

TRACIT endorses OECD work on Maritime Transport and Free Trade Zones

Calls on OECD to step up policy leadership, engage with ASEAN

Paris, 26 March 2021 – via Internet – Today the Transnational Alliance to Combat Illicit Trade (TRACIT) participated in the ninth meeting of the OECD Task Force on Combatting Illicit Trade, and shared plenary remarks on strategies and actions to address the challenges of illicit trade going forward.

Amongst the key agenda topics, TRACIT endorsed the OECD report on Misuse of Containerized Maritime Shipping, published in collaboration with the European Union Intellectual Property Office (EUIPO). The new report shows that containerships carry more than half of all seized counterfeits.

“Once again, OECD and EUIPO have produced a powerful tool to help policymakers better understand the nature and scale of illicit trade,” said Jeff Hardy, Director-General of TRACIT. **“This report provides an urgent and compelling need for governments to set new standards for mitigating the abuse of international maritime shipping lines by illicit traders.”**

The Task Force meeting also addressed high-risk areas of the economy—pharmaceuticals, alcohol, food, tobacco and counterfeiting online—that were particularly impacted by illicit trade during the pandemic, and the need to evaluate best practices to improve regulations and mitigate the problem.

“The Task Force must build upon the impressive body of quantitative work to more effectively deliver on its [High Level Risk Forum] mandate to ‘design and promote good practices in public policies as a means to reduce and deter trafficking and smuggling activities,’ and to map policies and practices and develop metrics on the governance gaps that foster illicit trade,” said Mr. Hardy.

A hallmark of the OECD work to date has been the publication of the OECD Council Recommendation on Countering Illicit Trade: Enhancing Transparency in Free Trade Zones and a code of conduct to guide Free Trade Zone operators on how to safeguard zones.

“OECD has now published guidance for member states to better control illicit trade in Free Zones,” said Mr. Hardy. **“But success will depend on engagement, adoption and implementation by these governments in their home countries.”**

Hardy noted that non-OECD Member States value the expertise of the OECD and look to it for leadership and guidance. He called on OECD to share its experience with other regions such as ASEAN, which is in the process of addressing illicit trade and establishing policy standards

TRACIT also called on Member States to designate an Interagency Anti-Illicit Trade Coordinator with high-level authority in the national government. Objectives would include raising the profile on illicit trade and promoting joined up efforts between all responsible government agencies.

About TRACIT

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