

NON-SMOKERS' RIGHTS ASSOCIATION
SMOKING AND HEALTH ACTION FOUNDATION

**Countering Contraband: 2nd Bi-national Conference
on the Illegal Tobacco Trade, February 2-3, 2011**

REPORT

Purpose of Conference :

This conference was a follow-up to the first bi-national conference on contraband – *A Taxing Issue: Public Health and Contraband Tobacco* – held by Roswell Park Cancer Institute in Buffalo, N.Y, in February 2009. Since then, governments and NGOs on both sides of the border have learned a great deal more about the scope, functioning and extent of the contraband tobacco market. Contraband control statutes have been passed in several jurisdictions to address various aspects of the contraband problem, and enforcement tools have been strengthened. Much has been learned about the differing attitudes, both positive and negative, of many parts of the First Nations community toward contraband tobacco in both countries.

The purpose of this conference was to bring together experts to receive updates on initiatives and progress in countering contraband over the last two years, to exchange knowledge about the scope and functioning of the contraband and counterfeit tobacco markets in north-eastern North America, to assess existing legislative and programmatic approaches to the problem, and explore further measures which could be taken to address the contraband problem. The conference brought together public health, law enforcement and government officials at the state, provincial and federal levels, and First Nations representatives, in both countries to exchange knowledge and engage in dialogue on this important public health and enforcement issue.

Conference Steering Committee:

Francois Damphousse, Director, Quebec Office, Non-Smokers' Rights Association (co-chair)
Lorraine Fry, General Manager, Non-Smokers' Rights Association (co-chair)
Dr. Michael Cummings, Chair, Dept. of Health Behaviour, Roswell Park Cancer Institute
Michael Perley, Director, Ontario Campaign for Action on Tobacco
Rob Cunningham, Senior Policy Analyst, Canadian Cancer Society
Anthony Billoni, Director, Erie-Niagara Tobacco-Free Coalition
Paula Muis, Public Health Promoter/Tobacco Enforcement Officer, Kingston, Frontenac and Lennox & Addington Public Health
Deborah Pettibone, Media Specialist, Roswell Park Cancer Institute

Conference Sponsors

Health Canada
Ontario Ministry of Health Promotion and Sport
Canadian Cancer Society, Ontario Division

Conference Proceedings; Accessing panel presentations:

The *Countering Contraband* conference took place over 1 and a half days, and was attended by 112 participants from the above-noted fields and jurisdictions. Despite a fierce winter storm that hit North Eastern North America, only 5 people cancelled. There were 6 panel presentations on various aspects pertaining to contraband tobacco, and a final open plenary session. Many presenters gave us permission to share their power point presentations; some felt theirs were too confidential in nature to be able to share publicly. To access the presentations that we have been given permission to share, they are available on two web sites – the links are www.nsra-adnf.ca and www.ataxingissue.com. Below are brief summaries of the panel presentations, keeping in mind the need to protect the confidential nature and security aspects of many of them.

PANEL: Analysis of the Manufacturing Sector and Its Marketplace

Tim Ranger, Staff Sergeant, RCMP Customs & Excise Branch, began by outlining the sources of contraband, and shared survey results regarding consumers' reasons for and attitudes towards purchasing contraband tobacco. He then shared information regarding RCMP cigarette and fine cut tobacco seizures and numbers/sources of illegal tobacco manufacturers. He outlined the RCMP strategy to reduce the availability of and demand for contraband tobacco, their plan to meet the challenge, including some additional steps they will be taking.

John Connolly, Chief Investigator, New York State Office of Tax Enforcement outlined the U.S. supply sources and distribution chain for tobacco leaf and major manufacture and distribution sites and brands/types of illegal cigarettes, as well as marketing patterns.

Debra Steele, Manager, Organized Crime & Contraband Intelligence Section, Canadian Border Services Agency, began by outlining the mandate, organizational structure and areas of responsibility of the Canadian Border Services Agency. She described the tobacco legislation and regulatory environment and the current Canadian illicit tobacco market, its modes of transportation and CBSA's strategy for dealing with it.

