



MEDIA RELEASE

TRACIT Welcomes New Governance Frameworks to Counter Illicit Trade

Washington, DC, 1 March 2018 – Today in Washington, DC, the Transnational Alliance to Combat Illicit Trade (TRACIT) participated at the launch of the new OECD report “Governance Frameworks to Counter Illicit Trade.” In recognizing that global efforts to date have fallen short in preventing this criminal activity, the OECD is calling on governments to re-examine their institutional capacities to counter the trade in illicit goods.

“We fully support OECD’s efforts to upgrade institutional capacities and national government leadership to counter illicit trade,” said TRACIT Director-General Jeffrey Hardy. “What is needed is a joined-up approach that leverages enforcement and governance measures and multiplies the effectiveness of available resources across sectors and across borders.”

The report (<http://www.oecd.org/gov/risk/illicit-trade.htm>) examines the need to address more effectively the threats of illicit trade, with a particular focus on the role of small consignments and the misuse of free trade zones as hubs for managing trade in illicit products.

The transport of illicit goods takes all forms worldwide, from large ocean-borne containers to small, express mail packages. The OECD report underscores how the sharp growth in the e-commerce sector has significantly impacted the institutional capacities of governments to effectively screen and interdict the goods delivered through postal and courier streams. As of 2015, express mail now accounts for over half of all intellectual property right-related seizures in the US and more than 70 percent in the EU.

“Fake goods are increasingly sold on online marketplaces and distributed in small parcels via express mail, international courier and postal services, often directly to unwitting customers,” said Mr. Hardy. “For traffickers, small shipments are also a way to avoid detection and minimize the risk of sanctions. As called for by the OECD, addressing this scourge will require increased engagement with intermediaries and e-commerce platforms, and deepened cooperation between government and the private sector to prevent the unfettered flow of counterfeit items through the post. TRACIT stands ready to support the OECD in its important work moving forward.”

TRACIT is an independent, private sector initiative to drive change to mitigate the economic and social damages of illicit trade by strengthening government enforcement mechanisms and mobilizing businesses across industry sectors most impacted by illicit trade.

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