

HM CUSTOMS AND EXCISE

Stopping illegal imports of animal products into Great Britain

The National Audit Office scrutinises public spending on behalf of Parliament. The Comptroller and Auditor General, Sir John Bourn, is an Officer of the House of Commons. He is the head of the National Audit Office, which employs some 800 staff. He, and the National Audit Office, are totally independent of Government. He certifies the accounts of all Government departments and a wide range of other public sector bodies; and he has statutory authority to report to Parliament on the economy, efficiency and effectiveness with which departments and other bodies have used their resources. Our work saves the taxpayer millions of pounds every year. At least £8 for every £1 spent running the Office.



HM CUSTOMS AND EXCISE
Stopping illegal imports of animal
products into Great Britain

LONDON: The Stationery Office
£9.25

Ordered by the
House of Commons
to be printed on 21 March 2005

This report has been prepared under Section 6 of the National Audit Act 1983 for presentation to the House of Commons in accordance with Section 9 of the Act.

John Bourn
Comptroller and Auditor General
National Audit Office
16 March 2005

The National Audit Office study team consisted of:

Peter Lilly, Sanjay Sheth, Helen Hawkins, Matthew Harris, Robleh Tinning, Anke Schlembach and Monika Niehoff under the direction of Jane Wheeler

This report can be found on the National Audit Office web site at www.nao.org.uk

For further information about the National Audit Office please contact:

National Audit Office
Press Office
157-197 Buckingham Palace Road
Victoria
London
SW1W 9SP

Tel: 020 7798 7400

Email: enquiries@nao.gsi.gov.uk

© National Audit Office 2005

CONTENTS

EXECUTIVE SUMMARY	1
PART 1	
Organisation of anti-smuggling effort	8
The transfer of responsibilities to HM Customs and Excise	9
What this report examines	11
Customs' responsibilities	12
Other organisations' roles	14
PART 2	
The risks posed by illegal imports of animal products	16
How Customs is tackling the risks	17
Measuring performance	19



PART 3

Anti-smuggling controls on international passengers 22

Detecting illegal imports at airports 23

Sanctions against passengers importing illegal animal products 25

Publicising the prohibitions and restrictions on imports 26

Encouraging voluntary surrender 28

PART 4

Anti-smuggling controls over freight and mail 30

Detecting illegal imports in freight 31

Detecting illegal imports in mail 32

Sanctions imposed 33

APPENDICES

1. Study methodology 34

2. The Veterinary Laboratories Agency's risk assessment model 36

GLOSSARY

39

EXECUTIVE SUMMARY



1 In April 2003, HM Customs and Excise (Customs) became responsible for tackling illegal imports of animal products such as meat and dairy products into Great Britain from countries outside the European Union. The purpose was to tighten controls at the border following the 2001 Foot and Mouth disease outbreak. While it is not possible to be certain of the source of the outbreak, it is most likely to have been the inclusion of illegally imported contaminated meat in pigswill, and the failure of a farmer to heat-treat the swill to inactivate the virus. The cost of that outbreak has been estimated at some £8 billion. A Cabinet Office study in 2002 recommended amongst other things that Customs take over responsibility for anti-smuggling activities on animal products and plants and their products from port health authorities and local authorities because of its expertise in tackling smuggling. The Government subsequently published an action plan to take the recommendations forward.

2 The Veterinary Laboratories Agency estimates that between 4,400 and 29,000 tonnes (with an estimated average of nearly 12,000 tonnes)¹ of meat products² enter the country illegally each year from countries outside of the EU. Only a very small amount is likely to be infected. An item is illegal if it does not comply with import requirements whether or not that failure is deliberate. Illegal imports enter Great Britain through several routes:

- By passengers. Over 27 million passengers from outside of the EU arrive in Great Britain mainly through 28 airports each year. Following the Foot and Mouth disease outbreak the EU introduced tighter rules in 2003 banning the personal import of meat and dairy products and restricting the quantities of other products.
- Via mail or courier. The same rules on the import of these products apply to mail as to passengers. Over 24 million mail items are sent to Great Britain each year from people in countries outside of the EU.
- In commercial consignments. Around 140 million tonnes of freight arrive at 42 seaports and 24 airports each year. Commercial consignments of animal products from countries outside of the EU must be presented at a Border Inspection Post where port health authorities check to make sure that products are safe in terms of public and animal health. Imports of animal products which have not been presented to a Border Inspection Post are illegal.

3 Under the Single Market goods can travel freely from one EU Member State to another without checks. These goods include animal products that originate in another Member State or goods from a third country that have entered into free circulation at the border in another EU Member State. Because of this, the threat posed to Great Britain from illegally imported animal products partly depends on the effectiveness of border controls in other Member States.

4 The Department for Environment Food and Rural Affairs (Defra) has overall policy responsibility for animal health and illegal imports of animal products. Customs operates border controls on illegal imports from countries outside of the EU according to a Service Level Agreement with Defra and the devolved administrations in Scotland and Wales. For Northern Ireland, Customs and Defra are discussing with the Department of Agriculture and Rural Development the transfer of responsibility to Customs for tackling illegal imports of animal products. Under the Service Level Agreement, Customs is required to deter and detect illegal imports by targeting resources on routes of entry where contaminated animal products are likely to be imported. To meet its responsibilities, Customs has been provided with £4 million in 2003-04 and £7 million a year thereafter. Defra provides Customs with a range of support such as alerts on changing disease risks and advice on priorities in reducing these risks. Customs' responsibilities for tackling illegal imports of animal products are in addition to its longstanding role of ensuring that certain animal products do not leave the port without a valid health certificate from port health officials.

5 In March 2003 the Committee of Public Accounts reported on the 2001 outbreak of Foot and Mouth disease recommending a range of actions to reduce the chance of another major outbreak of disease in our livestock. Our report "Foot and Mouth: Applying the Lessons" of February 2005 examines Defra's progress in responding to the Committee's recommendations. Customs' efforts to tackle illegal imports of animal products from outside of the EU are one element of the Government's strategy for preventing a new outbreak. Defra is responsible for the other elements which include reducing the chance of susceptible animals coming into contact with infectious material; slowing the initial spread of disease and improving the identification and reporting of suspect animals.

¹ "Risk Assessment for the Import of Contaminated Meat and Meat Products into Great Britain and the Subsequent Exposure of GB Livestock", the Veterinary Laboratories Agency, 2004. The Agency estimated that there is a 90 per cent certainty that between 4,400 and 29,000 tonnes (with an average of 11,875 tonnes) of illegal meat and meat products enters the country every year. Appendix 2 sets out further information on the risk assessment.

² Meat products include raw meat (such as red meat, game and wild animals) that is fresh or frozen and cooked or dried meat (such as biltong, ham, pate and sausage) but does not include other animal products such as eggs, honey, fish, shellfish, and milk products.

6 In its report, the Committee of Public Accounts concluded that preventing illegal imports was a key measure in preventing the spread of disease. The Committee recommended that Defra should ensure that measures adopted in the UK are at least equal to those elsewhere in the developed world, including Australia, New Zealand and the United States. In response Defra had investigated deterrent measures used elsewhere, and how successful they were but noted that trade and passenger traffic is far greater in the UK than Australia and New Zealand. It considered that the UK's controls compared favourably with those in place elsewhere in Europe. This report focuses on what is being achieved by Customs in tackling illegal imports of animal products from outside of the EU at the border within the funds provided following the transfer of responsibilities to Customs in 2003. It examines:

- the organisation of anti-smuggling activity (Part 1);
- the risks posed by illegal imports of animal products (Part 2);
- anti-smuggling controls on international passengers (Part 3); and
- anti-smuggling controls over freight and mail (Part 4).

The report does not examine Customs' responsibilities for tackling illegal imports of plants and their products. We published a report on "Protecting England and Wales from Plant Pests and Diseases" (HC 1186, 2002-03) in October 2003.

7 We visited several major airports and a seaport in Great Britain to examine the controls operated by Customs at the border. We also visited three EU Member States, the USA, Canada, Australia and New Zealand to observe their practices in tackling illegal imports of animal products. In addition we obtained the views of a number of public and private sector organisations on the arrangements in Great Britain for tackling illegal imports. Further details of our methodology are at Appendix 1.

Our main findings

The risks posed by illegal imports of animal products

8 Research by the Veterinary Laboratories Agency in 2004 shows that there is a low but constant risk of infection to livestock from illegal imports of animal products. In common with other countries, Defra recognises that totally eliminating the risk of infection is unrealistic. However the economic consequences of only a small amount of infected material getting into the animal food chain could be severe if this was to result in another major disease outbreak. This means it is important that Customs targets its resources against those illegal imports which have the highest probability of carrying disease.

9 Since Customs took over responsibility in April 2003 for tackling the illegal import of animal products into Great Britain, the annual number of seizures has doubled to 15,800 and the weight of items has increased by 70 per cent. In line with the Service Level Agreement with Defra, Customs targets its checks at those illegal imports which could pose the highest risk of animal disease.

10 Risk assessments produced by the Veterinary Laboratories Agency have identified air passengers' baggage at airports as the most likely route by which products infected with animal disease are brought into the country. Customs has focused its checks in this area and most seizures are from baggage. The Veterinary Laboratories Agency acknowledges the limitations of its assessments caused by the lack of hard data and the number of assumptions used. There is in particular a high degree of uncertainty over the risks posed by illegal imports in air and sea freight. Customs normally detects illegal consignments in freight in the course of its other anti-smuggling work such as for illegal drugs, tobacco and alcohol. When an illegal consignment of animal products is detected Customs uses its import declaration system to select automatically further consignments from that supplier for checking. Local authorities at seaports and airports also detect illegal consignments in freight in the course of their enforcement work on imports.

11 Customs has also been broadening its understanding of the risks posed by illegal imports by carrying out intelligence assessments on the smuggling of different types of animal products. It has completed an assessment on the smuggling of bushmeat and is also preparing assessments on the smuggling of farmed meat and other animal products. Customs' assessment on the smuggling of bushmeat suggests that organised groups could be involved. Defra has advised that there is very little evidence to show that bushmeat poses a risk to animal health. The Food Standards Agency is currently undertaking work to assess the microbiological risks posed by bushmeat to public health.

12 Local authorities who are responsible for inspecting commercial food businesses to ensure compliance with food safety regulations are well placed to provide information to Customs on the market for illegal animal products. Local authority staff detect illegal products being sold on commercial premises but they are not always able to determine whether a product has been illegally imported into the country or is a product which has been supplied illegally within the UK or EU. Customs and the Food Standards Agency have set up arrangements to improve the exchange of information between local authorities and Customs as an aid to targeting enforcement work. The approach used in the USA shows that detailed mapping of the supply of illegal imports both from market outlets and from the port of entry can be an effective way of dealing with the problem. There would be value in Customs exploring whether the approach used in the USA would be effective in Great Britain.

Preventing the import of illegal animal products

13 One way of reducing the amount of illegal imports is to ensure the public understand the rules on prohibited and restricted items. Defra takes the lead on raising awareness amongst the general public while Customs takes the lead on raising awareness amongst passengers. Research carried out for Customs and Defra during 2004 showed that few people knew that the rules on importing products had changed, which items were prohibited and what should be declared in the Red Channel. Customs spent £390,000 in 2003-04 on publicising the rules through, for example, in-flight announcements, the display of "If in Doubt Leave It Out" posters at all airports, liaison with the tourism industry and in promoting awareness overseas which builds on earlier work by Defra. Surveys of passengers conducted for Customs in September 2004 show that nearly one quarter of those questioned said they had seen the posters which was double the percentage in an April 2003 survey. Other countries such as Australia also have public awareness campaigns including visits to schools to explain the importance of the rules and have enlisted the support of the tourism industry to spread the message.

14 Voluntary surrenders by passengers to Customs in the Red Channel account for 9 per cent of the total items seized in Great Britain. Some other countries outside of the EU have higher levels of voluntary surrenders. New Zealand and Australia encourage voluntary surrender by requiring passengers to complete declaration cards on whether they are carrying any prohibited or restricted items and through the use of amnesty bins.

15 The Government has considered whether international passengers travelling into Great Britain should complete a declaration card or whether to use the current Immigration Service landing card to publicise prohibited goods. It has decided not to do so because under EU legislation passengers arriving in Great Britain could not be required to complete a written customs declaration and it considers that the current landing cards would be of limited use because they are only completed by non-EU passport holders.

