FCTC
WHO FRAMEWORK CONVENTION ON TOBACCO CONTROL
SECRETARIAT

Evidence-based research (Articles 6.5 and 13.2 of the Protocol)

1. Background

Through the literature review, four key inputs were identified as essential and largely exclusive to the production of tobacco products (primarily cigarettes, which account for the vast majority of tobacco products sold globally).

Previous related research has mapped the tobacco product supply chain, revealing multiple stages and various factors. Broadly, these stages are: tobacco farming and harvesting; tobacco curing; primary processing of the tobacco leaf; secondary processing into final products (e.g. cigarettes); product packaging; distribution; marketing; and retail. At many of these steps in the supply/value chain, a variety of inputs is used to create, modify and/or manipulate the product and prepare it for the next stage of processing.

While different inputs are used across different stages, the main components are consistent, with very specific raw materials required to produce cigarettes. The identified key inputs are: tobacco leaf, cigarette filters, cigarette papers, and tobacco manufacturing machinery.

Each of these inputs plays a critical role in cigarette production and has characteristics that make it amenable to control. Tobacco leaf is central to the tobacco industry. While it is cultivated by millions of small-scale farmers worldwide – posing challenges for regulation – its processing is dominated by a few large multinational companies, which concentrate control over the supply chain. Cigarette filters, primarily made from cellulose acetate processed into acetate tow, are used in nearly all commercial cigarettes. Their production involves highly specialized processes and is controlled by a small number of major global companies, resulting in a concentrated supply chain. Cigarette papers are also highly specialized. Although they are more easily substituted than filters, their production remains concentrated among a few international manufacturers, and they play a critical role in the commercial manufacture of tobacco products. Manufacturing equipment includes machinery for processing, assembling and packaging tobacco products. While the market for new machinery is relatively concentrated, the widespread availability of second-hand equipment complicates regulatory oversight and control efforts. All four inputs are traceable via the World Customs Organization's Harmonized System (HS) codes (see Annex 1), making them viable candidates for control mechanisms such as licensing, record-keeping, traceability systems, law enforcement oversight, trade monitoring, and enhanced information exchange.

2. Methodology

After completing a literature review to assess the global landscape of control systems for tobacco inputs, semi-structured interviews were conducted with key informants from Brazil, France, Lithuania, the Netherlands (Kingdom of the), Panama, the Philippines, Poland, and Türkiye. The sample was purposive in terms of selecting countries from multiple regions and with a range of approaches to controlling the supply chain of their inputs. These governments were also willing to share their experiences.

To guide these interviews, tailored questionnaires were developed for each country (see Annex 2). The content of each questionnaire was adapted based on the specific type of licensing or other control systems known to be in place in that country, as well as the key input most relevant to that country (sometimes more than one). The questionnaires were structured around the following sections:

1. Regulatory framework:
    i. Legislation and directives
    ii. Licensing and authorization
2. Import and export controls
    i. Customs procedures
    ii. Inspection and verification
3. Tracking and tracing
    i. Supply chain monitoring
    ii. Data storage and access
4. Enforcement and compliance
    i. Interagency collaboration
    ii. Penalties and sanctions
5. Challenges and improvements
    i. Operational challenges
    ii. Enhancement measures
6. Duty-free sales and illicit trade
    i. Controls on duty-free tobacco sales

All interviews were conducted virtually. Participants were invited to share any additional documents, regulatory texts, or other relevant materials that could support a clearer understanding of how the control systems operate in their respective countries.

3. Results

Manufacturing equipment

Licensing and equivalent control systems are central to regulating tobacco manufacturing equipment, which includes machinery used to make, pack, or process tobacco products or raw tobacco. Tobacco manufacturing equipment is unique amongst the key inputs, as it is explicitly acknowledged for oversight requirements. Under Article 6 of the Protocol to Eliminate Illicit Trade in Tobacco Products, Parties must prohibit the manufacture, import, and export of such equipment without a valid license issued by a competent authority. A robust licensing system helps governments identify legal operators, control access to machinery, and prevent its diversion to illicit producers.

