

HM CUSTOMS AND EXCISE

Stopping illegal imports of animal products into Great Britain

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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.