16 Customs and Defra have also looked at whether unmanned amnesty bins should be used in Great Britain but have decided against introducing them. They do not consider the bins to be a high priority for using the funds available because only a small percentage of the total items carried by passengers are likely to be deposited in them. The bins could also compromise security and create health, safety and environmental risks. Customs is continuing with the current arrangements where passengers carrying prohibited items are required to declare them to its staff in the Red Channel.

Detecting illegal imports of animal products

17 Customs' 3,500 detection staff are responsible for tackling smuggling including illegal imports of animal products. Most of these staff concentrate on the smuggling of illegal drugs and tobacco but may come across illegal animal products during the course of their work. In 2003-04 51 of these staff and 6 dog teams were deployed specifically on detecting illegal animal products at a cost of over £3million, representing over three quarters of the total budget allocated. Customs is the first in Europe to use dog teams specifically trained for this purpose and will increase the number to 10 dog teams. Customs' staff check for repeat offenders once they have stopped a passenger or selected mail to open and found large quantities of illegal animal products. In the US, which has a different legal and logistical framework, the immigration database automatically identifies previous offenders entering the country so they can be checked for illegal products. Customs is currently participating in a cross Government Border Management Programme which is exploring options for inter-agency cooperation whilst minimising the impact on trade. Early signs are that a measure along the lines of the US example would not be feasible.

18 Customs' controls to detect illegal imports of animal products compare well with other European Member States. Australia, New Zealand and the USA achieve higher levels of seizures at airports. For example Australia detects 22 illegal items for every 2,000 passengers entering the country compared with one item per 2,000 passengers in Great Britain. However these countries operate a different range of prohibitions and restrictions and spend significantly more on their border controls with Australia spending over A\$71 million (£31.5 million) a year on controls at its airports. Agricultural products also form a more significant part of their economy and export trade than in Great Britain. These countries make greater use of detector dogs and x-ray machines, and border staff physically search a much higher proportion of passenger baggage and mail.

19 However Customs is installing new baggage x-ray scanners at the majority of airports in the UK to combat the smuggling of illicit goods. These will scan selected passengers' baggage prior to collection at the carousel and will help Customs to detect prohibited and restricted items including illegal imports of animal products. Customs has also tested image transfer technology which is computer software that enables x-ray images taken of passengers' baggage at departure airports to be transferred electronically to the authorities at the destination. After evaluation, Customs has decided not to introduce such screening as its requirements are met by installing new x-ray scanners at selected airports in the UK.

20 An initiative on Simplifying Passenger Travel by the International Air Transport Association (IATA) is looking at how repetitive checks of passengers and their documents can be streamlined by collecting information once at the point of departure and sharing it electronically with other service providers and government authorities including those at the intended destination. This initiative in time might provide new intelligence to help Customs better target passengers travelling to Great Britain who may be carrying illegal imports of animal products.

Sanctions against people importing animal products illegally

21 Customs destroys seized items and issues warning letters to passengers and the addressees of seized mail. It will consider prosecuting the most serious cases of smuggling after taking into account a number of criteria such as repeat offenders or those illegally importing items for the food trade. In the period April 2003 to the end of February 2005, Customs has prosecuted successfully five passengers and one recipient of mail. The fines imposed by the courts were substantially below the maximum of £5,000. Some other countries prosecute a substantial number of individuals each year, for example, there are around 50 prosecutions a year in Australia for smuggling animal products.

22 Some other countries outside of the EU successfully use administrative on-the-spot fines to act as a major deterrent and increase awareness of the rules on importing illegal products. Customs is examining the feasibility of introducing on-the-spot fines. In 2003-04 it spent £220,000 on disposing of illegal animal products but in common with other EU Member States it does not recover these costs from offenders.

Measuring performance

23 Customs and Defra have used the level of seizures to assess the success of their work but they recognise that the results can be open to interpretation. For example an increasing trend in seizures could indicate that Customs is detecting a higher proportion of illegal imports or it could indicate an increase in the underlying levels of illegal imports making detection easier. Customs' monitoring of the results of passenger surveys to gauge awareness of the prohibitions and restrictions and the level of items voluntarily surrendered by passengers will help it assess whether an increase in awareness is changing behaviour.

24 In its enforcement strategies for other types of smuggling such as for tobacco Customs has produced estimates of the total size of the illegal market and set targets to reduce the level. Estimates produced by the Veterinary Laboratories Agency on the amount of illegally imported meat and meat products are subject to too much uncertainty to be used in this way but approaches in some other countries show how more robust estimates could be produced. The USA, Australia and New Zealand estimate the total volume of illegal imports and the proportion detected by carrying out random sampling checks on cleared passengers' baggage, freight and mail. New Zealand is refining its system to measure its effectiveness in terms of the reduction in risk achieved by stopping illegal products, rather than solely the volume detected. In any consideration of the benefits of introducing a similar approach in Great Britain Customs would need to take into account logistical issues. For example, sampling of passengers after clearance could require costly alterations to airport layouts and an extension to the regulatory burden on the trade brought about by random sampling in freight would need to be costed. Customs would wish to establish that the outcome, in terms of an enhanced understanding of risk and performance management would contribute significantly to the way that the restrictions to imports are enforced.



OVERALL CONCLUSIONS & RECOMMENDATIONS

25 On taking over responsibility in April 2003, Customs has moved quickly to introduce a range of measures to tackle illegal imports of animal products. One of Customs' first measures was to put in place arrangements to detect illegal imports of animal products and as a consequence has seized substantially more illegal imports. Working closely with Defra, Customs has been raising awareness amongst international travellers of the rules on importing animal products and on increasing its understanding of the risks from illegal imports so that it can target resources more effectively. Defra's research to date indicates that there is a constant but low risk of livestock becoming infected with disease from illegal imports. Its "Animal Health and Welfare Strategy" is aimed at managing the impact of animal diseases and includes a range of controls both inland and at the border.

26 Customs' controls over illegal imports of animal products compare well with other European Member States. For example Customs is the first in Europe to use dog teams specifically trained to detect suspected illegal imports of animal products. Other countries we visited outside the EU spend significantly more on this activity because agricultural products account for a larger share of the economy and export trade than in Great Britain. Within a different legal framework from Great Britain, they operate more extensive controls to prevent, detect and deter illegal imports by encouraging passengers to voluntarily surrender prohibited goods, conduct more checks on passengers, mail and freight, and impose a wider range of sanctions on offenders. Given the scale of resources involved in detecting illegal imports in these countries, and the level of resources available in Great Britain, Customs is most likely to achieve further reductions in the risk posed by illegal imports by continuing to refine its targeting of detection effort, and expanding those measures which are designed to prevent and deter people from importing illegally these products.

27 The following recommendations are designed to help Customs tighten further its controls within the resources allocated for tackling illegal imports of animal products. Customs is already working with Defra to take forward many of these recommendations.



28 To heighten public awareness about the prohibitions and restrictions, and to encourage greater voluntary surrender of illegal items, Customs should build with Defra on its existing campaigns by:

- Encouraging more airlines to comply with the EU requirement to publicise the regulations. Defra and Customs will need to work further with the Department for Transport to deal with cases where airlines do not comply;
- Over the longer term developing a partnership with the public to tackle the problem such as through visits to schools and by continuing to work with the tourism industry; and,
- Reassuring passengers in its publicity material that they will not be fined or prosecuted if they voluntarily surrender illegal animal products in the Red Channel.

29 To increase the detection and seizure of illegal imports of animal products Customs should:

- Continue to work with local authorities to gain better intelligence on the markets for illegal animal products and the supply chains involved with a view to improving the targeting of checks particularly on freight;
- Refine its intelligence assessments to respond to the latest trends on infection risk in illegal imports;
- Keep progress on the IATA initiative and new technologies under review to assess whether they could in time provide new ways of identifying whether passengers travelling to Great Britain may be carrying illegal imports of animal products.

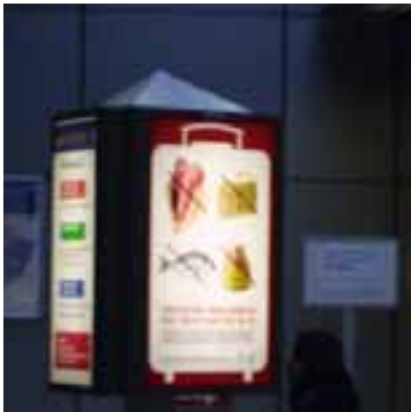
30 To improve the effectiveness of sanctions to deter illegal imports, Customs should build on early progress by prosecuting more cases and continue to publicise successful prosecutions.

31 The Department should also explore the costs, benefits and wider implications of introducing the measures listed below which are used by other countries outside of the EU. Some of these could require changes in legislation to introduce and depend on funding being made available.

- Increasing the number of signs at key locations such as airports to get the message across to passengers about illegal imports. This could be an expensive option because of the cost of advertising space;
- Introducing on-the-spot fines including incentives for passengers to pay the fine quickly with an increasing scale for persistent offenders;
- Charging passengers the costs of destroying seized items;
- Working with Defra to estimate periodically the total amount of illegal imports of animal products into Great Britain, to improve performance measurement.

PART ONE

Organisation of anti-smuggling effort



The transfer of responsibilities to HM Customs and Excise

1.1 In April 2003, HM Customs and Excise (Customs) became responsible for anti-smuggling controls to stop illegal imports of animal products such as meat, dairy products, fish, shellfish and honey from countries outside of the EU into Great Britain. The transfer of responsibility was intended to tighten controls at the border following the 2001 Foot and Mouth disease outbreak. While it is not possible to be certain of the source of the outbreak, it is most likely to have been the inclusion of illegally imported contaminated meat in pigswill, and the failure of a farmer to heat-treat the swill to inactivate the virus. The final cost of the outbreak to the UK economy has yet to be determined but the cost is estimated to be some £8 billion. A Cabinet Office study in 2002 recommended that Customs should take over responsibility for anti-smuggling of meat and animal products³ from port health authorities and those local authorities with responsibilities for imported food law enforcement at seaports or airports, because of its expertise in tackling other types of smuggling such as drugs (**Figure 1**). Port and local authorities have retained responsibility for carrying out checks on commercial consignments of animal products legally imported into the country and for carrying out checks on commercial food businesses for illegal imports of animal products.

1 The Cabinet Office's recommendations and action taken in response

The Cabinet Office study recommended that:

- Customs should become the lead authority for detecting smuggled imports of animals, fish, plants and their products and foodstuffs (including meat) as soon as practicable;
- there should be a step change in the co-ordination and delivery of local authority inspection of imported foodstuffs and animal products at ports within one year. Thereafter re-examine the case for bringing these functions from local authorities into a central agency or delivering them from other routes;
- a strategy should be developed to improve joint working across all the main control agencies. This could be driven from the centre and report to an ad hoc Ministerial Committee.

In 2002 the Government published an action plan which was updated in June 2003 to take forward the Cabinet Office's recommendations including carrying out risk assessments into illegal imports of animal products and transferring responsibilities to Customs. The Department for Environment, Food and Rural Affairs (Defra) has now incorporated actions to prevent illegal imports of animal products into its Animal Health and Welfare strategy published in June 2004. The strategy is aimed at managing the impact of animal diseases and improving the welfare of animals kept by man, whilst protecting the economic and social wellbeing of people and the environment. It includes a range of activities both inland and at the border.




3 The study also recommended that Customs should take over responsibility for tackling the smuggling of plants and their products.

1.2 Customs’ efforts to reduce the level of illegal imports of animal products are one element of the Government’s strategy for preventing a new outbreak. The other elements of the strategy for which the Department for Environment, Food and Rural Affairs (Defra) and other agencies remain responsible include:

- carrying out health checks on consignments from countries outside of the EU which are declared at the border;
- managing the risk of disease outbreaks within the country;
- reducing the chance of susceptible animals coming into contact with infectious material;
- slowing the initial spread of the disease; and
- improving the identification and reporting of suspect cases.

1.3 Following the Foot and Mouth disease outbreak the EU tightened the rules in 2003 on certain animal products personally imported by passengers and posted in the mail for personal consumption (Figure 2). The Customs’ and Defra leaflet produced for the public is on the inside cover of this report. The rules are complex. Meat and dairy products have been prohibited since January 2003 and there are strict limits on other products such as fish, shellfish, eggs and honey. Depending on the products and the country, one kilo of these items may be permitted. However the rules on restricted items change depending on disease outbreaks in overseas countries. Personal imports of animal products including meat can be brought in from other EU Member States without restriction if they are disease free. Customs therefore does not have the powers to prevent animal products entering the country from other EU Member States.

