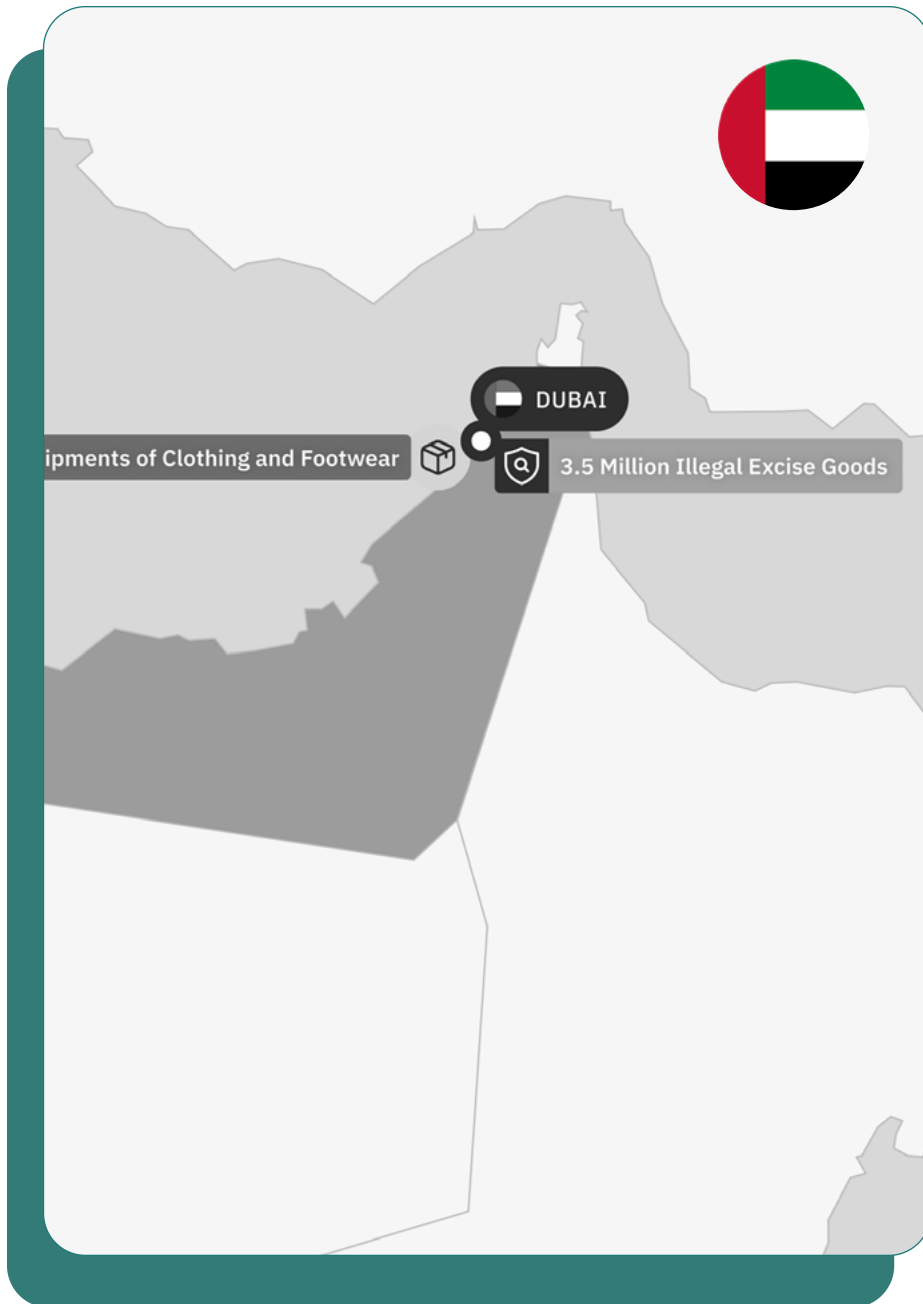


ApiraSol

E-CIGARETTES IN THE UNITED ARAB EMIRATES 2024/2025 – Q2

SUPPLY CHAIN INTELLIGENCE
APRIL 2026



Overview

1. INTRODUCTION & METHODOLOGY

2. E-CIGARETTE TRADE - UAE

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**INTRODUCTION &
METHODOLOGY**

Introduction

ApiraSol has been investigating the routes, brands, and entities involved in the trade of illicit e-cigarettes across various countries worldwide for several years.