The Protocol outlines licensing requirements for manufacturing equipment. Parties shall require economic operators to provide detailed information on equipment, including serial numbers and technical specifications, and to maintain accurate registries of machinery installed and in use. Licensees must notify competent authorities of any acquisition or disposal of manufacturing equipment. In addition, the destruction of equipment or its components must occur under official supervision of the competent authority to prevent illegal reuse or re-entry into the supply chain.

One of the Parties involved in the research is a major producer and exporter of tobacco manufacturing equipment. As a Party to the Protocol, the country has taken steps to ensure compliance with its treaty obligations. Notably, it established a multidisciplinary working group comprising representatives from the Ministries of Health, Finance, Justice, and Food and Consumer Affairs, among others, to review the alignment of national regulations with the Protocol. During the examination of Article 6, the need to establish a national legal framework to regulate tobacco manufacturing equipment was identified. The assessment also considered the scale of illicit tobacco manufacturing in the country[1].

Authorities concluded that regulating tobacco manufacturing equipment would be a more cost-effective and preventive measure than relying exclusively on post-production enforcement. Consequently, the Excise Duty Act was amended to introduce a specific provision requiring licenses for producers, importers, and exporters of tobacco machinery. The Ministry of Finance developed the legislation, and Customs was designated as the lead enforcement agency.

[1] Between 2021 and 2023, authorities dismantled between six and ten illicit factories annually.

Table: Example of national regulations on manufacturing equipment licensing

Regulation	Details
Excise Duty Act	It is prohibited to engage in any of the following activities with respect to a tobacco manufacturing equipment without a permit issued by the inspector for that purpose: a. placing it into free circulation; b. manufacturing it; c. possessing it; d. transporting it to another Member State; or e. exporting it to a third country.
	A tobacco manufacturing equipment is defined as any machine or device falling under CN code 8478
	The permit is granted upon request
	Granting, amending or revoking a permit, as well as denying a request, shall be done by means of an administrative decision subject to objection.
	The permit may be revoked by the inspector if: a. permit conditions are not met; b. misuse or attempted misuse of the permit occurs; c. the holder is convicted of an excise law offence; d. the holder is bankrupt or under debt restructuring; e. the holder requests revocation; f. the permit has not been used for 12 months; or g. the apparatus is no longer in possession
	Anyone who violates the prohibition set out in the Excise Duty Act shall be punished with a fine of the third category.
	Anyone who violates the prohibition set out in the Excise Duty Act while knowing, or reasonably being able to know, that the tobacco manufacturing equipment is intended or will be intended for use to evade excise duty, shall be punished with imprisonment for a maximum of four years or a fine of the fourth category
Ministerial regulation	A permit for placing a tobacco manufacturing machine into free circulation, transporting or exporting it to another country shall include: a. the name and address of the person to whom the permit is issued; b. the name and address of the person for whom the machine is intended; and c. a specific description of the machine concerned.
	A permit for manufacturing a tobacco manufacturing machine shall include: a. the name and address of the person to whom the permit is issued; b. the address where the manufacturing takes place; c. a declaration confirming that the records show: 1°. the name and address of the person for whom the machine is intended and the address where it will be used once known; 2°. the address where the machine will be held until a further destination is assigned; and d. a specific description of the machine to be manufactured.

	A permit for possessing a tobacco manufacturing machine shall include: a. the name and address of the person to whom the permit is issued; b. the intended use or destination of the machine; c. a specific description of the machine concerned; and d. the address where the machine will be held.
	A permit for placing a tobacco manufacturing machine into free circulation, transporting or exporting it to another country, or manufacturing it, shall also constitute a permit for possessing the manufactured machine.