2 Summary of the prohibited or restricted animal products for personal import from countries outside the EU

	Product	European Union regulations
	Meat and meat products	Prohibited
	Milk and dairy products	Prohibited
	Other animal products such as fish, shellfish, honey and eggs	1 kg each of other animal products may be permitted from certain countries

Source: HM Customs and Excise

NOTE

Passengers from some other European countries can also bring in small quantities of meat, meat products, milk and dairy products. Further details are provided in Customs’ leaflet “If In Doubt, Leave It Out”. The leaflet is being updated. Full details are available on the Defra website www.defra.gov.uk

1.4 Commercial consignments of animal products imported from countries outside of the EU must be presented to the first Border Inspection Post at an EU frontier where the authorities (port health authority staff in Great Britain) carry out checks to make sure that products are safe in terms of public and animal health. These checks are separate to those carried out by Customs and are normally carried out at the EU frontier. However under certain arrangements consignments may travel through EU Member States to be cleared at a Border Inspection Post in another Member State. Consignments which are cleared by a Border Inspection Post can travel freely from one EU Member State to another. Imports of animal products which have not been presented to a Border Inspection Post are illegal. Any consignment of animal products legally produced in one EU Member State can travel freely throughout the EU without checks.

1.5 About 220,000 tonnes⁴ of meat products are imported each year into Great Britain from countries outside of the EU. In addition between 4,400 and 29,000 tonnes (with an estimated average of nearly 12,000 tonnes)⁵ is estimated to enter the country illegally. An import is illegal if it does not comply with import requirements whether or not that failure is deliberate. Illegal imports are brought into the country:

- By air or sea passengers who, for example, bring in animal products for personal consumption, to give to friends and family or for resale.
- In mail or items couriered from overseas.
- In consignments of freight that bypass border controls.

Customs' seizures show that a significant number of passengers bring in small quantities and a very small number bring in larger amounts. An example of a large seizure is shown in **Figure 3**.

What this report examines

1.6 In March 2003 the Committee of Public Accounts reported on the 2001 outbreak of Foot and Mouth disease⁶ recommending a range of actions to reduce the chance of another major livestock epidemic. Our report "Foot and Mouth: Applying the Lessons" of February 2005 (HC184, Session 2004-05) looks at actions taken to reduce the chance of another major livestock epidemic, preparations to prevent an outbreak becoming an epidemic, the cost of the 2001 epidemic, and controls over the cost of future epidemics.

3 An example of a larger seizure from personal baggage

In March 2004 a woman passenger travelling from the Gambia was stopped by Customs at Heathrow and her baggage searched. It was found to contain 84 kilos (186 lbs) of fish, snails and goat meat. Customs seized and destroyed the products and successfully prosecuted the passenger who was fined £150.

1.7 On illegal imports, the Committee recommended Defra adopt measures in the United Kingdom that are at least the equal of those established elsewhere in the developed world, including Australia, New Zealand and the United States. In response Defra said that it was open minded about what the UK could learn from other parts of the developed world about preventing illegal meat imports. However it considered that the UK's controls compare favourably with those in place elsewhere in the EU. Defra had held valuable discussions with experts in Australia and New Zealand and had investigated deterrent measures employed elsewhere, and how successful they were. Defra recognised the difficulties in comparing circumstances in the UK to those in Australia, New Zealand and the United States. The volume of trade and passenger traffic is far greater in the UK than Australia and New Zealand. Frontier controls in Great Britain also have to comply with the requirements set out in EU legislation. The Government's aim is to continue to enhance the procedures that are in place to detect and prevent illegal imports and to ensure that they are evidence-based and proportionate. Its 2003-04 Action Plan on "Illegal Imports of Meat, Other Animal Products, Plants and Plant Products" sets out the respective roles of Defra and Customs in tackling the risk from illegal imports.

1.8 This report focuses on tackling illegal imports of animal products from outside the EU following the transfer to Customs of the responsibility for enforcement. It examines:

- the organisation of anti-smuggling activity (Part1);
- the risks posed by illegal imports of animal products (Part 2);
- anti-smuggling controls over international passengers (Part3); and
- anti-smuggling controls over freight and mail (Part 4).

⁴ Risk Assessment for the Import of Contaminated Meat and Meat Products into Great Britain and the Subsequent Exposure of GB Livestock, the Veterinary Laboratories Agency, July 2004. Appendix 2 of our report summarises the methodology used to carry out the assessment.

⁵ The Veterinary Laboratories Agency estimates there is a 90% certainty that between 4,400 and 29,000 (with an average of 11,875) tonnes of illegal meat and meat products enters Great Britain each year. Its estimates are based on seizures of illegal imports made by a number of enforcement agencies up to September 2003. Customs data only covers the period from April to September 2003. The Agency noted that the Customs' data derives from "vastly improved reporting systems" and that "it is crucial that results are considered in terms of the associated uncertainty – as this reflects the current level of data and knowledge to estimate" Further explanation of the Veterinary Laboratories Agency's methodology is at Appendix 2.

⁶ The 2001 Outbreak of Foot and Mouth disease, the Committee of Public Accounts, 5th Report of Session 2002-03 (HC 487).

The report examines the anti-smuggling controls operated by Customs in Great Britain under the various national regulations on Products of Animal Origin. In Northern Ireland the Department for Agriculture and Rural Development is responsible for tackling illegal imports of animal products but Defra and Customs are discussing with them the transfer of anti-smuggling responsibilities to Customs. The report does not examine Customs responsibilities for tackling illegal imports of plants and their products. We published a separate report on Protecting England and Wales from Plant Pests and Diseases in October 2003. Details of our methodology for the study are at Appendix 1.

Customs' responsibilities

1.9 Defra has overall policy responsibility for animal health and illegal imports of animal products. Under the Animal Health Act 2002 it is responsible for reviewing activities directed to the prevention of the introduction of disease through the importation of animal products. Customs has a longstanding role of ensuring that certain animal products do not leave the port without a valid health certificate from port health officials. Its new additional responsibilities for tackling illegal imports of animal products are set out in a Service Level Agreement with Defra, the Scottish Executive Environment and Rural Affairs Department and the Welsh Assembly Government – Agriculture and Rural Affairs. Within the Service Level Agreement, Defra provides Customs with support to help it carry out its responsibilities (**Figure 4**).

1.10 Customs is required to detect and deter illegal imports of animal products and commensurate with the level of resources provided target those routes of entry considered to make the greatest contribution to the flow of disease into the country. Defra expects the measures to be proportionate to the risk.

4 Customs' and Defra's responsibilities under the Service Level Agreement

Customs' responsibilities under the Service Level Agreement include:

- a in the first year, setting up four new strike force teams and increasing the number of detector dog teams from two to six;
- b agreeing with Defra a risk based strategy for targeting that resource;
- c producing intelligence packages to direct detection work and refocus operational activities;
- d taking action against illegal imports of animal products wherever detected by Customs in the course of other anti-smuggling activities;
- e considering for investigation and prosecution cases where suitable evidence is available;
- f implementing a publicity campaign to increase public awareness of the regulations;
- g notifying all seizures to Defra; and
- h identifying with Defra and the Food Standards Agency how joint working can be improved.

Defra's responsibilities under the Service Level Agreement include:

- a developing and maintaining the legislative base defining prohibited items;
- b providing advice to Customs on the interpretation of import restrictions;
- c providing a helpline service (9am to 5pm Monday to Friday) to respond to Customs' technical queries relating to detections;
- d taking action as appropriate on receipt of intelligence about the illegal movement of animal products across internal EU borders;
- e consulting/alerting Customs over any changes to animal or public health rules concerning products, country or establishment of origin;
- f providing Customs with information on increased or changing health risks; policy advice for priorities on reducing disease risk and contact points for resolving issues over policy interpretation or detailed animal health rules; and
- g developing and implementing a publicity campaign within Great Britain.

1.11 Customs' 3,500 detection staff are responsible for tackling smuggling including illegal imports of animal products. Most of these staff concentrate on the smuggling of illegal drugs and tobacco but can come across smuggling of animal products during the course of their work and will seize them. Some also spend part of their time detecting illegal imports of animal products. In 2003-04 51 staff were primarily responsible for tackling illegal imports of animal products and plant based goods which Customs has doubled in 2004-05. Detector dog teams are also used to detect illegal animal products.

1.12 To fund these arrangements the Government announced in 2002 that £25 million of extra funding would be made available over three years. Ministers for Defra, Customs and the Food Standards Agency agreed the split of funding between them based on what was considered reasonable at the time to tackle the risks (Figures 5 and 6). Customs were allocated a total of £18 million over the three years from 2003-04. From 2006-07 Customs has made provisions for £7 million a year. These amounts also cover Customs' responsibilities for tackling illegal imports of plants and plant based goods.

5 Funds allocated to Customs, Defra and the Food Standards Agency

	£ millions			Total
	2003-04	2004-05	2005-06	
Customs	4	7	7	18
Department for Environment, Food and Rural Affairs	0	1	1	2
Food Standards Agency	1	2	2	5
Total	5	10	10	25

Source: HM Customs and Excise

NOTES

In 2003-04 Defra provided an additional £1.5 million from its own budgets of which £500,000 was provided to the Food Standards Agency. Customs' funding also covers its responsibilities for tackling the smuggling of plants and plant based goods.

1.13 Of the countries we visited to examine how they respond to the threat of illegal imports, Australia, New Zealand, the United States and Canada spend more than Great Britain on this activity and have a different legislative framework from the EU. For example Australia currently spends around A\$274 million (£120 million) a year on biosecurity border controls and New Zealand NZ\$ 46 million (£18.5 million). These countries' expenditure spans activities carried out by a number of organisations in Great Britain. At airports where these countries' activities are similar to those of Customs in Great Britain, a broad comparison shows their expenditure is higher (Figure 7 overleaf). However agriculture represents a higher proportion of economic activity in these countries than in the UK. For example agricultural products represent four per cent of Gross Domestic Product and over 60 per cent of exports in Australia whereas they represent one per cent of Gross Domestic Product and two per cent of exports in the UK. The amount spent by EU Member States on tackling illegal imports of animal products is not available.

6 How Customs is spending the funds

	2003-04 £000 (actual)	2004-05 £000 (budgeted)
Detection (staff and equipment)	3,100	5,865
Disposal costs including equipment and staff	220	184
Publicity including staff costs	390	378
Policy management and management	180	307
Intelligence and investigation including prosecutions	140	266
Total	4,000	7,000

Source: HM Customs and Excise

NOTES

Figures do not sum due to rounding.

The funds cover tackling illegal imports of animal products and plants and plant based goods.

7 Expenditure on border controls to stop illegal agricultural products

	Australia	New Zealand	Great Britain
Total expenditure	£31.5 million	£10.5 million	£7 million
Approximate expenditure for each incoming passenger	£3.15	£2.50	£0.25

Source: NAO analysis of data on costs and incoming passenger numbers in each country

NOTES

Customs expenditure is the total amount allocated in 2004-05 for tackling illegal imports of agricultural products including animal products and plant products in passengers' baggage, in freight and mail.

The expenditure for Australia and New Zealand is their expenditure on border controls at airports for tackling illegal imports of agricultural products.

Other organisations' roles

1.14 Customs receives advice and support from a wide range of bodies to help it tackle illegal imports of animal products (**Figure 8**).

