

TRACIT welcomes USTR 2023 Notorious Markets Report

- USTR spotlights the health and safety risks caused by counterfeit and pirated goods sold in physical and online markets.
- The Report identifies 39 online and 33 physical markets selling counterfeit and pirated goods.
- TRACIT agrees with the USTR's findings that many ecommerce and social media platforms have stepped up but more must be done to protect consumers, workers and legitimate sellers.

Washington, DC, January 30, 2024 – The Transnational Alliance to Combat Illicit Trade (TRACIT) applauds the United States Trade Representative (USTR) for annually reviewing and reporting on the foreign online and physical markets that sell counterfeit and pirated goods. Today, the USTR released its [2023 Review of Notorious Markets for Counterfeiting and Piracy](#) (NML) naming 39 online and 33 physical markets.

These are markets known for facilitating the trade of fake and substandard goods that threaten consumers' health and safety; exploit workers who are manufacturing and distributing counterfeit and illicit products; deprive legitimate businesses of sales revenues that could be invested in jobs and innovation and harms their reputations with look-alike fake products; rob governments of tax revenues that could be invested in necessary government and community services; and line the pockets of criminal organizations.

"USTR's annual in-depth reviews drive change," said TRACIT Director-General Jeffrey Hardy. "Some platforms identified as a Notorious Market are responsive and engage in activities to improve their procedures. Others, however, tend to substitute public relations campaigns for meaningful improvements. So, while USTR notes some improvement, much more must be done to protect consumers, workers and legitimate businesses."

This year's report focuses on the health and safety risks to consumers caused by counterfeit products produced outside the legal, regulatory system. These fake products are manufactured with substandard materials, dangerous chemicals and toxins and do not meet product safety standards. The USTR focuses on some of the most dangerous and common counterfeit products such as children's products and toys; car parts, e.g., brake pads and safety belts; electrical equipment and appliances; pharmaceuticals and medical supplies; and personal care products, apparel and footwear.

In its [Submission to USTR Notorious Markets List 2023](#), TRACIT produced a long list of counterfeit products available online with potential health and safety risks, including personal care products; food and beverages; pet products; cleaning and laundry supplies; office products; pesticides; along with those identified in the USTR report.

In its 2023 Review, USTR notes that social media platforms are increasingly hotbeds for counterfeit products. Fraudulent advertising containing links to fake websites mislead users into unknowingly purchase counterfeit products through both ecommerce and social media platforms. The Review also noted the increase in influencers who promote and link to counterfeits. TRACIT and the American Apparel and Footwear Association (AAFA) produced a [Fraudulent Advertising Online report](#) in 2020 demonstrating the breadth of the problem.

“Online marketplaces and social media must provide increased transparency and more focus on keeping counterfeits off the platforms from the beginning,” according to Mr. Hardy. “They must do more to better vet their third-party sellers; proactively remove bad listings expeditiously; bounce and prevent repetitive offenders from getting back on their platforms, including through different names; and provide more information to brand owners and consumers.”

Brand owners are investing significantly in human and technology resources to monitor their brands online, work with the platforms when counterfeit products are found and work with law enforcement to pursue bad actors.

TRACIT supported the passage and vigorous enforcement of the INFORM Consumers Act in the last Congress. More must be done. TRACIT supports passage of the bipartisan SHOP SAFE Act of 2023 to hold online marketplaces accountable for keeping bad actors and product listings off their online shelves. SHOP SAFE establishes a safe harbor from liability to those online marketplaces that proactively implement best practices to better protect consumers from harmful counterfeits.

“It is past time to stop relying on voluntary practices that vary by platform and are inadequately enforced,” urged Mr. Hardy. It is time for Congress to pass SHOP SAFE.”

TRACIT joins with other businesses across multiple industries in the SHOP SAFE Coalition to support SHOP SAFE. The bill text is available [here](#). A one-pager is available [here](#).

To learn more about the work that TRACIT is doing to strengthen consumer protections against illicit trade across industries, including human and wildlife trafficking, please visit www.TRACIT.org.

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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