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OLAF plays major role in seizure of over a thousand tons of dangerous counterfeit pesticides

The European Anti-Fraud Office (OLAF) shared operational intelligence with the customs authorities of the Member States, of China, Ukraine, Russia and Colombia. This happened in the context of Operation Silver Axe V, which has led to the seizure of 1,346 tons of illicit and counterfeit pesticides. These products pose a major risk to public health and the environment if they ever reach the open market. The Operation Silver Axe V was coordinated by Europol, involving police, customs and plant protection authorities from 32 countries.

OLAF's role in the operation was to alert EU Member States' customs authorities about suspicious shipments of pesticides, with a specific emphasis on active ingredients that have recently been de-authorised for use in the EU, such as carbendazim, chlorpyrifos, thiacloprid or thiametoxam. These last two substances are acutely toxic for bees. OLAF also exchanged information with the Chinese Anti Smuggling Bureau and the Security Service of Ukraine via its liaison officers in Beijing and in Kyiv, as well as with the Colombian Policía Fiscal y Aduanera, and the Federal Customs Service of Russia. The suspicious shipments of pesticides came mainly from China and India. Although the shipments were declared as being in transit through the EU and destined for re-export from the EU to another country, the chemicals were in fact intended for illegal sale in the EU.

OLAF Director-General, Ville Itälä, said: *"The traffic of illicit and/or counterfeit pesticides is one of the most profitable businesses for international fraudsters, and is estimated to represent up to 13.8% of all pesticides sold in the EU. It harms the European economy, damaging legitimate businesses and stifling innovation, putting many jobs at risk in Europe.*

But it also comes with serious risks: pesticides must undergo rigorous testing before being placed on the EU market, and the illegal pesticides, which are mostly untested and composed of active substances banned in the EU but still in use in other parts of the world, can pose significant health risks for farmers and consumers.

They are also considered harmful to the environment by causing damage to flora, fauna and soils. Europol and OLAF provided vital support and expertise to the Member States involved in the operation. With our help, police, customs and plant protection authorities succeeded in foiling the organised crime groups trafficking illicit and counterfeit pesticides"

Operation Silver Axe is now in its fifth year, and has so far led to seizures of 2,568 tons of illegal pesticides. OLAF's role in these operations focuses on the smuggling of

potentially dangerous products in complex cross-border fraud schemes that are impossible to detect and decrypt for the national authorities of a single State.

OLAF is very active in supporting the customs authorities of the Member States in the prevention and detection of dangerous goods, including pesticides. In this respect, OLAF has put in place a rapid alert system allowing to share intelligence in real time with non-EU countries, like Hong-Kong, Singapore, Malaysia, Thailand, Vietnam and Indonesia, for the monitoring of such goods during the transshipment of the containers in the ports of transit.

The trade of counterfeit products results in vast illicit profits and huge losses of tax revenues for the EU and its Member States. The smuggling of counterfeit products harms the European economy, damages legitimate business and stifles innovation, putting many jobs at risk in Europe. Counterfeiting also poses serious risks to the environment and health and safety.

For more information, please see also our previous press releases on this subject: https://ec.europa.eu/anti-fraud/media-corner/news/26-06-2019/550-tons-illegal-pesticides-seized-olafs-help_en or https://ec.europa.eu/anti-fraud/media-corner/news/11-07-2018/olaf-helps-seize-360-tons-illegal-or-counterfeit-pesticides-operation_en .

OLAF mission, mandate and competences:

OLAF's mission is to detect, investigate and stop fraud with EU funds.

OLAF fulfils its mission by:

- carrying out independent investigations into fraud and corruption involving EU funds, so as to ensure that all EU taxpayers' money reaches projects that can create jobs and growth in Europe;
- contributing to strengthening citizens' trust in the EU Institutions by investigating serious misconduct by EU staff and members of the EU Institutions;
- developing a sound EU anti-fraud policy.

In its independent investigative function, OLAF can investigate matters relating to fraud, corruption and other offences affecting the EU financial interests concerning:

- all EU expenditure: the main spending categories are Structural Funds, agricultural policy and rural development funds, direct expenditure and external aid;
- some areas of EU revenue, mainly customs duties;
- suspicions of serious misconduct by EU staff and members of the EU institutions.

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