Implementation of the licensing system is closely linked to broader supply chain measures, particularly tracking and tracing requirements. Each manufacturing machine is assigned a unique identifying code to support traceability. Companies applying for a license must declare the intended customer for the machinery and conduct due diligence to ensure that the buyer is duly licensed or legally operating in the destination country. Importers and exporters are also required to declare the final destination of each machine. All licenses are subject to customs audits at least once or twice a year.

Enforcement activities are supported by targeted inspections and risk profiling. Shipments containing manufacturing equipment are automatically flagged through their Harmonized System code (HS 8478). Customs applies a risk-based inspection strategy that includes physical verification and documentation checks, with particular focus on high-risk origins. Exporters must obtain both a license and an export declaration, while importers must submit an import declaration. Violations of licensing provisions can result in a maximum imprisonment of up to 4 years. Data from the tracking and tracing system is increasingly used to inform and prioritize inspection activities.

The traceability framework includes unique identifying codes for machinery, which are currently not fully integrated with the licensing system. This creates the potential for discrepancies between registered and licensed equipment. Customs addresses this gap through data triangulation and targeted monitoring. Machinery that is no longer in use—including that seized during enforcement operations—is destroyed and not resold, though this procedure is not yet fully codified in law.

Another Party involved in the research is also an active producer of tobacco manufacturing equipment. In the country, the regulation of both cigarette manufacturing equipment and processing machinery is established through broader regulations on tobacco production, processing, and trade. All manufacturers and processors must be certified by the Ministry of Agriculture and Forestry[2]. Any installation, addition, transfer, or removal of machinery requires prior approval through a formal project amendment, and all equipment must be declared, inspected, and approved. Only new machinery may be used, except for transfers between licensed facilities. Modifications must not alter the approved production type or capacity, and any change requiring a shift in product category or process layout triggers re-certification.

The regulatory framework links raw material procurement to machinery capacity. The amount of

[2] To qualify, facilities must meet minimum annual capacity thresholds, such as two billion cigarettes for cigarette production or five tons for other tobacco products. The company must use new and unused machinery in accordance with the approved project specifications. Each submission must include a complete machine layout, technical specifications, and a detailed production flow plan.

tobacco a facility is authorized to import or purchase domestically is calculated based on the theoretical production capacity of its machinery, taking into account legally permitted weekly operating hours. This mechanism caps raw input volumes and prevents machinery from exceeding legal limits, effectively tying production control to technical capacity.

Enforcement measures are applied decisively in cases of illegal production. Seized tobacco, filters, and cigarette paper are destroyed to prevent re-entry into the supply chain. Confiscated manufacturing equipment, however, is not automatically destroyed. Instead, it may be exported under strict supervision.

Tobacco Leaf

Control measures applied to tobacco leaf were primarily identified in tobacco-growing parties for whom a greater natural incentive exists to have such policies in place. Control measures were also identified for application in more instances further down the supply chain, e.g., at the point of first or second processing, rather than with growers, which might be more feasible administratively if downstream supply is more concentrated (i.e., few entities). However, growers certainly can be (and in some instances were) licensed or registered. It is possible to identify and register their farm areas and locations, even using specialized equipment such as GIS systems, for greater precision in control. Moreover, information collected about the leaf could include quantity, price, and identity of sellers, as a start.

In a Party involved in the research, both a significant historic and current tobacco leaf producer, regulation begins early in the life-cycle of the plant. The movement of seedlings produced domestically is confined to authorized domestic tobacco producers, with exceptions requiring approval by the Ministry of Agriculture and Forestry (MoAF); and exports of seedlings are banned. Farmers must enroll in a registration system run by the MoAF. At the next stage, the cultivation and trade of raw tobacco must be registered and licensed and may take place either through a contractual production system between buyer and seller or a regulated auction-based system. Finally, the processing of tobacco is also regulated. Only facilities with a production permit from the MoAF may process tobacco, and they must notify the Ministry before and after each processing run.

