

TRACIT offers support to the Dominican government to implement effective solutions to combat illicit trade

Santo Domingo, 5 May 2021 - The Transnational Alliance to Combat Illicit Trade (TRACIT) welcomes the swift response by government to prevent more deaths by consumption of beverages laced with toxic methanol. The Ministry of Public Health has reported that 393 citizens have suffered from acute methanol poisoning, resulting in 143 deaths. This unfortunate situation has led authorities to declare the problem of adulterated alcohol a matter of “National Security,” and to announce new regulations aimed at controlling the importation and commercialization of methanol, among other initiatives to curb the illicit markets.

“We’ve seen too many casualties from the consumption of illicit alcohol in the Dominican Republic and throughout the region,” said TRACIT Director-General Jeffrey Hardy. “It is reassuring to see the government act swiftly and prioritize solutions to a problem that has plagued the country for a long time.”

To encourage an effective response to illicit alcohol in the Dominican Republic, TRACIT outlines recognized policy and regulatory recommendations, including: (1) Strengthening interagency cooperation at the national level; (2) Implementing and enforcing cost-effective regulations; (3) Supporting Public-Private sector anti-illicit alcohol initiatives; and (4) raising awareness of illicit alcohol, particularly at the grassroots level, with emphasis on the severe health risks associated with consumption of illicit alcohol.

TRACIT points out that industry expertise on production costs, importation and consumer demand is critical to help legislators avoid new initiatives that may inadvertently exacerbate the problem.

“TRACIT congratulates the Dominican Government for the creation of the illicit alcohol trade table which is a local private-public partnership that brings key industry and government stakeholders together to define and implement effective programs that prevent the adulteration and irregular manufacture of alcoholic beverages,” said Mr. Hardy.

Proposals for a new fiscal marking program and tax stamps, for instance, place additional financial burdens on legitimate operators and consumers and do nothing to address informal and unregulated alcohol products like Clerén, which is the leading cause of deaths in the Dominican Republic. Consequently, the TRACIT report encourages the Dominican Government to reconsider the implementation of its proposed tax stamp, and, instead, to implement measures that are more applicable to countering illicit trade in alcohol and that impose an economic deterrence to the criminals that profit from this activity.

“It is important that new programs don’t create a false sense of security for consumers, and we’ve already seen worrying examples of unscrupulous criminals placing reused bona fide or counterfeited tax stamps on illicit bottles and selling these as genuine products,” said Mr.

Hardy. "This problem requires a holistic approach where all relevant parties work together to root out the criminals that are profiting from this health crisis."

About TRACIT

The Transnational Alliance to Combat 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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