John Colledge, Consultant, Customs, Anti-Illicit Trade & Money-Laundering, outlined the main components of the FCTC Protocol to Eliminate Illicit Trade in Tobacco Products, global sources of illegally manufactured tobacco products and the key inputs or ingredients (tobacco, cigarette paper, acetate filter tow) and manufacturing machinery. He detailed the global sources of Canadian and U.S. imports of cigarette paper in rolls, cellulose acetates, and machinery for preparing or making up tobacco, as well as the major global suppliers/companies for cigarette paper and acetate filter tow, and addressed the feasibility of controls.

PANEL: Contraband Traffic – Current Status

Jean Juneau, Constable, RCMP, Contraband Tobacco, Cornwall Detachment outlined the geographical challenges of the RCMP Contraband Tobacco Cornwall Detachment, the membership of the Cornwall Regional Task Force, its current enforcement activities, including

2010 seizures of cartons and currency, and the role of Organized Crime. He felt that there was a serious need for a very good marketing and educational campaign.

Steven Dickey, Special Agent, U.S. Bureau of Alcohol, Tobacco, Firearms & Explosives outlined the U.S. Alcohol, Tobacco and Firearms' mission regarding tobacco diversion, their challenges for law enforcement, current trends in diversion (unlicensed cigarette manufacturers and diversion of cigarettes from low tax states and Native American Reserves to areas with high cigarette excise taxes) and enforcement actions.

Dean Eastman, Sr. Manager, Tobacco Operations, Ontario Ministry of Revenue outlined the Ontario Ministry of Revenue's Special Investigations Branch's mandate, responsibilities and activities and the *Tobacco Tax Act's* prohibition on possession of unmarked cigarettes. He described their enforcement efforts, including strengthened enforcement provisions in the *Act* and their working partnerships, as well as describing the results of their efforts in terms of seizures, investigation and convictions.

Martin Boisvert, Ministère des Finances, Gouvernement du Québec described the Quebec Finance Ministry's formation and implementation of ACCES Tabac, formed in 2001-2002, due to significant tax losses associated with tobacco smuggling. He outlined the structure of the ACCES Tabac Tactical and Strategic Committees and their mandates, as well as Quebec's legislative changes to combat smuggling. He presented results of inspection activities under ACCES Tabac, results of 2010-11 seizures, and revenues over 5 years from the tax on tobacco products. He described their ongoing efforts to combat smuggling and concluded that the ACCES model had proven itself and produced results.

PANEL: First Nations Perspectives

Doug George-Kanentiio, journalist, author, Mohawk Nation began his presentation by reminding participants that not all Iroquois can be lumped into the same boat, that the vast majority are not "them" – the smugglers, and also that tobacco is considered sacred – it is used to communicate with the spiritual world. He described the Iroquois Confederacy efforts to put in place regulations to control its tobacco industry, but that the NY State, US and Canadian federal governments refused to recognize that they had the right to regulate commerce on their own territory. They wanted federal governments to create a *National Native Free Trade Act* that would enable tobacco and other products to be brought into Akwesasne and distributed to First Nations across North America:

- ★ In 1996 formal negotiations between Iroquois Confederacy, NY State and US federal governments produced an agreement that acknowledged the right of Iroquois to impose their own rules and regulations. Endorsed by the Justice Department, the "Haudenosaunee Agreement" gave the Iroquois the exclusive right to control manufacturing on their Territory. It required licensing of manufacturers and stamping of all tobacco products and established information sharing and mutual enforcement practices. They agreed to near price-parity with off-reserve retailers. It included start-up funding to promote legitimate Indian businesses. Funding from the initiative would have eliminated government funding for Mohawks. In 1997, then Governor Pataki gave in to opposition and abandoned the Agreement.

Mr. George-Kanentiio recommended that First Nations set deadlines after which tobacco would no longer be sold from their community: first regulation then control then elimination of tobacco industry. If we want Mohawks to get out from under the control of smugglers, the following needs have to be addressed: adequate training by Mohawks of all enforcement officers regarding Mohawk culture, commitment to work in partnership with Aboriginal Peoples to find mutually acceptable solutions, agreement to work with Mohawks to revive *National Native Free Trade Act* and elimination of the international border through Akwesasne. He concluded by saying that consultations with Mohawks are critical and recommended asking for a meeting with the Mohawk Nation Council of Chiefs.

