



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

The global community is increasingly grappling with the detrimental effects of illicit trade which undermine economies worldwide. 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. There is today greater consensus on the point that illicit trade is a formidable force that unleashes all round social, economic and national destabilization.

FICCI CASCADE has been actively running campaigns with the aim of generating awareness amongst the public about the hazardous impacts of smuggling and counterfeiting, as part of its broader agenda to drive change in the society. FICCI CASCADE successfully hosted **the tenth edition of its annual flagship conference, MASCRADE 2024** – *Movement Against Smuggled and Counterfeit Trade on* 25th -26th September 2024 at The Lalit, New Delhi. The theme of this year’s conference was **“Building Resilient Economies and Implementing Robust Measures from a Global Initiative against Smuggling and Counterfeiting**”. The conference underscored the imperative need to address the economic dimensions of combating illicit trade on a global scale.

Addressing the inaugural session as the Chief Guest, **Shri Ravneet Singh Bittu**, Minister of State for Food Processing Industries & Railways, Government of India, emphasized the importance of coordination between various enforcement agencies in the fight against illicit trade. He stated that such collaboration is crucial in countering the nefarious elements undermining the nation's economic growth. The Minister mentioned that by working together and promoting global cooperation, we can build resilient economies and implement strong initiatives to combat these threats. "Let’s join forces to safeguard Bharat’s future," he urged.

Shri Bittu also highlighted the significance of FICCI CASCADE's report, noting that its insights would assist the government in taking decisive action against illicit trade. He stressed the importance of imposing harsh penalties, asserting that punishment is necessary to instil fear in those who engage in these illegal activities.

**Mr. Rajiv Talwar,** Special Secretary to the Government of India and Member (Compliance Management) of the Central Board of Indirect Taxes and Customs (CBIC), highlighted the CBIC's pivotal role in combating counterfeit goods and smuggling. He noted that the department has developed a highly capable, technology-driven risk management portal that helps predict potential smuggling operations.

He further mentioned that CBIC field officers are making an average of 60 detections per day with the help of this portal. Over the past 15 months, more than 3,000 individuals have been arrested, and foreign goods worth Rs. 40 crore have been seized.

In the video message **Mr. P K Das**, Director, Compliance and Facilitation Directorate, World Customs Organisation opined that the WCO's has a vital role not only in promoting legitimate international trade but also in combating fraudulent activities such as smuggling and counterfeiting. He highlighted that enforcement against illicit trade remains a key priority for customs, as it offers effective solutions and appropriate responses to dismantle criminal networks involved in such illegal activities. The WCO's efforts in this area are widely recognized on an international scale.

**Mr. Anil Rajput**, Chairman, FICCI CASCADE accentuated that consumers remain the prime focus group for both legal and illicit players. In today’s technology-driven landscape, artificial intelligence has assumed great significance and its positive impact on businesses and society is evident. However, the possibility of rogue elements exploiting this technology looms large, potentially creating challenges that could lead to a significant disaster for both industry and society.

He shared the mantra called ‘SECURE’ framework which stands for Surveillance, Enforcement, Capacity Building, United Front against illicit trade, Rigorous Punishment, Entire Ecosystem built on simplicity. When considered together, this framework offers a 360-degree solution to addressing the complex issue of illicit trade.

During the conference, FICCI CASCADE report titled “**Challenging Landscape of Illicit Trade: How Changing Factors of Consumption Affect Illicit Markets in 5 Key Industries in India”** was released. The report identifies key trends in the illicit market to enhance the framework for developing effective and efficient policies. The study served as a valuable resource in addressing the rise of illicit markets, which is crucial for safeguarding India’s economic growth and ensuring consumer safety.

**Mr. Arun Chawla**, Director General, Indian Council of Arbitration (ICA), Former Director General, FICCI and Think Tank Member, FICCI CASCADE extended a warm vote of thanks and shared his perspective on the importance of adopting both preventative and proactive measures to build resilient economies.

