

Latin America Scores Low on Illicit Trade Index Must Do More to Tackle Illicit Trade

Buenos Aires, 13 June 2019 – Today, the Transnational Alliance to Combat Illicit Trade (TRACIT) addressed government officials and industry stakeholders during a National Roundtable for Fair Trade hosted by the Argentina Medium Business Confederation (CAME). The conference featured a presentation on the Global Illicit Trade Environment Index, which shows that the Latin American (LATAM) region performs poorly on protecting markets and consumers from illicit trade.

"Many countries of Latin America scored well on law enforcement techniques and interagency collaboration. Moreover, they have many important laws in place to address illicit trade, money laundering and corruption," said TRACIT Director-General Jeffrey Hardy. "But findings from the Global Illicit Trade Environment Index show that much more attention must be given to develop a comprehensive and effective multilateral, cross-sector response to illicit trade. The region is awash in illicit trade including counterfeit goods, and policy makers can no longer afford to look the other way."

The Index evaluates countries on their structural capability to effectively protect against illicit trade, highlighting specific strengths and weaknesses across 25 policy, legal, regulatory, economic, trade, institutional and cultural indicators.

"The CAME National Roundtable for Fair Trade brings together key government officials and stakeholders. This forum presents a tremendous opportunity to address common problems and illicit trade hotspots, such as the Tri-Border Area of Argentina-Brazil-Paraguay, from different angles," said Mr. Hardy. "Hopefully, we will find new opportunities to collaborate in the promotion of policy recommendations aimed at curbing illicit trade and their effective implementation."

To encourage an effective government response to illicit trade, Mr. Hardy also called for greater use of public private partnerships, citing Costa Rica's "Mixed Commission" led by the Vice Minister of Finance and supported by representatives from AmCham Costa Rica and a Confederation of Chambers of Commerce.

Addressing the region generally, Mr. Hardy also called on Latin American governments to rationalize tax policies that can incentivize illicit trade, strengthen criminal penalties, and introduce more effective laws and regulations to address intellectual property rights violations, especially where consumer health and safety are at risk.

More information on the Global Illicit Trade Environment Index and TRACIT policy recommendations are available at: www.tracit.org/publications_gitei.html.

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.

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