Wray Maracle, Councillor, Six Nations of the Grand River, representing Chief William K. Montour began his remarks by saying that he resented the implication that Indians are seen as the cause of the problem, that contraband is due to non-Indians seeing an opportunity to purchase cheap tobacco. He felt that governments only care about the loss of tax dollars; he also questioned the use of taxation to control addiction. He related that in 1989, Six Nations challenged the quota system as unconstitutional, and that the tobacco industry on Territory contributes to community and employs several thousand. He recommended the following actions to address the contraband problem: governments need to share sales and excise taxes with First Nations governments; governments need to recognize First Nations law-making authority-under the *Indian Act*, First Nations bylaws have to be sanctioned by the Minister; regulate price to reduce/eliminate the price differential between on- and off-reserve prices.

Ross Johnson, Councillor, Six Nations of the Grand River Council stressed price controls as a solution – that First Nations have no control over pricing in their community. He said that Six Nations Council has started drafting an “admin fee” to be applied to tobacco products. They have to replace the word “tax” with something else, such as “admin fee”, as the word “tax” changes everything – it has negative connotations. He said that First Nations need to control businesses and materials coming into their communities and that we have to work government-to-government; right now both are losing. We need to work together to solve problem. He would like to be involved, as he used to be in the tobacco business; therefore, is uniquely positioned to contribute.

Diane Pelletier, Councillor, Madawaska Maliseet First Nation, NB outlined the Madiwaska-Maliseet First Nation (MMFN)’s tax agreement with the province of New Brunswick and the proposal to the MMFN Chief and Council. She emphasized that communication with and respect for one another was essential to obtaining a win-win solution of protecting children’s health and generating community revenue. The proposal to Chief and Council was to increase the price of the MMFN’s cigarettes by \$1 a pack, with the revenue generated going to help fund a community gym. Despite opposition, the measure was approved, and the entire community benefited with a new community gym.

PANEL: Purchase and Use of Contraband: Recent Research Findings

Dr. Russell Callaghan, Research Scientist, Centre for Addiction and Mental Health addressed the issue of “Adolescent Smoking and the Contraband Market”. He shared and compared the results of 4 studies on this subject: Canada’s 2006/2007 Youth Smoking Survey of

high school students aged 14-18 years, the Ontario Student Drug Use and Health Survey 2006 and 2009 of adolescent daily smokers, Contraband Use Among Adolescent Smokers in Toronto, Ottawa, and Montreal, and Convenience Stores as a Major Supplier of Contraband Cigarettes. He concluded that a large majority of adolescent smokers participate in the contraband tobacco market, and “First Nations/Native” tobacco constitutes a substantial share of consumption among adolescent smokers, and that this pattern could undermine key tobacco control strategies to limit the uptake and continuation of youth smoking.

Dr. Roberta Ferrence, Executive Director, Ontario Tobacco Research Unit addressed the issue of “Purchase of Contraband Tobacco from First Nations Reserves by Canadian Adults”. Citing data from the Canadian Tobacco Use Monitoring Survey 2005-2009 age 15+, the Ontario Tobacco Survey 2005/6 and 2007/8 age 18+ and the Centre for Addiction and Mental Health Monitor 2009 Ontario age 18+, she outlined patterns of reported contraband purchases, as well as how contraband purchase/use impacts taxation revenue. She concluded that contraband use remains significant, that it may have declined in 2009 (but small proportions make changes hard to determine and purchase patterns may have shifted from reserves), that contraband users are a high risk group, that contraband impacts taxation revenue and that new research is required.

Dr. Michael Chaiton, Scientist, Ontario Tobacco Research Unit addressed the issue of “Aboriginal Tobacco Use in Canada”, outlining the heavy burden of tobacco use on Canada’s aboriginal population, tobacco’s role in aboriginal religious and political institutions, patterns and prevalence of aboriginal smoking and aboriginal use of quit lines, NRTs and bupropion. He concluded that in terms of policy intervention, the key policy levers are not in place on many reserves, that lower prices maintain higher smoking rates and the lack of bans on indoor smoking in public places on reserves are also a contributory factor in maintaining higher smoking rates.

Rob Cunningham, Senior Policy Analyst, Canadian Cancer Society addressed the topic of “Some Indicators of Contraband Trends in Canada”. He shared data on current Canadian smoking prevalence and consumption, on tax paid cigarettes sales in Canada from 2002-2010, and on Quebec and Ontario tobacco tax revenues for fiscal years 2006-7 to 2010-11. He also shared information from Philip Morris International and British American Tobacco 2009 and 2010 reports regarding total tax-paid cigarette market increases, as well as information from Quebec, Nova Scotia and New Brunswick government budget documents and fiscal updates citing increases in legal sales of tobacco products, with associated increased tobacco tax revenues for 2009-10. He concluded that contraband volumes had decreased substantially in Canada since mid-2009, touched on the reasons for the decrease and emphasized that further significant decreases in contraband can be achieved.

