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CUSTOMS SMUGGLING OF GOODS INFRINGING THE INTELLECTUAL  
PROPERTY RIGHTS IN THE EUROPEAN UNION

Ewa Gwardzińska<sup>1</sup>, Małgorzata Chackiewicz<sup>2</sup>

<sup>1</sup>SGH Warsaw School of Economics, Collegium of Business Administration,  
Department of Administrative and Financial Corporate Law, 6/8 Madalińskiego street, 02-513 Warszawa, Poland  
<sup>2</sup>War Studies Academy, Faculty of Management and Command, Institute of Logistics, Aleja Generała Antoniego  
Chruściela "Montera" 103, 00-910 Warszawa

E-mails: <sup>1</sup>[egwardz@sgh.waw.pl](mailto:egwardz@sgh.waw.pl); <sup>2</sup>[m.chackiewicz@akademia.mil.pl](mailto:m.chackiewicz@akademia.mil.pl)

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**Abstract.** This research article aims to investigate the customs smuggling of intellectual property rights infringing goods in the EU. There is no doubt that it is a phenomenon that has accompanied humanity from the beginning of the development of trade, it cannot be eliminated, but its scale can be limited (D. Matthews, P. Žikovska, 2013). The analysis used data taken from reports on intellectual property right enforcement in the EU in 2009-2020. The results show the scale and new trends in customs smuggling of goods on the EU market, but the analyses carried out do not provide a clear basis to conclude [that the EU customs authorities are winning the fight against customs smuggling, despite the observed decrease in confiscated goods or the number of opened proceedings, as these drops are largely related to the lockdown due to Covid-19 and the placing of goods with high customs risk under customs control.

**Keywords:** customs smuggling; protection of intellectual property rights; customs fraud; illegal trade; industrial property; confiscated goods

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## 1. Introduction

Intellectual property in the EU is a key economic factor as intellectual property sectors account for around 45% of Europe's GDP and provide 30% of jobs (Opinion of the European Economic and Social Committee. 2020), which is why it is so important to reduce the smuggling of goods. The development of customs smuggling is caused not only by the embargo of the introduced goods or too high customs and tax burden, but also by the whole complex of economic, political, organizational, legal, moral and social factors (I. Zhamaladen, K. Kairat, K. Saule, 2019; A. Kulish et al., 2021; T. Kolomoiets et al., 2021). It is a phenomenon that is very often subjected to various research analyses.

Google scholar under the concept of customs smuggling of goods infringing intellectual property rights identifies over 100 articles, ranging from the role of customs authorities in individual countries in combating smuggling of goods infringing intellectual property rights, and the strategies used. through techniques of combating counterfeit goods and infringing intellectual property rights and methods combating smuggling and illegal trade, customs controls of goods at the border and ending with theoretical or historical approaches to smuggling or legal regulations in this area.

There are over 100 websites devoted to this issue, both in English and Polish. As you can see, the issue of customs smuggling of goods infringing intellectual property rights is extensive, but the complexity of this phenomenon creates new research needs.

The authors attempted to analyse customs smuggling in 2009-2020 on the basis of publicly available data from reports on the protection of intellectual property rights in the EU concerning seized goods infringing intellectual property rights to show the scale of goods smuggling and new trends in the assortment of smuggled goods (W. Guan, 2014), (M. Piątkowska, 2012). The analysis used the method of statistical analysis and legal comparisons in this area.

## **2. Protection of intellectual property rights in international, EU and Polish law**

At the international level, the protection of intellectual property rights is governed by the Agreement on Trade-Related Aspects of Intellectual Property Rights (TRIPS), annex 1C to the Marrakesh Agreement establishing the World Trade Organization (WTO). It establishes minimum regulatory standards for domestic legal regulations under the various forms of intellectual property (IP) applied to citizens of other WTO member states.

TRIPS requires members of the WTO to ensure copyright, covering authors and other copyright holders as well as related rights holders, namely performers, sound record producers and broadcasting organization; geographical indications; industrial designs; integrated circuit designs; patents; new plant varieties; trademarks; trade names and undisclosed or confidential information. TRIPS also sets out enforcement, remedies and dispute resolution procedures. The protection and enforcement of all intellectual property rights aims to contribute to the promotion of technological innovation and the transfer and dissemination of technology, for the mutual benefit of producers and users of technological knowledge, and in a way that favours social and economic welfare and the balance of rights and obligations.

