found in production facilities raise the concern that criminal networks active in the EU are involved in processing multiple drug types (precursor conversion labs, amphetamine, methamphetamine, MDMA and new psychoactive substances).

As is the case with cocaine, serious violence might spill over into EU society as a result of the high profitability of the business in synthetic drugs, which can lead to intense competition and rivalries between criminal groups. At present, cooperation between Mexican and EU criminal networks appears to be focused on trade and profit, but there might be a risk for future conflicts. As such, the emerging signs of Mexican criminal networks gaining footholds in Europe is a warning signal that may have long-term implications for the security environment within the EU.

The growth in large-scale production of methamphetamine in Europe has the potential to create further criminal collaborations and drive more corruption along the supply chain. It should also be noted that criminal networks active in drug trafficking often deal with several different drugs, particularly at the middle-market and retail level, and they use the same techniques to move illicit substances, including the use of legal business structures and paying off officials or port workers.

3.9.5 Environmental issues

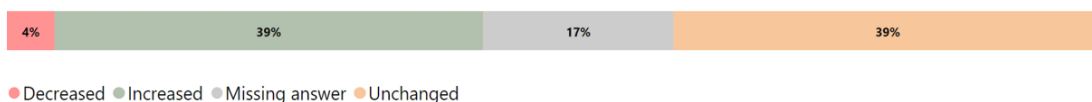
The environmental impact of production is another negative aspect of the issue of illegal drugs. The effects are increasingly visible in Europe as the EU is a significant production area for synthetic drugs and cannabis, both of which may lead to substantial environmental damage. The production of synthetic drugs and the use of synthetic drug precursors are among the main sources of environmental damage linked to organised crime in the EU. The waste generated during drug production is often reactive, explosive, flammable, corrosive and/or toxic, and poses significant risks to the environment. Criminals often dump production waste on land, bury it underground, or discharge it into surface waters, contaminating fauna and flora and creating hazardous conditions in waterways. The cultivation of cannabis has a large negative impact on the environment because it requires large amounts of water and electricity, and often entail the use of chemicals discharged on land or in waterways. In one MS, cannabis production was also linked to deforestation and soil erosion.

3.10 Online trade

This category is solely based on the answers to the questionnaire, and both MS and EU stakeholders were asked to answer whether or not they have seen a change related to online trade since the last SAP. There were no answers from EU stakeholders.

3.10.1 Customs/ Tax-fraud

An equal number of MS reported that the development categorized as Customs/Tax fraud increased or did not change between 2021 and 2022.



Several MS reported that due to large and increasing volumes, the sheer number of cases poses an issue. It simply becomes harder to identify “fraudulent behaviour” because of the volume of cases, which might make the selection process quite difficult. MS also reported that an increased flow increases the risk for unlawful conduct. One MS reported that the VAT package and the obligation to declare low-value consignments have made it easier to perform risk targeting and implement risk profiles targeting undervaluation. One MS also highlighted the risk of loss of revenue as a result of the increased use of fulfilment centres by online business outside of EU.

3.10.2 Prohibitions and restrictions

Half of all responding MS reported that the development categorized as Prohibitions and restrictions has increased between 2021 and 2022.



Similar to Customs/Tax fraud, most MS reported that large volumes constitute an obstacle when it comes to selection and identifying fraud. Some MS also reported that volumes are increasing, especially e-commerce and online trade, and as a result, it is more difficult to identify fraud. One MS reported that the VAT package and the obligation to declare low-value consignments have made it easier to perform risk targeting and implement risk profiles targeting undervaluation. One MS reported an increase in detected e-cigarettes, weapon parts, and pharmaceuticals.

3.11 Security

This category is solely based on the answers from the questionnaire and both MS and EU stakeholders were asked to answer whether or not they have seen a change related to security issues since the last SAP.

Only Frontex answered this category, reporting that it has noticed an increase in the risk and/or threat from dual-use goods, explosives, radiological cargo, and weapons. Frontex highlights the possibility of diversion of explosives and (more commonly) weapons due to the large amounts of these items are in circulation as a result of Russia's war of aggression against Ukraine. Also, the difficulty in controlling weapons in the conflict setting are concerning. Frontex's assessment is that the flow of uncontrolled weapons will increase once the conflict de-escalates because when the demand for weapons in Ukraine decreases, criminals will get the opportunity to use these weapons for financial profits. Frontex also describes the difficulties when it comes to controlling civilian radiological sources and that the conflict might result in an increase of orphan sources in Ukraine.

