

USTR flags link between counterfeiting and forced labor

- This year's USTR Notorious Markets Report focuses on the adverse impact of counterfeiting on workers involved in the manufacture of counterfeit goods.
- Existing data shows correlation between forced labor in the global production of counterfeits.
- Calls for more research, documentation and coordination.

Washington DC, February 17, 2022 – Today, the United States Trade Representative (USTR) published its 2021 Review of Notorious Markets for Counterfeiting and Piracy. For the first time, the report focused on adverse impact of counterfeiting on workers involved in the manufacture of counterfeit goods and highlighted the use of forced labor and child labor in the global production of counterfeits.

“USTR’s Notorious Markets report is giant step toward protecting workers’ rights and freeing forced labor from the demands of counterfeiting and other illicit trade,” said TRACIT Director-General Jeff Hardy. “Ending these human rights abuses will only be possible by eradicating counterfeiting and other forms of illicit trade.”

In line with TRACIT’s findings from 2021, an important section of the USTR report noted the lack of information and highlighted the need for more data on the adverse impact of counterfeit manufacturing on workers. The report also called for additional data to improve the understanding of how illicit supply networks operate, as well as how they recruit, use, and abuse their labor force.

“I echo USTR’s call for more information and greater collaboration,” said Mr. Hardy. “I’d like to see the US government take the lead internationally, to help stamp out the demand for forced labor in illicit market activities.”

The USTR report cited research conducted by TRACIT at the end of last year that was published in a new report, *The Human Cost of Illicit Trade: Exposing demand for forced labor in the dark corners of the economy*. Known for fighting illicit trade in markets worldwide, TRACIT presented its findings during a webinar exploring the wider societal costs of illicit trade, looking at the connection between illicit trade and forced labor, child labor and human trafficking.

References

USTR report: <https://ustr.gov/about-us/policy-offices/press-office/press-releases/2022/february/ustr-releases-2021-review-notorious-markets-counterfeiting-and-piracy>

TRACIT report: <https://www.tracit.org/human-cost-of-illicit-trade.html>.

About TRACIT

The Transnational Alliance to Combat Illicit Trade ([TRACIT](#)) 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 sectors most impacted by illicit trade.

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