The EU legislator includes as intellectual property: a trademark design, copyright or any related right under national and EU law, a geographical indication, a patent under national or EU law; supplementary protection certificate for medicinal products; additional protect certificate for plant protection products, community plant protection right; a plant variety right under national or EU law; a utility model to the extent that it is protected by national or EU law as an intellectual property right; trade name to the extent that it is protected by national or EU law as an exclusive intellectual property right (Art. 2 point 1 of the Regulation (EU) no. 608/2013 of the European Parliament and of the Council).

In Polish legal regulations, unlike in the case of international or EU regulations (EU Bilateral Trade Agreements and Intellectual Property, 2014)- the issue of legal protection of intellectual property is separated from industrial property (A. Rački Marinković, 2022). In the first case it is: the Act on copyright and related rights (Act of February 4, 1994), in the second - industrial property law (the Act of June 30, 2000).

In the doctrine of Polish law, two basic positions can be distinguished regarding the relationship between the concepts of intellectual property and industrial property. According to the first of them, industrial property is inferior to intellectual property (scientific, literary, artistic property), so it is a narrower concept and is only one of the spheres of intellectual property. Supporters of the second view argue that industrial property and intellectual property are separate, although very close to each other, areas of ownership (J. Sieńczyło-Chlabicz, 2013).

The Act on copyright and related rights applies to all manifestations of human activity, i.e. literary work, journalism, science, music, computer science and many more (Security Rights in Intellectual Property, 2020). Contrary to industrial property law, copyright does not provide for any registration requirements.

The authors of copyrights; are entitled to proprietary copyrights and moral rights. In the first case, they include the exclusive right to use the work and dispose of it in all fields of use and to remuneration for the use of the work (R. Z. Morawski, 2019). In the second case - protect the creator's relationship with the work, unlimited in

time and not subject to surrender or sale, and in particular the right to (T. Rychlicki, 2008):

- authorship of the work,
- marking the work with your name or pseudonym or to make it available anonymously.
- inviolability of the content and form of the work and its reliable use,
- deciding on the first release of the work to the public.
- supervision over the way the work is used.

According to the Polish industrial property law this property may be protected by the following instruments:

- patents granted for inventions;
- protection rights for utility models;
- registration rights for industrial designs;
- protection rights for trademarks;
- registration rights for geographical indications;
- combating unfair competition.

Among the above instruments for the protection of industrial property, the most popular in Poland are the first four, i.e. patents granted for inventions; protection rights for utility models; registration rights for industrial designs and protection rights for trademarks.

### **3. The phenomenon of customs smuggling in the EU (European Yearbook, 2015)**

Both the EU customs code (Regulation (EU) no. 952/2013) of the European Parliament and of the Council), as well as implementing provisions (Commission's Implementing Regulation (EU) 2015/2447) and delegated provisions (Commission's Delegated Regulation (EU) 2015/2446) (M. Chatzipanagiotis, 2021) we will not find a definition of smuggling or customs smuggling (European Yearbook of International Economic Law, 2015), (S. Ovchinnikov, 2015). However, the definition of smuggling is presented in the international convention on mutual administrative assistance to prevent, investigate and punish customs offenses (Nairobi Convention, 1977), where smuggling is defined as customs fraud consisting in the movement of goods across the customs border in any secret way (unlawful), and the definition of customs smuggling is introduced by the Convention on Mutual Administrative Assistance in Customs Matters (Johannesburg Convention, 2003), defining it as any violation or attempted violation of customs law.

The Polish Penal Fiscal Code (Act of September 10, 1999) describes smuggling as carried out without fulfilling the customs obligation imposed on a given entity by importing goods from abroad or exporting goods abroad without presenting them to the customs authority or customs declaration, as a result of which the customs duty becomes depleted or the rules of non-tariff regulation are violated (L. Wilk, J. Zagrodnik, 2004).

According to the dictionary of the Polish language, smuggling is illegal carrying, transporting goods and foreign currency across the state border without subjecting them to control and customs duty of carrying, transporting prohibited items across the border (PWN, n.d.). a similar definition is presented in the 2018 customs glossary, where smuggling is defined as a customs offense consisting in the movement of goods across the border of the customs territory in any secret way, thus bypassing customs clearance (Glossary of International Customs Terms, 2018).

