

Illegal Tobacco Products Research-Survey Results 2013

Background and Objectives

For each of the years from 2009 to 2013, the Revenue Commissioners, in conjunction with the HSE's National Tobacco Control Office (formerly the Office of Tobacco Control), commissioned Ipsos MRBI to conduct research amongst smokers about the source of their cigarettes. The purpose of this research was to estimate the volume of illegal cigarettes being consumed in Ireland.

Key Findings of 2009, 2010, 2011 and 2012 surveys

- In both 2009 and 2010, 14% of the packs held by smokers surveyed were classified as illegal.
- In addition, 6% & 8% respectively of the packs held by smokers surveyed were classified as legal Non-Irish Duty Paid (i.e., legal cross-border purchases).

These findings, which were based on 2006 Census population figures, were reviewed when 2011 Census results became available. The reviewed figures are as follows:

2009: Illegal packs – 16%. Legal Non-Irish Duty Paid packs – 6%

2010: Illegal packs – 15%. Legal Non-Irish Duty Paid packs – 9%

In 2011, the finding was that 15% of the packs held by the smokers surveyed were illegal, while a further 8% of the packs were found to be legal Non-Irish Duty Paid.

In 2012, the survey found that 13% of the packs held by the smokers surveyed were illegal, and that a further 7% of the packs were legal Non-Irish Duty Paid.

Key Findings of 2013 Survey

Legality of Packs

- 12% of the packs held by smokers surveyed in 2013 were classified as illegal.
- A further 5% of the packs were found to be legal Non-Irish Duty Paid.

Contraband, “Illicit Whites” and Counterfeit

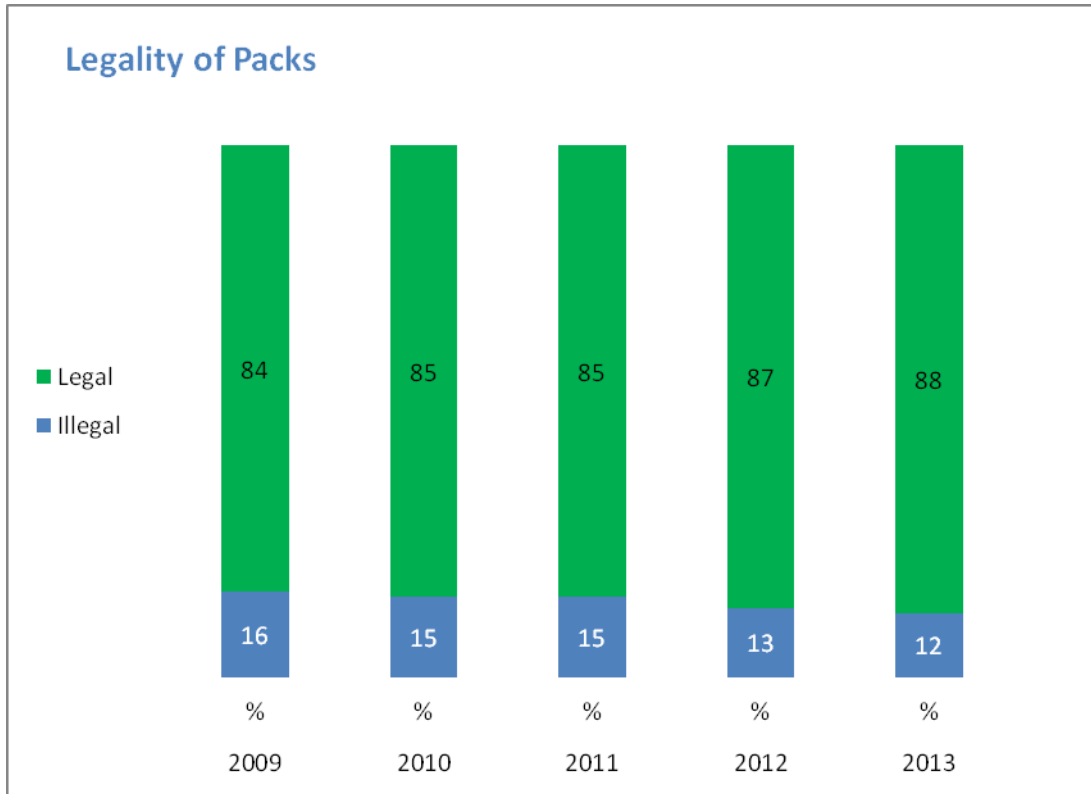
Of the 12% of packs found by the survey to be illegal, 11% were classified as contraband (i.e., normal commercial brands of cigarettes bought duty paid or duty free outside the country and smuggled here), and 1% as “illicit whites”. No counterfeit packs were recorded in the survey.

