

# **3** **Illicit trade in alcohol – what we know so far?**

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This chapter analyses the illicit alcohol market in depth. In addition to provide general information on the scale and magnitude of the market, it identifies the main drivers of this market, whose profitability is particularly high due to the specific taxation (excise tax) of alcohol. It also analyses the role of organised crime in this market as well as elements related to the penalties incurred. Finally, it addresses a specific aspect of the illicit alcohol market by focusing on counterfeit alcohol.

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## Scale and magnitude

The magnitude and scope of illicit trade in alcoholic beverages are vast. According to the WHO, unrecorded consumption of alcohol, much of which is presumed to be illicit, accounted for 25% of total world consumption in 2016 (WHO, 2018<sup>[1]</sup>). The share, however, varied significantly among regions and countries, ranging from 14% in the case of the Americas, to 67% in the eastern Mediterranean region (Table 3.1). Income levels are also an important determinant; in high income countries, the average share of unrecorded alcohol consumed was 11.4% in 2016, compared to 37% and 44% in lower income and lower middle-income countries. The higher percentages in the lower income countries are likely to reflect the interest consumers may have in seeking out lower priced alternatives to licit products or to circumvent restrictions on availability of legal alcohol, as well as the ability of illicit traders to penetrate distribution channels more easily. The WHO expects the share of unrecorded alcohol globally to continue to rise, to an estimated 27.7% of consumption in 2025.

**Table 3.1 Per capita consumption of alcohol and share that is unrecorded, by region, 2016**

Region	Per capita consumption (litres)	Share of consumption that is unrecorded (%)
Africa	6.3	32
America	8	14
Eastern Mediterranean	0.6	67
Europe	9.8	18
Southeast Asia	4.5	47
Western Pacific	7.3	21
World	6.4	25

Source: (WHO, 2018<sup>[1]</sup>).

A regional study of illicit alcohol in 24 Latin American, African and Eastern European countries provides further insights into the scope of the market (Euromonitor International, 2018<sup>[2]</sup>). The study estimated that 25.8% of the 42.3 million hectolitres of alcohol consumed each year across the countries (in alcohol equivalents) was illicit, providing illicit merchants with USD 19.4 billion in black market revenue. While all alcoholic beverages are subject to illicit trade, the study revealed that the degree of illicit trade varies by product. Beer, for example represented 52.9% of total recorded consumption of alcoholic beverages, (in terms of alcohol equivalents), but only about 10% of total illicit trade, meaning that illicit beer was actually just 2.3% of total alcohol consumption. (Euromonitor International, 2018<sup>[2]</sup>). According to the report, overall, the bulk of the illicit trade problem was in higher value distilled spirits, which accounted for 81% of illicit trade in alcohol. Wine and other products, at ~9%, accounted for the balance.

The study also examined the relative importance of the types of illicit trade in the countries studied, finding that the greatest volume of illicit trade was tied to the non-payment of taxes within jurisdictions, followed by counterfeiting, illicit trade in artisanal products, and smuggling (Table 3.2). Of further note, there is also often an aspirational component to illicit purchases. Since illicit alcoholic beverages have lower prices than their licit counterparts, consumers are able to afford premium products (or what they believe to be legitimate premium products) that would otherwise be unaffordable. The desire to gain access to products consumed by people of higher socioeconomic status is common across countries, and affects a wide range of illicit products, including alcohol. (Euromonitor International, 2018<sup>[2]</sup>).

**Table 3.2. Relative importance of different types of illicit trade**

Percent of total hectoliters of illicit trade

Illicit practice	Share of illicit trade (%)	Description
Tax leakage	30	Alcoholic beverages legally manufactured in the country, but for which required taxes have not been paid.
Counterfeit and unregistered brands	24	This category includes both fraudulent imitations of branded beverages as well as industrially manufactured beverages that are either unbranded or sold under unregistered brands.
Illicit artisanal products	22	Alcoholic beverages produced following artisanal practices, including home production. Artisanal alcoholic beverages are considered illicit if they are produced for commercial purposes and if their production and/or sale violate local law.
Smuggling	17	Smuggling (also known as contraband) covers both ethanol, which can be used as a raw ingredient for spirits production), as well as finished products that have been brought into a country for commercial purposes without paying required import tariffs duties, and fees.
Surrogate	7	Alcohol not meant for human consumption but diverted to the market for alcoholic beverages. Examples include pharmaceutical alcohol, mouthwash, and perfume.

Source: (Euromonitor International, 2018<sub>[2]</sub>)

Further insights into the scope of illicit trade are provided by the WCO, which issues an annual report on illicit trade, with special attention to the situation in alcoholic beverages. In its 2020 report, the WCO notes that, in general, governments are increasingly facing well-networked and organised traffickers whose smuggling activities are harder to detect and disrupt as smugglers continuously develop more sophisticated techniques to thwart law enforcement (WCO, 2020<sub>[3]</sub>). With respect to alcohol, customs authorities reported 5,326 seizures of alcoholic products, totaling 1.9 million liters of beverages in 2019, which was down by 44% and 63%, respectively, from their 2018 levels (WCO, 2020<sub>[3]</sub>).<sup>1</sup> The Middle East, Western Europe and Eastern and Central Europe accounted for much of the reported seizures. On a country level, Saudi Arabia and Ireland together reported 71% of all cases in 2019, with the top 15 reporting countries together accounting for 96% of the total. With respect to detection methods for alcohol and related areas (such as tobacco), customs reported that 56% of cases were the result of routine investigations, 38% reflected risk profiling, 3% resulted from intelligence-led investigations, and 2% were generated from random checks.

The predominant means of conveyance were i) by vehicles, which accounted for 67% of total seizures (65% of the total number of liters seized), and ii) by air (11% and 1%, respectively). Pedestrian seizures, on the other hand, while accounting for only 3% of total seizures, accounted for 14% of the total volume seized. Much of the illicit trade (74%) was regionally based.

### Drivers of illicit trade in alcohol

The magnitude and scope of illicit trade in alcoholic beverages is linked to a number of drivers, including the profitability of illicit operations linked to the price differential between licit and illicit alcohol products, the degree to which legitimate markets can be penetrated with illicit products, the risk of illicit traders being caught by law enforcement, and the severity of the penalties that are, or could be, imposed. As discussed earlier the illicit market includes trade in both genuine, illegally produced and counterfeit products that are smuggled across borders. This section examines the profitability and viability of smuggling operations involving all illicit products, along with the penalties for parties which engage in the smuggling. Further attention is then paid to the market for counterfeit and illegally produced alcohol, which offers illicit traders with additional opportunities to exploit consumers.