Frontex also reported that it assessed the risk and/or threat from nuclear cargo, other and sanctions and embargos as unchanged between 2021 and 2022.

3.11.1 Dual-use

Almost two-thirds of MS reported that the development of seized goods categorized as Dual-use had not changed between 2021 and 2022. However, nearly one-third reported that there had been an increase in seizures.



MS responding to the question about why the change occurred reported that the main reason for the increase is Russia's war of aggression against Ukraine and sanctions against Russia and Belarus.

One MS reported that the complexity of the sanctions imposed on Russia affects customs, and many regulations demand a multifaceted approach because some of the control mechanisms are complex and time consuming to handle. MS also reported that Russia and its oligarchs are trying to circumvent existing sanctions by starting new companies in countries that are not affected by the sanctions in order to make sure they can export and import goods from and to Russia.

3.11.2 Explosives

A majority of MS reported that the development with seized goods categorized as Explosive has not changed and a few MS report that there has been an increase.



Only a few MS commented this category and reported that illegal pyrotechnics that are shipped intra EU is an issue as well as minors buying explosives as a result of the high demand on the black market.

3.11.3 Nuclear cargo and Radiological cargo

The reported results for Nuclear cargo and Radiological cargo were identical and are therefore presented together. A majority of MS reported that the development of seized goods categorized as either Nuclear cargo or Radiological cargo had not changed between 2021 and 2022.



3.11.4 Other

Most MS did not answer this category, while some MS reported that the development of seized goods categorized as Other had not changed between 2021 and 2022.



A comment about the increase in this category was an increase in the number of seizures involving illegal pyrotechnics.

3.11.5 Sanctions and embargos

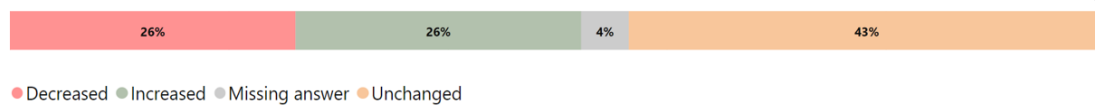
Most MS reported that seized goods categorized as Sanctions and embargos have increased. 17 % of MS reported that they had not noticed a change between 2021 and 2022.



MS that answered the question about why the change has occurred reported that the main reason for the increase in cases related to Sanctions and embargos is due to Russia's war of aggression against Ukraine and sanctions against Russia and Belarus. Some MS reported that they have identified cases in which there were attempts to circumvent these sanctions and that certain businesses have adapted their course of action in order to avoid detection.

3.11.6 Weapons

Most MS reported that there has been no change in the number of seizures categorized as Weapons between 2021 and 2022. An equal number of MS reported increases and decrease in this category.



MS that answered the question about why the change has occurred reported that the main reason for the increase in cases is due to the Russian war of aggression against Ukraine. Others reported that efficiency in risk targeting, due to the obligation to declare low-value consignments, and successful investigations were reasons for an increase. Not all MS reported that they have seen a rise in seizures despite the ongoing conflict. Possible reasons were thought to be criminals being better at hiding transported weapons and issues related to differences in regulations among MS.

3.12 Effects of Russia's war of aggression against Ukraine

This category is solely based on the answers from the questionnaire, and both MS and EU stakeholders were asked to answer whether or not they have been affected by Russia's war of aggression against Ukraine in ways other than previously described. Both EMCDDA and Frontex said that Russia's war of aggression against Ukraine has had an impact on their organisations or affected their work.

EMCDDA reported that drug trafficking routes have been disrupted by Russia's war of aggression against Ukraine due to the closing of air and sea traffic, and closed roads and rail communications to Russia and Belarus. EMCDDA also reported that the demand for drugs in Ukraine remains high, possibly due to the situation in the country and as a consequence of the conflict. Frontex reported that it has been affected by Russia's war of aggression against Ukraine because it has had to allocate resources to counteract issues related to the increased risk of cross-border crime, the risk of diversion of weapons, and the expected increase in illicit firearms flows.