Consumption Estimates*

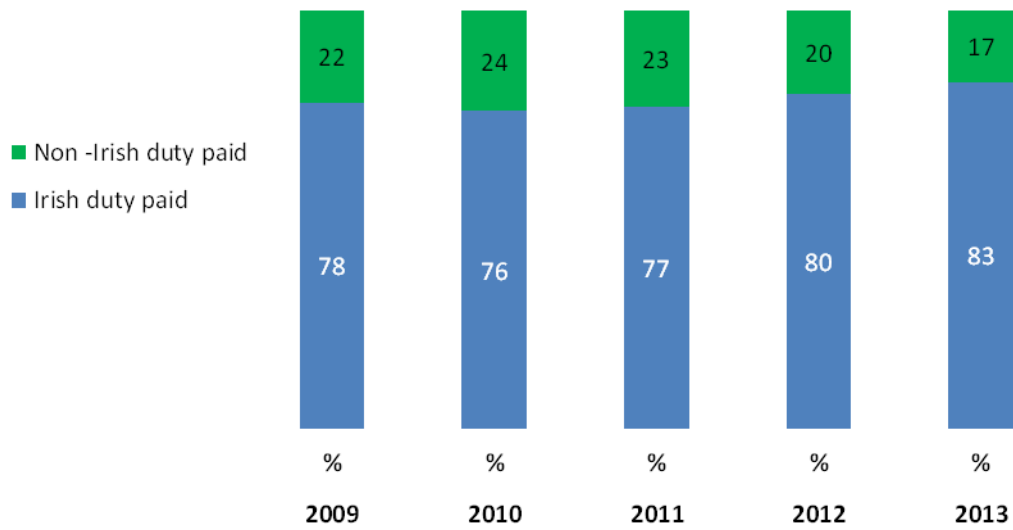
- The total cigarette consumption in Ireland in 2013 was estimated to be 5.19 billion, based on claimed smoking behaviour.
- It is estimated that approximately 582 million illegal cigarettes were consumed in Ireland in 2013.
- In this context, “illegal cigarettes” means contraband, “illicit whites” or counterfeit cigarettes, which were neither tax paid in the State, nor brought into the State by way of legal cross-border purchases.

Loss to Revenue

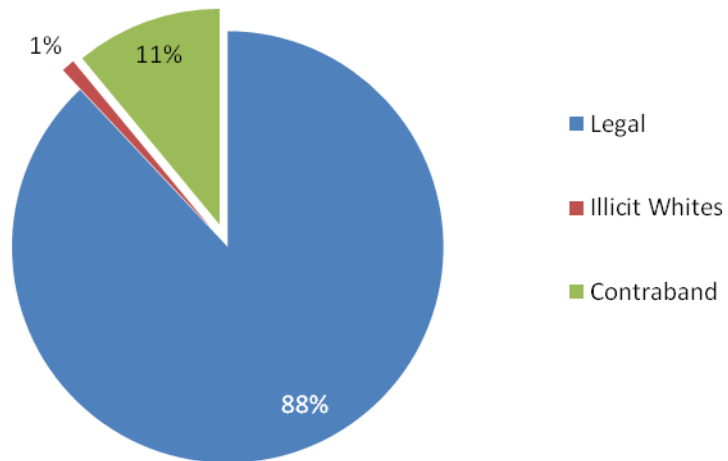
The consumption of 582 million illegal cigarettes represents a loss to Revenue of approximately €212 million (Excise & VAT), assuming that the illegal cigarettes consumed displaced the equivalent full tax paid quantity of cigarettes.



Breakdown of Pack Type



Counterfeit/Contraband/Illicit White 2013



**No estimate for illegal cigarette consumption has been included for the 5% of the population not covered by this research or for Irish occasional cigarette smokers. The consumption estimates do however include an estimate for 15-17 year old smokers who were not covered by this research. There are no estimates included for smokers under the age of 15.*

Roll Your Own Tobacco Survey

An additional survey was conducted in 2013 to ascertain the incidence of illegal packs of “roll your own” tobacco. The survey found that 15% of the packs held by smokers surveyed were illegal, and that a further 2% were legal Non-Irish Duty Paid.