## Profitability

The principal factor driving illicit sales in alcoholic beverages is price differential between illicit and licit alcohol that is linked directly to the difference in taxes and tariffs imposed on various alcoholic products across countries. These include differences in i) value-added taxes (VAT) and related sales taxes, which are imposed by many countries on most goods, ii) customs tariffs, and iii) excise taxes, which are imposed on selected products, including alcohol, to generate revenue and/or discourage consumption. Significant differences exist between countries in the rates applied to various alcohol beverages, providing an incentive for illicit cross-border trade (e.g., smuggling). However, there are also significant differences in fiscal policies applied to different beverage types within individual countries.

These differentials -be they at country or category level- create demand for cheaper products. This demand is filled by illicit alcohol and also explains why spirits comprise a significant proportion of global illicit alcohol (Euromonitor, 2018a). Consumers unable to afford legal spirits brands are left with two options — less expensive alternatives, or to turn to the illicit market.

As shown in Table 3.3, the economic incentive to traffic alcohol based on tax differentials is high. In the case of beer, scotch and gin, the differentials in excise taxes in the OECD area are more than 40%, making these products particularly attractive for traffickers, but there are also incentives for trafficking low-priced wines, where the differential exceeds 50%. Differences in VAT and related sales taxes can provide further incentives for trafficking. In the European Union, for example, VAT rates, as of 1 January 2021, ranged from 17% in the case of Luxembourg to 27% in the case of Hungary. Globally, some countries have no VAT or related sales taxes, while taxes in others, such as the United States, are imposed at the sub-federal level (OECD, 2020<sup>[4]</sup>). Further incentives may arise if customs tariffs are significant. As shown in Table 3.4, such tariffs are generally low in the OECD countries listed, but are significantly higher in the case of Brazil, where duties are 20% in most product categories, and India, where tariffs are 150% in most categories.

**Table 3.3. VAT and excise tax rates on selected alcoholic beverages, in selected OECD countries**

(Percent of sale prices for high- and low-priced products)

Country	VAT and related federal sales taxes	Excise taxes				
		Beer	Wine	Cognac	Gin	Scotch
Percent of sale prices for high- and low-priced products						
Australia	10	19-35	(1)	24-26	57-62	56-63
France	20	5-10	0-2	13-16	35-42	27-32
Germany	19	4-7	3-20	11-14	26-31	20-25
Italy	22	10-16	(1)	14-15	27-34	21-22
Japan	10	29-42	1-6	(1)	(1)	(1)
United Kingdom	20	22-39	5-36	25-31	44-52	32-40
United States	0	23-28	1-8	7-8	16-19	11-13
Lowest tax in OECD	0	4-5	0-2	5-5	16-19	11-13
Highest tax in OECD	27	51-59	15-53	38-41	60-67	56-63

Note: (1) Not available.

Source: (Ngo Anh P. et al., 2021<sup>[5]</sup>) and (OECD, 2020<sup>[4]</sup>)

**Table 3.4. WTO MFN applied duty rates on alcoholic beverages<sup>1</sup>**

(ad valorem, except as noted)

Country	Beer (HS 2203)	Wine (HS 2204)	Vermouth -2205	Cider, etc. (HS 2206)	Spirits (HS 2208)
Australia	0%	5%	5%	0% to 5%	5%
Brazil	20%	20%	20%	20%	12%-20%
Canada	0%	0% to CAD .0468/l	0%	3%, or	0%, or
				CAD 0.0211 to 0.2816/l, or	CAD 0.0492 to 0.2456/l of absolute ethanol, or
				CAD 0.1228/l of absolute ethanol	CAD 0.352/l
China	0%	14% to 30%	65%	40%	10%
European Union	0	32% or	EUR 9 to 10.9/hl, or	EUR 5.76 to 19.2/hl, or	0%, or
		EUR 12.1 to 32/hl, or	EUR 0.9/% vol/hl to EUR 0.9/% vol/hl + EUR 6.4/hl	EUR 1.3/% vol/hl (min EUR 7.2/hl)	EUR 0.6/% vol/hl to EUR 0.6/% vol/hl + EUR 3.2/hl, or
		Other			EUR 1/% vol/hl to EUR 1/% vol/hl + EUR 6.4/hl
India	100%	150%	150%	150%	150%
Japan	0%	19.1% to 25.5%, or	19.1%, or	JPY 27 to 70.4/l, or	0% to 18%, or
		JPY 45 to 182/liter, or	JPY 69.3/l	Greater of 29.8% or JPY 23/kg	JPY 70.4 to 126/l, or
		Lesser of 15%, or JPY 125/l, but not less than JPY 67/l, or			Lesser of 17.5% or JPY 77/l
		Greater of 29.8% or JPY 23.8/kg			
United Kingdom	0%	0% to 40%, or	0%	GBP 4.84 to 16/hl, or	0%, or
		GBP 10 to 26/hl		GBP 1/% vol/hl	GBP 0.5/% vol/hl to GBP 0.5/% vol/hl + GBP 2.6/hl, or
					GBP 0.8/% vol/hl to GBP 0.8/% vol/hl + GBP 5.3/hl
United States	0%	USD 0.053 to 22.4/l, or	USD 0.035 to 0.042/l	USD 0.004/l, or	0%, or
		USD 0.044/l + USD 0.314/pf. l		USD 0.031/l + USD 0.221/pf. l on ethyl alcohol content, or	USD 0.0211 to 0.237/pf. l
				USD 0.03-0.139/l	

Notes: 1 Within each 4-digit HS category there are often numerous line items with different tariff levels. Some are expressed on an ad valorem basis, while others are specific rates that are applied on various bases. Where tariffs are expressed on comparable bases, ranges are shown; Abbreviations: l = litre; hl = hectolitre; % vol = alcohol percentage; pf. = proof; kg = kilogramme

Source: WTO, <http://tao.wto.org/report/TariffLines.aspx>.

### **Marketing illicit alcohol**

Trafficking products from low-taxed areas to higher priced ones is highly profitable, as little or no investment is required to engage in the trafficking, which can be carried on a small scale periodically by individuals, or on a large scale by organised criminal networks. One of the main attractions of the illicit trafficking is that the products involved can be genuine, thereby requiring no tampering. The sole risk for the traffickers is

shipments being discovered and intercepted by law enforcement while in transit. The risk is likely to be low, as much of the illicit trade is carried out by road transport; the challenges for enforcement to intercept the shipments are significant as in the European Union alone there were more than 6.2 million commercial trucks in use in 2019 (ACEA, 2021<sup>[6]</sup>).

