



MINISTRY OF FINANCE AND ECONOMIC MANAGEMENT

MEDIA RELEASE

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Customs cracks down on tobacco smuggling

Customs is warning travellers against carrying undeclared tobacco on behalf of others, after a series of search warrants were executed in Auckland today, and a mother and her adult son arrested.

New Zealand Customs Service commenced an investigation earlier this year, with the Cook Islands Customs Service (CICS) and the Cook Islands Financial Intelligence Unit (CIFIU), to target and dismantle a criminal syndicate involved in smuggling large quantities of tobacco and cigarettes from the Cook Islands to New Zealand, and suspected money laundering associated with the smuggling.

Investigations identified a family-based criminal enterprise was operating out of Auckland, and manipulating travellers to illegally bring tobacco into New Zealand. These travellers subsequently faced a range of penalties, including the tobacco being seized and instant fines.

Customs believes the offending has spanned at least 18 months, and involved 79.6 kgs of intercepted tobacco and \$113,422 in evaded duties & GST.

A 34-year-old New Zealand male, believed to be the syndicate's organiser, was arrested at Auckland Airport on Tuesday (12 November) when returning from Rarotonga.

Customs investigators, with the assistance of NZ Police, executed search warrants at residences this morning, leading to the arrest of a 52-year-old New Zealand female. Several stolen vehicles were recovered during the search, and small amounts of cannabis, MDMA, and cocaine were seized.

Customs Investigations Manager Bruce Berry says the investigation and arrests should serve as a warning to both criminal syndicates and travellers that Customs actively targets tobacco smugglers.

"Criminals or opportunists may assume Customs isn't concerned about travellers who try to smuggle undeclared tobacco, but that's not true – we have a team that specifically targets the organisers of cross-border revenue fraud. We urge travellers not to bring in undeclared tobacco for others."

"It's important to acknowledge the incredible work of the Cook Islands Customs Service and the Cook Islands Financial Intelligence Unit, who have been closely involved from the beginning, as well as the assistance of NZ Police that also contributed to the success of this operation," says Mr Berry.

The CICS and CIFIU shared key intelligence that assisted with enquiries into the criminal syndicate. The two individuals arrested are believed to be linked to organised crime in Auckland.

Head of Cook Islands Financial Intelligence Unit (CIFIU) Phil Hunkin says this operation is an excellent example of agencies working together.

“New Zealand and Cook Islands law enforcement regularly meet and exchange information to combat national and transnational crimes. We will also continue to target the criminal finances to ensure that crime does not pay,” says Mr Hunkin.

Comptroller of the Cook Islands Customs Service (CICS) Xavier Mitchell confirmed that the CICS will continue to work closely with the New Zealand Customs Service, Cook Islands Financial Intelligence Unit and other agencies to combat both national and transnational crime.

“This is a great result which highlights the benefits of working collaboratively and sharing intelligence”.

If you have suspicions about someone who is smuggling cigarettes, call +682 29365 and speak with the CICS Chief Customs Officer, or send an email to customs.info@cookislands.gov.ck.

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Images: Tobacco intercepted at Auckland Airport that were linked to the criminal syndicate