In this particular research conducted in 2025, ApiraSol focused on the global illicit e-cigarette trade, drawing from trade data as well as open sources such as enforcement news, press releases from customs agencies, academic research papers, and online intelligence reports. The period covered for trade data spans January 2024 to December 2024, while enforcement-related news generally covers the years 2024 to 2025.

The Illicit E-Cigarette Trade: A Growing Global Challenge

The illicit e-cigarette trade is becoming a significant force reshaping the global nicotine market, fueled by rapid growth and mounting regulatory complexity. According to Euromonitor International, the illicit e-cigarette market was valued at **USD 47 billion in 2024**, representing over **70% of global spending** and roughly **three-quarters of total volume—equivalent to 605 billion cigarettes**. Furthermore, Euromonitor reported that illicit e-cigarette products exceed **80% penetration in North America, Latin America, the Middle East and Africa, and Asia Pacific**,

while Western Europe, though lower, continues to face persistent illicit trade despite increasing legislative pressures.

Regulatory Frameworks Driving Illicit Trade

Stringent bans and fragmented regulations often unintentionally fuel underground trade. Bans do not necessarily eliminate demand for e-cigarettes; where consumer interest persists despite such measures, gaps in legal supply may arise, creating opportunities for illicit suppliers to fill unmet demand. Even in countries with robust regulatory frameworks, unintended consequences may arise—strict compliance requirements and high taxation can make legal products more expensive and less accessible, while the convenience of illicit channels, including online and delivery-based sources, may further draw consumers toward cheaper, non-compliant alternatives. These conditions typically incentivize smuggling and the use of transshipment hubs in regions with weaker oversight, allowing illicit goods to infiltrate regulated markets.

Complex regulations also often create loopholes that illicit networks exploit, such as mislabeling products or routing shipments through multiple jurisdictions to obscure origins. While strong regulations aim to protect public health, without equally strong

enforcement, these often end up driving demand for illicit products rather than curbing it.

China's Regulatory Gaps and Insufficient Enforcements

China produces the vast majority of e-cigarettes globally, making its regulatory framework critical to controlling illicit trade. The **Administrative Measures for Electronic Cigarettes** (effective May 1, 2022) require that all e-cigarette products comply with mandatory national standards and that producers, exporters, and retailers obtain licenses from the State Tobacco Monopoly Administration (STMA). Similarly, the **Administrative Rules for E-Cigarettes Import-Export Trade** (issued October 2022) stipulate that only licensed exporters can ship products abroad, and exported goods must either meet the destination country's regulations or adhere to China's national standards.

In practice, however, exports are not sufficiently controlled. Loopholes in licensing, weak oversight of small-scale producers, and limited monitoring of export compliance allow unlicensed operators to bypass official channels.

Compounding these issues is weak enforcement in many destination countries. These challenges are amplified by the growing use of digital platforms such as social media, messaging apps, and

informal online channels, which make detection and enforcement even harder.

Without stronger controls and enforcement mechanisms in China, and investment in monitoring capabilities in destination countries, illicit trade will continue to thrive despite regulatory efforts.

On December 18, 2025, China's General Office of the State Council issued a policy document titled "Opinions on Combating Tobacco-Related Illegal Activities Across the Entire Chain", which sets out a comprehensive enforcement strategy against illicit tobacco and nicotine products. The Opinions explicitly bring electronic cigarettes and other nicotine-containing products under strengthened regulatory scrutiny, calling for full-chain enforcement against the illegal production, wholesale, transportation, sale, and "export re-flow" of e-cigarettes and related products. This includes tightening oversight of e-cigarette manufacturing and supply chains, cracking down on unauthorized operations, and treating unlawful export and smuggling back into China as enforcement priorities alongside traditional tobacco smuggling.

The text of the Opinions does not designate exports to overseas destination markets as independent enforcement targets; rather, references to other countries and cross-border cooperation are tied specifically to preventing illegal e-cigarette exports from re-entering China's domestic market. This confirms that the

primary focus is safeguarding China’s domestic regulatory objectives, public health, and market order, with international cooperation positioned mainly as a means to curb the re-flow of illicit products back into China. The effectiveness of China in stepping up its enforcement efforts to control the illicit trade of tobacco and nicotine products remains to be seen.

Amid the alarming surge of illicit market activity and mounting regulatory complexity, ApiraSol’s 2025 investigation into the global e-cigarette trade will map illicit trade flows, analyze seizure patterns across countries and regions, and uncover the mechanisms enabling this shadow economy.

