



PHILIP MORRIS  
INTERNATIONAL

# LEADING GLOBAL EFFORTS TO PREVENT ILLICIT TOBACCO TRADE

For PMI, eliminating illicit tobacco trade has been a long-standing priority. We focus our efforts on securing our supply chain and helping advance global anti-illicit trade efforts through cross-sectoral collaboration and partnerships.



## EFFECTIVE GOVERNANCE

- A multidisciplinary team of illicit trade prevention professionals across the world.
- Anti-diversion governance committee in place to prevent the smuggling of our products.
- Mandatory “Know Your Customer” and “Know Your Vendor” policies for our customers and suppliers help to ensure we only do business with entities that have a high standard of integrity and ethical business practices.



## MONITORING

- Monitoring the sales of customers selling significant volumes of our products, identifying any unusual activity or trends.
- Leveraging advanced tools based on machine learning and artificial intelligence to monitor trends in online illicit trade and prevent the sale of PMI brands by illegal online sellers.



## RESEARCH AND INTELLIGENCE

- Commissioning surveys to identify new trends and measure the incidence of illicit cigarette consumption.



## AWARENESS-RAISING

- Through public awareness and educational campaigns, we inform about illicit trade and its consequences.



## ADVANCED TRACKING AND TRACING

In addition to complying with T&T regulation in all the countries where we operate, we have:

- Interoperable technology tracking the movement of products in more than 140 countries.
- An enhanced anti-counterfeiting protocol for our smoke-free products, covering our suppliers of critical components such as blades, chargers, and batteries.



## SUPPORT FOR REGULATION

- PMI supports strict anti-illicit trade regulatory requirements, including more stringent sanctions and penalties against criminals involved in illicit trade. PMI also strongly supports the objectives and principles of the WHO Framework Convention on Tobacco Control (FCTC) Protocol to Eliminate Illicit Trade in Tobacco Products.



## CONTINUED COOPERATION

- Tackling illicit trade requires collaboration and public-private partnerships, making full use of existing expertise, information sharing, innovative solutions, and evolving technologies.
- Through PMI IMPACT, our global funding initiative for public, private, and non-governmental organizations to develop and implement projects against illicit trade and related crimes, we have supported to date 60 projects in 30 countries.

## FIGHTING ILLICIT TRADE: AN IMPERATIVE FOR DELIVERING A SMOKE-FREE FUTURE

In a future where better alternatives replace cigarettes for those who would otherwise continue to smoke, there is no place for illegal operators fueling the black market with illicit products.