1.15 Although Defra has overall policy responsibility for issues relating to the import of animal products, the Food Standards Agency has policy responsibility for the public health aspects of imported food. The Agency has looked at the microbiological risks to public health from illegally imported meat and found that it is low. The results of investigations of outbreaks of infectious

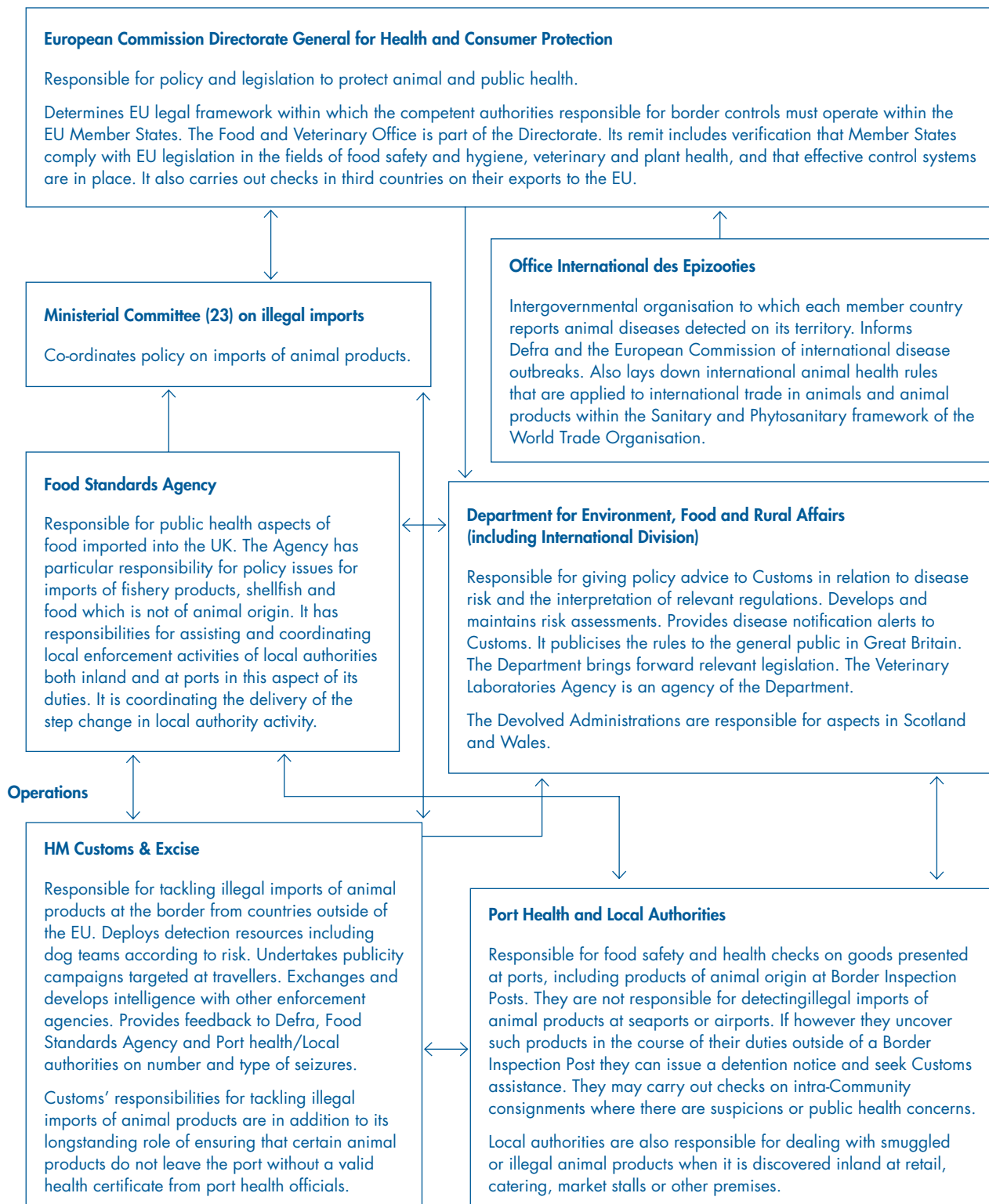
intestinal disease have also not traced any outbreaks of human disease to the illegal import of meat. However, the Food Standards Agency has advised local authorities that any illegally imported food found in food premises should be seized and destroyed because it will have evaded UK or EU border controls that ensure compliance with food safety standards. Since 2003 the Agency has encouraged local authorities to develop their role in detecting illegal imports of animal products. The Service Level Agreement recognises that Customs and local authorities need to work closely together to exchange information about illegal animal products either seized at the border but destined for resale inland, or seized inland. In 2004 Customs and the Food Standards Agency set up arrangements to exchange more information with local authorities about illegal animal products.

1.16 Of the countries we visited, Australia and New Zealand have bio-security agencies to deal with the plant, animal disease and human health risks from food imports and trade in endangered and non-native species. Both the United States and Canada have also recently merged their teams responsible for detecting illegal animal products with staff from immigration and their Customs' departments to create a single border inspection agency. In its 2002 report⁷, the Cabinet Office considered whether a single bio-security agency should be set up in the UK. The report concluded that improved controls did not critically depend on organisational change of this nature but rather a commitment to joint working by the relevant Agencies. The Service Level Agreement between Defra and Customs encourages closer working between the various agencies.

7 The organisation of the Government's controls of imports of animals, fish, plants and their products, The Cabinet Office, November 2002.

8 The role of different organisations on legal and illegal imports of animal products in Great Britain

Strategy & Policy



Source: National Audit Office

PART TWO

The risks posed by illegal imports of animal products

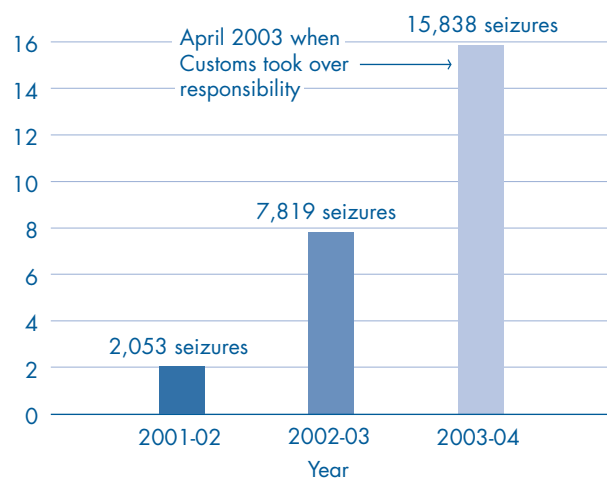


How Customs is tackling the risks

2.1 In common with other countries, Defra recognise that totally eliminating the risks from illegal imports of animal products is unrealistic. Since Customs took over responsibility for tackling illegal imports in April 2003, the total number of seizures of animal products has more than doubled from 7,800 in 2002-03 to 15,800 in 2003-04 (**Figure 9**). In the six months from April 2004 there have been nearly 11,000 seizures. The weight of seizures was 186 tonnes in 2003-04, an increase of 70 per cent on the previous year. The weight of seizures in the six months from April 2004 has been 109 tonnes. Customs has been working to improve its targeting of detection work on those illegal imports which pose the highest risk of disease. This has also contributed to a significant increase in the level of seizures of prohibited or restricted plants and plant products.

9 There has been an increase in the number of seizures in 2003-04

Number of seizures (thousands)



Source: HM Customs and Excise

NOTES

Data is for the UK.

Most seizures in 2003-04 were made by Customs but there were also seizures by port health authorities and the Department of Agriculture and Rural Development in Northern Ireland.

2.2 In 2002 Defra commissioned the Veterinary Laboratories Agency to carry out an assessment of the probability of infection from Foot and Mouth disease in Great Britain from illegally imported meat and meat products from countries outside of the EU. The results were published in March 2003. In July 2004 the Veterinary Laboratories Agency published an updated and extended risk assessment which also looked at three pig diseases and the risk of Foot and Mouth disease posed by galley waste from ships and aeroplanes arriving into Great Britain. To carry out the work, the Agency used a complex computer model which took account of, amongst other things, different types of meat, animal diseases, methods of preservation and modes of transport and journey times which could affect the likely survival of the viruses. The Agency notes that care must be taken in using the results as the model is based on little hard data and that a large number of assumptions had to be made using expert opinion and/or best judgement. Because the model is based on historical data and does not take account of increased levels of enforcement activity by Customs or the present world-wide animal disease situation the results do not necessarily reflect the current level of risk or its most likely source. Appendix 2 provides further information on the methodology used by the Agency.

2.3 From this work, the Agency estimated with 90 per cent certainty that between 4,400 and 29,000 tonnes of meat and meat products are illegally imported into Great Britain in a year. Of this only a small amount is likely to be infected with disease. For example the Agency estimates with 90 per cent certainty that between 65 and 565 kilograms may be contaminated with Foot and Mouth disease. Accordingly Defra considers that there is a low but constant possibility of livestock being infected with Foot and Mouth disease from eating illegal imports of contaminated products. However, the likelihood of an infection varies significantly across the four diseases included in the model (**Figure 10 overleaf**).

2.4 The Agency's assessment analyses the probability of infected meat arriving into Great Britain from different routes of entry and shows air passengers' baggage as posing the highest risk. The breakdown of this analysis for Foot and Mouth disease is in **Figure 11 overleaf**. The Veterinary Laboratories Agency's assessment of the higher risks associated with baggage has led Customs to focus its checks mainly on air passengers (**Figure 12 overleaf**) although checks are also carried out on freight and mail.

2.5 To help target its checks Customs uses information from a number of sources. The Veterinary Laboratories Agency’s analysis identified the Near and Middle East; Eastern Asia and West Africa as a possible source of the highest risks of infected animal products for Foot and Mouth disease only. In 2003-04 over one third of all seizures of illegal animal products by number and nearly one half by weight came from these regions. Customs also uses information provided by the Office International des Epizooties (see Figure 8) and regular disease notifications from Defra on new outbreaks in countries. The Veterinary

Laboratories Agency found that the products which are most likely to be contaminated and which could infect livestock are imports of de-boned meat for African Swine Fever; dried de-boned meat for Classical Swine Fever; ground meat for Swine Vesicular Disease and meat bone-in for Foot and Mouth disease. With the agreement of Defra, Customs does not categorise seizures in this way because it would be time consuming to do so and Customs staff do not have the expertise. However the data Customs collects on seizures is far more detailed than has been recorded previously.

10 Shows the probability of outbreaks occurring from illegal imports of meat and meat products

Type of disease	Classical Swine Fever ¹ (pigs)	Foot and Mouth disease	African Swine Fever (pigs)	Swine Vesicular Disease (pigs)
Mean estimate of the probability of an outbreak from illegally imported meat and meat products from countries outside of the EU	Once every three years	Once every 65 years	Once every 1,500 years	Once every 1.5 billion years

Source: Veterinary Laboratories Agency risk assessment model

NOTE

In recent times, there have been outbreaks of Classical Swine Fever in Great Britain in 1971, 1986 and 2000. Because of the limited data available to the Veterinary Laboratories Agency, wide uncertainties exist in the above estimates. The estimates are to 90 per cent confidence levels

11 Shows the estimated proportion of illegal imports of meat and meat products infected with Foot and Mouth disease arriving into Great Britain by the different routes of entry

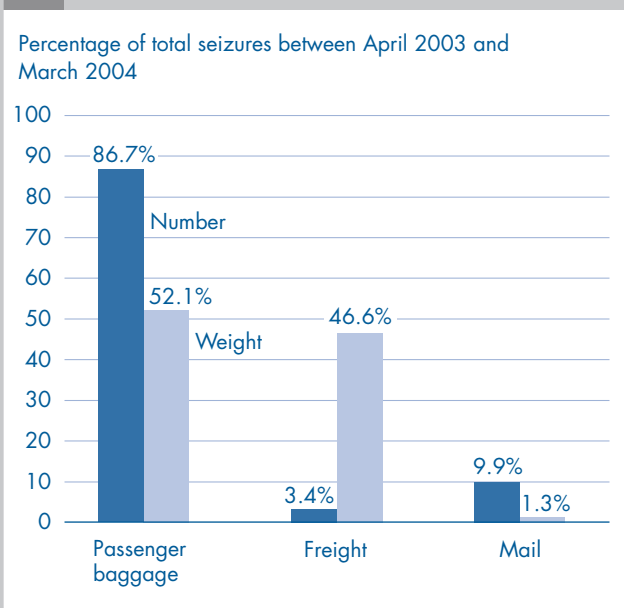
	Percentage
Passenger baggage	98.0
Air freight	1.3
Sea freight	0.5
Mail	0.1

Source: Veterinary Laboratories Agency risk assessment model

NOTES

- 1 The figures do not total 100 per cent because of rounding.
- 2 The figures are based upon mean estimates.

