

## **Dominican Republic is on the Right Path to Fight Illicit Trade**

**Success of the new legislation will depend on political commitment to ensure effective implementation, enforcement and compliance**

**Santo Domingo, Dominican Republic, 8 May 2019** – Today, the Transnational Alliance to Combat Illicit Trade (TRACIT) addressed government officials and industry stakeholders during a conference on Illicit trade, hosted by the Association of Industries of the Dominican Republic (AIRD), the British Embassy in Santo Domingo and the British Chamber of Commerce of the Dominican Republic (BRITCHAM). The primary objective of the conference was to gather experiences and international best practices to support implementation of the Dominican Republic’s new anti-contraband legislation.

According to TRACIT, the Dominican Republic has taken a critical step in the fight against illicit trade by introducing a comprehensive new law that addresses illicit trade across multiple sectors and delineates strong sanctions and criminal penalties.

**“It is now equally critical that the government translate the legislative provisions into strong regulatory controls and that it empowers, trains and provides sufficient resources to ensure proper implementation and enforcement of the new laws,”** said TRACIT Director-General Jeffrey Hardy. **“Most governments have good laws; however, the success of the Dominican Republic’s legislation will depend on the political commitment to ensure effective implementation, enforcement and compliance.”**

TRACIT also called on the Dominican Republic to strengthen interagency cooperation at the national level to ensure coordination between the complex network of agencies who will have responsibility to implement and enforce the laws. In addition, TRACIT asked the government to intensify public-private collaboration so that implementation of the new law can benefit from the private sector’s investigative resources, data, forensic capabilities and market expertise in the fight against illicit trade.

**“Consultation and collaboration with private sector experts are essential to the design and implementation of effective programs to prevent illicit, contraband and counterfeit products,”** said Mr. Hardy.

TRACIT also drew attention to proposed measures to fight illicit trade through fiscal marking techniques, pointing out that such programs can represent heavy investments by the government, for both implementation and monitoring.

**“The government of the Dominican Republic should give careful scrutiny to the cost impacts on legal businesses, revenue impacts on governments and whether the measures will effectively curb illicit trade,”** said Mr. Hardy. **“Most of the data on fiscal marking programs shows that tax collections drop and the market for illicit products grows. Meanwhile, taxpayers foot the bill and the legal industry absorbs costs that are disproportionate to the expected gains.”**

TRACIT also called on the Dominican Republic to broaden the scope of the legislation, which currently, concentrates on illicit trade in pharmaceuticals, tobacco, alcohol and petroleum fuels.

**“The scope of the legislation needs to be expanded to include counterfeiting of consumer goods, clothing, shoes and electronics, and to address illicit trade in natural resources,”** said Mr. Hardy. **“We can’t forget about protecting the intellectual property rights that are so important to economic growth.**

Efforts to fight counterfeiting at the street level must be renewed and new measures need to be introduced to deter online piracy.”

The complete set of the TRACIT policy recommendations are available at:

[www.tracit.org/publications\\_gitei.html](http://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.

#### **CONTACT:**

Cindy Braddon

Head of Communications and Public Policy, TRACIT

Tel: +1 571-365-6885 / [cindy.braddon@TRACIT.org](mailto:cindy.braddon@TRACIT.org) / Twitter: [@TRACIT\\_org](#)