



## **Intervention at Launch of OECD-EUIPO Report, “Illicit Trade: Trade in Counterfeit Pharmaceutical Products”**

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### **As Prepared**

Good afternoon.

It is good to join this important meeting of the OECD Task Force on Countering Illicit Trade (TFCIT), and great that we can leverage today’s IT technologies to participate from all corners of the world.

As the Chair of the Business at OECD Anti-Illicit Trade Expert Group (AITEG), and Chair of the Anti-Illicit Trade Committee (AITC) of the United States Council for International Business (USCIB), let me applaud the Organization for Economic Cooperation and Development (OECD), the European Union Intellectual Property Office (EUIPO), and TFCIT members for launching today’s evidence-based report, “Illicit Trade: Trade in Counterfeit Pharmaceutical Products” – and its alarming findings. Let me also thank our partners who provided invaluable data to this OECD-EUIPO report including the World Customs Organization (WCO), Directorate-General for Taxation and Customs Union of the European Commission (DG TAXUD), U.S. Department of Homeland Security (DHS), Pharmaceutical Security Institute (PSI), World Health Organization (WHO), and others.

In addition to the financial scale (EUR 4 billion) and economic impacts and reputational harm to governments, industry partners, and communities of counterfeit trade worldwide in fake pharmaceuticals, of equal concern are the adverse harms to people’s health and safety when they are misled to buy fake medicines, antibiotics, vaccines to fight malaria, diabetes, cancer, heart disease, HIV, or pandemics through not only misinformation and deception but through outright criminality. In the past few weeks, criminals have exploited people’s fear, well-being, and misery related to the current coronavirus (COVID-19) global health emergency including the sale of counterfeit medicines, medical supplies and equipment (testkits, N95 respirators and surgical masks), and hand sanitizers and other fast-moving consumer goods (FMCG).

I also agree with the plenary comments by OECD Deputy Secretary General Jeffrey Schlagenhauf that at the convergence of globalization, free trade, and illicit economies (“dark commerce”), and transnational security threats such as today’s COVID-19, “we need our pharmaceutical partners more than ever” to innovate and discover pathfinding medicines to cure pandemics and infectious diseases.

Every year, tens of thousands of people pay the ultimate price in sub-Saharan Africa, the developing world, and across communities within OECD member states.

On behalf of our USCIB AITC and Business at OECD AITEG membership, we would also like to support the continued leadership of the OECD TFCIT in fighting illicit trade including counterfeit and pirated goods.

In the past week, Business at OECD AITEG has finalized a paper on “[Public-Private Partnerships Critical to Fighting Illicit Trade Across Strategic Markets](#)” which includes our recommendations to the work program of the TFCIT such as countering illicit trade in fake medicines.

Business at OECD AITEG is supportive of OECD work on fake pharmaceuticals, but we would like to encourage it to move beyond quantitative studies so as to produce more qualitative policy guidelines including identifying, analyzing and disseminating effective policy and good practices to assist OECD member states to better regulate illicit trade in pharmaceuticals.

Business at OECD AITEG also supports the TFCIT’s interconnected focus on various illicit threats across source, transit, and destination markets including the following thematic areas:

- Role of E-Commerce and Online Markets in Fueling Illicit Trade. Addressing “Small Parcels” Trade in Contraband and Illicit Commodities.
- Implementation of the OECD Recommendations on Enhancing Transparency in FTZs
- Misuse of Container Ships for Illicit Trade - as a concern closely connected to the implementation of the OECD Recommendations on Enhancing Transparency in FTZs

Targeting corruption and money laundering that help fuel illicit trade must also be an important cross-cutting priority across the work program of the TFCIT.

Finally, we strongly support public-private partnerships and mobilizing greater energies towards collective action to decisively counter illicit trade and disrupt illicit markets in strategic areas including working with TFCIT partners to identify, leverage, and mobilize resources and financial streams to support joint research projects, events, training, and workshops.

Our [AITEG recommended actions](#) and further views can be found at the Business at OECD webportal at <http://biac.org/policy-groups/> (anti-illicit trade). We also thank the TFCIT co-chairs, the Bureau, and OECD GOV secretariat for circulating further our Business at OECD AITEG paper within the TFCIT, OECD, and EUIPO.

Again, we are very committed to continuing to support the important work of the TFCIT. We applaud its dynamic partnership with EUIPO and others and look forward to advancing the work program in 2020-2021 through working groups, possible jointly hosted events, and innovative and synergistic collaborations on the key thematic areas and priorities of the initiative.

We are all in this together. Stay strong, stay healthy, stay safe!

Thank you.