

MEDIA RELEASE

Balkan States Shown Vulnerable to Illicit Trade

Report on Bosnia, Montenegro and Serbia Launched

Belgrade, Serbia, 20 June 2018 – Today, the Transnational Alliance to Combat Illicit Trade (TRACIT) and The Economist Intelligence Unit (EIU) issued a report on illicit trade in the Balkan states of Bosnia, Montenegro and Serbia. The report is based on the Global Illicit Trade Environment Index, ranking 84 countries on the extent they enable or prevent illicit trade. The findings should help policy makers better understand the regulatory environment and economic circumstances that enable illicit trade.

“The report shows that the sub-region is facing significant challenges in protecting its economies from illicit trade,” said TRACIT Deputy Director-General Stefano Betti. **“The problem is made more acute by rampant corruption and the widespread use of cash, which complicates efforts to detect money laundering schemes. Still, it is encouraging that several measures have been adopted over the past few years, such as on strengthening interagency collaboration. The key is to implement and enforce what already exists on paper.”**

The three countries’ geographic location on the Balkan route makes them particularly vulnerable as transit corridors for various smuggling and trafficking activities. For this reason, efforts currently under way to strengthen law enforcement cooperation against organized crime are vital, including initiatives pursued in the framework of the Southeast European Law Enforcement Centre (SELEC).

To encourage an effective policy response to illicit trade, TRACIT prepared a set of global policy recommendations. Additionally, Mr. Betti shared some specific recommendations for the region with stakeholders participating in a meeting hosted by AmCham Serbia. These included, among others:

- Fully implement existing national strategies and action plans dealing with illicit trade and organized crime;
- Engage express mail, international courier and postal services to address illicit trade, particularly in connection to e-commerce and small parcel delivery;
- Develop centralized and standardized systems for collecting data on illicit trade offences;
- Ensure that tax policies do not create incentives for illicit trade; and
- Work closely with the private sector to strengthen the government response to illicit trade.

“TRACIT is ready to work with these governments and local businesses,” concluded Mr. Betti. **“It is important to start a conversation on which policy areas merit greater attention and how to formulate and deploy effective strategies to address illicit trade.”**

All reports and policy recommendations can be found here:

https://www.tracit.org/publications_gitei.html

CONTACT:

Cindy Braddon, Head of Communications and Public Policy, TRACIT

Tel: +1 571-365-6885 / cindy.braddon@TRACIT.org / <http://www.tracit.org> / [Twitter:@TRACIT_org](https://twitter.com/TRACIT_org)