

## FICCI Movement Against Smuggled and Counterfeit Trade

FICCI Committee Against Smuggling and Counterfeiting Activities Destroying the Economy (CASCADE) organized the 5<sup>th</sup> edition of International conference: ‘MASCRADE 2018’ on November 1 and 2, 2018. The two-day conference saw a host of notable international speakers from World Intellectual Property Organization (WIPO), INTERPOL, United Nations Office for Drugs and Crime (UNODC), OECD, US Homeland Security and NBC Universal.



Mr. Anil Rajput, Chairman, FICCI CASCADE, said “The 5<sup>th</sup> edition of MASCRADE promises to provide an effective roadmap in reining in smuggling and counterfeiting. Every year we have made progress in our fight against this faceless enemy but there is still a long way to go. The subject of arresting the growth of illicit trade needs our immediate and unwavering attention as it exacerbates unemployment, bleeds the economy and causes tremendous physical, mental and societal distress.”

According to FICCI CASCADE, trade in illicit goods is highly pervasive across countries and sectors, representing a multi-billion-dollar industry globally that continues to grow. It is estimated that 8%-15% of global GDP is impacted due to illicit trade and criminal activities. Recent studies also estimate that globally the economic value of illicit trade could reach \$2.3 trillion by 2022 and the wider social, investment and criminal enforcement costs could take the total to \$4.2 trillion, putting at risk about 5.4 million ‘legitimate jobs’. Hence, its existence and operation is broad in scope and large in value, impacting not only the global economy, causing losses to both industry and government, but is also adversely affecting the health and safety of the consumers.

The major reasons for smuggling in India has been attributed to high tariff rates, brand consciousness, lack of awareness, difficult enforcement, cheaper alternatives, demand supply gap etc. and it takes place in various forms such as mis-declaration, undervaluation, misuse of end use and other means.

Smuggling has been a point of concern for Indian administration for past many decades. As per the Directorate of Revenue Intelligence (DRI), narcotic drugs, gold and cigarettes account for the major smuggled goods in India. FICCI CASCADE reports estimate that in India amongst various sectors, the maximum revenue loss to the exchequer on account of counterfeiting and illicit trade is attributed to tobacco products, entailing a revenue loss of Rs. 9139 crore followed by mobile phones at Rs. 6705 crore and alcoholic beverages at Rs. 6309 crore.