



**Building Resilient Economies and Implementing Robust Measures
from a Global Initiative against Smuggling and Counterfeiting**

Concept Note

Context Setting

The global community is increasingly grappling with the detrimental effects of illicit trade, particularly smuggling and counterfeiting, which undermine economies worldwide. These illicit practices have pervasive consequences, impacting trade dynamics, foreign investments, employment rates, innovation, criminal activity, environmental sustainability, and, most critically, the health and safety of consumers. Their prevalence continues to expand in scale and severity, with smuggling and counterfeiting activities now constituting a formidable \$2 trillion shadow economy, equivalent to over 3% of the global GDP annually, surpassing the economic output of nations like Brazil, Italy, and Canada. The World Economic Forum (WEF) identifies it as a 'global risk' with significant negative impacts over the next decade.

The aggregated global trade in contraband could rival the economies of nations such as Mexico and Indonesia, illustrating the pervasive reach of illicit networks across industries, markets, and jurisdictions. The illicit ecosystem continues to persist and thrive, primarily fuelled by advancements in technology and the agility of criminal syndicates. These syndicates exploit systemic weaknesses and utilize cutting-edge technologies to engage in cross-border smuggling and produce high-quality counterfeit goods. Their operations are characterized by a dynamic ability to adapt and innovate, allowing them to consistently outpace enforcement efforts. These criminal networks tailor sophisticated counterfeit products to meet market demand, posing significant challenges to regulatory and law enforcement agencies worldwide.

In the realm of economic resilience and the implementation of robust measures against smuggling and counterfeiting on a global scale, understanding the interconnectedness among illicit trade and its economic impact on global and domestic societies is paramount. Illicit trade not only undermines legitimate businesses but also erodes trust in institutions and disrupts economic stability at both local and international levels. The effective combating of these multifaceted issues necessitates concerted international coordination and cooperation, aimed at fostering transparency, accountability, and good governance worldwide. Such collaboration is crucial for developing comprehensive strategies to address the root causes of illicit trade and counter its harmful effects on economies and societies. By fostering partnerships and sharing best practices, nations can enhance their capacity to prevent, detect, and prosecute illicit activities, thereby safeguarding economic resilience.

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 is committed to address the critical issue of illicit trade through collaborative efforts with policy makers, industry stakeholders, enforcement agencies, youth, media, and consumers. Our mission involves fostering an engaged and informed public discourse on this pressing issue through various awareness programmes across different states. 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.

As per a 2022 FICCI CASCADE's study titled - '*Illicit Markets: A Threat to Our National Interests*', over a period of 10 years, the tax loss to the Government of India because of the illicit trade has jumped by 163% to reach a mammoth Rs 58,521 crore (from Rs. 22,230 crore) for 5 key industries - Alcoholic Beverages, Mobile Phones, FMCG-Household and Personal Goods, FMCG-Packaged Foods and Tobacco Products. In the same period tax loss because of the illicit trading in two highly regulated and taxed industries - alcohol and tobacco products has jumped by 227%. In the FMCG category, Packaged Foods and Household & Personal Goods, the loss witnessed an increase by 162% during the same period. The overall size of the illicit market in this 10-year period has swelled to a whopping Rs. 2,60,094 crores.

Since its inception, FICCI CASCADE has organized over 300+ awareness programs and initiatives nationwide to address the challenges posed by counterfeiting and smuggling. CASCADE's efforts have garnered recognition and appreciation for the diverse engagement programs and activities it has orchestrated. As we continue to combat illicit trade, it becomes increasingly imperative to fortify and augment regulatory frameworks. Embracing innovative technologies is important in safeguarding the integrity of our markets and ensuring the protection of the interests of consumers, businesses, and societies worldwide. Through sustained collaboration and concerted efforts, we can forge a path towards greater resilience and integrity in the global marketplace, thus fostering trust and prosperity for all stakeholders involved.

MASCRADE – Movement Against Smuggled and Counterfeit Trade

Examining this issue from India's perspective, where Hon'ble Prime Minister Shri Narendra Modi has set ambitious goals for a 'Viksit Bharat', including achieving the status of the world's third-largest economy within five to seven years and becoming a developed nation by 2047, it is evident that the rise in India's economic stature will likely attract increased attention from illicit actors. As India's economic prominence grows, so too does its vulnerability to illicit activities, which could impede progress and erode economic gains. Addressing this multifaceted challenge necessitates coordinated global action to dismantle illicit infrastructures and fortify economic resilience against infiltration. Stakeholders worldwide must collaborate to implement comprehensive measures aimed at curbing consumption, thereby reclaiming control over global supply and demand dynamics and fostering secure, sustainable, and resilient economies for future generations.