12 Percentage of seizures from passenger baggage, freight and mail over the period April 2003 to March 2004 by number and weight of seizures



2.6 To broaden its understanding of the risks, Customs has begun to prepare its own intelligence assessments on the smuggling of different animal products. The first assessment was on the smuggling of bushmeat (meat from any animal living in the wild which is hunted for food) and Customs intends to carry out similar assessments on the smuggling of farmed meat and other animal products. Around two per cent of Customs' seizures are of bushmeat, normally from air passengers. Customs' intelligence assessment found that the scale of the potential market and the profits from smuggling could suggest that organised groups may be involved. For example in Ghana a bush rat can be purchased for £7 which can be sold in the UK for up to £150. As a result of the assessment Customs has concluded that it should carry out targeted checks on consignments of air and sea freight which could also inform its future targeting of those checks. The assessment does not however examine the risk of infection to animals posed by different types of bushmeat. Customs takes advice from Defra on relative disease risks. Defra's view is that there is very little evidence of any risk to animal health. The Food Standards Agency is undertaking work to assess the microbiological risks posed by bushmeat to public health.

2.7 If local authority officers detect illegal imports of meat being sold in restaurants, markets and other retail outlets they are responsible for taking action to deal with it (usually through detention, seizure, condemnation and destruction procedures). Local authorities are encouraged to notify the details to Defra which shares them with Customs and the Food Standards Agency. Local authority staff report to Defra around two cases a month of illegally imported animal products uncovered inland in Great Britain. But local authority staff frequently find it difficult to determine whether a product has been imported legally or illegally or whether it is an item which has been produced illegally within the UK or the EU. Customs and the Food Standards Agency have recently set up arrangements to improve the exchange of information between local authorities and Customs as an aid to targeting enforcement work. The National Farmers Union and the National Pig Association consider that more work should be done to detect and trace illegally imported animal products at the point of sale. The United States' approach to tracing the supply of illegal imports from market outlets to the port of entry illustrates the benefits that could be achieved from closer working between Customs and local authority officers (Figure 13).

13 The work of a market intelligence unit in the United States of America in tackling illegal imports

The Safeguarding International Trade Compliance Unit was formed in 2000 to trace detected illegal imports from outlets for illegal meat to the port of entry to gain a better understanding of the supply chain used by smugglers and how these can be tackled. The Unit aims to have 80% of US markets mapped within 5 years.

Markets are separated into two types; permanent (any shop with a permanent address and which is generally compliant with regulations) and temporary (new business start-ups which have yet to register, street corner vendors, market traders and other low-budget concerns). It has found that the main risk for permanent shops is specialist outlets such as gourmet retailers and butchers who specialise in regional delicacies and usually cater to an expatriate population.

Within each area, the Units' officers are responsible for deciding which areas or markets should be 'blitzed' for illegal produce. This produce could be anything from an exotic item in a restaurant menu to an unusual cut of meat in a butchers shop or a product on the shelf of a gourmet food shop. If an officer identifies a prohibited item then he or she is entitled to seize it for subsequent destruction.

The Unit has made substantial seizures of items which passed through border controls undetected and has been successful in uncovering smuggling networks working back from the end user and achieving a better understanding of the illegal meat trade as a whole.

Measuring performance

2.8 One way Customs and Defra assess the effect of Customs' activities is the trend on seizures which is the same as the approach used by some of the EU countries we visited. They recognise however that there are different possible interpretations of the results. An increasing trend could reflect increasing success in discovering illegal consignments or it could reflect an underlying increase in the volume of illegal imports of animal products. Similarly a reduction in the number of seizures could be due to Customs being less successful in detecting cases or an underlying reduction in the volume of illegal consignments or it could be that the targeting of checks for disease risk may not in practice lead to high volumes of seizures. Customs expects that as public awareness and acceptance of tighter controls rises, seizures from travellers who have unwittingly brought illegal products into the country will fall which could lead to an overall drop in the number of seizures.

2.9 Assessing performance on the number of seizures gives no indication of whether Customs' work has reduced the total amount of illegal imports of animal products or the risk posed by them. Customs' enforcement strategies such as those for tackling tobacco smuggling have set outcome targets for reducing the level of smuggling based on estimates of the total size of the illegal market. This is currently not possible for illegal imports of animal products because the Veterinary Laboratories Agency's estimates of the amount of illegally imported meat and meat products and the volume of infected material are subject to too much uncertainty to be used for assessing Customs' performance in this way.

2.10 Australia, New Zealand and the USA however have developed approaches using random sampling checks on cleared passengers, freight and mail from which they estimate the total number of illegal imports that enter their countries. Using the estimates these countries can calculate the percentage which is successfully detected by their border controls. This is then used to measure their performance in tackling illegal imports.

2.11 New Zealand is refining its measurement system to allow it to assess how successful its border controls have been in reducing the overall risks from illegal items and to help assess the cost effectiveness of different detection methods (**Figure 14**). Illegal imports identified in the random checks will be scored according to the particular risk that type of product poses to its agriculture. Customs will look into this approach but it will need to take account of logistical issues. For example, sampling of passengers after clearance could require costly alterations to airport layouts and an extension to the regulatory burden on the trade brought about by random sampling in freight would need to be costed. Customs would wish to establish that the outcome, in terms of an enhanced understanding of risk and performance management, would contribute significantly to the way that the restrictions to imports are enforced.

14 The approach to measuring performance in New Zealand

In New Zealand the Ministry of Agriculture and Forestry (Biosecurity New Zealand) has carried out random sampling checks on passengers' baggage in 1996, 1998 and 2001. The checks were carried out after the baggage had passed through the normal border controls. Results were extrapolated to provide an estimate of the total volume of illegal imports and compared against the number of seizures. This gave a reasonable estimate of the effectiveness of controls in detecting illegal imports. The 2001 sampling results showed that border controls were 95 per cent effective in detecting unauthorised items such as meat and fresh fruit in passengers' baggage. With the expected growth in passenger numbers the Ministry of Agriculture predicted that the number of items entering the country illegally and the risk from them would also grow even if its controls remained as effective. This led it to change its measurement so that controls are focused on detecting higher risk items.

Biosecurity New Zealand now plans to undertake regular random checks of mail, freight and passenger baggage. Weighted risk scores will be given to the different types of illegal items detected in the random check to provide a risk total. Each year performance targets by route of entry into the country will be set for the maximum amount not detected by biosecurity border controls.

The risk score for each item is based on the potential threat of disease posed by that item to New Zealand's biodiversity. It will depend on the type and quantity of each item, its origin and the extent to which it has been processed, for example raw meat would be given a higher score than cooked meat. Biosecurity New Zealand will also use the results to analyse the success of different detection methods in seizing items alongside their cost.



PART THREE

Anti-smuggling controls on international passengers

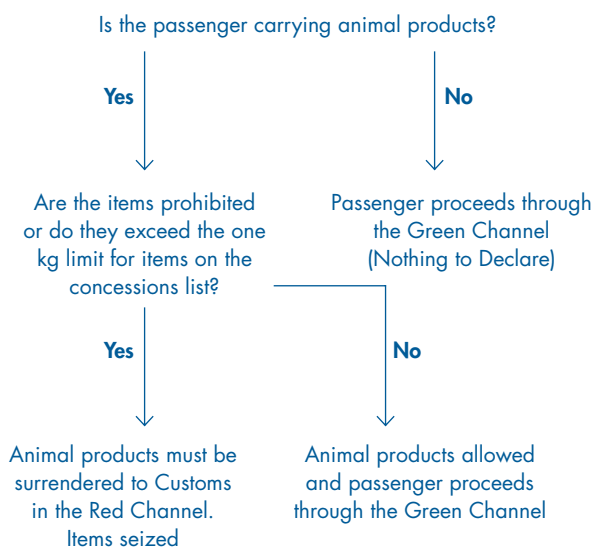


3.1 In 2002,⁸ over 27 million passengers from countries outside the EU arrived at 28 airports in Great Britain and around 110,000 passengers arrived at seaports. EU regulations prohibit and restrict imports of animal products by passengers but allow a range of concessions for imports for personal consumption only. If passengers arrive with prohibited items or amounts which exceed concession limits they must surrender these items to Customs (**Figure 15**) as these are illegal imports.

3.2 This part of the Report examines:

- how Customs detects illegal imports;
- the sanctions against passengers importing illegal products;
- how Customs publicises the prohibitions and restrictions on imports; and
- encouraging the voluntary surrender by passengers of prohibited and restricted items.

15 The process for declaring animal products on arrival from outside the European Union



Source: National Audit Office

Detecting illegal imports at airports

3.3 Following the transfer of responsibility to Customs for detecting illegal imports of animal products from outside of the EU in April 2003, Customs detected in passengers' baggage some 13,297 items of illegal animal products weighing some 89 tonnes in 2003-04. Most seizures were at Heathrow.

3.4 The countries we visited outside of the EU, detect more illegal products per passenger than Customs (**Figure 16**) mainly because Australia, New Zealand, the USA and Canada spend considerably more on their controls. For example Australia spends over A\$71 million (£31.5 million) a year on border controls at airports to stop prohibited agricultural products entering the country (paragraph 1.13). Customs' total expenditure is £7 million in 2004-05 for tackling illegal agricultural imports in passenger baggage, freight and mail. Most other EU Member States have only recently begun to collect comparable data.

16 Seizures made from passengers' baggage

	Australia	New Zealand	Great Britain	Republic of Ireland
Total airport seizures of animal products in 2003-04	108,000	30,250	13,297	2,400
Approximate seizures per thousand passengers	11	8	0.5	0.3*

Source: National Audit Office analysis of seizures and incoming passenger numbers

NOTES

The rules on prohibited products vary by country and so can influence the number of items seized.

In comparison to Great Britain the authorities in each country also seize a wider range of other illegal imports of agricultural products such as plants and fruit in addition to those set out in the table.

*Total figures for the number of passengers arriving into the Republic of Ireland could not be split between those arriving from within the EU and those arriving from non EU countries. The total seizures per thousand passengers for the Republic of Ireland has therefore been calculated using all incoming passengers whether from within the EU or outside.

8 Latest figures available.

3.5 European regulations require Member States to have controls to detect the presence of illegal animal products on passengers travelling from countries outside of the EU. This may include a risk-based approach to targeting passengers and using detection aids such as detector dogs and scanning equipment.

3.6 Customs uses information provided to it by the Office International des Epizooties (see Figure 8), Defra, the Veterinary Laboratories Agency and its own internal intelligence to identify flights with a high probability of high risk illegal animal products. Detection staff use a combination of detector dogs, manual searches and x-ray machines to detect illegal imports of animal products carried by passengers.

Detector dogs

3.7 Great Britain is the first EU Member State to have dog teams to detect illegal animal products. One-off costs for a detector dog team are nearly £40,000 and the running costs are over £60,000 a year including the handler’s salary. Within its budget allocation for the first year, Customs funded six dog teams (i.e. a dog and its handler) for detecting illegal imports of animal products with four based in the South East and two in Northern England. Customs currently has nine detector dog teams which will be increased to ten. Other countries we visited outside the European Union use dogs to detect illegal imports of agricultural products including animal products (Figure 17).

3.8 The dogs sniff baggage at the carousels to detect meat, fish, dairy products and honey and alert their handler but not the passenger if any items are detected. If the passenger then proceeds through the Green (Nothing to Declare) Channel rather than making a voluntary

declaration in the Red Channel, Customs stop them to search their bags. Detector dogs can quickly provide good coverage of all passengers’ baggage from a flight.

X-raying and searching of baggage

3.9 As part of the approach to combat the smuggling of illicit goods, Customs is currently installing new baggage x-ray scanners at selected airports in the United Kingdom. These will scan passengers’ baggage prior to collection by the passenger at the carousel and will help Customs to detect prohibited and restricted items including illegal imports of animal products. Where Customs’ staff suspect from the image that illicit goods are contained or are concealed in a bag, it will be examined. Customs plans to scan 100 per cent of baggage on selected flights which will be targeted by risk. Most of the x-ray scanners should be in place by 2006. Customs considers that the new system will be an improvement over the current arrangements where suspect baggage is selected for x-raying and examinations are made as passengers proceed through the Green (Nothing to Declare) Channel as only passengers carrying prohibited or restricted products will be delayed, and genuine travellers will not be hindered by Customs’ checks.

3.10 Customs has also tested image transfer technology which is computer software that enables x-ray images taken of passengers’ baggage at departure airports to be transferred electronically to the authorities at the destination. After evaluation Customs decided not to introduce such screening because of technical problems and difficulties of associating the image with the relevant bags. Customs’ requirements will be met by installing new x-ray scanners at selected airports in the UK as it will assist in identifying a range of illicit goods, including illegal imports of animal products.

