

TRACIT endorses new Study on Illicit Trade in Fake Pharmaceuticals

Calls on OECD and EU to close governance gaps

Paris, 23 March 2020 – via Internet – Today, the Transnational Alliance to Combat Illicit Trade (TRACIT) participated in a virtual launch of the new Study on Illicit Trade in Fake Pharmaceuticals. The report, published by the OECD Task Force on Combatting Illicit Trade and the European Union Intellectual Property Office (EUIPO), is part of a series of studies designed to enhance understanding of illicit trade and the issues and challenges facing governments, businesses and society at large.

The report shows that the pharmaceutical market is an attractive one for counterfeiters, as consumers can be easily deceived into believing that counterfeits are genuine. It shows that in 2016, international trade in counterfeit pharmaceuticals reached USD 4.4 billion, representing 2.2 % of trade in pharmaceuticals.

“Once again, OECD and EUIPO have produced a powerful tool to help policymakers better understand the nature and scale of illicit trade,” said Jeffrey Hardy, Director-General of TRACIT. **“This report provides an urgent and compelling argument for governments to step up enforcement against illicit pharmaceuticals.”**

The report shows that the pharmaceutical market is attractive for counterfeiters, as consumers can be easily deceived into believing that the counterfeit products are genuine. The list of counterfeits in the report is alarming, including medicaments for various kinds of diseases, including malaria, HIV/AIDS and cancer. In addition, the report shows counterfeit antibiotics, lifestyle drugs and painkillers were the most targeted by counterfeiters. Other counterfeit pharmaceuticals target treatment for diabetes, epilepsy, heart diseases, allergy, blood pressure, and stomach ulcers ailments as well as local anaesthetics.

Amidst the wave of counterfeit medicines and medical products aimed exploit consumers concerned with the Coronavirus Pandemic, **Stanislas Barro, Global Head of Anti-counterfeiting at Novartis, added, “While we are already facing numerous incidents of falsified Covid-19 masks, hydro alcoholic gels, testing kits and possible treatments, the OECD-EUIPO report is timely and underscores the urgent need to adopt a strong international policy framework and allocate adequate resources to more effectively combat the illicit trade of falsified medicines and protect patients.”**

TRACIT emphasized that the illicit trade in pharmaceuticals undermines UN goals for good health and the ability to treat and prevent disease, particularly for the weakest and most vulnerable in society. **“It is imperative to protect patients, healthcare systems and the wider society from the negative impacts of ingesting substandard, falsified, unregistered and unlicensed medical products, said Mr. Hardy.”**

To improve the government response to illicit trade in pharmaceuticals, TRACIT has called on the OECD Task Force to identify, analyse and disseminate effective policy and good practices to assist OECD member states to better regulate illicit trade in pharmaceuticals. This is consistent with the organization’s mandate to design and promote good practices in public policies to identify the governance gaps that facilitate illicit trade and to reduce and deter [illicit] trafficking and smuggling.

“The OECD’s quantitative studies are extremely useful, but the fight against illicit trade is an uphill battle that calls for the OECD to demonstrate the policy leadership that it’s renowned for,” said Mr. Hardy. **“Governments inside and outside OECD are hungry for effective public policies, and the task force has an important opportunity to fill this gap by mapping the best of the best and helping us close governance gaps that foster illicit trade,”** said Mr Hardy.

For more information

The OECD/EUIPO report can be found here:

<https://euipo.europa.eu/ohimportal/en/web/observatory/trade-in-counterfeit-pharmaceutical-products>

TRACIT positions on the full agenda for the OECD Task Force Meeting <postponed> are included in the wider business paper prepared by Business @ OECD and can be found here: <http://biac.org/wp-content/uploads/2020/03/2020-03-17-Contribution-to-the-Work-Programme-of-the-OECD-Task-Force-on-Countering-Illicit-Trade-3.pdf>

The TRACIT Report: Mapping the Impact on the Sustainable Development Goals of Illicit Trade in Pharmaceuticals can be found here: <https://www.tracit.org/pharmaceuticals.html>

About TRACIT

The Transnational Alliance to Combat Illicit Trade ([TRACIT](#)) is an independent, private sector initiative 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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