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INTERNATIONAL

ILLICIT TRADE IN NUMBERS

A SIZEABLE GLOBAL ISSUE

\$1.6 - \$2.2

TRILLION TRILLION

worth of illicit products flow globally from cross-border criminal operations, such as the smuggling of arms, tobacco, or pharmaceuticals.¹

UP TO **2.5%**

of world trade is estimated to be counterfeit and pirated products, equivalent to up to

\$464
BILLION²

TOBACCO: ONE OF THE MOST ILLEGALLY TRAFFICKED GOODS IN THE WORLD

AS MUCH AS **15%**

of tobacco products consumed globally every year are illicit, close to

500 BILLION CIGARETTES³

The value of illicit tobacco trade is estimated to be greater than that of oil, wildlife, timber, arts and cultural property, and diamonds combined.

\$40 BILLION TO \$50 BILLION

are lost globally every year in tax revenues due to illicit tobacco trade.⁴

A HIGH-PROFIT, LOW-RISK COMMODITY FOR CRIMINALS

\$0.20

Estimated cost to produce one illicit pack of cigarettes.

\$100,000

Cost of smuggled container of 10 million illicit cigarettes.

\$2,300,000

Potential profit to smugglers from one container of illicit cigarettes.

ILLICIT TOBACCO TRADE: A PROBLEM WITH FAR-REACHING CONSEQUENCES

-  Exposes consumers to unregulated products, often manufactured in sub-standard, unsanitary conditions
-  Harms legitimate businesses and trade
-  **18** Undermines efforts to reduce smoking prevalence and protect youth from smoking
-  Encourages corruption and threatens the rule of law
-  Hurts government tax revenues
-  Finances transnational criminal organizations

¹ Munich Security Conference (MSC), Transnational Security Report, 2019. ² OECD/EUIPO (2021), Global Trade in Fakes: A Worrying Trade, Illicit Trade, OECD Publishing, Paris/European Union Intellectual Property Office. ³ PMI internal estimates based on industry studies, KPMG Report on Illicit Cigarette Consumption in Europe, and Euromonitor statistics. ⁴ U.S. Department of State, The Global Illicit Trade in Tobacco: A Threat to National Security, 2015.