17 The extent to which selected countries use detector dog teams

	New Zealand	Australia	USA	Canada	Great Britain
Number of detector dogs	23	48	123	19	9
Dog teams per 1 million passengers	6	5	3	1	0.3

Source: National Audit Office analysis

NOTES

Great Britain figures exclude passengers from the EU
 Great Britain is the only country to have dogs only for detecting animal products. Customs is increasing the number of detector dog teams to 10.

3.11 European Member States we visited do not x-ray passengers' baggage specifically for animal products although some carry out searches of baggage. The USA, Canada, Australia and New Zealand make extensive use of x-ray machines to detect illegal products. In Australia nearly all baggage is x-rayed for those passengers who have indicated on their declaration card that they are carrying no prohibited or restricted items. The x-ray image results determine whether a full or partial search of bags is required. New Zealand's seizures of animal products have increased substantially from 13,600 in 1995-96, prior to the introduction of screening, to 30,100 in 2002-03 after the introduction of detector dogs and 100 per cent x-raying of passenger baggage.

3.12 An initiative on Simplifying Passenger Travel by the International Air Transport Association is looking at how repetitive checks of passengers and their documents can be streamlined by collecting information once at the point of departure and sharing it electronically with other service providers and government authorities including those at the intended destination. This initiative in time might provide new intelligence to help Customs better target passengers travelling to Great Britain who may be carrying illegal imports of animal products.

Sanctions against passengers importing illegal animal products

3.13 All items seized by Customs are destroyed including those surrendered voluntarily by passengers. When Customs seizes illegal animal products which have not been voluntarily declared or surrendered, it also issues the passenger with a warning letter. European regulations allow Member States to charge the passenger for the costs of destroying the consignment but in common with the other Member States, Great Britain does not do this. Customs intends however to examine the practicality and cost effectiveness of doing so. In 2003-04 Customs spent £220,000 on disposing of items.

3.14 European regulations also require that, in cases of serious negligence or a deliberate infringement, Member States impose the penalties provided for in its national legislation, in Customs' case prosecution. Under the

Products of Animal Origin statutory regulations 2003, the penalties on conviction are a maximum of £5,000 or up to 2 years imprisonment.⁹ Customs considers the most serious cases for prosecution where there is large scale smuggling; organised or commercial smuggling; the illegal import of items intended for the food trade; there have been repeat offences and/ or other factors such as abuse of a position of responsibility or smuggling with other goods.

3.15 In the period from April 2003 to February 2005, Customs has prosecuted successfully five cases where illegal products were seized in passengers' baggage (**Figures 3 and 18**). Around 87 per cent of all seizures are for 10 kilos or less. The National Farmers Union and the National Pig Association are concerned by the small number of prosecutions brought by Customs and the lenience of the penalties imposed by Magistrates' Courts. To raise awareness Defra is discussing with the Magistrates' Association the regulations and the sanctions available.

3.16 EU Member States we visited have not as yet prosecuted any passengers but those outside the EU have prosecuted substantial numbers. For example Australia prosecutes over 50 individuals each year for smuggling animal products. Their experience suggests that prosecuting passengers and publicising certain high-profile cases sends a clear message to others who may consider smuggling. In Great Britain, Customs' prosecutions have attracted media coverage nationally.

18 A successful prosecution by Customs

An individual was arrested in April 2004 in the Green Channel at Heathrow Airport on arrival from New York, with his wife and family. The individual was in possession of approximately 100 kilograms (220lbs) of meat and 12.3 kilograms (27lbs) of dairy products. The individual pleaded guilty and offered in mitigation that he was unaware of the restriction and had entered Great Britain several times with such products for consumption at religious festivals.

The Magistrates found the individual guilty of the offence, considered the early admission and the mitigating circumstances but also took into account the seriousness of the offence, the publicity of the controls at the airport and the reasons for the controls being in place. The individual was fined £300 and ordered to pay costs of £145.

⁹ Under Customs and Excise's Management Act (1979) for prohibited items the courts can impose an unlimited fine and imprison a person for up to 7 years. Customs would use this in the most serious cases and where there is sufficient evidence of fraudulent intent to evade the prohibitions.

3.17 Countries we visited outside the EU impose on-the-spot fines ranging from £25 to £275 (Figure 19). Their experience suggests that fines act as a deterrent and increase awareness of the wide range of restrictions in place. Australia and New Zealand emphasise in their airport advertising that passengers may be fined for carrying prohibited items. The USA imposes higher fines for reoffenders. Operating within a different legal and logistical framework its computer systems enable them to automatically identify previous offenders entering the country and on whom they need to carry out checks. In Great Britain, Customs staff check for repeat offenders once they have stopped a passenger and found large quantities of illegal animal products. Customs is currently participating in a cross Government Border Management Programme which is exploring options for inter-agency cooperation whilst minimising the impact on trade. Early signs are that a measure along the lines of the US example would not be feasible. Canada provides an incentive for passengers to pay a fine promptly. Consultants employed by Defra and Customs have recommended that the introduction of a greater range of deterrents including administrative on the spot fines. Customs is investigating the feasibility of imposing such fines for passengers who fail to surrender illegal animal products. This would be supported by the National Beef Association which has also called for their introduction.

Publicising the prohibitions and restrictions on imports

3.18 Responsibility for raising public awareness of prohibitions and restrictions on imports of animal products is shared between Customs and Defra. Since April 2003 Customs has been responsible for publicity at ports, airports and overseas whilst Defra has responsibility for publicity inland. They have agreed a communications strategy including a joint publicity campaign, which defines their responsibilities and ensures that publicity material is consistent and avoids duplication. This work builds upon Defra’s campaigns in 2002 to encourage passengers to check the items they intend to bring back into the country.

3.19 Until recently European regulations required Member States to make arrangements for international passenger transport operators to draw the regulations on animal products to the attention of all passengers they carry into the EU. Under changes to EU regulations in 2004 the responsibility has been passed directly to international passenger transport operators. In common with other countries outside of the EU, Customs and Defra have asked airline operators to adopt a number of measures,

such as making in-flight announcements to passengers, putting inserts within in-flight magazines and/or playing a short video. Use of the different measures varies amongst airlines but in the main they are willing to help. Some airlines are concerned that too much information is being presented to passengers during the flight and question the value of showing an in-flight video. The video explains the prohibitions and restrictions and tells travellers to declare illegal animal products in the Red Channel. It does not explain that no fine will be imposed for doing so nor does it explain what further action they may face if they fail to declare such items. Defra and Customs are developing a new video to address these issues.

19 Overseas countries impose fines on passengers for illegally importing prohibited animal products

	New Zealand	Australia
Approximate fines per one million passengers each year	600	400
Approximate fine per passenger	NZ\$200 (£80)	Aus\$185 (£80)

On-the-spot fines in the USA and Canada

In the USA a \$100 (around £55) civil penalty may be imposed in addition to seizing and destroying the illegal items. A passenger who has been issued with a penalty is put on the primary list of previous violators for one year. If they return to the US within 12 months they will be automatically checked for illegal products. Repeat offenders are given higher penalties (\$250-\$500) and their time on the primary list runs from the most recent offence. Any offender who is a member of the airline crew automatically receives the maximum \$500 fine.

An offender on the primary list who does not offend again within a year is dropped down to a secondary list and will not automatically be checked but their name will remain on the system. If after a further two years on the secondary list they have not offended again the details are removed from the system.

In May 2000 Canada introduced the Administrative Monetary Penalties System of on-the-spot-fines. A passenger may be fined up to C\$400 (around £190) with C\$100 for a minor offence; C\$200 for a serious offence and C\$400 for a very serious offence for failing to provide necessary import documents/ permits/certificates upon importation of prohibited or restricted animal products. (Under the Agriculture and Agrifood Penalties System penalties are not imposed for non declaration but for failing to provide the necessary documentation. If a passenger does not declare a product but it is admissible to the country, no penalty will be issued). The penalty may be waived at the discretion of border inspection staff. The fine is reduced automatically to 50 percent if paid on the spot or within 2 weeks by mail.

Source: National Audit Office

3.20 Member States are expected to publicise the prohibitions and restrictions at airports and seaports and other EU points of entry. The publicity campaign in Great Britain is more advanced than the EU Member States we visited. It includes Customs:

- negotiating with the airport operator for advertising space;
- arranging with the travel industry to advertise the regulations on seven million travel wallets they issue to passengers, and in two million travel magazines;
- displaying “If In Doubt, Leave It Out” posters in the baggage reclaim area of all airports. These posters range in size with the largest 1.5 metre by 1.0 metre; and
- locating leaflets detailing the same message around the airports.

3.21 The National Beef Association considers however that the educational and promotional material available to the public is sparse and blends in to the crowded airport environment such that it goes unobserved. Other countries such as Australia have more prominent and extensive advertising at airports covering all types of quarantine items such as animal products and plants and seeds (**Figure 20**). However surveys of passengers conducted for Customs in September 2004 showed that awareness had increased with nearly one quarter of all those questioned saying they had seen the “If in Doubt Leave it Out” poster when shown it which was double the percentage in an April 2003 survey.¹⁰ Some 40 per cent described the poster as “eye catching” and said that “it conveys a clear message to travellers”.

3.22 Research carried out for Customs and Defra during 2004 found that passengers were still bringing back food from overseas as a souvenir of their trip or as a present from friends and relatives they had visited. The research found that few people knew that the rules had changed or which items were prohibited or restricted and that many were unfamiliar with the process of declaring goods and were wary of doing so in case this leads to a fine or prosecution. A number of organisations that represent farming interests believe that more could be done to publicise the regulations to the general public, and in particular the reasons why complying with them is important. Defra and Customs recognise this and are currently undertaking further work to raise awareness among the general public using television, radio and press advertising, visits to exhibitions and Defra has produced additional publicity leaflets for community groups.

20 Getting the message across to airline passengers arriving in Australia

The Australian Quarantine and Inspection Service (AQIS) uses a number of opportunities to get its message on quarantine matters across to passengers arriving at international airports. Shortly after disembarking passengers pass large advertisements of up to 10 metres by 3 metres, with simple messages warning them of the risks of quarantine items including illegal imports of animal products. As in Great Britain there are large advertisements on each baggage carousel setting out which items cannot be brought in to Australia and which must be declared. There are also overhead video monitors at each carousel showing messages in the languages of the flights that landed most recently and setting out information on quarantine restrictions.

3.23 Customs, with the help of Defra, is also looking at how to increase publicity overseas about the regulations. It has sought the help of Embassies and High Commissions in displaying and distributing information to passengers travelling to Great Britain. It is looking to spread the message through Tourist Offices, through articles in overseas national newspapers, programmes on television and advertising the prohibitions and restrictions at overseas airports. Customs has published versions of the “If in Doubt Leave it Out” posters and leaflets in several languages, for use in countries outside the EU such as Turkey, northern Cyprus, Bangladesh and West Africa with pictures that reflect the types of product commonly imported from different countries or regions. Other countries such as Australia, New Zealand and the USA have also used a range of methods to raise public awareness at home and overseas (**Figure 21 overleaf**).

¹⁰ Customs arranged for a series of questions to be added to a regular omnibus survey in September 2004. The survey interviews a nationally representative sample of adults over 16 years old in Great Britain. The survey was based on a representative sample of 1938 adults.

21 Other countries' public awareness campaigns

The "Quarantine Matters!" campaign is a major public awareness campaign to encourage Australians to share the responsibility of quarantine. The key challenge is to close the gap between good intentions and actual behaviour. The campaign targets the main source of quarantine risk, and works to build partnerships.

Target groups include:

- international travellers;
- people from non-English speaking backgrounds, including Australian residents; international students and business visitors;
- the travel and tourism industry, both on-shore and off-shore;
- the Australian community, particularly schools where children can play an important role in influencing the actions of their parents.

Campaign elements include:

- an advertising programme, principally directed to travellers and the travel industry;
- a special communications campaign, using culturally appropriate materials and publicity channels;
- a schools programme, which includes multi-media resources and an Internet site developed to Australian curriculum standards;
- national Quarantine Week in the last week of April each year;
- a traveller's campaign, including holiday and travel exhibitions;
- national Quarantine Awards acknowledging the efforts of individuals and organisations with responsibility for Australian quarantine; and
- promotional materials including posters, fact sheets, bookmarks, and brochures.

In the United States the Safeguarding International Trade Compliance Unit places great emphasis on improving public awareness through education. Its aim is to reduce the demand from consumers for illegal imports by explaining the consequences for American agriculture of smuggling. For example officers will attend trade shows to promote awareness of the regulatory system and the potential environmental impact of smuggling. The Unit also visits schools to raise awareness in the next generation.

