

New TRACIT report investigates supply chain vulnerabilities to illicit trade across 10 sectors

Dubai, UAE, 8 November 2023 - The Transnational Alliance to Combat Illicit Trade (TRACIT) today published its latest report, [*Exposing Supply Chain Vulnerabilities to Illicit Trade: A global report on dynamics, hotspots and responses across 10 sectors*](#), at the EMEA Security Conference & Exhibition.

The multidimensional report examines systemic weaknesses in complex supply chains to expose vulnerabilities in transportation modalities and hotspots that traffickers exploit to advance illicit trade, including e-commerce platforms, free trade zones and postal systems. The report also accounts for the poly-criminal nature of illicit trade and appraises the knock-on effects on organized crime, corruption, money laundering and forced labor.

“The supply chain is the engine that drives the global economy,” said Stefano Betti, TRACIT Deputy Director-General. “But every additional layer of complexity or fragility creates new opportunities to divert goods from legitimate distribution networks or to disguise the illicit nature of an operation.”

One key objective of the study is to identify supply chain weaknesses that might be common to more than one sector, and then to highlight business practices and regulatory controls that can have traction mitigating illicit trade in another sector.

“This report goes a long way in identifying common supply chain weaknesses that facilitate the ability of criminals to exploit these systems,” said Mr. Betti. “By better understanding how and where these illicit trade tactics are directed, we can upgrade security strategies and technologies to remedy the problem.”

On top of the insights provided throughout the report, three distinct sets of recommendations are presented. These encompass supply-chain and hotspot-specific guidance, sector-specific suggestions tailored to the ten sectors examined, and general recommendations focused on a larger, overarching imperative to promote illicit trade mitigation remedies more widely.

“Our recommendations are aimed at a diverse array of stakeholders,” said Mr. Betti. “Some advocate for high-level, sweeping strategies calling on governments to implement legal frameworks and cultivate robust public-private partnerships. Other recommendations focus on specific actions, like outlining the necessary steps to monitor online platforms or address the misuse of maritime vessel registrations.”

About TRACIT: The Transnational Alliance to Combat Illicit Trade (TRACIT) is an independent, private sector initiative 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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