More than two thirds of responding MS reported that they have been affected by Russia's war of aggression against Ukraine in ways other than what had already been described in previous questions.



Most MS that answered this question reported that they have been extensively affected by the Russian war of aggression against Ukraine because of the increased control of commercial traffic of imported and exported goods, and because they are working to ensure that the newly imposed sanctions and embargos are being followed. Several MS also reported an increase in the number of investigations related to non-compliance with the sanctions and embargos. Another example of how the conflict has caused an increased workload for custom controls is through a shift in the geographical routes for transports, since the conflict has led to some routes being limited with consequent increased volumes of traffic elsewhere. Changes in passenger traffic caused by Russia's war of aggression against Ukraine have put a further strain on customs capacity for some MS. The re-allocation of resources needed to handle sanctions and embargos has affected the capacity to handle other tasks.

Several MS reported that, due to the imposed sanctions against Russia and Belarus, organizational changes have been made in order to more effectively handle issues related to border control and the new security situation. One MS indicated that several security-enhancing measures have been taken due to the new uncertain security situation in Europe.

Several MS reported that they have identified, or suspected, efforts to circumvent or avoid sanctions. Efforts to avoid these sanctions are made by Russia, Belarus, private individuals, and companies. One challenge in detecting these evasions is that individuals, companies and the Russian state often are intertwined, and real ownerships are obfuscated in complicated owner structures which makes investigation and implementation of sanctions complex. Goods under sanction are reported to be transported to Russia via neighbouring countries like Kazakhstan and Armenia, and because transit transport through Russia is not a part of export sanctions, this process is being used as a way to get goods to Russia. There are no control mechanisms to ensure that goods transiting through Russia reach the intended country. One MS also mentioned that it suspected that companies have found ways to circumvent sanctions when it comes to both export and import, although it is very difficult to prove. Another reported issue is that fraud of classification and country of origin are being used as ways to circumvent sanctions. The downturn of smuggled illicit cigarettes that had been noted during the first half of 2022 has since then increased to previously observed levels. Several MS also reported that they have seen a rapid increase of cash being smuggled as well as other items such as luxuries, fuel, car spare parts and alcohol.

One MS also mentioned the issues related to the newly imposed sanctions and said that the exports and exits sometimes are in disharmony. Lack of knowledge about proper use of CN codes was also mentioned as is also mentioned as an issue.

4 Conclusions

The effects of Russia's war of aggression against Ukraine are being felt throughout Europe, not only from the security perspective but also by its significant impact on legal commerce. Sanctions imposed on Russia have had a direct effect on logistics and trade flows. The responses from MS and EU stakeholders demonstrate that the conflict directly affects customs authorities with examples including the smuggling of cultural goods, excise crimes and security. Since February 2022, additional important responsibilities have been placed on customs authorities to monitor imposed sanctions and investigate complicated business structures that have been used to circumvent sanctions. Customs authorities are further tasked with monitoring and meeting the expected increasing threats related to firearms smuggling stemming from the conflict so close to EU borders.

Russia's war of aggression against Ukraine, the Covid-19 pandemic, and the adaptability of criminal networks accentuate the need for customs authorities to be flexible and capable of both understanding and meeting threats stemming from unforeseen changes, in the EU and globally. The common threats and their cross-border nature also calls for strengthened coordination and cooperation between customs authorities and our partners.

As described in the chapter about cash control, criminals are very capable of converting money to valuable goods, a phenomenon that might become a larger issue in times of economic uncertainty and volatility.

It is worth noting that the risk of violence and corruption seems to be increasing in Europe as a result of the lucrative trade in cocaine, and this violence has spread to sectors outside of the drug trafficking sphere. There are also reports of affected lawyers, journalists, government officials and officers in law enforcement which makes the situation even more troubling.

The literature review and the questionnaires have both clearly illustrated the complexities of the threats that customs authorities face. While new challenges have emerged, it is clear that known threats from e.g. the smuggling of narcotics remain and evolve. These complexities, including threats of a fiscal nature and threats that must be addressed by law enforcement, are particularly challenging.

5 References/contributions

Several different sources were used to create this report, including literature sources and contributions from MS and EU stakeholders by answering the questionnaire. Contributing MS and EU stakeholders are presented in an attached Annex. Europol contributed by sharing the full list of analytical reports produced in 2022.