Infiltrating established supply chains, however, may be challenging, as the sale and serving of alcohol are regulated activities, often requiring parties to obtain licenses to engage in the activities. As discussed earlier, in some cases, states exercise monopoly control over retail sales, further restricting distribution channels. The ability of counterfeiters to penetrate markets is thus limited, only thriving when distributors, retailers and/or establishments serving alcohol are complicit in the marketing of the counterfeit products.

The increased use of the Internet by producers (of wine in particular) and retailers to promote alcohol sales also has implications for illicit traders, as clever marketing and low prices could provide a means for them to expand markets.

### ***Role of organised crime***

The profitability of trade in illicit alcohol has attracted the attention of organised crime, which is a major player in the market. A case study of five EU countries (Greece, Italy, Poland, Romania and Spain) confirmed that Organized Criminal Groups (OCGs) dominate the illicit trade in tobacco, alcohol and pharmaceuticals (Ellis, 2017<sup>[7]</sup>). While some small-scale activity may exist, the study found that the role of OCGs in co-ordinating, conducting and ultimately profiting from large-scale activity in illicit trade was repeatedly highlighted in interviews with authorities in the countries concerned, in official documents and by existing research. The evolution of OCGs to loose, undefined and flexible networks was seen as increasing their effectiveness by promoting co-operation, in producing illicit products, obtaining false documentation, and exploiting EU tax regulations (Box 3.1). As discussed later in the report, enforcement authorities have been actively engaged in disrupting OCGs engaged in illicit alcohol trade in recent years.

#### **Box 3.1. Example of OCG tax fraud in alcohol scheme**

In 2014, joint action by eight member states, supported by Eurojust and Europol, targeted multiple OCGs that had been involved in a sophisticated carousel fraud scheme. The groups were using falsified export documents to create a complex supply chain across EU member states, including duplicated and phantom transactions. Their intention was to conceal the destination of the alcohol being traded, thereby avoiding the payment of VAT. Nineteen members of the OCGs were arrested in Germany, Italy, Romania and the United Kingdom. In total, 31 premises were searched, leading to the seizure of financial assets, weapons, computers, vehicles, mobile phones and documents.

Sources: (Ellis, 2017<sup>[7]</sup>) and [www.europol.europa.eu/newsroom/news/europol-and-eurojust-support-successful-action-against-alcohol-carousel-fraud](http://www.europol.europa.eu/newsroom/news/europol-and-eurojust-support-successful-action-against-alcohol-carousel-fraud).

### ***Legal frameworks***

Smuggling and tax evasion can carry stiff penalties, but they are not a sufficient deterrent as illicit trade in alcohol continues to thrive, and at times involve authorities themselves. More attention is needed to enforce laws and impose sanctions and penalties at levels sufficient to deter illegal activity. The penalties include confiscation of the smuggled merchandise (although not always obligation to destroy), fines and imprisonment. Moreover, imposing administrative, criminal and civil penalties for illicit trade in alcohol could prohibit illicit traders from exploiting markets with the weakest penal regimes.<sup>2</sup>

Effective enforcement requires co-ordination between countries (to prevent counterfeiting or smuggling), between different national government agencies (to align fiscal, health and security priorities) and between different levels of government (federal, state, and municipal to ensure consistency and to mitigate potential corruption). Corruption, complicity, and collusion can hinder collaboration and starve governments of the internal will to enforce policies. Bribery is particularly common, and it can occur in all parts of the supply chain.

Table 3.5 below summarises the magnitude and scope of penalties for smuggling and tax evasion in a number of countries around the world.

**Table 3.5. Criminal sanctions and fines for alcohol smuggling and related tax evasion**

Country	Note
Australia	Fiscal fraud is subject to imprisonment of up to 10 years under the country's Criminal Code. In addition, under the Customs Act, smuggling is subject to a fine of up to 5 times the amount of the duty due, or, if the amount if duty due is unknown, up to AUD 222 000 (1 000 penalty units); the goods in question are, moreover, forfeited.
Brazil	Under the country's Penal Code, smuggling of goods is generally subject to imprisonment ranging from one to four years.
Canada	Under the country's Customs Act, minor cases of smuggling are subject to a fine of not more than CAD 50 000, or to imprisonment for a term not exceeding six months or to both. An indicted smuggler, however, is to a fine of not more than CAD 500 000, or to imprisonment for a term not exceeding five years, or to both. In both cases, the smuggled merchandise is subject to seizure; in the case of wine and spirits, such seizures are permanent.
China	Smuggling goods and articles carrying a tax of over CNY 500 000 are punishable with imprisonment of over 10 years or life imprisonment, with a fine of over 100 percent but less than 500 percent of the evaded taxes, or forfeiture of property. Offences of an extraordinary serious nature, however, are punishable with life imprisonment or death, with forfeiture of property.
	Smuggling goods and articles carrying a tax over CNY 150 000 yuan but less than CNY 500 000 yuan are punishable with imprisonment of over three years but less than 10 years, with a fine of over 100 percent but less than 500 percent of the evaded taxes. Offences of an extraordinarily serious nature are punishable with imprisonment of over 10 years or life imprisonment, with a fine of over 100 percent but less than 500 percent of the evaded taxes, or forfeiture of property.
	Smuggling goods and articles carrying a tax over 50 000 yuan and less than 150 000 yuan are punishable with imprisonment or criminal detention of less than three years, with a fine of over 100 percent and less than 500 percent of the evaded taxes.
United Kingdom	Lesser offences are generally subject to fines, but imprisonment can occur via custodial sentences of up to 6 months. If a smuggler is indicted, however, prison terms could stretch to 5 to 7 years. Moreover, in cases involving the smuggling of prohibited goods or the illegal manufacture of excise goods, maximum imprisonment could stretch to 14 years, depending on the nature of the goods. With respect to fines, the level imposed could be up to 100% of the tax loss, or, where there is a lack of co-operation or disclosure, up to 200% of the tax loss. In the case of VAT fraud, fines of up to 70% of the amount owed could be imposed; moreover, in extreme cases, parties could face sentences of up to life imprisonment.
United States	In the United States, smuggling goods results in the merchandise being seized; parties involved in the smuggling are subject to imprisonment of up to 20 years, and/or a fine. Moreover, evading excise taxes on beer or wine can result in a fine of up to USD 5 000 and/or imprisonment of up to 5 years, or both, for each offence; in addition, all the product and equipment use in the production of the beer and wine made will be forfeited. For spirits, the penalties for tax evasion are up to USD 10 000 and/or up to 5 years in prison. Wilful attempts to evade or defeat any Internal Revenue Code tax, however, are subject to fines of up to USD 100 000 and/or 5 years in prison.