For the purposes of this article, we define customs smuggling as one of the forms of illegal trade in goods that is associated with failure to comply with customs formalities or violation of the principle of the prohibition of trade in goods, related to the entry of goods into the EU customs territory or the removal of goods from this area, as a result, customs and tax duties are reduced, and thus the principles of fair competition on the EU market are violated (E. Gwardzińska, 2015).

#### 4. Customs smuggling of goods infringing intellectual property rights

Customs smuggling of goods infringing intellectual property rights (Moens G., Trone J., 2010) is a particularly dangerous practice because a person:

- fails to fulfil the obligation regarding customs formalities and financial obligations related to public levies or violates the ban on trade in goods;

- violates the principles of fair competition on the market:

violates property rights through unlawful appropriation of property rights in intangible or tangible goods, thereby destroying the enterprises' and company's reputation and employs deceptive practices in relation to loyal customers, often violating the safety of human and animal life, as well as the protection of cultural goods, environmental protection or public-interest.

Each customs smuggling of goods is associated with failure to comply with customs obligations in the field of customs formalities, from failure to submit an entry summary declaration or an exit summary declaration, failure to present the goods to customs authorities, failure to properly proceed (declaration for the customs procedure, destruction or waiver for the benefit of Treasury), which consequently leads to failure to meet further obligations related to the introduction to or exit from the customs territory, including the settlement of customs and tax duties (E. Gwardzińska, 2018). It is worth noting here that there is a rule in ilk collection of customs duties that Member States retain 25% of the amount of customs revenue received as collection costs (H. Matthijs, 2022), and the remaining 75% is transferred to the EU budget (Council Decision (EU, Euratom) 2020/2053), which significantly affects financial security (R. Buzková, 2020).

In the case of smuggled goods infringing intellectual property rights, we are also dealing with deliberate misleading of the customer in terms of commercial quality or safety of the goods offered by the manufacturer, which is also recognized in EU law (Directive 2005/29/EC of the European Parliament and of the Council) and Polish (Act of April 16. 1993) for unlawful practices.

Under the Unfair Commercial Practices Directive in the EU. a commercial practice is unfair if it is contrary to the requirements of professional diligence and materially distorts or is likely to materially distort the economic behaviour of the average consumer reached or targeted, or the average member group of consumers if the commercial practice is aimed at a specific group of consumers (W. H. Van Boom, 2011). Polish law stipulates that the acts of unfair competition are in particular: misleading designation of a company. false or fraudulent designation of the geographical origin of goods or services, misleading designation of goods or services, breach of trade secrets, incitement to terminate or non-performance of a contract, imitation of products, deformation or unfair praise, obstruction of access to the market, bribery of a person holding a public office, as well as unfair or prohibited advertising, organizing an avalanche sales system, conducting or organizing activities in a consortium system and unjustified extension of payment terms for delivered goods or services rendered.

Article 1 of Protocol no. 1 to the Convention for the Protection of Human Rights and Fundamental Freedoms, better known as the European Convention on Human Rights (Convention, 1950), states that every natural and legal person has the right to respect for his property. No one may be deprived of his property except in the public interest and under the conditions prescribed by law and in accordance with the fundamental principles of international law. The shape of Polish property law as a legal institution is influenced by both the norms of international and national law.

The Constitution of the Republic of Poland in art. 64 provides that everyone has the right to property. other property rights and the right of inheritance and ownership, other property rights and the right of inheritance are subject to equal legal protection for all (the Constitution of the Republic of Poland). and therefore the intellectual property right is legally protected both in international. EU and national law -constitutional and statutory legal protection (T. Gwóźdź, D. Kołodziej, 2022). If this right is violated or even threatened, anyone can apply to a court to protect their property right.

**Table 1.** Customs smuggling of goods infringing intellectual property rights in the EU in 2009-2020 (EU Bilateral, 2014).