Over the years, FICCI CASCADE has actively spearheaded campaigns aimed at raising awareness among the public about the adverse effects of smuggling and counterfeiting, as part of its broader mission to instigate societal change. A pivotal component of this initiative is FICCI CASCADE's annual flagship international conference named MASCRADE – the Movement Against Smuggled and Counterfeit Trade. With the above background CASCADE is organizing its **10th edition of MASCRADE on September 25th - 26th, 2024, at Hotel Lalit, New Delhi. The theme of this year's conference is "Building Resilient Economies and Implementing Robust Measures from a Global Initiative against Smuggling and Counterfeiting"**.

The conference underscores the imperative need to address the economic dimensions of combating illicit trade on a global scale. The conference will delve into the economic aspects to battle against smuggling and counterfeiting, emphasizing the need for collaborative efforts on a global level. Through insightful discussions and strategic dialogue, the conference aims to foster a deeper understanding of the economic impacts of illicit trade and explore effective measures to bolster economic resilience against such threats. In essence, MASCRADE serves as a platform for stakeholders to come together, share insights, and chart a course towards building more robust economies through concerted global initiatives against smuggling and counterfeiting.

Over the years, the conference witnessed the involvement of numerous senior officials from government entities including CBIC, Department of Revenue, Directorate of Enforcement, Directorate of Revenue Intelligence, and along with active participation of prominent international organisations, such as UNODC, WCO, OECD, Interpol, WIPO, INCB-UN, INTERPOL, UKIPO, JETRO, DKPTO, TRACIT, USPTO, US Dept. of Homeland Security, Australian Border Force and subject matter experts from Denmark, Italy, France, Belgium among others. Post conference reports and recommendations were shared with policy makers at the highest levels.

Our previous editions include:

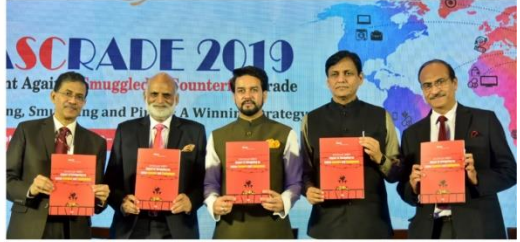
-  **MASCRADE 2023**
Tackling Illicit Trade: Socio-Economic Perspectives and Way Forward
28 -29 September 2023, New Delhi
-  **MASCRADE 2022**
Unleashing the Power of Consumers in the fight against Smuggling and Counterfeiting
22-23 September 2022, New Delhi
-  **MASCRADE 2021**
Impact of Counterfeiting and Smuggling on Personal Health and Safety
21-22 January 2021, New Delhi
-  **MASCRADE 2019**
Containing Counterfeiting, Smuggling and Piracy: A Winning Strategy
26-27 September 2019, New Delhi
-  **MASCRADE 2018**
Ensuring Brand Security for Sustained Businesses and Employment Generation
1-2 November 2018, New Delhi
-  **MASCRADE 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 MASCRAD E

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FICCI CASCADE





10th Edition of MASCRADA 2024

Building Resilient Economies and Implementing Robust Measures from a Global Initiative against Smuggling and Counterfeiting

Objective

- ❖ The international conference aims to delve into the multifaceted risks and threats posed by illicit trade practices such as smuggling and counterfeiting, with a focus on gaining a more comprehensive understanding of their impact on global and Indian economies.
- ❖ The discussions will centre on the establishment and implementation of global standards aimed at preventing and combating illicit trade.
- ❖ The conference will emphasize on bolstering international collaboration in countering illicit trade through mechanisms such as bilateral and multilateral agreements, sharing best practices, and adopting policies that foster transparency, accountability, and good governance.
- ❖ The conference will provide valuable insights on building alliances and fostering cooperation among international intelligence agencies, implementing anti-counterfeiting and anti-smuggling measures, and strengthening regulatory frameworks to combat illicit trade.
- ❖ In-depth discussion on the role of enforcement agencies in detecting and investigating illicit trade and underscoring the need for implementing proactive measures to identify and mitigate vulnerabilities in supply chains susceptible to exploitation by illicit trade networks.
- ❖ Strengthening endeavours to identify gaps and challenges in establishing a thorough monitoring framework to combat illicit trade, with a specific emphasis on addressing the challenges and opportunities associated with countering illicit trade amidst advancing technology.

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

- ❖ Economic Impact and the Hidden Costs: Unraveling effects of Illicit Trade on Global and Indian Economies
- ❖ Advancing International Strategies and Fostering Unified Vigilance: Multilateral Collaboration to Combat Illicit Trade
- ❖ Emerging Tech Frontiers: Challenges and Opportunities in Countering Illicit Trade with Growing Technology
- ❖ Analyzing Threats and Strategizing Response: Defending Borders Against Organized Illicit Activities
- ❖ Driving Change: Industry Leadership in Anti-Counterfeiting and Anti-Smuggling Initiatives
- ❖ Harnessing Legal Power: The Judiciary's Role in Combating Smuggling and Counterfeiting