



EUROPEAN ANTI-FRAUD OFFICE

PRESS RELEASE No 12/2017

03/07/2017

OLAF helps partners seize over one million counterfeit semiconductors in major Joint Customs Operation

Did you know that counterfeit components can hide in the electronic devices you use every day? These fake parts could not only harm your appliances, but hurt you!

To help keep European consumers safe, a major Joint Customs Operation, code-named Operation Wafers, co-ordinated by Dutch Customs with the support of OLAF, targeted counterfeit semiconductors imported into the EU from China and Hong Kong by post/express courier. In just two weeks, partners seized more than one million counterfeit devices such as diodes, LEDs, transistors and integrated circuits.

As the semiconductors in question were not produced by the genuine manufacturers, their incorporation into electronic products could have led to the failure of computer systems and caused serious malfunctions of sensitive infrastructures, whether civilian or military. As some of the counterfeit semiconductors seized could have been destined for the transport sector and ended up in cars or airplanes or could have made their way into hospitals as part of surgical instruments, their use could have endangered human lives. Moreover, the smuggling of counterfeit products causes serious financial damages to the European industry.

The seizures were facilitated by the close co-operation between OLAF, Europol and the customs authorities of the 12 Member States (*) involved, who worked together with members of the European Semiconductors Industry Association (ESIA). The latter provided extensive training sessions to the participating customs authorities and reacted promptly to identify the suspected counterfeit semiconductors.

The Director-General of OLAF, Mr. Giovanni Kessler, said: "These seizures illustrate how crucial European cooperation is in the fight against the illegal trade of counterfeit products. By working together, we can ensure that European citizens are not harmed by fake products."

The European Anti-fraud Office gave its financial, technical and logistical support, providing the participants with a secure platform to share information during the operation. Dutch customs were in charge of the preparatory work and the coordination of this successful operation.

The General Manager of Dutch Customs, Mrs. Aly van Berckel, said: "JCO Wafers showed the added value of an intelligence-led operation. Based on professional information, the right checks could be initiated without overloading the available control staff."

(*) Belgium, the Czech Republic, Germany, Greece, Spain, France, Lithuania, Romania, Poland, Portugal, Slovakia, the Netherlands

Background:

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 for health and safety.

OLAF is competent to conduct investigations related to the smuggling of counterfeit goods, thereby protecting the EU and its Member States from customs and tax revenue losses. OLAF particularly focuses on the smuggling of potentially dangerous products.

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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