In another Party involved in the research, it is required that producers of raw tobacco must be registered with the National Support Centre for Agriculture, and a public record of this is published online. Registrants must have no criminal history and be tax-compliant for the 3-year period prior to the assessment. The National Revenue Administration obtains data from registrants in the scope of, amongst others: total area of cultivation, including identification of the land plots where tobacco is grown; the weight of raw tobacco covered by each sales agreement; the weight of destroyed tobacco; and the estimated total mass and stock of raw tobacco. Based on this information, customs and tax officers verify whether tobacco producers have fulfilled the concluded agreements and have sold the tobacco they produced to authorized entities. For additional oversight, authorities from the National Support Centre for Agriculture conduct regular inspections of at least 5% of registered producers and require purchasers to record similar information to sellers, enabling cross-validation.

In another Party involved in the research, wholesale trade in raw tobacco is subject to licensing. This means that farmers can grow without a license but cannot sell their crops without first obtaining a license. The licenses are administered by the State Tobacco and Alcohol Control Service. License holders may trade only with other license holders, manufacturers, or foreign legal persons. All unprocessed tobacco must be stored in registered wholesale warehouses. License holders are obligated to submit quarterly reports to the State Tobacco and Alcohol Control Service on the distribution of raw tobacco and include details on the quantities and destinations of sales (domestic, export, etc.). Compliance is monitored by several institutions, including State Tobacco and Alcohol Control Service, The State Tax Inspectorate, Customs, and The Police Department. The table below provides more details on the licensing process.

Table: Example of License for Wholesale Trade in Unprocessed Tobacco

Category	**Details**
License Type	Wholesale trade in unprocessed (raw) tobacco
Regulatory Authority	State Tobacco and Alcohol Control Service
Eligible Applicants	Legal entities or branches of foreign legal persons registered in the country or in another state within its regional economic area
Application Requirements	Application form; proof of registered warehouse; certificates of no tax/social-insurance arrears; customs clearance certificates; payment of state fee
State Fee	€ 1 158
Decision Timeline	30 calendar days from complete submission
Licence Validity	Indefinite (unless suspended or revoked)
Application Mode	Through e-Government portal or directly to the State Tobacco and Alcohol Control Service
Issuance & Notification	License issued via Licensing Information System; applicant notified electronically

Two Parties reported applying an excise tax on tobacco leaf, which can allow for strengthened control over its trade. The excise tax is applied on processed [cured or partially manufactured] tobacco leaf, with processing companies typically responsible for payment. In one of these Parties, excise stamps are also required as part of the control mechanism and are affixed to packages

containing cured tobacco.

Filters & papers

The regulation of cigarette filters and cigarette papers across the surveyed Parties is sparse. In Parties where large quantities of cigarette filter production takes place, some information was available. In one of the Parties, producing cigarette filters requires registration with the Ministry of Agriculture and Forestry. Sales are restricted to licensed cigarette or macaron (tube cigarette) producers or for export. Regular reporting obligations include raw material stock levels, production volumes, warehouse transfers, sales, returns, and product disposals. In another Party, filters are indirectly regulated through environmental and product disclosure frameworks. Namely, one directive requires reporting on the quantities of filters supplied to the market, which the Ministry of Environment is responsible for collecting and processing. Another requirement is that manufacturers and importers disclose all product components—including filters—prior to market placement. In another Party, filters are considered one of the inputs into cigarette production and thus are included in their monitoring framework; more information is available in Box 1 below.

A challenge mentioned in the control of cigarette filters is monitoring its raw materials, namely cellulose acetate, which is used in multiple industries beyond tobacco. Monitoring acetate tow (a derivative of cellulose acetate) might be more feasible, as it has a more exclusive use for cigarette products. In the Parties surveyed, regulation begins at the stage of filter production, not earlier in the supply chain. Filter production globally is a mix of independent producers and vertically integrated, in-house production by cigarette manufacturing companies. This also plays a role in considering how to set controls on this product.