5.1 Sources

EMCDDA & Europol 2022. EU Drug Market: Cocaine.

EMCDDA & Europol 2022. EU Drug Market: Methamphetamine.

EU Blockchain Observatory and Forum, 2021. Demystifying Non-Fungible Tokens (NFTs).

Eurojust, 2022. Report on money laundering.

European Commission, 2022. On the assessment of the risk of money laundering and terrorist financing affecting the internal market and relating to cross-border activities, Brussels.

European Commission, 2022. On the EU Action Plan against trafficking in cultural goods.

Europol, 2022. Environmental crime in the age of climate change.

Europol & EUIPO 2022. Intellectual property crime threat assessment.

FATF Egmont Group, 2020. Trade-Based Money Laundering, trends and developments.

FATF, 2021. Money laundering from environmental crime.

Green Customs Global conference in Brussels 2022

5.2 Questionnaire

Twenty-three MS answered the questionnaire and the answers are presented below to illustrate how many of the MS answered each question.

Folder	Identification of threat/risk	Question	Number of answers	Number of missing answers
Cultural goods	Cultural goods	If yes – How many cases?	4	19
Cultural goods	Cultural goods	In 2022, did you encounter any trafficked cultural goods that originated in Ukraine?	23	0
Cultural goods	Cultural goods	Is there any other relevant information regarding trafficking cultural goods in relation to Ukraine that you would like to share?	7	16
Cultural goods	Other	If yes – How many cases?	0	23
Cultural goods	Other	In 2022, did you encounter any trafficked cultural goods that originated in Ukraine?	9	14
Cultural goods	Other	Is there any other relevant information regarding trafficking cultural goods in relation to Ukraine that you would like to share?	2	21
Customs financial fraud	ADD and Countervailing duties	How has the situation regarding fraud developed within this category since 2021?	20	3
Customs financial fraud	ADD and Countervailing duties	What is the main underlying cause for this risk criteria?	20	3
Customs financial fraud	ADD and Countervailing duties	What is the second most common underlying cause for this risk criteria?	20	3
Customs financial fraud	ADD and Countervailing duties	What is the third most common underlying cause for this risk criteria?	18	5
Customs financial fraud	Duty relief	How has the situation regarding fraud developed within this category since 2021?	20	3
Customs financial fraud	Duty relief	What is the main underlying cause for this risk criteria?	20	3
Customs financial fraud	Duty relief	What is the second most common underlying cause for this risk criteria?	18	5

Folder	Identification of threat/risk	Question	Number of answers	Number of missing answers
Customs financial fraud	Duty relief	What is the third most common underlying cause for this risk criteria?	13	10
Customs financial fraud	Misclassification	How has the situation regarding fraud developed within this category since 2021?	19	4
Customs financial fraud	Misclassification	What is the main underlying cause for this risk criteria?	21	2
Customs financial fraud	Misclassification	What is the second most common underlying cause for this risk criteria?	19	4
Customs financial fraud	Misclassification	What is the third most common underlying cause for this risk criteria?	14	9
Customs financial fraud	MTIC	How has the situation regarding fraud developed within this category since 2021?	19	4
Customs financial fraud	MTIC	What is the main underlying cause for this risk criteria?	17	6
Customs financial fraud	MTIC	What is the second most common underlying cause for this risk criteria?	13	10
Customs financial fraud	MTIC	What is the third most common underlying cause for this risk criteria?	11	12
Customs financial fraud	Preferences	How has the situation regarding fraud developed within this category since 2021?	18	5
Customs financial fraud	Preferences	What is the main underlying cause for this risk criteria?	19	4
Customs financial fraud	Preferences	What is the second most common underlying cause for this risk criteria?	15	8
Customs financial fraud	Preferences	What is the third most common underlying cause for this risk criteria?	12	11
Customs financial fraud	Quotas	How has the situation regarding fraud developed within this category since 2021?	18	5
Customs financial fraud	Quotas	What is the main underlying cause for this risk criteria?	19	4