Sources : Brazil: [www.loc.gov/item/global-legal-monitor/2014-07-03/brazil-penal-code-amended/](http://www.loc.gov/item/global-legal-monitor/2014-07-03/brazil-penal-code-amended/); Canada: <https://laws-lois.justice.gc.ca/eng/acts/C-52.6/page-39.html#docCont> and <https://laws-lois.justice.gc.ca/eng/acts/c-52.6/page-33.html#h-141688>; China: [www.fmprc.gov.cn/ce/cgvienna/eng/dbtyw/jdwt/crimelaw/t209043.htm](http://www.fmprc.gov.cn/ce/cgvienna/eng/dbtyw/jdwt/crimelaw/t209043.htm); United Kingdom: [www.dbtandpartners.co.uk/specialisms/tax-services/smuggling/](http://www.dbtandpartners.co.uk/specialisms/tax-services/smuggling/), <https://admiraltax.co.uk/penalties-for-uk-tax-fraud-explained/> and [www.dbtandpartners.co.uk/specialisms/tax-services/vat-repayment-fraud/](http://www.dbtandpartners.co.uk/specialisms/tax-services/vat-repayment-fraud/); United States: [www.law.cornell.edu/uscode/text/26/5671](http://www.law.cornell.edu/uscode/text/26/5671), [www.law.cornell.edu/uscode/text/26/5661](http://www.law.cornell.edu/uscode/text/26/5661), [www.law.cornell.edu/uscode/text/26/5602](http://www.law.cornell.edu/uscode/text/26/5602), and [www.law.cornell.edu/uscode/text/26/7201](http://www.law.cornell.edu/uscode/text/26/7201).

The approach that governments take when governing the production and sale of alcohol can leave the door open for the illicit alcohol market, unintentionally stimulating it. This is particularly the case when the

governance frameworks do not assure effective co-ordination and information sharing between government agencies and the public, private and civil society sectors.

This was particularly striking during the COVID-19 pandemic, when supply chains were disrupted and many traditional outlets, such as bars and restaurants, were closed. At the same time existing trade routes were also changing rapidly posing a challenge to enforcement that also suffered from labor shortages. Illicit traders leveraged this opportunity by broadened the range of their activities, in some instances manufacturing the entire product, using fake bottles, rather than collecting used, genuine ones. This enabled them to greatly accelerate their "time to market", making it possible to have a dramatic impact in a very short time in markets worldwide.<sup>3</sup>

A review of UK experiences reveals smuggling continues to be significant. During 2016-20, the total number of instances of cross-border smuggling of alcoholic beverages in the United Kingdom increased, surging in 2019 and 2020, to levels far exceeding their 2016 and 2017 levels (Table 3.6). Most of the surge occurred in beer, which accounted for 75% of the total volume of smuggled products. Customs seized only a small fraction of the products, with most instances referred to the UK's tax authorities for further action. The spike is in contrast to inland seizures of smuggled products, the volume of which fell by more than one half, with an even sharper decline in 2021, when Covid restrictions were at a high level (Table 3.7). The downward trend occurred in all categories, except that in 2021, seizures of spirits rose to a period high. With respect to criminal sanctions, the number of arrests and convictions during 2016/17 to 2020/21 totaled 45 and 28, respectively (Table 3.8).

**Table 3.6. UK tax revenues protected through detection of unpaid excise duty on spirits, beer and wine at the UK border, 2016-2020**

Product	2016	2017	2018	2019	2020
					(9 months)
Total, seized products and products referred to HM Revenue & Customs for further checks					
Volume (1 000 litres)					
Spirits	1 261	1 577	1 395	2 996	1 999
Beer	28 429	24 657	17 390	44 200	42 118
Wine	7 107	8 763	3 900	12 569	12 370
Total	36 797	34 997	22 685	59 765	56 487
Value (1,000 GBP)					
Spirits	16 231	17 979	15 130	32 417	21 493
Beer	26 364	20 497	13 660	34 341	32 244
Wine	23 240	26 473	11 042	36 692	35 771
Total	65 835	64 949	39 832	103 450	89 508
Seized products					
Liters (1,000):					
Spirits	na	na	81	146	46
Beer	na	na	2 104	3 940	1 232
Wine	na	na	344	1 177	553
Total	na	na	2 529	5 263	1 831
Value (1,000 GBP)					
Spirits	na	na	1 078	1 953	612
Beer	na	na	2 005	3 743	1 170
Wine	na	na	1 190	4 195	1 974
Total	na	na	4 273	9 891	3 756

Note: na: Not available

Source: See [www.gov.uk/government/publications/border-force-transparency-data-q2-2021](https://www.gov.uk/government/publications/border-force-transparency-data-q2-2021)



**Table 3.7. UK inland seizures of beer, spirits and wine, 2016-2021**

Product	Apr 2016-Mar 2017	Apr 2017-Mar 2018	Apr 2018-Mar 2019	Apr 2019-Mar 2020	Apr 2020-Mar 2021
Volume (1,000 litres)					
Beer	1 875	1 473	1 214	845	103
Spirits	170	64	50	41	174
Wine	373	376	356	262	11
Total	2 417	1 912	1 620	1 148	288
Duty (1,000 GBP)					
Beer	1 744	1 414	1 153	803	98
Spirits	2 182	851	672	549	2 327
Wine	1 242	1 299	1 232	936	40
Total	5 157	3 565	3 057	2 288	2 465

Note: Totals based on unrounded data.

Source: See <https://www.gov.uk/government/publications/tackling-alcohol-smuggling-outputs>.