There is limited specific regulation of tobacco paper as an input in cigarette production. It is generally subject to standard Customs trading rules. In one Party, cigarette papers are included with dried tobacco and forming tape in an electronic transport supervision system. This operates so that the supplier, the carrier, and the buyer have a statutory obligation to register the notification of sale or transport in the system and to send the necessary information, including the location and means of transport. The vehicles used to transport these goods are required to be equipped with a device transmitting geolocation data; a locator using GPS satellite positioning technology; and an external location system that transmits geolocation data of the means of transport to the register.

In another Party involved in the research, cigarette paper manufacturers are regulated differentially based on whether the product is intended as a finished good for direct sale (e.g., rolling paper), or as an industrial input into a further product (e.g., factory-made cigarettes). In the case of the latter, papers are indirectly regulated via regulations applying to cigarette manufacturers. Namely, its quantity must align with the declared production capacity, and its import is restricted to producers that meet a minimum production threshold. In the case of the former, that the paper is a finished good – leaf cigarette paper as a standalone commercial product – manufacturers must hold requisite permits and certificates, and at the point of commerce, a tobacco sales license is needed in order to legally sell at the retail or wholesale level.

In another Party, cigarette paper production is concentrated amongst a small number of large manufacturers, and most output is exported rather than used in the domestic market, as tobacco product manufacturing in the country is minimal. There are limited regulations specific to cigarette papers, and exports are currently subject to standard customs clearance protocols. Authorities note that they could improve communication with importing countries, for instance, by systematically notifying them of upcoming shipments. Given the limited number of producers, it is feasible that controls could be implemented without excessive administrative cost, but a legal basis is currently lacking.

Case Study Box: Reporting and Monitoring of Tobacco-Manufacturing Inputs

One of the Parties involved in the research operates a layered regulatory framework for monitoring raw materials (defined as: tobacco leaf, cigarette paper, filter rod, tipping paper, aluminum foil, cartons, labels, boxes, etc.) and equipment used in the manufacturing of tobacco products, making strategic use of the detailed information obtained from economic operators.

The system is administered by the Bureau of Internal Revenue (BIR) through its Excise Large Taxpayers Regulatory Division (ELTRD), and integrates licensing, bonded-warehouse control, import authorization, and transactional reporting to ensure full traceability of tobacco inputs. All economic operators engaged in the importation, storage, or processing of tobacco inputs are required to obtain permits and bonds from the ELTRD and maintain Official Register Books (ORBs) reflecting daily receipts and withdrawals. Raw tobacco leaf is treated with slightly more precision, as movements are tracked through Official Delivery Invoices (GUIA), while other inputs, such as cigarette paper, filters, acetate tow, tipping paper, packaging materials, and machinery, are recorded under the bonded-warehouse inventory system and in the case they are imported, cleared via an Authority to Release Imported Goods (ATRIG) issued by BIR in coordination with Customs.

Each licensed tobacco products manufacturing factory is required to submit periodic production and inventory reports summarizing inputs received, withdrawals for manufacture, and finished goods output, enabling regulators to reconcile declared stocks with finished output and excise tax liabilities. They are able to identify discrepancies through such reconciliations and investigate the variances. If the source of the input or its destination is not clear, officials will use multiple means of investigation, including reaching out to other countries that might be involved.

Duty free sales

The inherent tax-free nature of duty-free sales, while legal within defined parameters, can be exploited for illicit purposes if not rigorously controlled. In some Parties, the tracking and tracing system for tobacco products is not applied to products destined for duty-free sale, creating a potential legal loophole.

Although the literature demonstrates that duty-free products are diverted into illicit markets through methods ranging from individual “bootlegging” to large-scale organized smuggling, most stakeholders interviewed did not perceive duty-free sales as a significant channel for the illicit trade in tobacco products, nor did they have data to suggest otherwise. Most Parties have reported taking

measures to control the sales of duty-free tobacco products. One Party reported that it requires licensing of duty-free shops and real-time records of their sales, reviewed by customs authorities.

