

New TRACIT report urges India to step up efforts to mitigate the availability of illicit alcoholic beverages

New Delhi, India, 29 September 2023 - The Transnational Alliance to Combat Illicit Trade (TRACIT) highlighted findings from its latest report, "[Countering Illicit Alcohol Trade in India: Challenges and Solution](#)" at the Federation of Indian Chambers of Commerce and Industry's (FICCI) flagship MASCRAGE event.

The study addresses the current landscape for illicit alcohol in India, where unrecorded alcohol can account for up to 46% of total consumption – well above the global average for 26%. The report's findings emphasize the adverse consequences that illicit trade has on health, especially those from low socioeconomic status and rural populations who are most vulnerable. TRACIT urged policy makers to address the persistently high levels of taxation, the large informal unregulated sector, artificial supply restrictions and fragmented regulatory regimes across many of the key Indian states where illicit alcohol is a significant problem. The report presented recommendations designed to help India implement a uniform alcohol policy.

"To promote responsible consumption and steer consumers away from illicit alcohol, it is imperative to harmonize alcohol policies and regulations while adopting a coordinated approach among states," said Suriya Padmanaabhan, TRACIT Director of Programs. "Taxes on legal products are simply too high, and drive demand for cheap, illicit, counterfeit and homebrewed alternatives, most of which are toxic and dangerous."

Presentation of the report marks the initial stages of TRACIT's commitment initiate a collaborative effort to mitigate the consumption of illicit alcohol in India.

"We are committed to work with government officials, intergovernmental organizations such as the OECD, and our private sector partners to put an end to illicit alcohol in India," said Ms. Padmanaabhan. "Simple, more flexible modifications of tax rates and supply restrictions, along with regulating informal markets will go a long way to protecting Indian consumers from illicit alcohol."

The findings of the [report](#) were discussed at FICCI's MASCRAGE event, "*Tackling Illicit Trade: Socio-economic Perspectives and Way Forward*." The keynote address was delivered by Dr Kunio Mikuriya, Secretary General, World Customs Organization and a special address by Mr Sanjay Kumar Agarwal, Chairman, India Central Board of Indirect Taxes and Customs. The event was attended by representatives from government agencies, foreign embassies, intergovernmental organizations such as INTERPOL and WIPO, regional attachés, UN missions, and the private sector.

About TRACIT: The Transnational Alliance to Combat Illicit Trade (TRACIT) is an independent, private sector initiative to drive change to mitigate the economic and social damages of illicit trade by strengthening government enforcement mechanisms and mobilizing businesses across industry sectors most impacted by illicit trade.

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