During the **Fireside Chat** with **Dr. Ajit Ranade**, Vice Chancellor of the Gokhale Institute of Politics and Economics, insightful discussions took place regarding factors influencing the rise in counterfeit goods. Dr. Ranade highlighted several conditions that contribute to this trend, including high taxation, weaker law enforcement, and the growing aspirations of individuals. These key points provide valuable perspectives for understanding and addressing the issue of counterfeit goods in our economy.

**Addressing the Day-2 of FICCI CASCADE’s MASCRADE 2024**, **Mr. Vivek Johri**, Former Chairman, Central Board of Indirect Taxes and Customs highlighted the critical issue of illicit trade during his Fireside Chat on “**Fostering Resilient Economies: A Fireside Discourse on Anti-Illicit Trade Strategies.”** He mentioned that illicit trade poses a multifaceted threat to societal resilience, weakening our ability to recover from crises. Its wide-ranging consequences include substantial revenue losses, compromised public health, biodiversity loss, and setbacks to sustainability efforts, ultimately undermining a nation's capacity to combat climate change.

**During an insightful panel discussion titled “Harnessing Legal Power: The Judiciary's Role in Combating Smuggling and Counterfeiting”, Hon’ble Mr. Justice Navin Chawla**, Judge**,** Delhi High Court stated that smuggling and counterfeiting affect the day-to-day lives of citizens in various ways. These activities constitute a $2 trillion shadow economy, resulting in significant economic losses for the nation. Justice Chawla stressed the need for a unified approach from the legislature, judiciary, and executive in addressing this issue, assuring that all three branches are working diligently to combat it. He also urged consumers to recognize that while purchasing illicit products may offer short-term benefits, it ultimately leads to long-term harm, both for them and for the nation.

**Delivering the valedictory address at the 10th edition of MASCRADE**, **Hon’ble Mr. Justice Sanjay Karol**, Judge, Supreme Court of India and Former Chief Justice, Patna High Court and Tripura High Court underscored the debilitating impact of smuggling and counterfeiting on the nation’s economic and social fabric. He pointed out that smuggling and counterfeiting pose significant threats to economic stability, social security, and the integrity of the nation. These illicit activities often go undetected amidst various economic and social challenges, yet they continue to undermine substantial segments of legitimate businesses, leading to considerable economic and social damage. Justice Karol stressed the importance of leveraging technology to combat this issue and emphasized the need for strong inter-state collaborations. He noted that utilizing QR codes can help protect consumers and effectively tackle the challenges of smuggling and counterfeiting.

**Hon’ble Mr. Justice Manmohan Sarin,** Former Lokayukta, NCT of Delhi, Chief Justice, High Court of Jammu & Kashmir, Judge, High Court of Delhi and Think Tank Member, FICCI CASCADE opined that smuggling and counterfeiting now constitute a formidable shadow economy, equivalent to 3% of global GDP, surpassing the economic output of many nations such as Brazil, Italy, and Canada. The synergy between law enforcement, customs, and the judiciary is essential in ensuring that the efforts to combat illicit trade translate into concrete results. There is a need for a robust legal framework coupled with strict enforcement mechanisms and technological solutions.

**Anti-Counterfeiting and Anti-Smuggling Awards** were given to enforcement officers, school children and journalists during the Valedictory session who have actively supported and contributed towards the objective of combating the menace of illegal trade.

Throughout the two-day conference, renowned experts from both India and abroad delivered informative presentations and engaged in numerous enlightening panel discussions, underscoring the imperative for global collaboration in the fight against illicit trade by boycotting smuggled and counterfeit goods. The conference witnessed the presence of senior dignitaries from key organizations such as CBIC, Ministry of Law and Justice, Border Security Force, Directorate of Enforcement, Department of Revenue, among others. Additionally, the conference featured representatives from 10 international organizations, including a distinguished lineup of speakers from prominent global entities like UNODC, EUIPO, WTO, GITOC, WCO, WIPO, DKPTO and U.S. Department of Homeland Security, amongst others.

The conference received an overwhelming response with over 700 attendees across both days of the conference and strong representation from 10 countries.

\*\*\*\*