Methodology

This report has been prepared using various data sources, including (but not limited to):

- Publicly available customs trade data for the period January 2024 - December 2024. For those countries covered in this report that don’t make their customs data publicly available, data has been obtained from the mirrored data of other countries.
- Statistical data for the period January 2024 - June 2025.
- News articles relating to enforcement and seizures.

Terminology and Definitions

Statistical Data - Numerical information representing measurable aspects of economic, demographic, social, or environmental phenomena, as produced by national statistical offices, government agencies, or intergovernmental organizations.

Trade Data - Information on the movement of goods and services between countries, typically reported by customs authorities and presented in terms of import and export volumes, values, origin, and destination.

Enforcement News - Reports and updates issued by law enforcement, customs, or regulatory agencies on activities such as investigations, product seizures, arrests, policy actions, and other official measures.

In the trade data, Origin and Destination Countries refer to the following:

Origin Countries - Shipment Origin Countries declared in publicly available trade data between January 2024 - June 2025.

Destination Countries - Shipment Destination Countries declared in publicly available trade data between January 2024 - June 2025.

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**E-CIGARETTE TRADE -
UNITED ARAB EMIRATES**

Summary

In 2024, China's declared exports of e-cigarettes to the United Arab Emirates totaled \$257 million. However, corresponding UAE import statistics for e-cigarettes were unavailable, preventing the calculation of any statistical import-export gap. Absence of UAE figures exposes ongoing challenges in data transparency, making it difficult to assess true market volume, compliance, and the flow of e-cigarette trade.

Key factors contributing to data gaps and market complexity:

- **Regulatory Environment:** The UAE enforces specific standards (such as ECAS certification and UAE.S 5030:2018), requires registration for electronic nicotine products, and applies strict import taxes. Nonetheless, enforcement varies between mainland and free zones, where products may enter outside standard customs reporting. Rapidly evolving rules and inconsistent application further complicate reporting and tracking.
- **Transshipment and Re-Routing:** Shipments destined for the UAE are frequently subject to transshipment and re-routing through free trade zones or neighboring countries (such as Oman or Dubai's Jebel Ali). These processes allow goods to enter the UAE indirectly, obscuring their true origin and complicating direct trade reconciliation. Transshipment via regional hubs and alternative entry channels—often with reduced regulatory oversight—not only increases market opacity but also results in a significant share of trade flows that are not captured in main customs datasets.
- **Misdeclaration and Evasion:** Some exporters deliberately misdeclare e-cigarette products (using alternative HS codes) or underreport values and quantities to sidestep excise taxes, customs duties, or regulatory scrutiny. This leads to incomplete or distorted records and impedes accurate market analysis.
- **Incomplete or Delayed Reporting:** Some shipments lack complete data—such as shipment weight or transport mode—hampering transparency and granular reconciliation.
- **Customs Data Limitations:** Differences in classification standards, documentation practices, and valuation methods between the UAE and its trading partners exacerbate discrepancies, making reconciliation of bilateral trade figures challenging.
- **Prevalence of Smuggling and Illicit Trade:** Despite strong regulatory barriers, large-scale seizures (including narcotic-laced, unlicensed, or counterfeit e-cigarettes) continue. Such products are routinely concealed in luggage, warehouses, or bulk shipments. The resilience of these illicit supply chains—adapting to enforcement tactics—suggests persistent gaps in official reporting and customs monitoring.

The UAE's cross-border e-cigarette market remains opaque and difficult to assess with precision. Addressing these complexities requires not only improved regulatory coordination and data

sharing but also innovative monitoring strategies to capture the true flow and compliance status of products in this fast-evolving market.

Regulatory Overview

The United Arab Emirates (UAE) enforces a robust regulatory framework for e-cigarettes under its federal tobacco control system. The use and distribution of e-cigarettes were legalized in April 2019, and since then, the country has progressively tightened its oversight to align with public health objectives and international standards.

The maximum nicotine concentration allowed is 20 mg/ml, with e-liquid tanks limited to 10 ml and refill containers capped at 50 ml. These limits are enforced under the UAE.S 5030:2018 product standard, which also requires high-purity ingredients and strict packaging protocols. All e-cigarette products—whether nicotine-containing or nicotine-free—must be authorized by the Ministry of Industry and Advanced Technology, and labels must be submitted for evaluation and approval.

Packaging must meet safety standards, including being child-resistant, tamper-proof, and waterproof, and must display clear health warnings in both Arabic and English. A regional standard on liquids and products used in electronic alternatives to traditional tobacco has been finalized and adopted last May 2025.

This standard will ban flavors such as cocoa, vanilla, coffee, tea, candy, and alcohol, and introduce stricter ingredient and packaging requirements across Gulf Cooperation Council (GCC) member states.