Year	Interception			Villus of imported goods (trillion euro)	% Value in euro/ Value of imported goods
	Cases	Articles	Value in euro		
2009	43 572	117.959.928	X	x	x
2010	79.112	103.30fi.928	1,110.052.402	1.531.52	0.072
2011	91.245	114.772.812	1,272.354.795	1.729 98	0.074
2012	90.473	39.917.445	896.891.786	1.798.76	0.050
2013	86.854	35.940.294	768.227.929	1.687.70	0.046
2014	95.194	35.568.928	617.046.337	1.692 89	0.036
2015	81.098	40.728.675	642.108.323	1.730 32	0.037
2016	63.184	41.387.132	672.899.102	1.712 56	0.039
2017	57.433	31.410.703	582.456.067	1.856.90	0.031
2018	69.354	26.720.827	738.125.867	1.977 50	0.037
2019	91.868	40.968.254	759.198.194	1.932 00	0.039
2020	69.147	26.922.173	777.630.477	1.714 30	0.045

*Source:* Intellectual Property Rights - Facts and figures (Archive) [https://ec.europa.eu/taxation\\_customs/intellectual-property-rights-facts-and-figures-archive\\_en](https://ec.europa.eu/taxation_customs/intellectual-property-rights-facts-and-figures-archive_en), Report on the EU enforcement of intellectual property rights in 2020, [https://euiipo.europa.eu/tunnelweb/secure/webdav/guest/document\\_library/observatory/documents/reports/2021\\_EU\\_enforcement\\_intellectual\\_property\\_rights/2021\\_EU\\_enforcement\\_intellectual\\_property\\_rights%20\\_FullR\\_en.pdf](https://euiipo.europa.eu/tunnelweb/secure/webdav/guest/document_library/observatory/documents/reports/2021_EU_enforcement_intellectual_property_rights/2021_EU_enforcement_intellectual_property_rights%20_FullR_en.pdf), European Union import of goods from 2010 to 2020 <https://www.statista.com/statistics/253584/import-of-goods-to-the-eu/>, access:14.03.2022

As shown in the table above, the number of cases of infringement of intellectual property rights from 2009 to 2011 increased from 43,572 cases to 91,245, which is an increase by 109%, with a 3% decrease in the number of goods seized and an increase by 15% in the value of detained goods. From 2012 to 2020, there is a visible decrease in the number of cases initiated, except for 2014, where there was an increase by approx. 10% compared to 2013 and a slight decrease in the number of detained goods by approx. 1% and a decrease in value of 0.08%. A similar situation occurred in 2019. where the number of initiated cases increased by 132% compared to 2018, with an increase of 153% in the amount of detained goods and a slight approx. 3% value. In the period of 2010-2020. there was a decrease in the number of initiated proceedings by 13%, with a significant decrease to 74% in the number of detained goods and a value decrease by 30% compared to 2010 (D. Hasik, A. Łapińska, 2015). The average percentage of the value of detained goods in smuggling to the value of EU imports in 2010-2020 was at the level of 0.041. so it is higher in 2010-2013 and in 2020. where it amounts to 0.045 and starts growing compared to 2019 (see Table 2).

**Table 2.** Good dominating in customs smuggling in 2010-2020 (data in %)

Year	Goods dominating in customs smuggling, data in %
2010	cigarettes (34); office supplies (9); other tobacco products (8), tags and emblems (8); clothing (7); toys (7)
2011	cigarettes (30); materials and packaging (9); clothing (8); toys (4); perfumes and cosmetics (3)
2012	drugs (24); materials and packaging (21); cigarettes (18); clothing (4); accessories for mobile phones (3); labels, tags, stickers (2)
2013	clothing (12); drugs (10); cigarettes (9); packaging materials (9); toys (8)
2014	cigarettes (35); toys (10); drugs (5); food (4)
2015	cigarettes (27); toys (9); tags and stickers (8); foodstuffs (7)
2016	cigarettes (24); toys (17); foodstuffs (13); packaging materials (12)
2017	foodstuffs (24); toys (11); cigarettes (9); clothing (7);
2018	cigarettes (16); toys (14); packaging materials (9); clothing (9);
2019	matches (23); cigarettes (21); packaging materials (14); toys (10); clothing (4);
2020	packaging materials (23); foodstuffs (17); clothing (10)

