

TRACIT offers support to Turkiye to implement effective solutions to combat illicit trade

Istanbul, 1 December 2022 – Today, the Transnational Alliance to Combat Illicit Trade (TRACIT) released its latest study examining the situation of illicit trade in Turkiye. With inflation climbing to a 25-year high of 86% in November, TRACIT cautions that the impacts of soaring inflation can create fertile grounds for illicit trade to flourish.

“Among the cascading effects of inflation on the global economy is the negative impact it has on the market dynamics that drive illicit trade, when diminishing consumer purchasing power makes cheaper illicit and black-market products more tempting,” said TRACIT Deputy Director-General Stefano Betti. *“Given these dynamics, where inflation incentivizes consumers to choose cheaper, illicit alternatives, the Turkish government needs to be more vigilant in its efforts to defend its economy from illicit trade.”*

The TRACIT report [*Inflation, product affordability, and illicit trade: Spotlight on Turkiye*](#) investigates the challenges the country faces with illicit trade on multiple fronts, including grappling with the harmful effects of illicit tobacco, alcohol and petroleum products, as well as a lucrative market for illegal pharmaceuticals. Due to its geographical location as a gateway to Europe, the country is also a vulnerable transshipment point for counterfeit and pirated finished goods and components across a variety of industry sectors.

The report notes that Turkiye has established many controls to fight illicit trade, often in line with international standards. Its regulatory and enforcement agencies are in place and supported by applicable legislation and regulations aimed at countering and deterring illicit trade. The primary challenges lie instead with the application of laws and the coordination between the various agencies responsible for enforcement.

“Turkiye has taken several steps to tackle illicit trade in recent years, demonstrating the governments’ ambition, commitment and resolve to root out this illegal activity,” said TRACIT Director-General Jeffrey Hardy. *“Nonetheless more needs to be done by the government to fortify its efforts to control illicit trade.”*

To encourage an effective policy response to illicit trade, the TRACIT report calls for *inter alia* improving coordination efforts between Turkish law enforcement agencies, streamlining the adjudication process, strengthening criminal and other penalties, and increasing transparency and cooperation between public and private sector to improve enforcement actions.

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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