E-cigarettes are regulated as tobacco products, primarily under Cabinet Resolution No. (42) of 2018 on marking tobacco and tobacco-related products, and Federal Decree-Law No. (7) of 2017 on Excise Tax. These laws mandate that e-cigarette devices and e-liquids carry digital or physical tax stamps to confirm compliance. An excise tax of 100% of the retail value applies to both devices and e-liquids, alongside a 5% VAT. Additionally, a 100% customs duty is levied on imported e-cigarette products.

Advertising of e-cigarettes is strictly regulated, especially in media accessible to minors. The Department of Health – Abu Dhabi has implemented policies restricting the promotion of unhealthy products, including tobacco alternatives, in public spaces to protect children and reduce noncommunicable diseases.

Public use of e-cigarettes is confined to designated smoking areas, and the sale to individuals under 18 is prohibited. Importers must obtain certificates of conformity and ensure products meet UAE standards before entering the market. Despite these measures, the rising popularity of vaping among youth has prompted ongoing public health campaigns and regional cooperation to strengthen enforcement and awareness.

Statistical Data (China as Origin)

China's declared exports of e-cigarettes to the UAE in 2024 totaled \$257,234,000; however, corresponding import data from the UAE were unavailable. The lack of UAE import figures prevents a direct comparison and the calculation of any statistical discrepancy. This lack of import data transparency may stem from gaps in customs reporting, non-public disclosure of disaggregated trade figures, re-routing of goods through UAE free zones or third countries, misdeclaration or underreporting of product categories, regulatory loopholes, and the widespread use of informal or illicit trade channels that evade official documentation. In conclusion, the absence of UAE import statistics not only hinders accurate market analysis but also highlights persistent challenges in monitoring regulated product flows and ensuring effective oversight of cross-border e-cigarette trade.

Total Value 2024:

- Total Exports from China 2024: \$257,234,000
- Total Imports from China 2024: N/A
- **Statistical Gap: N/A**

EXPORTS OF E-CIGARETTES FROM CHINA TO THE UNITED ARAB EMIRATES - STATISTICAL DATA (ITC DATABASE)

HS Code	HS Code Description	ORIGIN COUNTRY	DESTINATION COUNTRY	Value in 2024 (Unit : US Dollar thousand)	Value in 2025-Q1 -Q2 (Unit : US Dollar thousand)
24041200	Other products containing nicotine, intended for inhalation without combustion	CHINA	UNITED ARAB EMIRATES	213,996	153,276
24041990	Other products containing nicotine substitutes, intended for inhalation without combustion	CHINA	UNITED ARAB EMIRATES	896	433
24041910	Other products containing tobacco substitutes, intended for inhalation without combustion	CHINA	UNITED ARAB EMIRATES	0	0
85434000	Electronic cigarettes and similar personal electric vaporizing devices	CHINA	UNITED ARAB EMIRATES	42,342	26,420
Total:				257,234	180,129

IMPORTS OF E-CIGARETTES TO THE UNITED ARAB EMIRATES FROM CHINA - STATISTICAL DATA (ITC DATABASE)

HS Code	HS Code Description	ORIGIN COUNTRY	DESTINATION COUNTRY	Value in 2023 (Unit : US Dollar thousand)	Value in 2024 (Unit : US Dollar thousand)	Value in 2025-Q1 -Q2 (Unit : US Dollar thousand)
24041210000	Products containing nicotine, intended for inhalation without combustion	CHINA	UNITED ARAB EMIRATES	22,546	N/A	N/A
240419900000	Products intended for inhalation without combustion: other: other	CHINA	UNITED ARAB EMIRATES	124	N/A	N/A
854340000000	Electronic cigarettes and similar personal electric vaporizing devices	CHINA	UNITED ARAB EMIRATES	N/A	N/A	N/A
Total:				22,670	-	-