It has not been possible to acquire data for the case studies to produce an estimate of the relationship between duty-free sales and illicit tobacco trade globally.

4. Discussion

Manufacturing equipment and tobacco leaf are the inputs most commonly subject to control mechanisms. Several Parties issue licenses for these inputs, providing at a minimum a record of the number and nature of economic operators in the supply chain, and laying the groundwork for further regulatory measures. These may include data reporting requirements and periodic audits. This information, obtained from licenses and the leverage it provides to governments, also supports more effective tax administration. Manufacturers of cigarette filters and papers may also be subject to licensing and due diligence obligations, requiring reasonable efforts to verify the legitimacy of their clients.

Parties involved in the research offer two interesting approaches to licensing manufacturing equipment. In one party, the Ministry of Finance and Customs implements the licensing system, whereas in another Party, it is the Ministry of Agriculture. This demonstrates that initiative and oversight can come from different institutions within a government, avoiding duplication of effort and, in both cases, helping to control the supply chain.

Another Party involved in the research offers a compelling case for leveraging data from economic operators across the tobacco supply chain, particularly the key inputs, to maintain effective control over production. Their systematic, regularly audited system is conducive to transparency and compliance among actors.

Another opportunity to strengthen controls lies in monitoring cross-border trade. Enhancing oversight of exports and imports and fostering information exchange between Parties could yield significant benefits. Several Parties have identified specific areas at high risk for illicit trade, suggesting that targeted interventions in these zones could generate a substantial impact. Parties that have significant exports of a given key input acknowledge there may be benefit to better coordination with the respective importing country. And importers note that developing legislation to control key inputs is a starting point.

Central to advancing these efforts is improved cooperation. At the national level, this entails stronger inter-agency collaboration, enhanced information sharing and better utilization of existing data systems. At the international level, Parties could make greater use of platforms such as the United Nations Commodity Trade Statistics Database by sharing and analyzing more data.

In accordance with Article 13 of the Protocol, Parties have an obligation to implement effective measures to subject any duty-free sales of tobacco products to all relevant provisions of the Protocol, taking into consideration Article 6 of the WHO FCTC. To better understand the relationship

between duty-free sales and illicit tobacco trade, further investigative methods beyond stakeholder interviews may be required.

In conclusion, the case studies demonstrate that the selected key inputs can be effectively controlled through appropriate mechanisms. Parties are beginning to secure supply chains for these inputs, which should help mitigate illicit production and sales. Strengthening these measures will be essential for national authorities to improve tobacco tax administration, ensure effective tax collection, and eliminate illicit trade in tobacco products.

Annex 1:

HS Codes

Commodity	**Description / Sub-category**	**Commodity Code (HS Code)**
Machinery	— Machinery for preparing or making up tobacco	8478.10
	— Parts of such machinery	8478.90
Cigarette Paper	— In the form of booklets or tubes	4813.10
	— In rolls ≤ 5 cm width	4813.20
	— Other cigarette paper	4813.90
Cigarette Filter	— Artificial filament tow of cellulose acetate *(main ingredient of filter rods)*	5502.10
	— Other artificial filament tow	5502.90
Raw Tobacco Leaf	— Not stemmed or stripped	2401.10
	— Partly or wholly stemmed or stripped	2401.20
	— Tobacco refuse	2401.30

Annex 2:

Questionnaire sample

The aim of the following questionnaire is to develop an understanding of the existing control measures implemented locally in the Netherlands to control specific key inputs in the tobacco product supply chain (particularly cigarette manufacturing machines (equipment), but also raw tobacco leaf, cigarette paper, & cigarette filters), given the success of the country in this area.