**Table 3.8. Criminal enforcement involving inward smuggling of alcohol in the United Kingdom, 2016-21**

Period (Apr-Mar)	Number of arrests	Number of convictions
2016-17	14	0
2017-18	11	11
2018-19	8	8
2019-20	12	9
2020-21	0	0
Total	45	28

Source: See [www.gov.uk/government/publications/tackling-alcohol-smuggling-outputs](http://www.gov.uk/government/publications/tackling-alcohol-smuggling-outputs)

## Counterfeit alcohol

As discussed above, counterfeiting is used to describe the marketing of alcohol in ways that infringe trademarks. The counterfeit product may contain either legally produced, or illegally produced, alcohol. Some illicit traders produce alcohol illegally without infringing trademarks to meet demand for low-cost products which are sold unbranded, or under brand names that are unregistered. The price gap between the latter products and licit products can be sizeable due to the taxes that are imposed on the licit products, enticing some consumers to knowingly opt for the much cheaper, illegal product, even though it may pose health risks.

The OECD has carried out much work on counterfeiting, including a 2008 study which looked specifically at the situation in food and drink (OECD, 2008<sup>[8]</sup>). The study provides a framework for assessing the attractiveness of a product for counterfeiters. It argues that the decision of a party to engage in the production of counterfeit or pirated goods involves i) an assessment of the nature and profitability of the market for fakes, ii) the complexity and cost of the production and distribution of the fake products, and iii) the risk and consequences of detection. Counterfeiting provides parties engaging in the practice with increased opportunities to profit from illicit trade, even though they are subject to additional penalties if their operations are disrupted by law enforcement.

### ***Characteristics of markets for counterfeits***

With respect to the nature of the market, it is presumed that counterfeiters would focus their efforts on the primary market, in which consumers buy a counterfeit believing it is genuine. The secondary market, where consumers would knowingly purchase a fake product, is presumed to be small. There are exceptions, however, such as markets where poverty is a driver for illicit consumption and people knowingly buy counterfeit alcohol.

The counterfeiters would therefore focus their efforts almost exclusively on deceiving consumers. From a value perspective, this makes sense, because counterfeiters can charge higher prices for goods that consumers believe to be genuine, rather than ones that consumers know are fake. The economics of counterfeiting are viewed as very attractive as i) the market is large and growing, ii) brands are strong and iii) profitability can be quite high as prestigious products are sold at high premiums over lesser products. Even within brands, price disparities can be quite high. A bottle of a highly sought wine, for example, might cost thousands of dollars for a banner year, while other vintages might sell for several hundred.

### ***Production, technology and distribution of counterfeits***

The counterfeiting of alcohol can take various forms.<sup>4</sup> In the case of wine and spirits, parties sometimes produce look-alike products that are intended to deceive buyers while not necessarily infringing trademarks. These products can enter the markets through an array of channels, ranging from local stores, to bars, cafes and street markets, and supply channels are globalized, relying on numerous logistical solutions. Box 3.2 provides some specific examples of enforcement action dealing with counterfeit alcohol.

Another form of counterfeiting involves bottle tampering, where parties collect and refill genuine proprietary bottles with cheaper wine and spirits.<sup>5</sup> While this procedure is longstanding, counterfeiters have increased their attention to it, finding it worthwhile to obtain and refill genuine empty bottles of high-end wines and spirits, rather than to try to replicate original glass bottles. In addition, counterfeiters have started to turn towards manufacturing their own “fake” glass bottles as there is a shortage of empty genuine bottles. In these cases, original genuine labels are usually still attached to the bottles. This approach has also greatly accelerated their “time to market”, making it possible to make a dramatic impact in a very short time potentially in any market in the world. The economics of such tampering are attractive. Refilling a bottle of an expensive vintage Château Lafite Rothschild, even with a comparable product, can be highly profitable. Moreover, it could well be that only a handful of consumers would be able to detect the fraud. Interest in refilling genuine bottles with less expensive beverages has resulted in strong demand for empty bottles of famous wines and premium spirits. In response, some European wine and spirits exporters have been campaigning for restaurants to destroy bottles after the genuine beverage has been consumed so that they cannot be refilled, and to ensure that caps are destroyed as well so that they cannot be illicitly reused.

Counterfeiting can also be carried out using illegally produced alcohol. Such production can be carried out on a small scale, with minimal investment, but there are examples of more sophisticated and grander scale operations that are capable of producing 10 000 bottles of alcohol per hour (Skehan, Sanchez and Hastings, 2016<sup>[9]</sup>). There can thus be significant disparities in the cost and technologies employed to produce the alcohol. Similarly, it could be quite easy to conceal small scale “basement” operations, while there could be challenges with higher volume, large operations. With respect to small scale production, equipment for producing whiskey, scotch, rum, tequila, vodka and the like that then can be sold as counterfeit, can be easily purchased on Internet platforms, starting at prices slightly more than USD 100. The producers of counterfeit alcohol can free-ride weakly controlled distribution channels to buy raw ingredients such as ethanol. On the supply side, the illicit traders can expand their activities by selling directly to consumers through informal outlets, duty-free areas, and e-commerce platforms.

## Legal frameworks to prevent counterfeiting

The ability of law enforcement to detect and intercept counterfeit and illegally produced alcohol is limited, particularly to the extent that products are shipped locally (thereby avoiding customs scrutiny), in small quantities, and are distributed to parties which are complicit in the fraud.

In the case of illegal production, if operations are discovered, the parties involved may be subject to criminal penalties and fines. In the United States, for example, parties involved in the illegal production of spirits are subject, under federal law, to imprisonment of up to 5 years, and/or fines of up to USD 10 000;<sup>6</sup> in Australia the penalties are fines of up to AUD 85 000 or more or 2 years imprisonment,<sup>7</sup> while in Canada fines of CAD 500 to 10 000 are imposed and/or imprisonment of up to 12 months.<sup>8</sup>