Exports from China to the UAE

257,234,000

Total 2024 Value (USD)
1H 2025 Value (USD): 180,129,000

Imports to the UAE from China

22,670,000

Total 2023 Value (USD)
1H 2025 Value (USD): N/A

Imports to the UAE from China

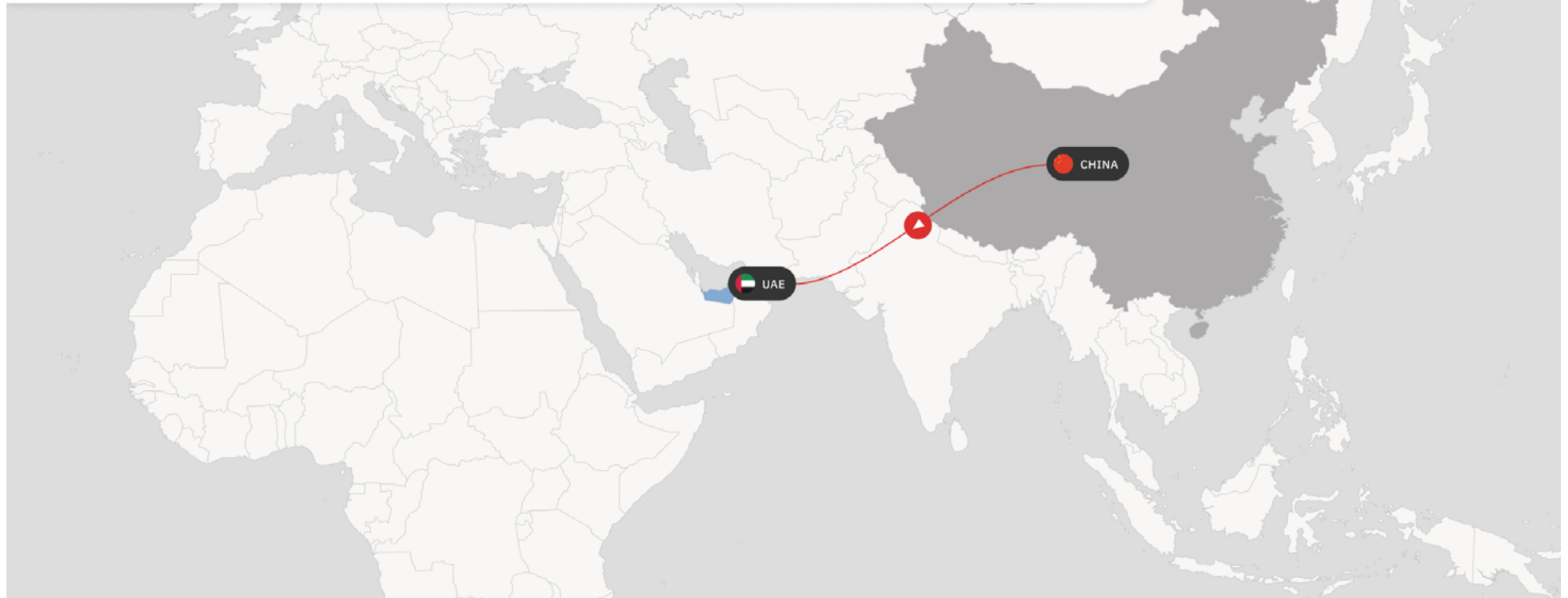
N/A

Total 2024 Value (USD)
1H 2025 Value (USD): N/A

Statistical Data Gap *

N/A

* Difference between the Exports and the Declared Imports (USD)



UNITED ARAB EMIRATES

TRADE DATA (MIRRORED DATA FROM INDONESIA AND GLOBAL SHIPMENTS DATA)

The data indicates a well-established and continuous trade lane for nicotine vaping products running from Asian manufacturing hubs into the UAE. Because the products are high-risk from a regulatory perspective and documentation shows typical red flags (such as incomplete logistics details and potentially misdeclared values), these channels could be exploited to move goods onward into markets where such products are more tightly restricted or subject to higher taxes. In this context, the UAE functions as a regional staging point, where consignments can be repackaged, re-documented, or re-routed, enabling parallel and illicit trade and obscuring the true origin and final destination of the products.

Shipments:	228 Trade Shipments
Period:	January - December 2024
Origin Countries:	China: 15 %, Indonesia 85%
Origin Ports:	Sekupang: 71 %, Shekou: 12 %, Batu Ampar: 11 %, Cengkareng Soekarno Hatta U: 6 %
Destination Countries:	United Arab Emirates
Destination Ports:	Dubai: 59 %, Jebel Ali: 38 %, Ajman: 2 %, Sharjah: 1 %
Products:	Products containing nicotine intended for inhalation without combustion, cartridges, electronic cigarettes and similar personal electric vaporisers, etc.
E-Cigarette Brands:	<i>[REDACTED]</i>
Mode of Transport:	Unknown: 88 %, Sea: 11 %, Air: 1%
Value declared:	573,628.41 USD (90 % of shipments)

