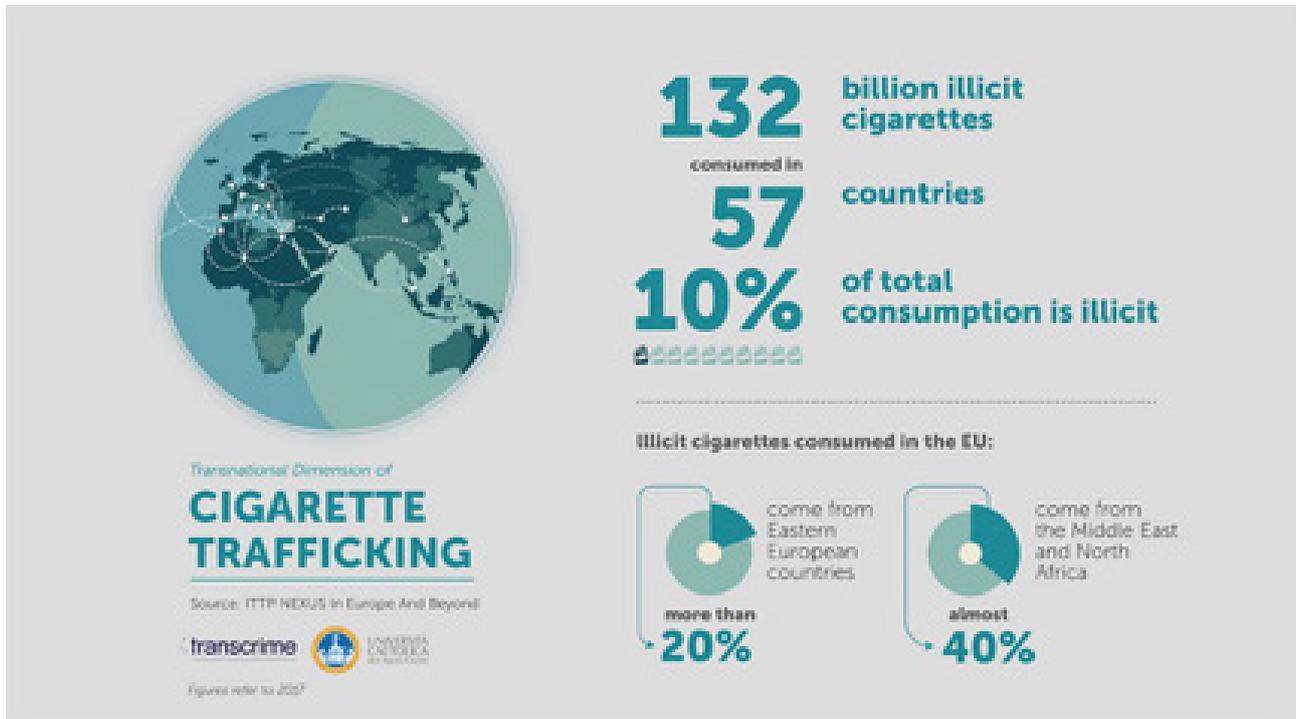


Transcrime Report: Global Illicit Trade Needs a Global Response



A report by Transcrime, one of [Europe's leading research institutions](#) in the field of transnational crime, has found that Europe's illicit tobacco trade is being supported by criminal networks that extend into 128 countries and spread across five continents.

To date, solutions to this issue have focused mainly on one country or one market. But with 40 billion illicit cigarettes consumed in the EU every year, this approach needs to be reformed. What anti-illicit trade efforts need to take into consideration, Transcrime's researchers say, is the truly globalized nature of illicit trade, the adaptability of criminal groups and the need for greater cross-border cooperation and intelligence sharing.

The [ITTP Nexus in Europe and Beyond](#) report has a number of other important revelations:

- 1. Illicit cigarette factories are moving inside EU borders:** Driven by tighter border control across the EU's eastern borders, criminal groups have started to move their illicit cigarettes factories within EU borders. This limits the number of checks and controls they need to pass through and decreases their chances of being caught in transit.
- 2. Criminal groups are diversifying their target markets:** Also spurred by the EU's crackdowns on illicit cigarettes, groups have started targeting Middle Eastern and Asian markets with less effective border control.
- 3. Criminal groups are diversifying their product offering:** Smugglers are becoming experts in the logistics of moving illicit products, rather than focusing on one specific illicit product. Whether it is drugs, weapons or people, they can adapt to market needs and changing levels of border control.