### Box 3.2. Examples of counterfeit alcohol in global markets

- **China** (cognac). The ringleader of a Chinese counterfeiting gang was sentenced to 15 years in prison for producing fake Hennessy Cognac by substituting with Louis Royer.<sup>1</sup> The gang comprised a group of counterfeits producers and distributors who began running the scam in 2017. They set up a factory and hired a “blending master” to help create the fake Hennessy Cognac by using Louis Royer Cognac as the base ingredient, topping it with caramel coloring. The total sales amount of the scam reached RMB 3.4 million.
- **Ireland** (wine). Irish customs seized 24,750 litres of counterfeit wine worth EUR 302 000 in March 2021. The wine represented a loss to the Exchequer of around EUR 161 500.<sup>2</sup> In 2020, Irish revenue officials reportedly carried out some 1,808 seizures of alcohol finding 764,174 litres of counterfeit alcohol worth EUR 4.17 million.
- **Italy** (wine). Italian authorities broke up a ring that had been bottling and labelling fake bottles of Super Tuscan wine from different vintages between 2010 and 2015.<sup>3</sup> The police were able to intercept a delivery of 41 cases of what claimed to be Sassicaia 2015. It was estimated that the counterfeiters were selling around 700 cases of the fake wine per month, a total of 4 200 bottles worth around EUR 400 000. According to their investigations, several customers from countries including Korea, China and Russia, had already placed orders for a thousand cases, priced at 70% below the market value. The wine used in the counterfeit products is thought to have originated from Sicily, the bottles from Turkey and the fake labels, caps, crates and tissue paper from Bulgaria.
- **Spain** (rum). Spanish authorities seized over 225 000 bottles of counterfeit rum worth EUR 3.5 million and arrested 24 people believed to be part of an international counterfeiting ring.<sup>4</sup> The rum was sold under three different brands. Investigation revealed that the spirits were made in the Dominican Republic, bottled in Honduras in bottles that came from China and completed with counterfeit labels produced in Peru. The goods were then sent to Spain via tax warehouses in the Netherlands. The investigation resulted in Honduran authorities intercepting two containers loaded with fake rum with an estimated value of EUR 500 000. In total, law enforcement officers investigated 50 Spanish, Portuguese and Dutch companies as part of the operation.
- **Scotland** (vodka). Bottles of vodka laced with a potentially lethal antifreeze ingredient were seized from a shop and pub in Scotland. The seized bottles of counterfeit vodka were believed to contain isopropanol, which is used in anti-freeze.<sup>5</sup>
- **United Kingdom** (wine). Bottles of fake YellowTail Merlot, Cabernet Sauvignon, Shiraz and Pinot Grigio were found in shops across the country. The wines are said to have convincing labels that were deceiving UK retailers. The operation was suspected of being large-scale,

probably originating abroad, using organized crime gangs in the country to distribute and sell the products.<sup>6</sup>

- **Ireland** (beer). More than 25 400 liters of illicit beer has been seized by customs officials at Dublin Port. The Perla branded drinks were worth about €101 300 and represented a potential tax loss of €47 400. The cargo was found during a search of a Romanian registered truck and trailer that had disembarked a ferry from Wales.

Notes: 1 See [www.thedrinksbusiness.com/2021/03/hennessy-cognac-fraudster-sentenced-in-china/](http://www.thedrinksbusiness.com/2021/03/hennessy-cognac-fraudster-sentenced-in-china/).

2 See [www.thedrinksbusiness.com/2021/03/irish-customs-seize-counterfeit-wine-worth-e302000-in-cork/](http://www.thedrinksbusiness.com/2021/03/irish-customs-seize-counterfeit-wine-worth-e302000-in-cork/).

3 See [www.thedrinksbusiness.com/2020/10/italian-police-bust-e2m-fake-sassicaia-ring/](http://www.thedrinksbusiness.com/2020/10/italian-police-bust-e2m-fake-sassicaia-ring/)

4 See [www.thedrinksbusiness.com/2021/01/spanish-authorities-seize-e3-5m-worth-of-fake-rum/](http://www.thedrinksbusiness.com/2021/01/spanish-authorities-seize-e3-5m-worth-of-fake-rum/).

5 See [www.thedrinksbusiness.com/2019/12/antifreeze-laced-vodka-seized-in-fife/](http://www.thedrinksbusiness.com/2019/12/antifreeze-laced-vodka-seized-in-fife/).

6 See [www.thedrinksbusiness.com/2021/02/uk-being-flooded-with-fake-yellowtail-wines/](http://www.thedrinksbusiness.com/2021/02/uk-being-flooded-with-fake-yellowtail-wines/).

With respect to counterfeits, the shipment of dry goods for counterfeits (labels, bottles) can go undetected by customs in most cases. The level of enforcement is also an issue as it varies among jurisdictions, as do the penalties that are applied. If intercepted, counterfeit goods can be confiscated and destroyed, while rights holders can be compensated for damages. As mentioned above, custodial sentences for counterfeit crimes are rare and the ultimate beneficiaries are rarely prosecuted. Moreover, in many countries the prosecution of counterfeiters is a complicated endeavour.

While enforcement may not be effective or sufficiently deterrent in some countries, the penalties on the books for counterfeiting, however, are not insignificant. This is because counterfeiting is deemed a criminal activity in most countries, exposing parties engaged in the activity to the possibility of significant prison terms and fines. In most countries, the length of prison terms is discretionary, bounded by ceilings (Table 3.9). In the case of the United States, for example, criminal groups who are repeat offenders can be imprisoned for up to 20 years, which is the most severe potential sanction among countries. On the other hand, maximum sentences in Australia, Brazil, Canada, Germany and India range from 1 to 5 years. In addition to prison terms, fines can be imposed on the counterfeiters. As with prison terms, the fines are generally subject to ceilings, which range from several thousand dollars in some countries, to USD 15 million in the United States. Importantly, fines can be imposed in lieu of prison terms in most countries. Lesser penalties are imposed by many countries on counterfeiting which involves individuals or minor infractions.

**Table 3.9 Criminal sanctions and fines for trademark infringement in selected countries**

Years of possible imprisonment and fines

Country	Years	Note
Australia	< 5	Up to 5 years or AUD 122 100 (550 penalty units), or both; minor infractions up to 12 months or AUD 13 320 (60 penalty units), or both.
Brazil	< 1	Depending on the circumstances, from 3 months to 1 year, or from 1 to 3 months; in both cases a fine can be imposed instead.
Canada	< 5	Not more than 5 years or a fine of not more than CAD 1 000 000, or both; for minor infractions, not more than six months or a fine of not than CAD 25 000, or both.
China	< 10	3 years or less for serious infringement, or a fine, or both; 3 to 10 years for very serious infringement, with a fine. The fine can amount to up to 5 times the illicit gain realised.
France	< 7	Depending on the circumstances, up to: 3 years and EUR 300 000 or 4 years and EUR 400 000 for natural persons; 7 years and EUR 750 000 if committed by a criminal organisation or online to the public. The fine amounts are multiplied by five when the offender is a legal entity.
Germany	< 5	Between 3 months and 5 years, if infringement is on commercial basis, or a gang is involved; up to 3 years or a monetary fine for simple offences.
India	< 3	Unless the court finds special circumstances, not less than 6 months or more than 3 years, plus a fine of not less than INR 50 000 or more than INR 200 000.
Japan	< 10	For direct infringement, not more than 10 years or a fine not exceeding JPY 10 000 000 yen, or a

Country	Years	Note
		combination thereof. For indirect infringement not more than 5 years or a fine not exceeding JPY 5 000 000 yen, or a combination thereof.
United Kingdom	< 10	Not more than 10 years, or a fine, or both; for minor infractions, not more than 6 months, or a fine, or both.
United States	< 20	For parties other than individuals, not more than 20 years or a fine of not more than USD 15 million, or both, for i) repeat offenders and ii) cases involving serious bodily injury or death, except in the case of death, life imprisonment is possible. Otherwise, for parties other than individuals, not more than 10 years or a fine of not more than USD 5 million. For individuals, not more than 10 years or a fine of not more than USD 2 000 000, or both, for fist offences; for repeat offences and offences involving serious bodily injury or death, not more than 20 years or a fine of not more than USD 5 million, or both, except that in the case of death, life imprisonment is possible. .

