

New TRACIT report reveals significant impact of illicit trade on the ASEAN Community Vision 2025

Bangkok, Thailand, 9 June 2023 - The Transnational Alliance to Combat Illicit Trade (TRACIT), in partnership with the EU-ASEAN Business Council (EU-ABC), today launched a new report, [*“Examining the Negative Impact of Illicit Trade on the ASEAN Community Vision 2025”*](#). The study shows that illicit trade is occurring in all corners of the ASEAN region and negatively impacting many of its key economic sectors, including agri-foods, alcohol, fisheries, forestry, petroleum, pharmaceuticals, precious metals and gemstones, pesticides, tobacco, wildlife and counterfeiting across multiple sectors.

The findings shed light on the adverse consequences that illicit trade has on the achievement of ASEAN’s Political-Security, Economic and Socio-Cultural Community objectives. The report also presents recommendations designed to help ASEAN Leaders prioritize measures to counter illicit trade in the region.

“Illicit trade is derailing ASEAN’s objectives to drive sustainable economic development, boost job creation and incomes, reduce poverty and achieve better standards of living throughout the region,” said TRACIT Director General Jeffrey Hardy. ***“It is our hope that this report can serve as a roadmap to help policy makers identify areas that merit greater attention and to formulate effective strategies to address the serious threats posed by illicit trade.”***

To help ASEAN governments better understand how illicit trade holds back progress on their efforts to achieve the ASEAN Community Vision 2025, the report shows that:

- The ASEAN Political-Security Community is vulnerable because illicit trade is notorious for nurturing violence and feeding organized crime as well as undermining trust in institutions and the rule of law.
- The ASEAN Economic Community is vulnerable because illicit trade undermines economic growth, legitimate job creation and tax collections and can pose risks to consumers.
- The ASEAN Socio-Cultural Community is also vulnerable because of the repercussions of illicit trade on the environment and its links to human trafficking and forced labor.

Illicit trade is a persistent problem throughout the region,” said EU-ABC Executive Director Chris Humphrey. ***“The recommendations in this report can help ASEAN construct stronger, more resilient economies in their pursuit of the goals outlined in Vision 2025. Governments in the region need to act now, and work closer and smarter with the private sector, in order to reduce and eliminate the adverse impacts of illicit trade on public health and safety, government revenues, jobs and livelihoods.”***

The [report](#) was launched at an event co-hosted by TRACIT and EU-ABC, “Assessing the Impact of Illicit Trade in the ASEAN Region & Pathways for Joint Action”. The keynote address was delivered by Thailand’s Department of Intellectual Property Office, Director of Copyright, Mr. Sirapat Vajraphai. Mr. Petros Sourmelis, Head of the Trade and Economic section, Delegation of the European Union to Thailand provided introductory remarks to the event.

Other speakers included: Mr Thomas Dixon, Programme Officer, United Nations Office on Drugs & Crime (UNODC); Ms Pauline Bastidon, Director, Trade & Economic Affairs, World Spirits Alliance; Jeffrey Hardy, Director-General, TRACIT; and Mr. Chris Humphrey, Executive Director, EU-ABC. The event was attended by representatives from ASEAN government agencies, foreign embassies, regional attachés, UN missions, and the private sector. The Asia Pacific International Spirits & Wines Alliance (APISWA) was a supporting partner of the event held in Bangkok, Thailand.

About TRACIT

The Transnational Alliance to Combat Illicit Trade (TRACIT) 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.

About EU-ABC

The EU-ASEAN Business Council (EU-ABC) is the primary voice for European business within the ASEAN region. It is formally recognized by the European Commission and accredited as an entity associated with ASEAN. The Council works on a sector and cross-industry basis through influencing policy and decision makers throughout the region and in the EU.

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