

MEDIA RELEASE

Illicit trade holds back progress on UN goals for sustainable agri-food markets

Chicago, 3 October 2019 – Today, the Transnational Alliance to Combat Illicit Trade (TRACIT) addressed the Food and Beverage Litigation, Compliance and Regulatory Exchange. The event provided an opportunity to inform policy makers and food industry stakeholders on how TRACIT is seeking to shape the policy response to illicit trade through targeted advocacy work and flag-ship initiatives such as the Global Illicit Trade Environment Index and its current study on cross-sectoral vulnerabilities in the supply chain.

The forum featured a presentation of TRACIT's report, *Mapping the Impact of Illicit Trade on the Sustainable Development Goals*, which maps the 17 UN SDGs against 12 key sectors that participate significantly in international trade. Given the conference's theme, emphasis was placed on the links between illicit trade and sustainability in the agri-foods industry.

From food fraud to large scale smuggling of agriculture products, illicit trade in agri-foods undermines farming and global food trade systems, destabilizes rural economies and jeopardizes production and delivery of fair, safe and sustainable food supplies. Smuggling of agriculture products is driven by a disparity between the price of a good at its origin and its (prohibited) destination, which includes price differentials deriving from government subsidies.

"Sugar, tea and cocoa smuggling, for example, destabilize food supplies and erode the sustainability of their underlying legal industries, said TRACIT Head of Communications and Public Policy Cindy Braddon. "In addition to its impact on food security, illicit agri-food impacts SDG 12 (Responsible Consumption and Production). When certificates of origin are falsified, quality assurance programs hampered, claimed ingredients diluted with a cheaper product or entire species substituted, consumers are deprived of their right to make responsible, educated, eco-friendly decisions about food consumption," she said.

About TRACIT

The Transnational Alliance to Combat Illicit Trade (<u>TRACIT</u>) 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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