Source: (Merchant&Gould, 2021<sup>[10]</sup>), <https://asic.gov.au/about-asic/asic-investigations-and-enforcement/fines-and-penalties/>, and [www.chinainlawupdate.com/2020/12/chinas-national-peoples-congress-passes-amended-criminal-law-adding-an-economic-espionage-article-and-increasing-prison-time-for-intellectual-property-crimes/](http://www.chinainlawupdate.com/2020/12/chinas-national-peoples-congress-passes-amended-criminal-law-adding-an-economic-espionage-article-and-increasing-prison-time-for-intellectual-property-crimes/).

## Impact of COVID-19 on illicit trade in alcohol

The pandemic has had a significant effect on alcohol consumption patterns as restaurants and bars have often closed and lockdowns affected the ability of consumers to shop for products in their usual manner, while supply chains have also been affected by border closures and government measures that have both liberalized some aspects of the market (especially with respect to home delivery), while tightening others (to, for example, discourage excessive consumption). Essentially, the measures that were taken by countries in response to the pandemic tended to limit the availability of alcohol, providing an important opening for illicit traders and criminal organizations alike to step up the scale of their operations and increase prices, thereby undermining the efforts of governments to effectively manage the crisis.

### Consumption

While markets and supply chains were disrupted during the pandemic, consumer drinking habits were largely unchanged. This was confirmed in surveys carried out during the first wave (13-21 May 2020) in nine countries,<sup>9</sup> which indicated that most drinkers did not change their underlying drinking habits (Table 3.10). This was true for all of the countries surveyed, except Mexico and South Africa, where changes in habits were more pronounced. A survey of 14 countries<sup>10</sup> carried out during the second wave (30 October-11 November 2020), mirrored the results of the first in most respects.

**Table 3.10. Survey of drinking habits during the pandemic during the first and second waves (percent of respondents)**

Drinking habits during pandemic	First wave		Second wave	
	Average, 9 countries	Country range	Average, 14 countries	Country range
Drinking more	8	3-15	8	4-13
Drinking same	39	14-46	42	29-56
Drinking less	15	9-24	18	12-30
Stopped drinking	6	1-32	4	2-9
Started drinking	1	0-2	1	0-3
Non-drinker	29	21-40	25	15-38
Other	2	-	2	-
Total	100	-	100	-

Notes: First wave survey: 13-21 May 2020 ; Second wave survey: 30 October-11 November 2020.

Source: see IARD, [www.iard.org/science-resources/detail/Consumption-of-Alcohol-during-COVID-19-pandemic](http://www.iard.org/science-resources/detail/Consumption-of-Alcohol-during-COVID-19-pandemic).

## Restrictions

Markets were disrupted as a result of restrictions introduced on alcohol sales in many countries (OECD, 2021<sup>[11]</sup>). Some countries enacted measures to limit production and/or consumption of alcohol. In most cases, however, restrictions limited the sale of alcohol and put constraints on venues where alcohol could be consumed. In a few instances, governments implemented nationwide or regional alcohol bans during lockdown periods. India, Panama and South Africa, for example, implemented extended total nationwide bans, while a number of countries, such as Sri Lanka, Zimbabwe and French Polynesia introduced bans that were quickly reversed (Box 3.3) (TRACIT, 2021<sup>[12]</sup>). In Mexico all breweries were closed for over a month, except for exports. Dry laws that put restrictions on hours of sale or prohibitions on the sale and consumption of alcohol were implemented in some local jurisdictions.

### Box 3.3. Covid-related alcohol bans in India, Panama and South Africa in 2020

#### India

The National Disaster Management Authority of India (NDMA) issued an order on 24 March 2020 directing the National Government, States and Union Territories to take “effective measures so as to prevent the spread of COVID19 in the country.” Later the same day, elucidating the NDMA Order, the Ministry of Home Affairs (MHA) issued mandatory Guidelines for States containing a list of permitted essential goods and services that effectively banned the sale of alcohol as a non-essential commodity. The ban was in place until May 4 when the MHA issued new guidelines permitting certain types of liquor shops to open and allowing individual States to decide for themselves whether to resume alcohol sales. In addition, in some states excise taxes on alcohol were increased.

#### Panama

On 24 March 2020, Panama issued Executive Decree 507 which enacted a nation-wide ban on the distribution, sale and consumption of alcoholic beverages throughout the national territory. The dry law was partially relaxed on 8 May, through Executive Decree 612, which limited the sale of alcoholic beverages to either one bottle of wine or spirit or one six of pack of beer per person. The restrictions lasted until 18 June, when the State of National Emergency was lifted.

#### South Africa

South Africa’s nation-wide ban on all domestic and export sales of alcohol products and production and transportation of alcohol products went into effect when the country went into a coronavirus lockdown on 26 March 2020 and lasted until 17 August, with a six-week relaxation from 1 June to 12 July. Effective on 8 August, the sale of alcohol was permitted again in “licensed premises for off-consumption, from 09h00 to 17h00, from Mondays to Thursdays, excluding Fridays, Saturdays, Sundays and public holidays”.

Source: (TRACIT, 2021<sup>[12]</sup>)

The restrictions had significant consequences for economies, including i) increased traffic in illicit alcohol, ii) increased exposure to health risks from the consumption of substandard illicit products, including hospitalization and deaths, iii) decreased tax revenues from the sale of alcohol and iv) damage to the alcohol industry due to lower sales.

### ***Impact on illicit trade***

With respect to traffic in illicit alcohol, the restrictions were followed by an uptick in the production and distribution of illicit alcohol in many countries (TRACIT, 2021<sup>[12]</sup>).