UNITED ARAB EMIRATES

Weight declared:	281,639.82 KG (96 % of shipments)
Number of exporters:	16
Number of importers:	33
Top Exporters:	[REDACTED]
Top Importers:	[REDACTED]
HS Codes declared in shipments:	<p>240419: Other products intended for inhalation without combustion (184 shipments)</p> <p>240412: Other products containing nicotine, intended for inhalation without combustion (28 shipments)</p> <p>854340: Electronic cigarettes and similar personal electric vaporising devices (16 shipments)</p>



UNITED ARAB EMIRATES

TRADE DATA (Mirrored Data from Indonesia and Global Shipments Data)



Shipments (Period FY 2024)

228

Quantity

573,628.41

Value (USD)

All included shipments and brands are recognized by regulatory authorities and involve only companies operating in compliance with legal requirements.



Destination Ports

- Dubai (59 %)
- Jebel Ali (38 %)
- Ajman (2 %)
- Sharjah (1 %)



Origin Ports from China and Indonesia

- Sekupang (71 %)
- Shekou (12 %)
- Batu Ampar (11 %)
- Cengkareng Soekarno Hatta U (6 %)

Mode of Transportation

Unknown: 88 %, Sea: 11 %, Air: 1%

E-Cigarette Products

Products containing nicotine intended for inhalation without combustion, cartridges, electronic cigarettes and similar personal electric vaporisers, etc.

Legal Brands at Time of Shipment

...

Top Importers

...

Top Exporters

...

The online articles report on **seizures of illegal e-cigarette products in the United Arab Emirates.**

Enforcement news from the UAE reveals an active and increasingly sophisticated crackdown on illegal tobacco and e-cigarette products. Authorities in the UAE have conducted large-scale inspections at Dubai International Airport, Dragon Mart, and Ajman storage sites, uncovering e-cigarettes mixed with cannabis oil, amphetamines, and other illicit substances. Raids have targeted both travelers and market vendors, with some shipments traced to China and the United Arab Emirates. The Federal Tax Authority has also seized over a million packs of illegal electronic smoking devices hidden in clothing shipments and logistics facilities. Dubai authorities apprehended a passenger at the airport carrying 24 drug-laced e-cigarettes and amphetamine pills, leading to legal proceedings and a significant fine—highlighting the risks of drug-infused vaping devices and the scrutiny applied at border entry points. Large raids have uncovered millions of illicit tobacco packets, including 146 million without digital tax stamps, signaling intensified fiscal enforcement and the importance of tax compliance in combating black market activity.

Authorities have also targeted illegal e-cigarette markets and retail operations, such as the Longcheng market in Dubai, seizing thousands of products during planned crackdowns, including 1,555 devices during Ramadan and nearly 800,000 units sold without proper licenses in Ajman. Smuggling tactics revealed by

recent investigations include concealing millions of illegal excise goods in bulk clothing shipments, demonstrating evolving concealment methods and organizational capacity within trafficking networks.

Overall, enforcement is characterized by coordinated operations from customs, police, and the Federal Tax Authority, broad product diversity (from narcotic-laced e-cigarettes to untaxed tobacco), proactive market surveillance, and strict penalties. These efforts reflect persistent demand and adaptive strategies among traffickers, but also a robust regulatory response aiming to safeguard public health and fiscal revenues.

- **Locations of Seizures:** Dubai International Airport, Dragon Mart (Dubai), Ajman storage sites, clothing shipments and logistics facilities, retail markets (including Longcheng market in Dubai).
- **Products Seized:** E-cigarettes mixed with cannabis oil and amphetamines, drug-laced vaping devices, illegal electronic smoking devices, nearly 800,000 unlicensed e-cigarettes, over 146 million tobacco packets without digital tax stamps, and more than a million packs of illegal electronic smoking devices.
- **Brands Seized:** Specific brands are not consistently reported in official news, but products included both generic and potentially counterfeit devices; some shipments were traced to China and the UAE.
- **Methods:** Concealment in personal luggage, hidden among clothing shipments, storage in Ajman warehouses, use of retail





market distribution, and distribution without proper licenses.