Biosecurity New Zealand provides teaching materials to schools on biosecurity issues. It sees travel agents as key partners in spreading the message about biosecurity risks and the regulations to travellers.

Encouraging voluntary surrender

3.24 Customs and Defra have sought to increase public awareness of the regulations so that passengers do not embark on their journey to the UK with illegal animal products. Where they inadvertently do so, Customs aim to get the message to them using in-flight announcements and posters at airports and ports that the items cannot be brought into the country and should be surrendered.

3.25 To surrender items voluntarily a passenger must declare items to Customs' staff in the Red Channel. When Customs staff are not in attendance the passenger must use the red telephone, directly connected to Customs, to declare the items and arrange for their collection. In 2003-04 passengers voluntarily surrendered to Customs 9 per cent of the total items seized. Customs and Defra are working with the airlines to encourage passengers to declare prohibited items or to seek Customs assistance in the Red Channel if they have doubts over products they are bringing into the country. A new in-flight advert is due to be launched in Spring 2005 for airlines to use.

3.26 Other countries outside of the EU also use a range of other measures which encourage passengers to surrender items voluntarily. These include the requirement for each passenger to complete a mandatory declaration card for prohibited items they are carrying and providing the opportunity to deposit such items in unmanned amnesty bins before reaching border controls. Passengers are also made aware that if they do not declare items voluntarily they could be subject to extensive checks including x-raying and searching of baggage and that they could face a fine or other penalty if illegal items are found. New Zealand for example uses the full range of these measures and as a consequence 84 per cent of the total items seized are voluntarily declared by passengers.

Declaration and landing cards

3.27 Australia, New Zealand, USA and Canada require passengers, including their own citizens, to complete a declaration card on arrival indicating any prohibited or restricted items they are carrying such as meats, animal and wildlife products, fruit, plants, seeds, any farm visits made as well as currency over a certain value to counter possible money laundering and the value of items purchased or received outside the country. In some countries the declaration card is a way of bringing to the passengers' attention the prohibitions and restrictions. The authorities also use the completed cards to decide on the type of checks they will carry out on passengers.

3.28 Defra supported by Customs and working with the Home Office have considered whether international passengers travelling into Great Britain should complete a declaration card or whether to use the current Immigration Service landing card to publicise prohibited goods. They have not pursued the matter further because under the current EU legislation passengers cannot be required to complete a written customs declaration card and they consider that publicising the restrictions on the current landing cards would be of limited use because the cards are only completed by non-EU passport holders.

Amnesty bins

3.29 Unmanned amnesty bins are used at international airports in other countries we visited including Australia, New Zealand, Canada and the Republic of Ireland. The bins allow passengers to deposit illegal animal products, fruit, plants and seeds before passing through border controls. In Australia and New Zealand officials are responsible for emptying and analysing the contents of the bins to identify the risks posed by different items. Around 17 per cent of items seized are deposited in the bins in New Zealand and 16 per cent in Australia.

3.30 Customs and Defra have looked at whether amnesty bins should be used in Great Britain and have decided against introducing them in the current circumstances. They do not consider them a high priority for the funds available to them because only a small percentage of the total items carried by passengers are likely to be deposited in them. There are also concerns that amnesty bins:

- would compromise security at ports and would require further security monitoring, particularly following the events of 11 September 2001. The USA withdrew amnesty bins for this reason.
- create health, safety and environmental risks from fluid spills, smells and flies.
- could be misused with general litter being put in them.

3.31 Customs is therefore continuing with current arrangements where passengers carrying prohibited and/or restricted items are required to declare them to Customs' staff in the Red Channel.



An amnesty bin in New Zealand

PART FOUR

Anti-smuggling controls over freight and mail



Detecting illegal imports in freight

4.1 Around 140 million tonnes of freight a year are imported from countries outside of the EU to 42 ports and 24 airports in Great Britain. Air freight accounts for around 2 million tonnes. Commercial consignments of animal products from countries outside of the EU must be presented at approved EU Border Inspection Posts where local authorities carry out veterinary checks to ensure that products are safe in terms of public and animal health. All consignments of animal products are illegal if they have not been presented to a Border Inspection Post.

4.2 Risk assessments conducted by the Veterinary Laboratories Agency and published by Defra found that illegal meat and meat products brought in as freight (by sea and air) posed an appreciably lower risk than products smuggled in passenger baggage. However there is uncertainty over the data and further work is due to be carried out in the coming year to establish the risk from freight. Whilst the Agency's findings informed Customs' risk-based targeting of freight, Customs' staff normally detect illegal consignments in the course of their other anti-smuggling work, such as for drugs, tobacco and alcohol. When an illegal consignment of animal products is detected, Customs uses its import declaration system to select automatically further consignments from that supplier for checking. Port health authorities and importers also notify Customs of illegal imports they detect in the course of their work.

4.3 During 2003-04 Customs made 512 seizures of illegally imported animal products from freight, weighing a total of 82 tonnes. This represented three per cent of the total seizures of illegally imported animal products by number and around 44 per cent by weight.

4.4 Fast parcel operators and a number of freight forwarders, who operate under the Customs Freight Simplified Procedure regime (procedures which allow consignments to enter the country without being stopped by Customs), import goods on behalf of others and only hold the goods for as long as it takes to deliver them. To give Customs accurate import declarations these importers are to a large extent reliant on their customers to provide valid information. Customs can carry out various checks on these consignments at the border including for smuggling. In the main Customs carry out retrospective checks on import documents but by this time any products are likely to have been moved on.

4.5 Australia and New Zealand carry out more extensive checks on freight but their main concerns are biosecurity risks such as mosquitoes and snails in containers and soil attached to them which may contain seeds rather than illegal imports of animal products. Documentation checks are carried out and consignments are inspected to ensure that freight does not contain illegal imports including smuggled animal products

Detecting illegal imports in mail

4.6 Royal Mail handles over 20 million packages each year from 180 countries outside of the EU at their postal sorting centre at Mount Pleasant in Central London. Parcels are handled by Royal Mail Group’s parcel division, Parcelforce Worldwide, in Coventry. In 2003-04, Parcelforce Worldwide handled 3.8 million parcels from countries outside of the EU. Some mail is also processed by Royal Mail’s postal sorting centres at Glasgow, Manchester and Dover. The contents of mail and parcels are subject to the same prohibitions and restrictions as passengers and their baggage (paragraphs 1.3 and 3.1). In 2003-04, Customs seized 1,507 items of mail or around 10 per cent of all illegal products seized and weighing 2.3 tonnes.

4.7 The Veterinary Laboratories Agency risk assessment in 2004 estimates that the risk of infection from illegal meat imports posed by mail is very low. Customs has staff located at Mount Pleasant and the Parcelforce depot at Coventry to tackle the risks to VAT revenue and to detect other prohibited items such as drugs, and who may during the course of their work detect illegal animal products. To carry out further checks for illegal imports in the mail, additional Customs’ teams visit these sites on a regular basis.

4.8 At each location Customs may decide to x-ray and or open a letter or package depending on the country from which it has been sent. In 2003-04, 6.5 per cent of parcels were opened for further examination by Customs for a variety of reasons including suspicions that they may contain illegal animal products. Similar data is not available for letters and small packages.

4.9 Parcelforce Worldwide has purpose-built modern facilities which allow Customs to carry out its work efficiently. These facilities compare favourably with those in the countries we visited. Those at Mount Pleasant are cramped with out of date facilities which hamper Customs’ ability to carry out its checks. The situation is expected to improve when Royal Mail operations move to Langley near Heathrow which is expected to open fully in 2006.

4.10 Other countries we visited outside of the EU make more extensive use of x-ray machines and detector dogs to identify letters and packages containing quarantine items such as animal products. Following the 2001 outbreak of Foot and Mouth disease in the UK, Australia and New Zealand decided to screen all incoming international mail with either detector dogs or x-rays (**Figures 22 and 23**). In Great Britain, Customs targets risk items which may contain illegal animal products.

22 The number of seizures of illegal animal products made from mail in Great Britain and overseas countries

	Australia	New Zealand	Great Britain
Seizures per thousand mail items	0.23	0.13	0.066
Total mail seizures	34,400	5,750	1,407

Source National Audit Office analysis of seizures in each country

23 Other countries approaches

Australia spends around A\$17 million (£6.8 million a year) on detecting illegally imported quarantine items in mail. They have 144 staff, 11 x-ray machines and 26 detector dog teams based at sorting centres. Incoming mail is screened by Customs’ x-ray machines and dog teams for contraband and then is screened again by Australian Quarantine and Inspection Service’s x-ray machines and dog teams responsible for detecting quarantine items. Selected post is examined by Australian Quarantine and Inspection Service staff. Continuous random checks are carried out on the mail to assess the extent to which controls have been effective in detecting quarantine items.

The **Canadian Border Services Agency** maintains an on-site database which keeps records of seizures according to addressee, sender and the description of goods on the Customs declaration. By creating and scanning a unique bar code for each mail item processed, the database is able to alert Canadian officials to known high-risk items and countries. Once the data are on the system repeat offenders can be monitored and targeted.

Sanctions imposed

4.11 Customs destroys all illegal animal products it seizes from mail and sends a warning letter by recorded delivery to the recipient. As addressees may not know what is being sent to them and senders can claim ignorance of the rules in Great Britain it can be difficult to prove intent and therefore impose sanctions. Other countries we visited face similar difficulties. Customs will consider prosecuting the addressee in a variety of circumstances including whether the case is a repeat offence, there are links to the food trade or the items are being smuggled in commercial quantities. In June 2004, Customs succeeded in its first mail prosecution (**Figure 24**).

4.12 Customs normally seizes and destroys illegal animal products identified in freight offences but, in some circumstances, allows the importer to present the goods at a Border Inspection Post so that they can be legally imported into the country. In line with EU regulations, Customs may also allow the supplier to re-export the goods to the originating country at their own expense. Customs has undertaken investigations into possible smuggling in freight but has not uncovered sufficient evidence to support prosecution of an importer or agent.

24 Customs' first mail prosecution

A 39 year-old London woman was caught importing prohibited foodstuffs through the post. The court heard that in June 2004, Customs officers at Coventry International Mail Hub discovered 61 kilos (134lbs) of dried fish in a postal package that arrived from the Congo, addressed to her. The woman had also been sent warning letters on three occasions during 2004 when Customs had seized packages of dried fish addressed to her. She was fined £200 with £65 costs. In sentencing the woman, Magistrates took into consideration the circumstances surrounding the illegal importations and her guilty plea.

APPENDIX 1

Study methodology

Visits

We carried out visits to the following locations to observe and interview Customs staff responsible for detecting smuggled animal products:

Felixstowe Port
 Manchester Airport
 Heathrow Airport
 Leeds/Bradford Airport
 Mount Pleasant Postal Office
 Parcelforce Worldwide at Coventry

We also visited:
 The Department of Agriculture and Rural Development in Northern Ireland

International visits

We visited authorities overseas (listed below) with an interest in preventing and detecting smuggling of animal products to identify practices which could be adopted.

Australian Quarantine and Inspection Service
 Canadian Food Inspection Agency
 Canada Border Services Agency
 The Federal Customs Administration of Germany (Zoll)
 The Food and Consumer Products Safety Authority of the Netherlands (Voedsel en Waren Autoriteit)
 New Zealand Customs
 Ministry of Agriculture and Forestry in New Zealand
 The Department of Agriculture and Food in the Republic of Ireland
 The Revenue Commission in the Republic of Ireland
 The United States Department of Agriculture
 The Department of Homeland Security in the United States
 The United States Customs and Border Protection

Advisory Group

An Advisory Group provided advice and feedback to the NAO study team during the course of the work. Membership was:

Sarah Appleby (Food Standards Agency)
 Lindsay Best (Department of Agriculture and Rural Development in Northern Ireland)
 Tony Fox (Local Authorities Coordinators of Regulatory Services)
 Mark Fuchter (Customs)
 Stephen Giles-Medhurst (Customs)
 Chris Marooney (Veterinary Laboratories Agency)
 Teresa Mills (Defra)
 Jenny Morris (Chartered Institute of Environmental Health)
 Pamela Rogers (Customs)
 Michael Seals (National Farmers Union)
 Miles Seaman (SafetyCraft)
 Paul Smith (BAA plc)
 Peter Starling (Customs)
 Ian Strachan (Scottish Executive for Regional Economic Development)

Stakeholders

We sent a questionnaire to interested bodies to ask about their concerns, their views on Customs' anti-smuggling activities and any changes that needed to be made. The following bodies responded:

British International Freight Association
 British Veterinary Association
 Meat and Livestock Commission
 National Beef Association
 National Pig Association
 National Farmers Union
 National Farmers Union Scotland
 SITPRO (Simplifying International Trade)
 Southampton Port Health Authority

Semi-structured interviews

We discussed with representatives from the organisations listed below:

- their working relationship with Customs;
- the systems used to target Customs' resources at the areas of highest risk;
- what further work Customs could do to detect and deter smuggling.