Section 1: Regulatory Framework

1. **Legislation and Directives:**
    - What specific Dutch laws or regulations govern the import, export, and production of tobacco manufacturing equipment, as well as other key input materials in the tobacco product supply chain (e.g., tobacco leaf, cigarette paper, cigarette filters)?
    - How does the Netherlands implement the EU Tobacco Products Directive (2014/40/EU) concerning the provisions relevant to governing the tobacco product supply chain more broadly, particularly Article 15 on traceability?
      Does the country have any requirements for registering tobacco manufacturing equipment?
2. **Licensing and Authorization:**
    - Are there specific licensing requirements for the entities involved in the manufacture, import, or export of tobacco manufacturing equipment and/or other key input materials in the tobacco product supply chain?
    - What criteria must companies meet to obtain and maintain such licenses or authorizations?
    - Do these companies need to report their intended market for their goods? Does the govt. compare this against reasonable expectations (i.e., commensurate demand)?
    - How is compliance monitored and enforced?

Section 2: Import and Export Controls

3. **Customs Procedures:**
    - What customs procedures are in place to monitor exporting of tobacco manufacturing equipment and other key input materials within the tobacco product supply chain?
4. **Inspection and Verification:**
    - How does customs verify the compliance of imported or exported tobacco manufacturing equipment and other key input materials with national and EU regulations?
    - Are physical inspections mandatory for all shipments, or are there risk-based assessments?
    - Are there any high-risk countries/players identified?

Section 3: Tracking and Tracing

6. **Supply Chain Monitoring:**
    - Are there systems in place to monitor tobacco manufacturing equipment, possibly as a means to trace finished tobacco products?
    - What systems are in place to monitor the movement of other key input materials in the tobacco product supply chain?
    - How are data collected and utilized to prevent the diversion of components of the tobacco product supply chain to illicit manufacturing?

- Is the use of obsolete equipment monitored by the govt? Are there any requirements to dispose of obsolete equipment?

7. **Data Storage and Access:**
    - Are manufacturers required to maintain records of tobacco equipment sales and transfers? What about for other key input materials?
    - Is there a system in place for manufacturers to routinely provide such information to the govt., or is it only on a request-basis?
    - Who has access to this data, and how long is it retained?
    - Do governmental institutions (e.g., customs, tax authorities, regulatory agencies) also collect this information, and if so, how is it stored and used?

Section 4: Enforcement and Compliance

7. Have they identified any illicit activity – e.g., an illicit factory? What do they do with the equipment they find there? Are they able to determine where the key inputs for the operation to function have come from?
8. **Interagency Collaboration:**
    - How do customs authorities collaborate with other national agencies to enforce controls on tobacco manufacturing equipment and other key input materials in the tobacco product supply chain?
    - Are there any international cooperation efforts?
9. **Penalties and Sanctions:**
    - What are the penalties for non-compliance with regulations governing the control of components in the tobacco product supply chain?
    - Can you provide examples of recent enforcement actions or cases?

Section 5: Challenges and Improvements

9. **Operational Challenges:**
    - What challenges do customs officers face in monitoring and controlling tobacco manufacturing equipment and other key input materials in the tobacco product supply chain?
10. **Enhancement Measures:**
    - Are there ongoing initiatives to improve the monitoring and control of key input materials in the tobacco product supply chain?
    - What can be strengthened to prevent the illicit use of such inputs in the tobacco product supply chain? This can be in the form of new regulation/legislation; monitoring; enforcement; etc.

Section 6: Duty-free Sales and Illicit Trade

11. **Controls on duty-free tobacco sales:**
    - How does Dutch customs regulate duty free sales of tobacco products to prevent diversion into illicit markets?
    - Are there specific monitoring measures in place to track tobacco products sold in duty-free zones?
    - Have you identified an increase in the number of tobacco products to be sold as duty free? If yes, what is the procedure to monitor them?
    - Are there any records of seizures connected to duty free? (I.e., have you encountered any products marked for duty free that are illicit).