Folder	Identification of threat/risk	Question	Number of answers	Number of missing answers
Customs financial fraud	Quotas	What is the second most common underlying cause for this risk criteria?	13	10
Customs financial fraud	Quotas	What is the third most common underlying cause for this risk criteria?	11	12
Customs financial fraud	Suspensions	How has the situation regarding fraud developed within this category since 2021?	17	6
Customs financial fraud	Suspensions	What is the main underlying cause for this risk criteria?	18	5
Customs financial fraud	Suspensions	What is the second most common underlying cause for this risk criteria?	14	9
Customs financial fraud	Suspensions	What is the third most common underlying cause for this risk criteria?	10	13
Customs financial fraud	Undervaluation	How has the situation regarding fraud developed within this category since 2021?	20	3
Customs financial fraud	Undervaluation	What is the main underlying cause for this risk criteria?	20	3
Customs financial fraud	Undervaluation	What is the second most common underlying cause for this risk criteria?	20	3
Customs financial fraud	Undervaluation	What is the third most common underlying cause for this risk criteria?	19	4
Customs financial fraud	VAT	How has the situation regarding fraud developed within this category since 2021?	19	4
Customs financial fraud	VAT	What is the main underlying cause for this risk criteria?	19	4
Customs financial fraud	VAT	What is the second most common underlying cause for this risk criteria?	17	6
Customs financial fraud	VAT	What is the third most common underlying cause for this risk criteria?	15	8
Drug precursors	Non-scheduled substances	How has the situation with seized drug precursors developed since 2021 in your country? Comparing the total amount seized in 2021 and 2022, has there been a change?	21	2

Folder	Identification of threat/risk	Question	Number of answers	Number of missing answers
Drug precursors	Non-scheduled substances	Is there anything in particular you would like to highlight about the current situation regarding drug precursors in your country?	7	16
Drug precursors	Non-scheduled substances	What is the main country of origin of the drug precursors in these seizures?	13	10
Drug precursors	Other	How has the situation with seized drug precursors developed since 2021 in your country? Comparing the total amount seized in 2021 and 2022, has there been a change?	14	9
Drug precursors	Other	Is there anything in particular you would like to highlight about the current situation regarding drug precursors in your country?	2	21
Drug precursors	Other	What is the main country of origin of the drug precursors in these seizures?	5	18
Drug precursors	Scheduled substances	How has the situation with seized drug precursors developed since 2021 in your country? Comparing the total amount seized in 2021 and 2022, has there been a change?	20	3
Drug precursors	Scheduled substances	Is there anything in particular you would like to highlight about the current situation regarding drug precursors in your country?	11	12
Drug precursors	Scheduled substances	What is the main country of origin of the drug precursors in these seizures?	15	8
Excise	Alcohol and alcoholic beverages	Have you encountered any issues as a result of the sanctions/ embargos against Russia during 2022?	19	4
Excise	Alcohol and alcoholic beverages	How has the situation with illegally manufactured goods developed since 2021? Comparing the total number of seized goods in 2021 and 2022, has there been a change?	20	3
Excise	Alcohol and alcoholic beverages	How has the situation with seized goods developed since 2021? Comparing the total number of seized goods in 2021 and 2022, has there been a change?	22	1
Excise	Alcohol and alcoholic beverages	If yes – Please describe the issue or issues.	2	21
Excise	Alcohol and alcoholic beverages	Is there anything in particular you would like to highlight regarding excise and the situation in Ukraine?	8	15
Excise	Energy products and electricity	Have you encountered any issues as a result of the sanctions/ embargos against Russia during 2022?	14	9
Excise	Energy products and electricity	How has the situation with illegally manufactured goods developed since 2021? Comparing the total number of seized goods in 2021 and 2022, has there been a change?	16	7
Excise	Energy products and electricity	How has the situation with seized goods developed since 2021? Comparing the total number of seized goods in 2021 and 2022, has there been a change?	18	5