Association of Port Health Authorities

City of London Port Health Authority

BAA plc

Borough Councils of Hackney, Hillingdon, Islington and Tower Hamlets and Westminster City Council

The Cabinet Office

The Chartered Institute of Environmental Health

The Department for Environment, Food and Rural Affairs

European Commission: Health and Consumer Protection Directorate-General

The Food Standards Agency

Royal Mail Group plc

Veterinary Laboratories Agency

Consultants

We employed Louise Bennett of Vivas Ltd. to assess how the risk work carried out by Customs, the Department of Environment, Food and Rural Affairs, the Food Standards Agency and the Veterinary Laboratories Agency informs Customs' approach to targeting illegal animal products.

We employed Colin Talbot, Professor of Public Policy at Nottingham University, to comment on possible methodologies for measuring performance on tackling illegal imports of animal products.

APPENDIX 2

The Veterinary Laboratories Agency’s risk assessment model

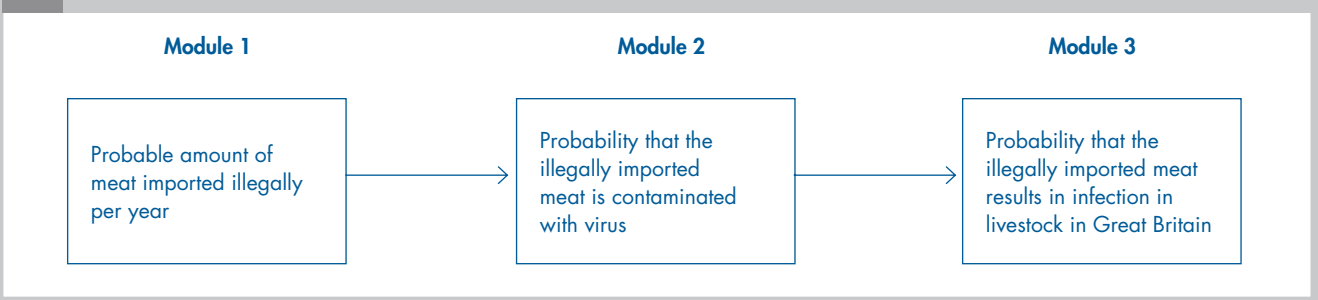
Aims and scope of the risk assessment

- 1 The risk assessment:
 - estimates the annual probability that the illegal imports of meat and meat products will result in infection with African Swine Fever, Classical Swine Fever, Foot and Mouth disease and Swine Vesicular disease in the livestock population in Great Britain.
 - investigates the contribution of a number of factors to the final estimates of risk such as the origin of the product, route of entry, and intended use in Great Britain.
- 2 The assessment looks at meat products that are from susceptible or unspecified animal species from all inhabited territories of the world. Avian meat (for example poultry) and meat from molluscs and crustaceans etc. are not considered. It is conducted up to the point of infection of one susceptible animal in Great Britain and the likely spread of the animal disease is not considered. The risk assessment does not consider the risks posed by the legal importation of meat and meat products or the legal or illegal importation of any other food or agricultural product. Nor does it consider any other method of possible transportation of the disease such as wind borne or human transportation with the exception of transportation in ship and aircraft waste for the risks of Foot and Mouth disease.

Approach used to conduct the risk assessment

- 3 The risk assessment is based on a computer model constructed in three modules (Figure 25).
- 4 The model simulates a large number of possible routes by which virus contaminated meat might reach Great Britain and cause disease in domestic livestock. The simulation follows several thousand “typical” illegally imported items through several hundred inland pathways. The results show the volumes of meat passing through each importation route, inland distribution pathway and treatment process and the viral burden being carried by such meat.
- 5 An outbreak of disease in the simulation can be traced back to where the meat originated, how it was treated, how it was brought to the UK, whether it was used for personal consumption or retail. The model calculates the risk of infection by four different categories:
 - by region – there are 14 different regions. One of the regions includes Eastern Europe. A number of countries from this region joined the EU on 1 May 2004 and their goods including animal products can be moved legally to other Member States without checks except in special circumstances such as where disease outbreaks occur in livestock;

25 The three modules for the computer model



- by product description – there are 20 different product descriptions including meat bone-in, de-boned meat, ground meat, frozen de-boned meat etc.;
- by route of entry – passenger baggage, air freight, sea freight and mail;
- by inland pathway – there are numerous combinations of inland pathways such as meat and meat products for domestic consumption or for retail and for human or animal consumption etc.

Module 1

6 Module 1 calculates the flow of illegally imported meat into Great Britain each year. The model uses:

- 29 months of seizure data from Defra and Customs covering April 2001 to 30 September 2003. The assumption was made that the seized consignments were representative of the number and type of illegal meat imports from each region (but not necessarily the weight).
- the products seized were translated into generic product descriptions;
- the estimated amounts of meat arriving by each mode of transport (sea and air freight, passenger baggage, and mail) from each region were derived by estimating the total proportion of illegal imports seized and using this proportion to estimate the total amount arriving; and

- the weight of meat imported in each consignment was derived by sampling from a weight distribution obtained by statistical analysis of the seizure data.

These assumptions were used to generate the list of inbound items of meat products and the associated attributes.

Module 2

7 Module 2 calculates the probability that the items of illegally imported meat generated by Module 1 are contaminated with African Swine Fever, Classical Swine/African Swine Fever, Foot and Mouth Disease or Swine Vesicular Disease. Assessing the disease risk to code the individual items of illegally imported meat arriving in Great Britain involved making a large number of estimates using mainly Office International des Epizooties (OIE) data, expert opinion and assessors' assumptions on:

- the number of establishments affected in each country and each species each year;
- the average herd size, by species;
- the duration of the disease, by species;
- the total population size, by country and species;
- the probability that an infected animal dies before it is slaughtered for meat;
- the viral load in contaminated products;
- the period that the virus in meat tissue remains infectious; and
- the effect of processing and transport on the level of viral contamination.

Module 3

8 Running Modules 1 and 2 gives an estimate of the amount of illegally smuggled contaminated meat products arriving in Great Britain. For contaminated meat products to cause an outbreak of disease it has to reach the livestock which are susceptible to the disease. Module 3 estimates the probability that illegally imported contaminated meat products results in the infection of livestock in Great Britain.

9 The Module considers several factors which will influence whether contaminated meat is likely to reach livestock. These include:

- distribution - whether meat has been imported for domestic consumption or commercial use;
- food for consumption – cooking will decrease viral levels;
- waste – e.g. livestock exposure to virus through composting or landfill;
- swill feeding; and
- carriage by scavengers.

10 A large number of assumptions and estimates underpin the workings within the Module. Some of these include:

- the flow of contaminated meat into livestock areas per year;
- the probability that a farm houses susceptible livestock;
- the probability that the food or food waste is inappropriately disposed near susceptible livestock; and
- the probability that the livestock will find and consume the meat.

The Veterinary Laboratories Agency points out that despite vigorous enquiries, hard data on which to base some of the inputs to the model were not available. In these cases expert opinion was sought and converted into input data. Where expert opinion was not available, the risk assessors used best judgement based on informed discussion and background knowledge.

11 A key area of deficiency was the disease status of the individual territories considered in the risk assessment. The main source of information was the Office International des Epizooties but the membership of this organisation corresponds to 73 per cent of the countries considered in the assessment. The member country initiates the reporting but many may fail to report complete data and some countries do not report at all. Reports of disease occurrence are likely to be underestimates as some establishments that are affected may go unnoticed or may not be reported to the appropriate authority within the country. Other bodies are involved in collating data on outbreaks but none are as extensive as the OIE.

12 A key component of the prevalence of disease around the world is an estimate of the level of under reporting of disease by countries to the OIE. The Veterinary Laboratories Agency produced a global estimate of the level of under reporting based on expert opinion. The results from the computer model are sensitive to changes in the level of under reporting. The Agency suggests further research into this area.

GLOSSARY

African Swine Fever	A highly contagious viral disease of pigs. Some strains of the virus cause severe disease and high mortality.
Animal products	Any product containing meat, dairy, fish, shellfish, egg or honey.
Amnesty bins	Marked unmanned bins located at ports and airports in which passengers can place any prohibited or restricted agricultural products they are carrying without sanctions being imposed prior to passing through border controls. These bins are used in some countries.
Bio-security agency	An agency with responsibility for all animal and plant imports and any resulting threats to human, animal or plant health.
Border Inspection Post	Designated and approved EU, inspection posts where products of animal origin arriving from non-EU countries must undergo veterinary checks in accordance with Council Directive 97/78/EC.
Bushmeat	Meat from any animal in the wild which has been hunted for food.
Classical Swine Fever	A highly contagious viral disease of pigs. In its acute form the disease generally results in high morbidity and mortality.
Customs Freight Simplified Procedures (CFSP)	Community legislation makes provision for EU member states to make available Simplified Procedures. CFSP are designed to provide greater flexibility to businesses engaged in third country imports by moving fiscal and statistical controls inland. Authorised traders can gain accelerated release of their goods by providing minimal information on an electronic declaration at the frontier followed by a supplementary declaration containing all the fiscal and statistical data at a defined date thereafter. In addition, traders gain a greater certainty of clearance as administrative controls at the border are minimised.
Declaration cards	Some countries require passengers, including their own citizens, to complete a declaration card on arrival indicating any prohibited or restricted items they are carrying such as meats, animal and wildlife products, fruit, plants, seeds, farm visits as well as currency over a certain value to counter possible money laundering and declare the amount purchased or received outside the country. In some countries the declaration card is a way of bringing to the passengers' attention the prohibitions and restrictions.
Detector dogs	Dogs trained to detect illicit products in luggage and alert their handlers when they find it.
Foot and Mouth Disease	A highly infectious viral disease that can prove fatal in pigs, cattle, sheep and goats. Infected animals' hooves and mouths become blistered causing lameness, increased salivation and loss of appetite. They rapidly lose weight and cows produce less milk.

International Air Transport Association (IATA)	A trade association representing the interests of international air transport operators. It represents approximately 270 airlines who operate flights which, when combined, comprise more than 95 per cent of international scheduled air traffic.
International Air Transport Association Simplifying Passenger Travel	An international initiative involving a group of 20 government agencies, 14 airlines, 13 airports and 20 technology suppliers who are working collegially on developing a global passenger processing model to simplify passenger travel that commences with pre-travel arrangements and ends at the completion of arrival formalities at the destination airport. IATA is providing leadership and administration for the initiative.
Landing card	A card required to be completed and presented to the Immigration Service at the first point of arrival in the UK, giving details of a non-EU nationals' place of residence and country of birth.
Meat and meat products	Any product containing meat which is either susceptible, or not known to be unsusceptible to Classical Swine Fever, Foot and Mouth Disease, African Swine Fever or Swine Vesicular Disease. This does not include avian meat e.g. poultry or meat from molluscs or crustaceans. This definition was used by the Veterinary Laboratories Agency for carrying out its "Risk Assessment for the Import of Contaminated Meat and Meat Products into Great Britain and the Subsequent Exposure of GB Livestock" which was published by Defra in July 2004.
Office International des Epizooties (OIE)	An intergovernmental organisation whose membership at March 2004 totalled 167 countries. Each member country undertakes to report the animal diseases it detects on its territory. The OIE then disseminates this information to other countries which can take the necessary preventive action. Information is sent out immediately or periodically depending on the seriousness of the disease.
Quarantine items	All food, plant material and animal products which need to be declared to the appropriate authorities before entering a country.
Service Level Agreement	A written document setting out an agreed level of service between various organisations.
Swine Vesicular Disease	A highly contagious viral disease of pigs. Fatalities are rare although there can be some loss of production.
Voluntary Surrender	When passengers voluntarily dispose of the animal products they are carrying either by depositing them into an amnesty bin or by declaring them to a member of staff from the appropriate authority.