*Source:* Intellectual Property Rights - Facts and figures (Archive) [https://ec.europa.eu/taxation\\_customs/intellectual-property-rights-facts-and-figures-archive\\_en](https://ec.europa.eu/taxation_customs/intellectual-property-rights-facts-and-figures-archive_en), Report on the EU enforcement of intellectual property rights in 2020, [https://euiipo.europa.eu/tunnelweb/secure/webdav/guest/document\\_library/observatory/documents/reports/2021\\_EU\\_enforcement\\_intellectual\\_property\\_rights/2021\\_EU\\_enforcement\\_intellectual\\_property\\_rights%20\\_FullR\\_en.pdf](https://euiipo.europa.eu/tunnelweb/secure/webdav/guest/document_library/observatory/documents/reports/2021_EU_enforcement_intellectual_property_rights/2021_EU_enforcement_intellectual_property_rights%20_FullR_en.pdf),



Among the goods infringing intellectual property rights in customs smuggling, among the most frequently seized goods in 2010-2020 by the customs authorities, we can mention: cigarettes (M. Chackiewicz, 2017) which took the first place in 2010-2011 and 2014-2016 and in 2018. In 2013, the TOP goods dominating in customs smuggling changes in favour of toys, foodstuffs and packaging materials (see the table above).

Among the countries of origin of goods infringing intellectual property rights, China and Hong Kong China remain the undisputed leaders from 2010 to 2020, both in the case of goods seized by customs and the value of imported goods (WTO- Trade in Goods, 2011). In the case of seized goods, their share ranges from 89% in 2016 to 37% in 2019, which confirms a downward trend over the decade. In terms of value, China and Hong Kong China also dominate from 88% in 2016 to 69% in 2020, and a downward trend is also visible here. Turkey begins to have a significant share in the origin of goods infringing intellectual property rights, which in 2020 confirmed its share in the value of seized goods at the level of 19%, and in the seized goods, 10% (see the Table 3 below).

**Table 3.** Countries of origin of goods in customs smuggling in 2010-2020

Year	Countries dominant in customs smuggling, data in %	
	Articles	Value
2010	China (85); Indie (3); Hong Kong China (3) Moldova (2); Turkey (1)	China (73); Hong Kong China (8); Indi (3); Moldova (2); Turkey (1)
2011	China (73); Hong Kong China (8); Indie (3); United Arab Emirates (3); Syria (2); Turkey (1)	China (71); Hong Kong China(13); Turkey (3); Singapore (2); United Arab Emirates (3)
2012	China (65); United Arab Emirates (8); Hong Kong China (8); Turkey (3)	China (77); Hong Kong China (10); Turkey (4) United Arab Emirates (3); Morocco (2)
2013	China (66); Hong Kong China (13); Turkey (4); Morocco (2); United Arab Emirates (2); Ghana (2)	China (72); Hong Kong China (8); Turkey (7); Malesia (3); Morocco (2);
2014	China (80); Hong Kong China (8); United Arab Emirates (2); Turkey (2); Indie (1)	China (66); Hong Kong China (16); Panama (4); Turkey (3); Morocco (2)
2015	China (41); Montenegro (18); Hong Kong China (9); Malesia (9); Benin (8); Vietnam (3); I	China (58); Hong Kong China (20); Malesia (5); Turkey (4); Montenegro (3)
2016	China (81); Hong Kong China (8); Vietnam (2); Pakistan (2); Cambodia (2); Turkey (1)	China (72); Hong Kong China (16); Turkey (3); United Arab Emirates (2); Pakistan (2)
2017	China (73); Hong Kong China (10); Turkey (4); Vietnam (3); Syria (2);	Hong Kong China (42); China (38); Turkey (10); Indie (2); Singapore (1)
2018	China (51); Bosnia and Herzegovina (10); Hong Kong China (9); Cambodia (9); Turkey (7)	China (63); Hong Kong China (16); Turkey (9); Vietnam (2); Cambodia (9);
2019	China (33); Pakistan (27), Moldova (13); Bulgaria (10); Turkey (6); Hong Kong China (4)	China (56); Hong Kong China (24); Turkey (6); Bulgaria (2); Morocco (2); Senegal (1)
2020	China (33); Hong Kong China (11); Turkey 10; Greece (22)	China (45); Hong Kong China (24); Turkey (19); Singapore (6)

Source: Intellectual Property Rights - Facts and figures (Archive)