Folder	Identification of threat/risk	Question	Number of answers	Number of missing answers
Excise	Energy products and electricity	If yes – Please describe the issue or issues.	2	21
Excise	Energy products and electricity	Is there anything in particular you would like to highlight regarding excise and the situation in Ukraine?	7	16
Excise	Fuel	Have you encountered any issues as a result of the sanctions/ embargos against Russia during 2022?	18	5
Excise	Fuel	How has the situation with illegally manufactured goods developed since 2021? Comparing the total number of seized goods in 2021 and 2022, has there been a change?	18	5
Excise	Fuel	How has the situation with seized goods developed since 2021? Comparing the total number of seized goods in 2021 and 2022, has there been a change?	20	3
Excise	Fuel	If yes – Please describe the issue or issues.	6	17
Excise	Fuel	Is there anything in particular you would like to highlight regarding excise and the situation in Ukraine?	7	16
Excise	Non-harmonized products	Have you encountered any issues as a result of the sanctions/ embargos against Russia during 2022?	16	7
Excise	Non-harmonized products	How has the situation with illegally manufactured goods developed since 2021? Comparing the total number of seized goods in 2021 and 2022, has there been a change?	17	6
Excise	Non-harmonized products	How has the situation with seized goods developed since 2021? Comparing the total number of seized goods in 2021 and 2022, has there been a change?	17	6
Excise	Non-harmonized products	If yes – Please describe the issue or issues.	1	22
Excise	Non-harmonized products	Is there anything in particular you would like to highlight regarding excise and the situation in Ukraine?	8	15
Excise	Tobacco	Have you encountered any issues as a result of the sanctions/ embargos against Russia during 2022?	20	3
Excise	Tobacco	How has the situation with illegally manufactured goods developed since 2021? Comparing the total number of seized goods in 2021 and 2022, has there been a change?	21	2
Excise	Tobacco	How has the situation with seized goods developed since 2021? Comparing the total number of seized goods in 2021 and 2022, has there been a change?	23	0
Excise	Tobacco	If yes – Please describe the issue or issues.	4	19
Excise	Tobacco	Is there anything in particular you would like to highlight regarding excise and the situation in Ukraine?	8	15

Folder	Identification of threat/risk	Question	Number of answers	Number of missing answers
Health and safety	Animal health	How has the situation developed since 2021? Comparing the total number of seized unsafe products in 2021 and 2022, has there been a change?	14	9
Health and safety	Animal health	If the number has increased or decreased, do you have any suggestions as to why this change has occurred?	5	18
Health and safety	Animal health	What is the main country of origin of the goods in these seizures?	6	17
Health and safety	Human health	How has the situation developed since 2021? Comparing the total number of seized unsafe products in 2021 and 2022, has there been a change?	16	7
Health and safety	Human health	If the number has increased or decreased, do you have any suggestions as to why this change has occurred?	7	16
Health and safety	Human health	What is the main country of origin of the goods in these seizures?	9	14
Health and safety	Other	How has the situation developed since 2021? Comparing the total number of seized unsafe products in 2021 and 2022, has there been a change?	7	16
Health and safety	Other	If the number has increased or decreased, do you have any suggestions as to why this change has occurred?	1	22
Health and safety	Other	What is the main country of origin of the goods in these seizures?	1	22
Health and safety	Plant health	How has the situation developed since 2021? Comparing the total number of seized unsafe products in 2021 and 2022, has there been a change?	18	5
Health and safety	Plant health	If the number has increased or decreased, do you have any suggestions as to why this change has occurred?	6	17
Health and safety	Plant health	What is the main country of origin of the goods in these seizures?	8	15
Health and safety	Product compliance	How has the situation developed since 2021? Comparing the total number of seized unsafe products in 2021 and 2022, has there been a change?	19	4
Health and safety	Product compliance	If the number has increased or decreased, do you have any suggestions as to why this change has occurred?	11	12
Health and safety	Product compliance	What is the main country of origin of the goods in these seizures?	10	13
Health and safety	Product safety	How has the situation developed since 2021? Comparing the total number of seized unsafe products in 2021 and 2022, has there been a change?	16	7
Health and safety	Product safety	If the number has increased or decreased, do you have any suggestions as to why this change has occurred?	9	14
Health and safety	Product safety	What is the main country of origin of the goods in these seizures?	10	13

