



News release

Minister of National Revenue unveils a new state-of-the-art excise stamp to combat contraband tobacco

Ottawa, Ontario, September 4, 2008... The Honourable Gordon O'Connor, Minister of National Revenue, today unveiled a new state-of-the-art tool to target the market of contraband and counterfeit tobacco in Canada.

"Our Government takes the issues of tobacco contraband and counterfeit very seriously," said Minister O'Connor. "While the new tobacco stamp will not single-handedly resolve all those issues, it is a key element in the government's overall strategy to combat this illicit activity. We are all working together as a government to deliver on our commitment to keep our communities safe and secure."

"Illicit cigarette manufacturing and sales represent a significant threat to the safety and security of our communities and to our economy," said the Honourable Stockwell Day, Minister of Public Safety. "Trafficking in contraband tobacco fuels other illegal activities by organized crime, such as drug trafficking and gun smuggling. The new tobacco stamp will strengthen the ongoing efforts of law enforcement to prevent the production and distribution of illicit tobacco."

As part of its Tobacco Compliance Strategy, the Canada Revenue Agency (CRA) recently contracted the joint venture of Canadian Bank Note Company and SICPA Product Security SA to design, produce, and distribute a new excise duty stamp for tobacco products. This sophisticated identifier contains a number of overt and covert security features, much like those found on Canadian currency, which, once fully implemented, will allow authorities to more easily identify legitimate tobacco products and detect counterfeit or contraband products.

The CRA works with a number of other government departments such as the Canada Border Services Agency, as well as with federal and provincial enforcement agencies, to ensure that Canada's tobacco laws are applied effectively. The new excise duty stamp for tobacco products will add another important tool to strengthen the Agency's and its partners' efforts to fight contraband tobacco in Canada.

For more information about the new excise duty stamping regime for tobacco products, see the attached backgrounder.

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