The above themes show just how adaptable criminal groups now are. Any solution that looks to tackle illicit trade needs to consider the constantly changing nature of this global issue.

To find out more about the report, Alberto Aziani, Transcrime's lead researcher and research fellow at Milan's Università Cattolica del Sacro Cuore, talks us through the significance of the global illicit cigarette market, the growing trends among transnational criminal groups and what can be done to solve these issues.

What were some of the most interesting trends that the report identified?

Our most recent report, [ITTP Nexus in Europe And Beyond](#), found some really interesting changes within the structure of the illicit cigarette market. For example, there has been a marked increase in the production of illicit cigarettes within the EU. The improved levels of control along Europe's eastern border have likely been pushing criminal organizations to set up factories within EU boundaries—especially in Eastern and Central European countries like Poland or the Czech Republic, but also increasingly in Southern Europe.

Bulgaria has long been a key source of illicit cigarettes flowing into Europe. However, an interesting trend our research found is that illicit cigarettes are now flowing through the country in both directions: toward the EU traversing the Balkan area, but also in the opposite direction toward Southeast Turkey and Iran. This is an interesting shift because it shows the capacity for organized crime groups to diversify their operations.

Moreover, we are seeing that transnational criminals are becoming experts in illegal logistics rather than specializing in just one area of illicit trade. It could be drugs, cigarettes, weapons, components of stolen cars. Whatever the product, smugglers are developing their expertise in moving illicit goods across borders. This makes life much harder for law enforcement agencies trying to tackle illicit trade because of the level of adaptability this gives criminal groups. If one country begins a crackdown on the smuggling of cigarettes, they may quickly shift their operations to smuggling a different product.

What does this tell us about tackling transnational crime?

What policymakers can learn from the trends we identify in our report is that transnational criminals are highly adaptable. Because of this, any solution is going to be quite complex. For sure, initiatives to improve the quality of border control agencies globally would help.

However, fundamentally, a greater level of intelligence sharing and cooperation between the law enforcement agencies of different countries is needed. This is what will have the biggest impact on the illicit cigarettes market and the many other forms of transnational crime.

Why did Transcrime choose to focus on the international illicit cigarette market?

Traditionally, cigarette trafficking has not received as much attention from academics as other types of transnational crime. We just don't have the same type of deep understanding as, for example, drug trafficking. This is despite the fact that illicit cigarettes are a substantial contributor to the profits of international criminals.

Previous research has really only focused on individual countries or regions without looking at the links that connect the transnational trafficking of cigarettes. Our research did exactly the opposite.

So how did you approach the research?

We started by identifying where illicit cigarettes in each country actually came from. We looked at 57 countries. Using this information, we developed an algorithm to track all the steps that cigarettes have followed from the country of production to the destination market. Our research found that in the 57 countries we analysed, cigarettes came from a transnational network involving over 128 countries around the world. This showed us that trying to address the issue of illicit cigarettes in just one market or one region would not work in isolation.

Criminals do not respect barriers, so policymakers from around the world need cross-border cooperation to beat them.

You recently won a grant from the PMI IMPACT initiative, how has this helped you in your research?

For researchers, initiatives like PMI IMPACT are really helpful as they allow to find funding for areas of research, which have not classically been looked into. A crucial element is that the formula fully respects the independence of the research conducted and leaves academics the freedom to conduct their research how they see fit. What I really appreciated most is the fact that we were completely free to develop our research and our results in the manner that we thought was most appropriate and more interesting from an academic point of view.

Most important, initiatives like PMI IMPACT help build a bridge between cutting-edge academic research and the private sector that is actively seeking to combat illicit trade.

To read Transcrime's report "ITTP Nexus in Europe And Beyond," [follow the link here](#).

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