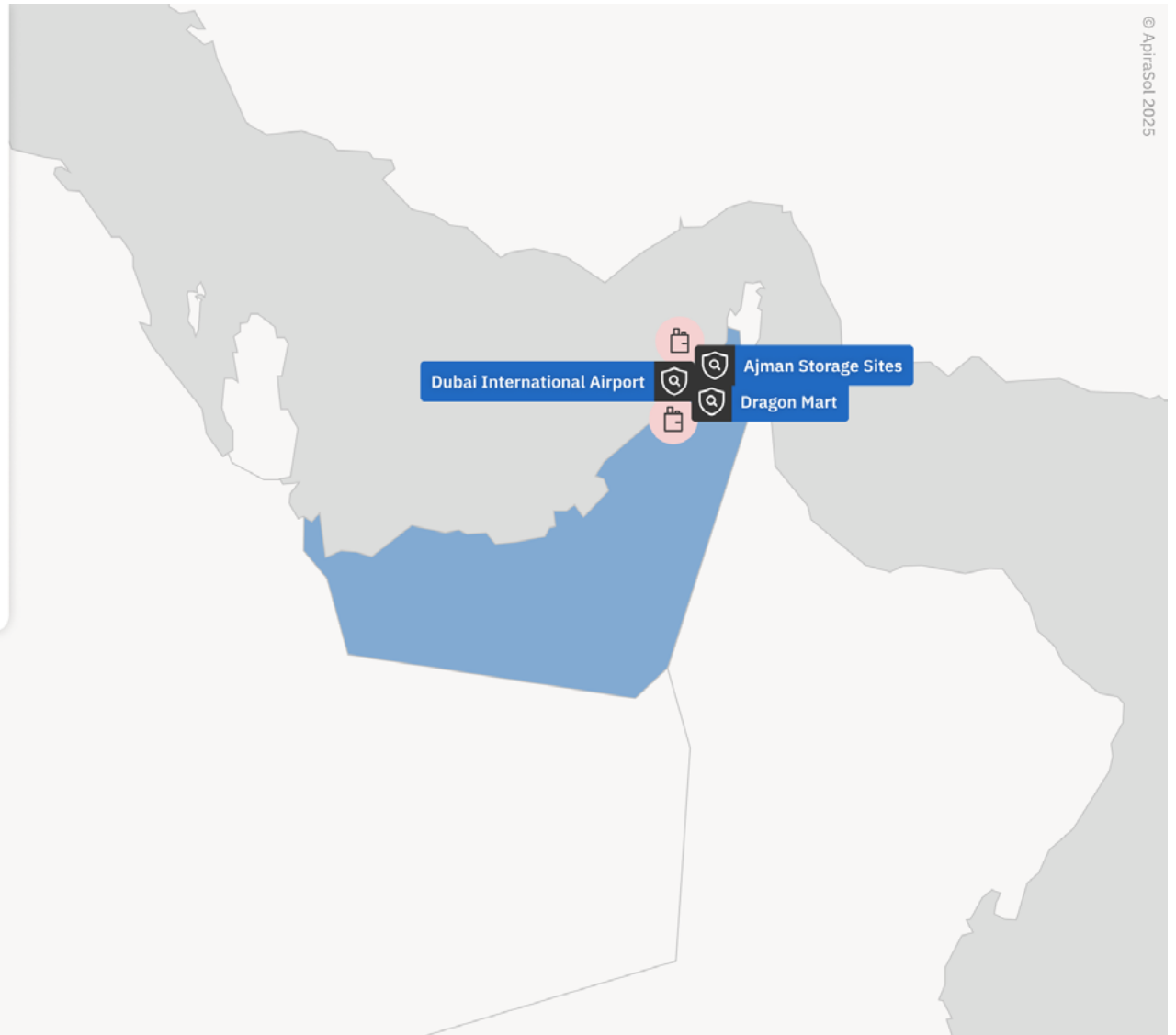
- **Enforcement:** Coordinated large-scale operations by Dubai customs, Federal Tax Authority, and police, inspections at airport terminals and retail locations, raids targeting both travelers and market vendors, legal proceedings with significant fines, and continued surveillance of logistics hubs and market channels.

 **UNITED ARAB EMIRATES**
ILLICIT TRADE OVERVIEW

Authorities in the UAE have conducted large-scale inspections at Dubai International Airport, Dragon Mart, and Ajman storage sites, uncovering e-cigarettes mixed with cannabis oil, amphetamines, and other illicit substances. Raids have targeted both travelers and market vendors, with some shipments traced to China and the United Arab Emirates. The Federal Tax Authority has also seized over a million packs of illegal electronic smoking devices hidden in clothing shipments and logistics facilities.

Legend

-  Inspection
-  Shopping Malls and Galleries
-  E-Cigarettes Mixed with Illicit Substances
-  ENDS are regulated



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UAE authorities raided a Dubai facility, confiscating over 3.5 million illegal excise goods—including 1.77 million packs of electronic smoking devices and accessories, 1.56 million packs of cigarettes, 111,360 packs of raw tobacco, 4,000 hookah tobacco packs, and 121 nicotine pouches— hidden in shipments of clothing and footwear.

