

### MEDIA RELEASE

### TRACIT Calls on OECD to Step Up Policy Guidance to Member States

**Paris, 19 March 2019** – Today, at OECD Headquarters in Paris, the Transnational Alliance to Combat Illicit Trade (TRACIT) participated in the 7<sup>th</sup> Annual Meeting of the OECD Task Force on Countering Illicit Trade (TF-CIT). At the meeting, the OECD presented its latest report, "<u>Trends in Trade in</u> <u>Counterfeit and Pirated Goods</u>," which shows that the value of global trade in counterfeit and pirated goods has increased significantly to as much as \$509 billion dollars, or 3.3% of global trade.

# "The rapid growth in counterfeit trade means it's vital for governments to step up enforcement against illicit trade," said Jeffrey Hardy, Director-General of TRACIT. "This is another 10 percent increase since the OECD's last report in 2016, which clearly indicates that measures to fight counterfeiting have not been sufficient."

In addition, the TF-CIT's two-day agenda focused on identifying various drivers of illicit trade and weaknesses in the supply chain, such as illicit trade through shipping small parcels and abuses in Free Trade Zones. The meeting also facilitated the sharing of cases studies and efforts undertaken by certain governments and private sector stakeholders.

Beyond scoping the magnitude of the problem, TRACIT's view is that the OECD needs to identify, analyze and disseminate effective policy and good practices to assist OECD member states to better regulate against illicit trade in the many sectors most vulnerable to illicit trade.

"The OECD's quantitative studies are extremely useful, but the fight against illicit trade is an uphill battle that really calls for the OECD to demonstrate the policy leadership that it's renowned for," said Mr. Hardy. "Governments inside and outside OECD are hungry for effective public policies, and the task force has an important opportunity to fill this gap by mapping the best of the best and helping us close governance gaps that foster illicit trade," said Mr. Hardy.

Noting that OECD has already undertaken some work in the area of illegal trade in pesticides, TRACIT tabled two project proposals to extend this work to the production and dissemination of policy recommendations and best practices to address pharmaceuticals and alcohol – two sectors particularly vulnerable to illicit trade and where such illicit trade presents significant health and safety risks to consumers.

## "We congratulate the OECD on the work they've produced and especially for convening such an important forum," said Mr. Hardy. "We look forward to working with all task force members to step up efforts to fight illicit trade."

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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