



9th edition
MASCRADE 2023
Movement Against Smuggled & Counterfeit Trade

28-29 SEPTEMBER 2023



**TACKLING ILLICIT TRADE: SOCIO-
ECONOMIC PERSPECTIVES AND
SOLUTIONS**

ITC Maurya, New Delhi

Concept Note



Context Setting

Smuggling and counterfeiting is a global problem that poses significant challenges to economic development, public health, and social stability. Counterfeit goods, smuggling, and other illicit activities are influenced by a range of interconnected socio-economic factors. These factors include corruption, advancements in technology, the demand for inexpensive and fake products, and other elements that contribute to the complexity of illicit trade. The effects of trade in smuggled and counterfeit goods challenge the well-being of consumers, efficient businesses, and effective governance. Illicit trade is often referred to as the crime of the 21st century due to its far-reaching impact on economies worldwide, affecting both developed and emerging nations alike. Despite global efforts to combat it, illicit trade persists as a highly profitable venture for illicit market operators, resulting in significant losses for industries, governments, and society as a whole. Illicit trading activities can seriously hinder India's goal of achieving a \$5 trillion economy by impeding its growth potential.

According to estimates by the United Nations Conference on Trade and Development (UNCTAD), illicit trade results in an annual loss of over US\$2 trillion to the global economy. Illicit trade is not just a criminal venture it is most often used as a source of financing terrorist organizations. The deadly nexus of illicit trade and terror financing is a major threat to global security, as it provides terrorist groups with the means to carry out devastating attacks that can cause widespread damage and disrupt societies. Exposing and disrupting the linkages between illicit trade and terror financing is crucial in combating this ongoing battle. However, continued vigilance and coordinated action are needed to ensure that illicit trade does not continue to fuel terrorist activities and threaten global security.

Recognizing the interconnectedness of organized crime, illicit trade, terrorism, and their socio-economic implications is crucial. Effectively combating these issues necessitates international coordination and cooperation to foster transparency, accountability, and good governance worldwide. Organizations across the globe are actively collaborating to enhance cooperation in preventing, detecting, and prosecuting illegal financial flows. Illicit trade and terror financing undermine economic growth, impede development efforts, and exacerbate inequalities within societies. By bolstering cooperation and implementing robust measures, countries can work towards minimizing the socio-economic impact of illicit trade. Joint endeavour acknowledges the complex and evolving nature of these challenges and underscores the importance of addressing them comprehensively to foster sustainable socio-economic progress globally.



FICCI CASCADE Committee Against Smuggling and Counterfeiting Activities Destroying the Economy

FICCI CASCADE (Committee Against Smuggling and Counterfeiting Activities Destroying the Economy) has been pursuing a campaign to counter the challenge of growing illicit trade in counterfeit and smuggled goods. FICCI CASCADE has adopted a 4-pronged approach to generate awareness, capacity building of law enforcement authorities, interaction with stakeholders, research to assess the extent of problem of illicit trade and making suggestions about changes in laws. The committee aims at creating a national movement to make India safe from the bane of smuggling and counterfeiting by advocating effective actions, promoting legal businesses and protecting consumer's interests, thus, achieving the vision of a secure, healthy and prosperous India.

A recent report by FICCI CASCADE titled- "Illicit Markets: A Threat to our National Interests", examines the magnitude of illicit market in some of the key Indian industries and assesses its impact on sale of legitimate goods, employment, government's revenue, and the overall economy. The report mentions that unlawful trade in five key industries (Mobile Phones, FMCG-Household and Personal Goods, FMCG-Packaged Foods, Tobacco Products, and Alcoholic Beverages) results in a total estimated employment loss of 15.96 lakh. The estimated size of illicit market in these five key industries was ₹2,60,094 crore for the year 2019-20 and the revenue loss to the government in these industries was Rs 58,521 crore, in the same period.

Over the years, FICCI CASCADE has conducted more than 200+ awareness programmes and initiatives across the nation to combat the threats posed by counterfeiting and smuggling. The industry, consumer rights activists, youth, government officials, the judiciary, police, customs, and border enforcement officials have shown a tremendous response and appreciation for the various engagement programs and activities organized by CASCADE. FICCI CASCADE also engages with various ministries at the National and State level. In line with the Ministry of Consumer Affairs' vision to protect consumer rights and interests, promote consumer welfare, and raise awareness about consumer rights, duties, and responsibilities, CASCADE works closely with the ministry to strengthen the consumer movement in the country.



MASCRADE – Movement Against Smuggled and Counterfeit Trade

In today's digital and globalized economy, the risk of illicit trade is increasing rapidly. The expansion of opportunities resulting from globalization has allowed illicit trade to grow both in scope and scale, with these illegal practices adapting to technological advancements. Illicit trade creates an enormous capital flow from outside of the economy, not only resulting in loss of revenue for government and industries, but also jeopardizing public health and safety, and enriching criminals who have a vested interest in undermining the rule of law. The financial drain caused by illicit practices not only entails a serious impact on legitimate business revenues and local economies, but financial resources are re-invested in activities like terrorism and organized crime posing a serious threat to national and international security.