[https://ec.europa.eu/taxation\\_customs/intellectual-property-rights-facts-and-figures-archive\\_en](https://ec.europa.eu/taxation_customs/intellectual-property-rights-facts-and-figures-archive_en), Report on the EU enforcement of intellectual property rights in 2020, [https://euiipo.europa.eu/tunnelweb/secure/webdav/guest/document\\_library/observatory/documents/reports/2021\\_EU\\_enforcement\\_intellectual\\_property\\_rights/2021\\_EU\\_enforcement\\_intellectual\\_property\\_rights%20\\_FullR\\_en.pdf](https://euiipo.europa.eu/tunnelweb/secure/webdav/guest/document_library/observatory/documents/reports/2021_EU_enforcement_intellectual_property_rights/2021_EU_enforcement_intellectual_property_rights%20_FullR_en.pdf)

In Poland, 22,448 litres of alcohol were detained in 2018, a year later there was a decrease by 100% to the level of 11,791, in 2020 there was another decrease by 100% compared to 2019, and in 2021 an increase by 33% compared to 2020. In the case of fuel, we have a similar situation, we observe a decrease in the retained fuel in 2019 and 2020, respectively by 11% and 492% compared to 2018, and then a slight increase in 2021 by 31% compared to 2020. A similar situation occurs in the case of detained cigarettes, in 2018 183,843,194 units were detained, i.e. 9192,160 packs, a year later the decrease concerned 51,499,659, which was a decrease by 28%, and in 2020 there was another decrease by 60% compared to 2019, while in 2021, we observe an increase of 109% compared to 2020. In the case of initiated penal and discal proceedings, their number, starting from 2018, which amounted to 27,012, dropped in 2019 to the level of 18,215, and in 2020 to the level of 5,039, and in the following year it decreased to the level of 1,387 of initiated proceedings. In the case of the amounts of

imposed fines, starting from 2018, a continuous decrease is visible until 2021. In 2018, this amount was PLN 30.676,035. in 2019 it decreased to PLN 24.693.905 of the collected tickets, then in 2020 it amounted to PLN 6,824,422 and in 2021 - PLN 441,400.

Analysing the above data, the question arises: is the lower number of criminal and fiscal proceedings initiated and the smaller number of cigarettes seized and the smaller number of litres of alcohol and fuel retained, give grounds to believe that the customs authorities are winning the fight against customs smuggling in Poland. Well, we cannot state it unequivocally, because these data concern the disclosed cases and not the actual scale of smuggling, and besides, the years 2019-2021 concern the Covid-19 pandemic, where the movement of goods was limited (see Table 4).

**Table 4.** Retained goods in Poland in 2018-2021

<b>2018</b>	<b>Alcohol (litre)</b>	<b>Fuel (litre)</b>	<b>Cigarettes (pcs.)</b>	<b>Number of penal and fiscal proceedings</b>	<b>Amounts of fines (PLN)</b>
I	6218	42 140	13 600 000	2643	2 717 818
II	882	36 614	14 900 000	3082	3 215 112
III	1152	91 850	12 697 444	2874	2 837 242
IV	944	38 884	21 471 040	2445	2 419 708
V	1051	38 231	10 803 643	2351	2 464 056
VI	989	40 010	13 785 112	2176	2 696 727
VII	1245	43 383	18 379 081	2200	2 557 801
VIII	1246	48 003	14 215 638	2048	2 757 083
IX	1085	57 944	11 543 826	1911	2 424 930
X	2247	52 774	22 471 803	1987	2 541 935
XI	4015	55 592	16 692 416	1752	2 187 585
XII	1374	56 875	13 283 191	1543	1 856 038
<b>Total</b>	<b>22 448</b>	<b>602 300</b>	<b>183.843.194</b>	<b>27 012</b>	<b>30 676 035</b>
<b>2019</b>	<b>Alcohol (litre)</b>	<b>Fuel (litre)</b>	<b>Cigarettes (pcs.)</b>	<b>Number of penal and fiscal proceedings</b>	<b>Amounts of fines (PLN)</b>
I	1 401	47 920	6 759 684	1762	2 439 444
II	1 230	45 111	7 808 223	1754	2 383 869
III	1 062	49 446	10 907 440	1858	2 375 049
IV	916	51 647	8 596 073	1621	2 086 115
V	804	49 110	6 914 343	1689	2 082 283
VI	919	47 259	9 577 851	1474	1 845 455
VII	741	46 178	16 483 599	1527	2 179 274
VIII	1 287	45 566	6 307 453	1436	2 275 048
IX	747	39 818	12 074 651	1307	1 772 135
X	987	41 255	23 120 438	1505	1 980 228
XI	948	40 615	10 676 472	1203	1 737 093
XII	749	29 655	13 117 308	1079	1 537 912
<b>Total</b>	<b>11 791</b>	<b>533 579</b>	<b>132 343 535</b>	<b>18 215</b>	<b>24 693 905</b>
<b>2020</b>	<b>Alcohol (litre)</b>	<b>Fuel (litre)</b>	<b>Cigarettes (pcs.)</b>	<b>Number of penal and fiscal proceedings</b>	<b>Amounts of fines (PLN)</b>
I	1 109	9 258	4 534 175	1168	1 877 436
II	944	34 126	13 471 651	1257	1 734 782
III	440	1 963	2 113 598	1431	759 678
IV	51	6 858	10 491 730	14	61 322
V	169	9 886	10 474 158	28	80 030
VI	375	9 660	1 755 094	44	224 266

