

## **Harnessing Partnerships and a Community of Action to Fight Illicit Economies**

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Good morning. Good afternoon.

It is a great pleasure to be participating at this 9<sup>th</sup> Meeting of the OECD Task Force on Countering Illicit Trade (TF-CIT).

I am incredibly delighted that the Task Force continues its important work after almost 10 years since we first launched it in 2012 with support of the OECD High-Level Risk Forum (HLRF), and that it remains a driving force within the international community to address governance gaps and to develop evidence-based policy guidance to counter illicit trade.

On behalf of Business at OECD AITEG, let me first thank the TFCIT Bureau and co-Chairs from the UK (Chris Martin) and US (Steve Francis) for their continued leadership in advancing the important work program of the Task Force.

Let me also thank Elsa Pilichowski, Director, OECD Public Governance, Piotr Stryszowski, Senior Economist Directorate for Public Governance, and their OECD colleagues for helping us marshal our energies to greater heights and new partnerships especially during the pandemic crisis and global economic recovery. I also commend the continued partnership with our friends at the European Union Intellectual Property Office (EUIPO), and from other international organizations and stakeholders.

We also would very much like to thank OECD Secretary General Ángel Gurría for his support over the years of the joint work of the TFCIT and AITEG, and congratulate the incoming Secretary General Mathias Cormann, former Australian finance minister on his selection for a 5 year-term beginning on June 2021.

### **A New TFCIT-AITEG Public-Private Partnership to Counter Illicit Trade**

Illicit trade, which includes a convergence of numerous trafficking, smuggling, financial, cyber, and fraud crimes, fuels a multi-trillion-dollar illegal economy globally every year. It is a fact that illicit trade is booming, fueling transnational crime and corruption. It corrodes the rule of law and undermines democracy, social stability, and the welfare of our people.

In order to meet this challenge, Business at OECD remains committed to countering illicit trade and applauds the new partnership between the TFCIT and AITEG.

Working together through public-private partnerships, we can leverage and strengthen international cooperation to protect our economies, markets, supply chains, and communities against counterfeits, pirated goods, and other illicit products and dangerous contraband.

In particular, the AITEG is committed to engaging collaboratively with TFCIT to combat illicit economies across source, transit, and demand markets including:

- addressing the role of e-commerce platforms and online marketplaces in fueling illicit trade;
- supporting the implementation of the OECD Recommendation enhancing transparency in free trade zones (FTZs), supporting the development of the implementation toolkit, identifying best practices, and promoting compliance with the Code of Conduct;
- countering the misuse of containerized shipping and maritime transport channels for illicit trade; and
- addressing illicit trade in vulnerable, high-risk sectors, such as pharmaceuticals, alcohol, tobacco, and food -- and global supply chains.

The OECD Task Force has helped us better understand the harms and impacts of illicit trade during COVID-19. Not only did the pandemic have devastating effects on the public health and safety across societies, but it also profoundly impacted public governance and market institutions alike.

As we learned through our series of TFCIT webinars over the past year, COVID-19 also created unprecedented opportunities for criminals to increase their already significant illicit activities such as counterfeit pharmaceutical products and personal protective equipment (PPE), frauds, and coronavirus-phishing scams. Illicit trade has further hampered economic development by preventing the equitable distribution of resources that provide for sustainable futures.

### **Partnerships and Collective Action: Force Multipliers**

Moving forward, we must harness our energies toward a community of action.

In addition to targeted cross-border enforcement to confront, disrupt, and prosecute illicit trade, we must leverage our dynamic partnerships across sectors to share intelligence that shut down illicit economies, and best practices that help manage the efficient recovery of our economies.

We need to ensure that Governments and the private sector take the necessary actions to mitigate the future risks posed by illicit trade to our prosperity and security, and safeguard against further criminal penetration of markets and on-line platforms by illicit networks intent on only enriching themselves and siphoning critically-needed tax revenues including during times of crisis.

Finally, we also need to mobilize our political will by elevating the fight and securing greater commitments for coordinated action at the OECD Ministerial Council meetings, G20/B20, Community of Democracies, United Nations General Assembly (UNGA), the Asia Pacific Economic Cooperation (APEC), World Bank Group/IMF Annual meetings, and other diplomatic fora.

Again, Business at OECD is excited about our new public-private partnership with the OECD.

Thank you.