As discussed above, with the closure of many bars and restaurants, counterfeiters of spirits were not able to source genuine empty bottles in the markets, so the new “modus operandi” became the manufacture of fake glass bottles. This greatly accelerated the ability of counterfeiters to make a dramatic impact in a very short time potentially in any market in the world. So, we’ve witnessed the emergence of the production of counterfeit at scale in markets, where it wasn’t an issue previously.

In the area of smuggling the situation worsened as well. Multiple sales bans, restrictions on the availability of alcohol and tax increases on legitimate operators resulted in consumers looking for alternatives on the black market, with unfortunate consequences for the health of the consumers, legitimate alcohol producers and government tax revenue collection. The hospitality sector globally suffered to the point where their survival was threatened; this state of economic despair served as a catalyst for some of them to acquire illicit alcohol to try to facilitate their financial recovery.

In India, seizures of illicit alcohol increased significantly; many people were arrested for producing illicit products, while some genuine, licit products were resold by scalpers at high prices. In South Africa, counterfeit vodka operations were uncovered, and the smuggling of products from neighboring countries increased. Moreover, there were instances in which counterfeiters targeted manufacturers, stealing bottle caps which would later be used in the refilling of used, branded bottles with illegal alcohol; the bottles would be resealed and sold to consumers as original product (OECD, 2021<sup>[11]</sup>). In Mexico, as a result of the restrictions on formal distribution channels, illegal vendors stepped in to supply the unmet demand through illegal stores and unregulated marketplaces, introducing toxic contraband and counterfeit products onto the market. Just in May 2020, 70 persons died due to illicit alcohol consumption in the state of Puebla.<sup>11</sup>

In Panama, officials at the country’s free trade zone reported that counterfeit and artisanal production of alcoholic beverages had skyrocketed in response to reduced availability in traditional supply chains (TRACIT, 2021<sup>[12]</sup>). In Sri Lanka, the Department of Excise reported that the ban on alcohol led to a 500% escalation in the production of illicit alcohol; moreover, police reported over 18 000 instances of illicit alcoholic drinks being produced following the introduction of a Covid-related ban.

### ***Impact on health***

Alcohol poisoning and death related to the introduction of alcohol restrictions were reported in a number of countries, including Botswana, Colombia, Costa Rica, Honduras, India, Mexico and South Africa (TRACIT, 2021<sup>[12]</sup>). More than 300 people have lost their lives due to illicit alcohol consumption in the Dominican Republic in 2020. There is also recent news that more than 100 people have died from drinking illegal alcohol in India and more than 200 in Mexico. These all-too-common incidents show both the serious consequences of illegal alcohol production. These people die because of the actions of unscrupulous bootleggers, who produce and sell poisonous alcoholic beverages that contain methanol – which can kill even in very small quantities – can cause blindness, or organ damage. The public health costs and personal tragedies from illicit alcohol are staggering. Other health impacts included the effects of alcohol withdrawal on some persons who were unable to purchase products (reported in India and Mexico), and the risky behavior of persons who engaged in panic buying in crowded environments (reported in Thailand). Moreover, persons in the Dominican Republic, Iran, Peru and Turkey reportedly died after drinking dangerous alcoholic products in the mistaken belief that they would be effective in countering the Covid virus.

### **Impact on government revenue**

Excise and related taxes are an important source of revenue in many countries, so the reduction in collections due to restrictions had a significant impact on budgets. Millions in losses were reported in Colombia, India, Kenya, Mexico, Panama, South Africa, Sri Lanka and the United States (in the state of Pennsylvania) (TRACIT, 2021<sup>[12]</sup>). In South Africa, the first and second alcohol bans resulted in an estimated loss of direct tax (excluding excise) of ZAR 7.8 billion and a further direct excise loss of ZAR 5.8 billion (OECD, 2021<sup>[11]</sup>).

### **Impact on business**

Restrictions had far-reaching effects on employment, sales, profits and investment at companies in the industry. Specific examples were reported in a number of countries, including Australia, Colombia, India, Kenya, Mexico, South Africa and Trinidad and Tobago (TRACIT, 2021<sup>[12]</sup>). In South Africa, an estimated 165 000 jobs were lost in the sector as a result of the first and second alcohol bans, and two major producers announced cancellation of planned investment in new plants (OECD, 2021<sup>[11]</sup>) and (TRACIT, 2021<sup>[12]</sup>).

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## Notes

<sup>1</sup> Little should be read into the decline, given the high variability of seizure data from years to year, and the changes in the number of countries reporting such data from year to year.

<sup>2</sup> See OECD (2018), *Governance Frameworks to Counter Illicit Trade*, Illicit Trade, OECD Publishing, Paris, <https://doi.org/10.1787/9789264291652-en>

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<sup>4</sup> See [www.researchandmarkets.com/reports/3507849/wines-and-spirits-anti-counterfeit-and-brand](https://www.researchandmarkets.com/reports/3507849/wines-and-spirits-anti-counterfeit-and-brand)  
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<sup>5</sup> See [www.researchandmarkets.com/reports/3507849/wines-and-spirits-anti-counterfeit-and-brand](https://www.researchandmarkets.com/reports/3507849/wines-and-spirits-anti-counterfeit-and-brand)  
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<sup>6</sup> See [www.ttb.gov/distilled-spirits/penalties-for-illegal-distilling](https://www.ttb.gov/distilled-spirits/penalties-for-illegal-distilling)

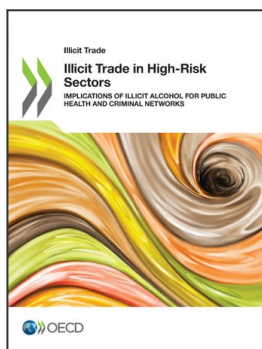
<sup>7</sup> See <https://ramsdendlaw.com.au/news/distilling-alcohol-spirits-liquor-in-australia>.

<sup>8</sup> See <https://laws-lois.justice.gc.ca/eng/acts/E-14/page-11.html#h-184253>.

<sup>9</sup> Australia, France, Germany, Japan, Mexico, New Zealand, South Africa, United Kingdom and the United States.

<sup>10</sup> Australia, Czech Republic, France, Germany, Italy, Japan, Mexico, Netherlands, New Zealand, South Africa, Spain, Sweden, United Kingdom and the United States.

<sup>11</sup> See: <https://www.lajornadadeoriente.com.mx/puebla/ingesta-de-alcohol-adulterado-en-el-seco/>.



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