Dr. Andrew Hyland, Dept. of Health Behaviour, Roswell Park Cancer Institute addressed the issue of “Tobacco Tax/Price Policies and Smoking Behaviour”, with the underlying premise that the availability of low price tobacco products is bad for public health, that smokers who would have quit otherwise continue to smoke when low price options are accessible and that cheap tobacco means more disease. He shared data on and his assessment of the impact of US federal government and state tax increases, as well as a New York case study. He also outlined the measures in the recently passed U.S. PACT Law, and some anecdotal evidence and unanswered questions as to its impact. He concluded that higher prices are perhaps the most

effective tobacco control strategy available to us, that the biggest threat to the impact of tax policy is ‘leakage’ (due to differential prices for readily available product alternatives) and the most effective tax policy creates uniformly high prices.

PANEL: Recent Initiatives To Control Contraband

Robert Daly, Serious & Organized Crime Strategies Division, Public Safety Canada spoke about recent federal measures to address contraband tobacco in Canada. He outlined the problem and described the mandate and makeup of the Task Force on Illicit Tobacco Products set up to address the problem. He described the various components of its Phase I Action for reducing supply: the Combined Forces Special Enforcement Team - Contraband Tobacco Initiative, Prosecution Services, Tobacco Detector Dog Service, and enhanced methods for tobacco analysis, and for reducing demand – a Canada Revenue Agency multi-media awareness campaign focusing on the links between organized crime and contraband cigarettes. He outlined ongoing considerations and concluded with plans for moving forward.

Micah Berman, Director, Center for Public Health and Tobacco Policy, New England Law/Boston spoke about recent initiatives to control contraband in the United States and New York. He described the June 2010 New York State and New York City tax increases and the amendment to the law requiring tax to be paid on cigarettes sold by Native American retailers to non-Native Americans, and challenges to implementation and enforcement of the law. He described the components of the PACT Act and the Family Smoking Prevention and Tobacco Control Act, and touched as well on the Smuggled Tobacco Prevention Act and the Framework Convention on Tobacco Control. He concluded that the courts are holding up New York’s enforcement of the new tax law, that the PACT Act provides important new tools to address online sales and the FDA Act provides broad authority, but few mandates.

Denis Gertler, Director, Tax Programs Project Office, Ontario Ministry of Revenue provided an overview of recent activities to counter contraband in Ontario, including strengthened partnerships with other governments, agencies and key stakeholders and budget measures in five of the last seven years to strengthen enforcement against illegal manufacture and sale of tobacco products. He outlined the results to date in terms of increased investigations and convictions under the Tobacco Tax Act, and the dollar amount of penalties assessed against those violating the Tobacco Tax Act, as well as the large volume of seizures from April 1, 2008 – December 31, 2010 by Ministry of Revenue investigators and inspectors.

Paula Muis, Tobacco Enforcement Officer, Kinston, Frontenac and Lennox & Addington Public Health described the creation of the Joint Agency Group (JAG) – Illegal Tobacco Control and its mandate and membership. She outlined some activities: police officer education on who to contact for the authority to detain suspects and to seize illegal tobacco and vehicles and the Illegal Tobacco – Report It! campaign. The campaign is a public awareness campaign designed to educate the public about what contraband and counterfeit tobacco is, why it’s an issue, who enforces the laws, what the penalties are, and what can be done to counter contraband. The Ontario Provincial Police R.I.D.E. program participates in the campaign, and there is an elementary and secondary schools awareness campaign.

André Santerre, Revenu Québec outlined Quebec's recent initiatives to counter tobacco smuggling, including the passage of Bill 59, an Act to amend the Tobacco Tax Act and other legislative provisions primarily to counter tobacco smuggling. The initiatives he gave details on were: a moratorium on the issue of manufacturing permits, new conditions for the issue of permits, new control measures for tobacco manufacturing equipment, new fiscal penalties, partnerships with municipalities (including new powers granted to municipalities) and suspension of driver's licences.