Over the years, FICCI CASCADE has been actively running campaigns with the aim of generating awareness amongst the general public about the hazardous impacts of smuggling and counterfeiting, as part of its broader agenda to drive change in the society. As a significant part of this campaign, FICCI CASCADE holds its annual flagship international conference titled: **MASCRADE – Movement Against Smuggled and Counterfeit Trade**.

With the above background CASCADE is organizing its **9th edition of MASCRADE** on 28th -29th September 2023 at Hotel ITC Maurya, New Delhi. The theme of this year's conference is **"Tackling Illicit Trade: Socio-Economic Perspectives and Solutions"**. The conference focuses on imparting knowledge and creating awareness on the socio-economic consequences of illicit trade on both global and Indian economies. Additionally, the conference delves into international efforts required to combat terror financing in illicit trade, as well as the utilization of technology to detect and prevent such activities.

The conference will serve as a platform for stakeholders to engage in meaningful discussions and analysis of the detrimental socio-economic effects of illicit trade, with the aim of promoting large-scale awareness and understanding of this critical issue.

Over the years, several institutions of international repute such as WIPO, UNODC, OECD, Interpol, WCO, UKIPO, USPTO, US Dept. of Homeland Security, Australian Border Force who rigorously work on addressing such issues in the global arena, have associated with this initiative. The conferences over the past eight years have seen an overwhelming response in terms of delegate participation, media coverage and witnessed a host of international and national speakers who deliberated on the subject. Post conference reports and recommendations were shared with policy makers at the highest levels.



Our previous editions include:

- + MASCRADA 2022**
Unleashing the Power of Consumers in the fight against Smuggling and Counterfeiting
22-23 September 2022, New Delhi
- + MASCRADA 2021**
Impact of Counterfeiting and Smuggling on Personal Health and Safety
21-22 January 2021, New Delhi
- + MASCRADA 2019**
Containing Counterfeiting, Smuggling and Piracy: A Winning Strategy
26-27 September 2019, New Delhi
- + MASCRADA 2018**
Ensuring Brand Security for Sustained Businesses and Employment Generation
1-2 November 2018, New Delhi
- + MASCRADA 2017**
Protect your Brand Globally: Fight Counterfeiting, Smuggling and Piracy
12-13 October 2017, New Delhi
- + Illicit Cross Border Trade in Goods: Impact on Economy and Consumers**
8 December 2016 New Delhi
- + International Conference on Illicit Trade – Threat to National Security and Economy**
15 January 2016 New Delhi
- + International Conference on ‘Trade in Counterfeit, Pirated and Smuggled Goods - A Threat to India’s National Security and Economy’**
19-20 September 2013, New Delhi

Glimpses of Previous Editions of MASCRADE







9TH EDITION OF MASGRADE 2023

Tackling Illicit Trade: Socio-Economic Perspectives and Solutions

Objective

- The international conference will focus on achieving a more comprehensive understanding of the multifaceted risks and threats that illicit trade practices, in the form of smuggling and counterfeiting poses to global economies.
- Insights on setting and implementing global standards to prevent and combat illicit trade.
- Enhancing international collaboration in countering illicit trade including bilateral and multilateral agreements, sharing of best practices and implementing policies that promote transparency, accountability, and good governance to tackle this serious issue.
- In-depth discussions on various approaches for combating the pervasive issues of counterfeiting and smuggling, including implementing anti-counterfeiting and anti-smuggling measures, prioritizing brand protection efforts, strengthening legal frameworks, and investing in research and development to effectively battle these destructive practices.
- The conference will provide valuable insights on role of enforcement agencies in detecting and investigating terror financing activities and illicit trade, highlighting the importance of developing intelligence-led enforcement strategies to effectively target high-risk areas and individuals.
- Identifying gaps and challenges in creating a comprehensive monitoring framework to effectively combat illicit trade, with a particular emphasis on addressing critical issues related to legal, technological, and privacy considerations.

Expected Outcomes

- ❖ Policy recommendations on a multi-pronged strategy on enforcement to curb counterfeiting and smuggling.
- ❖ Better communication and coordination between law enforcement, administrative agencies and industry.

Learning for Participants

- ❖ Knowledge support and learning on the subject of counterfeiting and smuggling from global experts.



- ❖ Enhanced understanding of the industry and key issues of concern for the industry members.
- ❖ More cooperation and extended support from stakeholders to curb the menace of counterfeiting and smuggling.

Target Audience

Participants from Industry (retailers, distributors and manufacturers) across sectors, international institutions, media, consumer rights activists, technology providers, consumers, legal experts, enforcement agencies including cyber security cell, police and custom officials.

Focused Sessions on

- ✚ Protecting the Social Fabric of Nations: Exposing the lethal linkages of Illicit Trade and Terror Financing
- ✚ The Power of Collaboration: A Multilateral Approach to Intelligence Sharing and Strengthening Investigations
- ✚ Innovating Together to Combat Illicit Trade: A Fireside Chat
- ✚ Harnessing the Power of New Age & Emerging Technologies in Preventing Illicit Trade
- ✚ Detecting and Disrupting the Daunting Impact of Organized Crime, Terror Financing, and Illicit Trade
- ✚ Resilient Strategies in Mitigating Illicit Market Threats – Industry Perspectives
- ✚ The Power of Judicial Interventions: Current Trends and Strategies for Combating Counterfeiting and Smuggling