

# FICCI CASCADE underlines need for global cooperation to curb smuggling for sustainable growth

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To combat the menace of smuggling and counterfeiting that feed into terror financing and organised crime, FICCI Committee Against Smuggling and Counterfeiting Destroying the Economy (CASCADE) will be organising the 10th edition of MASCARADE (Movement Against Smuggling and Counterfeit Trade) this month in the national Capital.

MASCARADE is an international forum that hosts senior officials from prominent international organizations, including the World Customs Organization (WCO), World Intellectual Property Organization (WIPO), International Narcotics Control Board (INCB), INTERPOL, among others, and representatives from several countries to provide insights against smuggling and illicit trade. India is the fastest growing major economy in the world and has been the sole 'bright spot' in an otherwise sagging scenario of slowing global economy, but the silent menace of smuggling and



illicit trade threatens its ambition of becoming a \$5 Trillion economy. "Smuggling and counterfeiting threaten Indian industries, hampering job creation and impeding economic growth, apart from depriving the government of tax revenue and bleeding resources for enforcement and public health measures," said Anil Rajput, Chairman FICCI CASCADE which has been running an incessant campaign against the menace. It has roped in the international community and organisations to highlight and underline the hidden links between smuggling, counterfeiting and terrorism

and organised crime. The body has also been organising awareness programmes on strategies to counter smuggling, including inter-school competitions to educate the young or the to-be-consumers. MASCARADE ropes in experts from various fields such as cyber-law, artificial intelligence, intellectual property rights and e-commerce, along with senior officials from the Government of India to brainstorm on the detection of connections between smuggling, organized crime and terror financing. Meanwhile, the MASCARADE discussions on solutions would revolve

around consumer awareness, stricter enforcement and calibrated government policies in terms of taxation, trade deals etc. There also needs to be a multinational collaboration to address the issue comprehensively. "This collaborative effort could involve optimizing intelligence sharing, conducting joint investigations and enforcement actions, sharing best practices, establishing bilateral and multilateral agreements and enhancing mutual legal assistance, among other measures," said Rajput. Additionally, the

collaboration should leverage the power of new-age and emerging technologies, such as AI and machine learning, to identify and analyse patterns of illicit trade, thereby enhancing detection and enforcement capabilities. The 9th edition of MASCARADE last year was a two-day event organised on the theme- 'Tackling Illicit Trade: Socio-Economic Perspectives and Way Forward'.

A 2022 FICCI CASCADE study titled 'Illicit Markets: A Threat to Our National Interests' revealed a staggering 163% increase in tax losses due to smuggling in India from 2010 to 2020.

The government faced a substantial financial impact, with losses reaching ₹58,521 crore, compared to ₹22,230 crore, spanning crucial sectors such as alcoholic beverages, mobile phones, FMCG-household and personal goods, FMCG-packaged foods, and tobacco products. These industries collectively suffered an astounding 340% surge in sales losses, escalating from ₹59,046 crores in 2010 to ₹2,60,094 crores in 2020, highlighting the gravity of the illicit trade issue.