

Combatting Illicit Trade in T&T



The Dangers of Illicit Trade

The World Trade Organization defines illicit trade as “**any commercial practice or transaction related to the production, acquisition, sale, purchase, shipment, movement, transfer, receipt, possession or distribution of any illicit product defined as such by international law, or any licit product for non-licit purposes as defined by international law.**”

Common illicitly traded items include tobacco, alcohol, pharmaceuticals, narcotics, household products and many other consumer goods.

The United Nations Conference on Trade and Development (UNCTAD) estimates that the global economy loses more than US\$2 trillion annually to various forms of illicit trade and its associated transnational criminal activities. Trinidad and Tobago has not been spared as counterfeit and smuggled items continue to flood the country, exposing our citizenry to products that are sub-standard, adulterated, or made in unsanitary conditions. This can threaten public health and safety.

Goods are traded illicitly in two ways:

- **Genuine products** are manufactured by an authorised manufacturer and then shipped through illegitimate channels for resale. This results in tax evasion and the sale of products at artificially lower market prices.
- **Counterfeit products** (that seem genuine) are manufactured by unauthorised persons and then sold as if they are original. The prices may be lower or competitively close to the genuine product.

The increasing presence of illegally traded commodities undermines public health, contributes to tax evasion and creates an unlevelled playing field for legitimate businesses. Illicit trade deprives legitimate businesses of revenue, reduces tax revenue for the government and contributes to brand degradation.

The Government of Trinidad and Tobago, through a public-private partnership of organisations has established the **Anti-Illicit Trade Task Force (AITTF)**, an entity dedicated to tackling illicit trade on the legislative and enforcement front, so citizens and businesses are protected. The AITTF has established sub-working groups on alcohol, tobacco, cleaning agents and pharmaceuticals to assess the extent of illicit trade in these products, the specific enablers and recommend measures for action.

Many citizens are unaware of their role in fuelling illegal activity via illicit trade and its links to serious crime. Unless we act, we will continue to unwittingly fund criminal networks, terrorism, and human and wildlife trafficking, adversely impacting the most vulnerable in society.

Some ways consumers can **take action against illicit trade** include:

- **Checking** for proper labelling and packaging, since counterfeit and smuggled products have questionable packaging, or none at all. Labels should be in English.
- **Comparing** unusually priced items as they may not be genuine.
- **Inspecting** products thoroughly to ensure no variations in quality or effectiveness.
- **Shopping** from legitimate suppliers who sell authentic products.
- **Purchasing** from credible websites that begin with “HTTPS” or “HTTP” and carry the correct domain names.

In the coming weeks, this series will examine four main areas – tobacco, alcohol, cleaning agents and pharmaceuticals – which are currently impacted by illicit trade in Trinidad and Tobago.

If you suspect items are being illicitly traded, please make an anonymous report to **800-TIPS (8477) or send a tip online at www.crimestopperstt.com.**

Join the fight. Let's work together to stop illicit trade!