PANEL: Moving Forward: Needs, Options and Challenges

Michael Perley, Director, Ontario Campaign for Action on Tobacco began his remarks by outlining the current environment regarding contraband in Ontario: no public education, jurisdictional issues (federal vs. provincial vs. First Nations), First Nations economic and social disparities, the doubling of Ontario's tobacco crop, the legacies of Ipperwash and Caledonia, unequal involvement of all levels of law enforcement, and the ease of community access to illegal product. He pointed to the need to identify contraband as a high political priority in trilateral relations, and commented on the Canada Revenue Agency Test (public education) Campaign and the Youth Focus Group reactions. He concluded by listing what he felt were the priorities for action in Ontario.

Francois Damphousse, Director, Quebec Office, Non-Smokers' Rights Association began his remarks by outlining what he felt were the key elements of a comprehensive approach to countering contraband tobacco: control of raw materials and tobacco manufacturing equipment, tobacco tax markings, quota and refund systems, increased penalties, special enforcement units, mass media campaigns and potentially - a tobacco products registry. He described the success of Quebec's pilot Project VITAL and how a proposed registry of tobacco products sold in Quebec would work and the ways in which a registry would help counter contraband.

Steven Dickey was representing Jeffrey Cohen, Associate Chief Counsel, U.S. Bureau of Alcohol, Tobacco, Firearms & Explosives, who was marooned in Philadelphia due to the winter storm. Mr. Dickey presented Mr. Cohen's slides and added some thoughts of his own. He provided an overview of current trafficking trends in the United States as well as the U.S. statutory tools available to them. He gave an overview of northern border issues, current Alcohol, Tobacco, and Firearms prosecutorial efforts and stressed the importance of increased US/Canada cooperation on joint intelligence sharing, joint investigations, possible reinvigoration of the US/Canada cross border Crime Forum, joint trafficking seminars and streamlining the MLAT process.

Paula Muis, Tobacco Enforcement Officer, Kinston, Frontenac and Lennox & Addington Public Health began her remarks by outlining the three pieces of legislation in Ontario that address contraband tobacco – the Federal Customs and Excise Act, 2001, the Tobacco Tax Act, and the Smoke-Free Ontario Act. To develop her comments and recommendations for moving forward, she consulted with the Joint Agency Group, represented by police officers, revenue investigators and inspectors, and tobacco enforcement officers who deal with contraband tobacco. She proceeded to outline recommendations for moving forward in the areas of legislation and enforcement, education, and inter-agency collaboration.

PLENARY SESSION: Moving forward: Discussions and Recommendations

For the plenary session, a list of recommendations from the panel presentations and ensuing discussions was displayed on the large screen for all to review and discuss. First, the recommendations from the 1st bi-national conference two years earlier were displayed, and conference participants commented on progress regarding those recommendations.

I Progress on Priorities from the 1st Bi-National Conference - A Taxing Issue: Public Health and Contraband Tobacco¹

1. Make contraband a priority for Canada and U.S. at the highest levels.
[Has moved up several notches, but not yet a priority at highest political levels]
2. Shut down illegal manufacturing facilities.
[Two factories in NY brought into compliance]
3. Increase resources for contraband enforcement.
[Remains an outstanding recommendation]
4. Develop/revise approach towards First Nations communities.
[RCMP attempting to collaborate more with First Nations. Need broader approach including public health, enforcement, and governments at highest level]
5. Amend or enact U.S. laws (*PACT Act*).
[Partly achieved; enforcement an issue]
6. Develop effective public education campaigns.
[Launch of federal campaign imminent; local ON campaign underway; possible plans for ON campaign. No developments in QC or NY]
7. Cut off the supply of raw materials to illicit manufacturers.
[In QC only]
8. Increase coordinated efforts between the U.S. and Canada.
[Remains an outstanding recommendation. Inclusion of First Nations in this meeting is great step forward, but no representatives from Homeland Security, U.S. Customs or Canada Revenue Agency]
9. Impose/enforce quota and refund systems for tax-exempt tobacco products supplied to First Nations territories.
[Remains an outstanding recommendation]
10. Introduce an effective tracking & tracing system.
[Partial progress in Canada; tax stamp to be on packs in April 2011]

¹ Note square brackets indicate comments from floor; round brackets are explanatory.