Dubai raid seizes over 3.5 million smuggled goods hidden in clothes cargo

The FTA confirmed that all illegal goods have been permanently confiscated, a tax assessment has been completed, and fines have been imposed

Published: Mon 14 Jul 2025, 2:20 PM | Updated: Wed 16 Jul 2025, 8:34 AM

By: Khaleej Times Staff

Share:    



Legend



Raid



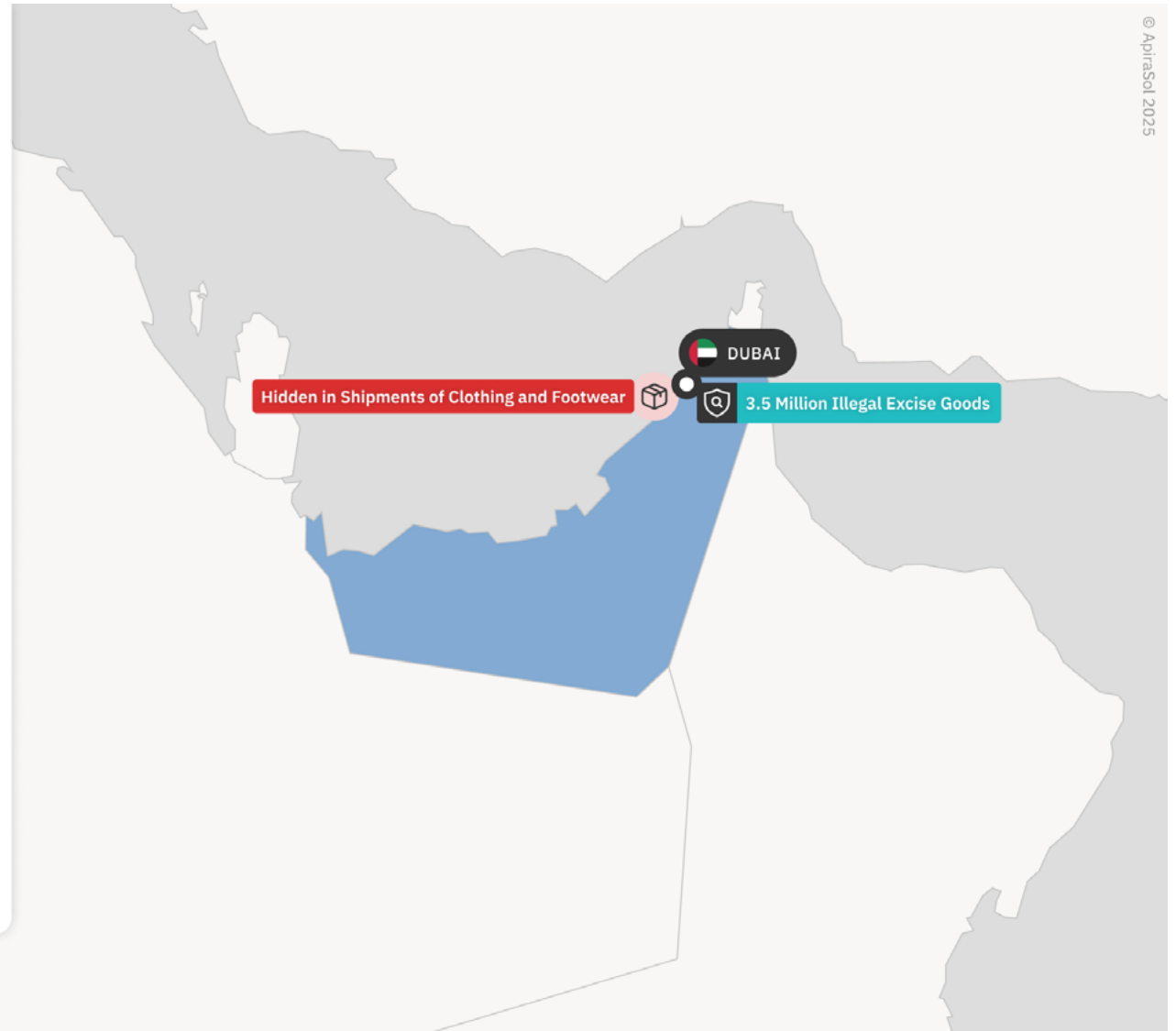
Shipment



ENDS are regulated

Source

<https://www.khaleejtimes.com/uae/crime/uae-fta-over-35-million-illegal-goods>



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