Folder	Identification of threat/risk	Question	Number of answers	Number of missing answers
Narcotics	Cannabis	How has the situation with seized drugs developed since 2021? Comparing the total number of seizures in 2021 and 2022, has there been a change?	23	0
Narcotics	Cannabis	If the amount has increased or decreased, do you have any suggestions as to why this change has occurred?	15	8
Narcotics	Cocaine	How has the situation with seized drugs developed since 2021? Comparing the total number of seizures in 2021 and 2022, has there been a change?	23	0
Narcotics	Cocaine	If the amount has increased or decreased, do you have any suggestions as to why this change has occurred?	15	8
Narcotics	Heroin	How has the situation with seized drugs developed since 2021? Comparing the total number of seizures in 2021 and 2022, has there been a change?	23	0
Narcotics	Heroin	If the amount has increased or decreased, do you have any suggestions as to why this change has occurred?	11	12
Narcotics	Synthetic drugs (designer drugs, amphetamines, ecstasy, etc)	How has the situation with seized drugs developed since 2021? Comparing the total number of seizures in 2021 and 2022, has there been a change?	23	0
Narcotics	Synthetic drugs (designer drugs, amphetamines, ecstasy, etc)	If the amount has increased or decreased, do you have any suggestions as to why this change has occurred?	12	11
Online trade	Customs/ tax fraud	How has the situation developed since 2021? Comparing the total number of cases in 2021 and 2022, has there been a change?	19	4
Online trade	Customs/ tax fraud	Is there anything in particular you would like to highlight about the current situation regarding online trade in your country?	8	15
Online trade	Other	How has the situation developed since 2021? Comparing the total number of cases in 2021 and 2022, has there been a change?	9	14
Online trade	Other	Is there anything in particular you would like to highlight about the current situation regarding online trade in your country?	2	21
Online trade	Prohibitions and restrictions	How has the situation developed since 2021? Comparing the total number of cases in 2021 and 2022, has there been a change?	19	4
Online trade	Prohibitions and restrictions	Is there anything in particular you would like to highlight about the current situation regarding online trade in your country?	11	12
Security	Dual-use	How has the situation with seizures developed since 2021? Comparing the total number of items seized in 2021 and 2022, has there been a change?	22	1

Folder	Identification of threat/risk	Question	Number of answers	Number of missing answers
Security	Dual-use	If the number of seizures has increased or decreased, do you have any suggestions as to why this change has occurred?	8	15
Security	Explosive	How has the situation with seizures developed since 2021? Comparing the total number of items seized in 2021 and 2022, has there been a change?	20	3
Security	Explosive	If the number of seizures has increased or decreased, do you have any suggestions as to why this change has occurred?	6	17
Security	Nuclear Cargo	How has the situation with seizures developed since 2021? Comparing the total number of items seized in 2021 and 2022, has there been a change?	18	5
Security	Nuclear Cargo	If the number of seizures has increased or decreased, do you have any suggestions as to why this change has occurred?	4	19
Security	Other	How has the situation with seizures developed since 2021? Comparing the total number of items seized in 2021 and 2022, has there been a change?	7	16
Security	Other	If the number of seizures has increased or decreased, do you have any suggestions as to why this change has occurred?	2	21
Security	Radiological Cargo	How has the situation with seizures developed since 2021? Comparing the total number of items seized in 2021 and 2022, has there been a change?	18	5
Security	Radiological Cargo	If the number of seizures has increased or decreased, do you have any suggestions as to why this change has occurred?	4	19
Security	Sanctions and Embargos	How has the situation with seizures developed since 2021? Comparing the total number of items seized in 2021 and 2022, has there been a change?	20	3
Security	Sanctions and Embargos	If the number of seizures has increased or decreased, do you have any suggestions as to why this change has occurred?	17	6
Security	Weapons	How has the situation with seizures developed since 2021? Comparing the total number of items seized in 2021 and 2022, has there been a change?	22	1
Security	Weapons	If the number of seizures has increased or decreased, do you have any suggestions as to why this change has occurred?	13	10
Ukraine	Ukraine	Has your organization been affected by the war in Ukraine in ways other than what you have already described in the previous questions?	19	4
Ukraine	Ukraine	If yes, please describe the issue or issues.	17	6

EU stakeholders
Frontex
EMCDDA
TAXUD

Member states
Austria
Belgium
Bulgaria
Croatia
Cyprus
Czechia
Denmark
Estonia
Finland
France
Germany
Hungary
Ireland
Italy
Latvia
Luxembourg
Malta
Poland
Portugal
Slovakia
Slovenia
Spain
Sweden