II Recommendations from 2nd Bi-National Conference on Contraband

Participants discussed the merits and relative priority of each of the recommendations on the screen. The following recommendations are those put forward by conference participants. Priority recommendations are starred (★).

Recommendations—First Nations

- ★ Commit to work in partnership with Aboriginal People to find mutually acceptable solutions
 - Agree on set of umbrella principles to guide collaboration (affirm native sovereignty; recognize First Nations law-making authority; empower native policing)
 - Identify First Nations individuals/groups to work with who represent their communities
 - Establish trilateral government-to-government consultation
- ★ Appoint native coordinator to sit on permanent working group, appointed by First Nations [Need funding for this]
 - Hold conference at Akwesasne within 6 months [Need agreement of First Nations leadership and funding]
- ★ Regulate First Nations tobacco trade to bring it under First Nations authority
 - Regulate price to reduce differential between on- and off-reserve prices
 - Reform quota system and give First Nations authority to administer
 - Establish bonded warehouse on reserve; all manufacturers pay fee to community and get products stamped
 - Share sales and excise revenues with First Nations governments
 - Address on-reserve economics—fee on tobacco to be reinvested in community
 - Deal with fact that many manufacturing facilities not owned by First Nations
- Develop an Ontario-First Nations trade compact
- Eliminate international border going through Akwesasne
- Work with Mohawks to revive *National Native Free Trade Act*

Recommendations—Ontario

- ★ Establish registry of all tobacco products sold in ON—each type; each brand; each member of brand family
- ★ Enable local police, OPP, & SFOA enforcement officers to issue tickets and seize contraband
- Make possession of contraband tobacco illegal under SFOA (Requires further discussion because of link to youth tobacco possession issue)

- Seize vehicles transporting contraband
- ★ Regulate raw leaf under *Tobacco Tax Act* (ban supply of raw leaf to unlicensed manufacturers)
- ★ Conduct comprehensive education campaign with multiple target audiences, including internal clients, and multiple messages—both health and enforcement
 - Mandate contraband tobacco training of all new recruits at Ontario Police College [To be explored]
 - Conduct ongoing education of police officers [To be further explored]
 - Mandate training by Mohawks of all enforcement officers
 - Further explore community attitudes/tolerance re contraband; commission focus groups to determine which messages resonate
 - Engage youth in campaign development
- ★ Improve interagency collaboration at local level
- Establish centralized provincial intelligence [New Tax Programs Project Office in Revenue Ministry has established inter-ministerial group of 9 departments under its lead]
- Establish more interagency task forces at local level across Ontario [Concern expressed that this cannot be achieved without additional funding]

Recommendations—Quebec

- ★ Establish registry of all tobacco products sold in Quebec—each type; each brand; each member of brand family
- ★ Encourage involvement of community police officers in contraband enforcement
- ★ Conduct public education campaign
- Ban internet sales [To be explored further. Believed to be banned already under federal *Tobacco Act*; if so, what is value-added of provincial ban?]

Recommendations—Canada (federal)

- ★ Secure political engagement at highest level—Prime Minister + President + First Nations
- ★ Make contraband a “serious offence” under *Criminal Code*
- ★ Conduct public education campaign
- ★ Improve ability to collect fines under *Excise Act 2001*
- ★ Regulate inputs—raw leaf, filters, papers
- ★ Increase cooperation between RCMP + CRA + CBSA to deal with sale of untaxed tobacco to non-First Nations (black stock)

Recommendations—US federal and/or New York State

- ★ Seize bank accounts + assets
- ★ Attempt to bring unlicensed manufacturers into compliance; prosecute non-compliant manufacturers (review licence fee)
- ★ Establish international licensing system with local administration [Federal licensing system has no teeth]
- ★ Improve interagency cooperation and information sharing
- ★ Regulate raw leaf tobacco at state, federal and First Nations levels
- ★ Resolve *PACT Act* issues
- ★ Establish centralized oversight by DOJ

Recommendations—Multi-jurisdiction

- ★ Establish permanent tri-national working group to advance issue between conferences —hold teleconferences, webinars, etc.
- ★ Eliminate tax-free tobacco sales from duty-free stores
 - Educate public/CBSA/US Customs re contraband to ensure public does not import contraband as part of duty-free exemption
- ★ Address problem of Foreign (Free) Trade Zones [Monumental global problem; won't be solved any time soon]