

TRACIT calls attention to links between illicit trade and organized crime

Geneva, 31 October 2019 – Today, the Transnational Alliance to Combat Illicit Trade (TRACIT) addressed the Conference on “Organized Crime and Governance,” hosted by the Organized Crime Observatory (OCO). The event provided an opportunity to inform policy makers on how TRACIT is seeking to shape the policy response to illicit trade through targeted advocacy work and flag-ship initiatives such as the Global Illicit Trade Index and its current study on cross-sectoral vulnerabilities in the supply chain.

The forum featured a presentation of TRACIT’s report, *Mapping the Impact on the Sustainable Development Goals of Illicit Trade*, which maps the 17 UN SDGs against 12 key sectors that participate significantly in international trade. Given the conference’s theme, emphasis was placed on the links between illicit trade and organized crime. Among the points noted in the TRACIT presentation:

- Complexity of supply chains make this link almost inevitable;
- Illicit trade is a major source of revenue for OCGs;
- Corruption and money laundering are key enablers.

“ While findings show that illicit trade poses a threat to all 17 SDGs, nowhere is the nexus as evident than in SDG 16 (Peace, Justice and Strong Institutions),” said TRACIT Deputy Director-General Stefano Betti.

Illicit trade—in all its forms—stands in direct juxtaposition to this goal and threatens SDG 16 and its underlying targets: Feeding violence (16.1), exploiting women and children (16.2), undermining trust in institutions and the rule of law (16.3), generating enormous illicit financial flows (16.4), breeding corruption (16.5), and financing terrorism (16A).

“The links between illicit trade and organized crime are well established, from human trafficking networks and tobacco smuggling, to fuel theft by drug cartels and the involvement of the mafia and organized criminal groups in the trade of counterfeit goods, said Mr. Betti. “Communities and economies are further destabilized when billions of dollars of criminal profits are reinvested into other illicit activities. Perhaps most frightening are links to terrorist financing that heighten threats to national and global security.”

About TRACIT

The Transnational Alliance to Combat Illicit Trade ([TRACIT](https://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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