VII	215	6 657	7 968 177	220	281 129
VIII	233	7 717	7 066 585	153	314 447
IX	426	7 601	2 148 023	175	356 281
X	477	8 895	5 736 780	259	385 950
XI	436	11 296	11 822 775	159	339 487
XII	634	8 384	1 712 614	175	409 614
<b>Total</b>	<b>5 509</b>	<b>122 301</b>	<b>79 295 360</b>	<b>5039</b>	<b>6 824 422</b>
<b>2021</b>	<b>Alcohol (litre)</b>	<b>Fuel (litre)</b>	<b>Cigarettes (pcs.)</b>	<b>Number of penal and fiscal proceedings</b>	<b>Amounts of fines (PLN)</b>
I	513	6 531	1 270 299	76	441 400
II	456	7 545	2 029 839	130	454 891
III	790	13 338	24 426 278	187	548392
IV	539	14 546	4 068 251	110	491 015
V	673	4 256	11 112 922	85	554 145
VI	435	14 701	10 708 627	97	534 047
VII	920	16 173	33 844 263	119	666 788
VIII	799	15 048	10 780 619	127	805 687
IX	695	17 701	8 666 452	119	632 457
X	788	22 209	7 734 686	142	668 458
XI	377	14 282	25 697 343	110	523 638
XII	366	13 915	30 710 325	85	435 518
<b>Total</b>	<b>7351</b>	<b>160245</b>	<b>171 049 904</b>	<b>1387</b>	<b>441400</b>

Source: Monitor of the Security of the Eastern Border of the Republic of Poland of the EU's External Border in 2018-2021.

## Conclusion

The analysis carried out shows that customs smuggling of intellectual property rights infringing goods is related to the illegal entry into or exit of the EU customs territory. It causes not only serious financial losses to the person affected by the property rights, but also losses to the EU budget, as the customs revenue enters the EU budget. It is the customs authorities who are working here on the front line of defense in protecting property rights against illegal trade in goods, in order to prevent their further redistribution. He detentions of goods they disclosed and their value and the proceedings initiated do not reflect the entire scale of customs smuggling and the size of illegal transactions, but show that the market of customs smuggling of goods in the EU is developing and constantly changing. Among the countries of origin of goods infringing intellectual property rights in the analysed period (2009-2020), a decrease in the position of China as the leading country in infringement of property rights has clearly changed in favour of other countries, i.e. Turkey. Bosnia and Herzegovina. Cambodia and Senegal. We must all be aware that the customs smuggling of goods will not be eliminated from the practice of illegal trade in goods, but the range of smuggled goods will only change in line with fashion trends, as it is caused not only by the embargo of the goods entered or too high customs and tax burden, but also the whole complex of economic, political, organizational, legal, moral and social factors (I. Zhamaladen, K. Kapsalyamov, S. Kapsalyamova, 2019) .



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SGH prof. PhD hab. **Ewa GWARDZIŃSKA**

ORCID ID: <https://orcid.org/0000-0003-1656-2078>

ASzWoj PhD **Malgorzata CHACKIEWICZ**

ORCID iD: <https://orcid.org/0000-0002-6255-2789>