



PHILIP MORRIS
INTERNATIONAL

ILLICIT TRADE BY THE NUMBERS

A SIZEABLE GLOBAL ISSUE

\$1.6 - \$2.2

TRILLION TRILLION

worth of illicit products flow globally from cross-border criminal operations, such as the smuggling of arms, tobacco, or pharmaceuticals.¹

UP TO **2.5 PERCENT**

of world trade is estimated to be counterfeit and pirated products, equivalent to up to

\$464
BILLION²

TOBACCO: ONE OF THE MOST ILLEGALLY TRAFFICKED GOODS IN THE WORLD

10-12 PERCENT

of tobacco products consumed globally every year are illicit, corresponding to an estimated **400 - 460 BILLION CIGARETTES³**

The value of illicit tobacco trade is estimated to be greater than that of oil, wildlife, timber, arts and cultural property, and diamonds combined.

\$40 BILLION TO \$50 BILLION are lost globally every year in tax revenues due to illicit tobacco trade.⁴

A HIGH-PROFIT, LOW-RISK COMMODITY FOR CRIMINALS

\$0.20

Estimated cost to produce one illicit pack of cigarettes.

\$100,000

Cost of smuggled container of 10 million illicit cigarettes.

\$2,300,000

Potential profit to smugglers from one container of illicit cigarettes.

ILLICIT TOBACCO TRADE: A PROBLEM WITH FAR-REACHING CONSEQUENCES



Exposes consumers to unregulated products, often manufactured in sub-standard, unsanitary conditions



Harms legitimate businesses and trade



Undermines efforts to reduce smoking prevalence and protect youth from smoking



Encourages corruption and threatens the rule of law



Hurts government tax revenues



Finances transnational criminal organizations

¹ Munich Security Conference (MSC), Transnational Security Report, 2019. ² OECD/EUIPO (2021), Global Trade in Fakes: A Worrying Trade, Illicit Trade, OECD Publishing, Paris/European Union Intellectual Property Office. ³ PMI estimate based on Euromonitor and WHO statistics. ⁴ U.S. Department of State, The Global Illicit Trade in Tobacco: A Threat to National Security, 2015. ⁵ PMI.com, Fighting illicit trade: Essential for delivering a smoke-free future