

## Ecuador Must Do More to Tackle Illicit Trade

**Quito, Ecuador, 27 November 2018** – Today, the Transnational Alliance to Combat Illicit Trade (TRACIT) addressed government officials and industry stakeholders during a conference on Illicit trade, hosted by Cámara de Industrias y Producción (CIP). The conference featured a presentation on the Global Illicit Trade Environment Index, which ranks Ecuador 60<sup>th</sup> of 84 countries evaluated on the extent they enable or prevent illicit trade.

**"Ecuador already has many important laws in place to address illicit trade, money laundering and corruption,"** said TRACIT Director-General Jeffrey Hardy. **"But findings from the Global Illicit Trade Environment Index show that much more attention must be given to enforcement and improved regulation. Ecuador can no longer afford to look the other way on illicit trade."**

The Index evaluates countries on their structural capability to effectively protect against illicit trade, highlighting specific strengths and weaknesses across 25 policy, legal, regulatory, economic, trade, institutional and cultural indicators.

**"The findings are intended to help policy makers better understand the regulatory environment and economic circumstances that enable illicit trade,"** said Mr. Hardy. **"It can help the government take steps to improve Ecuador's defense against the import of illicit products and to prevent extraction and exploitation of timber, marine and mineral resources."**

Ecuador scores below neighboring Colombia (43<sup>rd</sup>) and Peru (56<sup>th</sup>), ranking 5<sup>th</sup> of the LATAM countries in the Global Index, only above Paraguay (70<sup>th</sup>) and Venezuela (80<sup>th</sup>). The country serves as a major transit point for illicit goods in the region, including untaxed and unregulated parallel (grey) market imports, illicit trade in tobacco and alcohol, textiles, pharma and Intellectual Property Rights violations.

To encourage an effective government response to illicit trade, Mr. Hardy presented a set of policy recommendations tailored for Ecuador. These included, among others:

- Strengthen interagency cooperation at the regional and national level;
- Intensify public-private coordination;
- Ensure the adoption and full enforcement of anti-money laundering regulations; and
- Improve public awareness and education on the threat of illicit trade.

The complete set of the TRACIT policy recommendations are available at:

[www.tracit.org/publications\\_gitei.html](http://www.tracit.org/publications_gitei.html)

### About TRACIT

The Transnational Alliance to Combat Illicit Trade ([TRACIT](http://www.tracit.org)) 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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