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ESCUELA DE SEGURIDAD MULTIDIMENSIONAL-USP

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Course on

ILLICIT MARKETS AND ORGANIZED CRIME IN THE AMERICAS

PMI impact

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Eurofront

Class

Smuggling and Transnational Illicit Trade: Logic and Control Strategies

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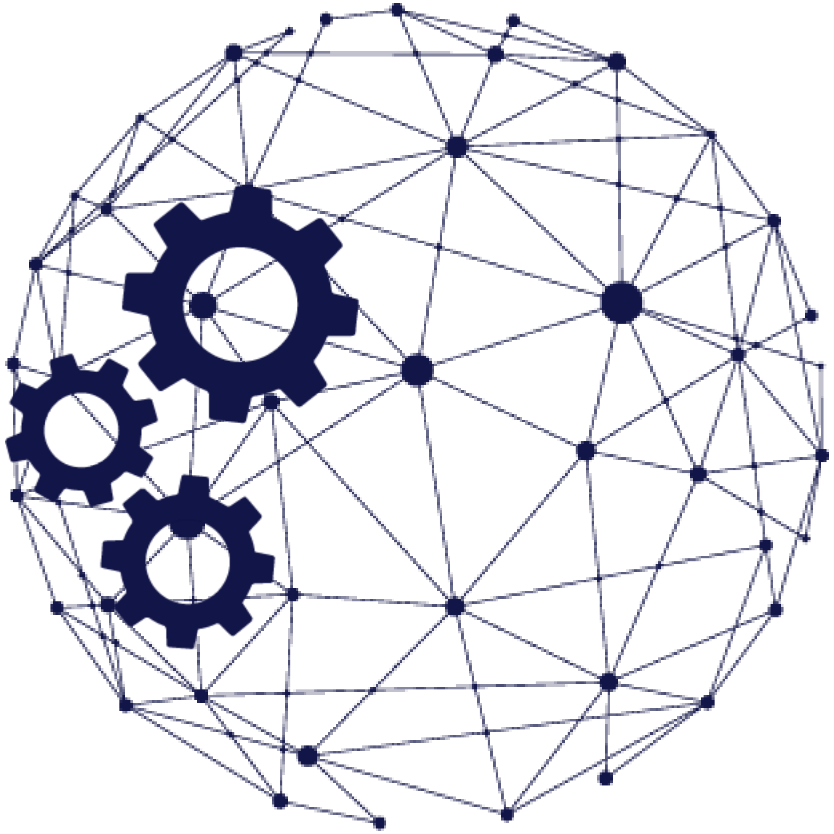
Introduction

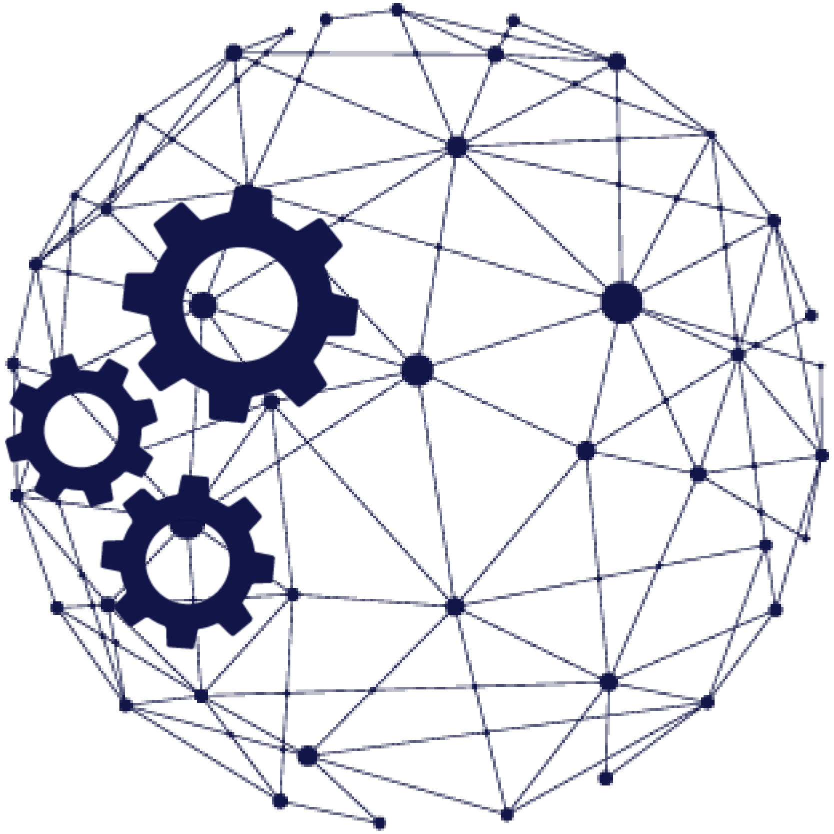
In this class we are going to raise awareness and demonstrate the **close link between illicit trade, transnational organized crime and the regulatory frameworks** related.

Firstly we will evidence the general context of illicit trade in the world with the region of the Americas, emphasizing some relevant data and statistics.
For example, according to the UN, illicit trade represents 3.3% of global trade, which is equivalent to 2.2 trillion dollars annually.
Now, according to the Transnational Alliance to Combat Illicit Trade (TRACIT), illicit trade and transnational organized crime together represent between 8 and 15% of the global Gross Domestic Product.



Introduction

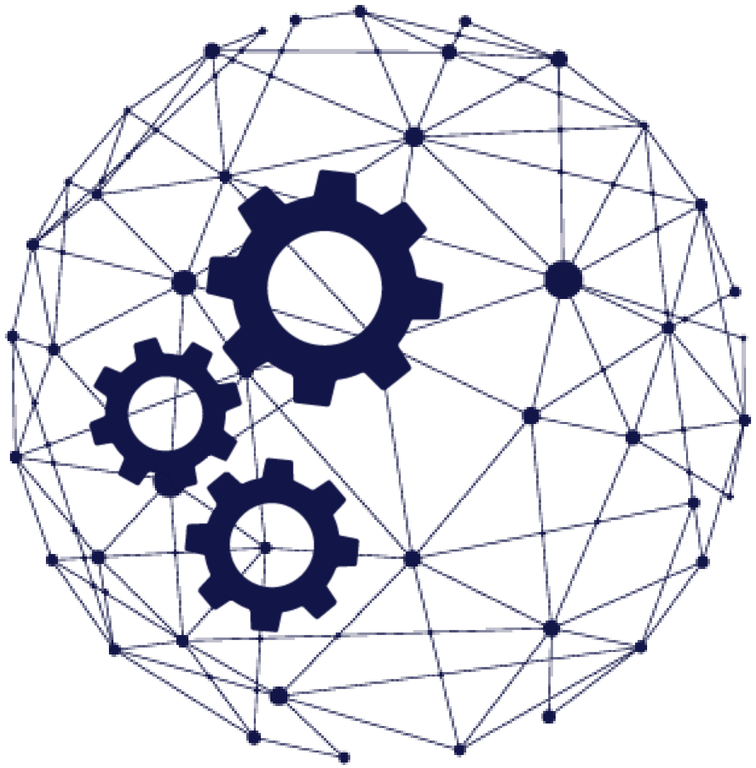
Transnational organized crime seeks to maximize its economic benefits and aims to establish greater territorial control, but also political control, a kind of co-government in some specific areas over the trafficking of illicit goods and services by informal groups, but also by groups outside the law.



Class Content

The illicit trade is fueled by the demand for illegal products and services and is frequently used by criminal groups to finance their illicit activities.

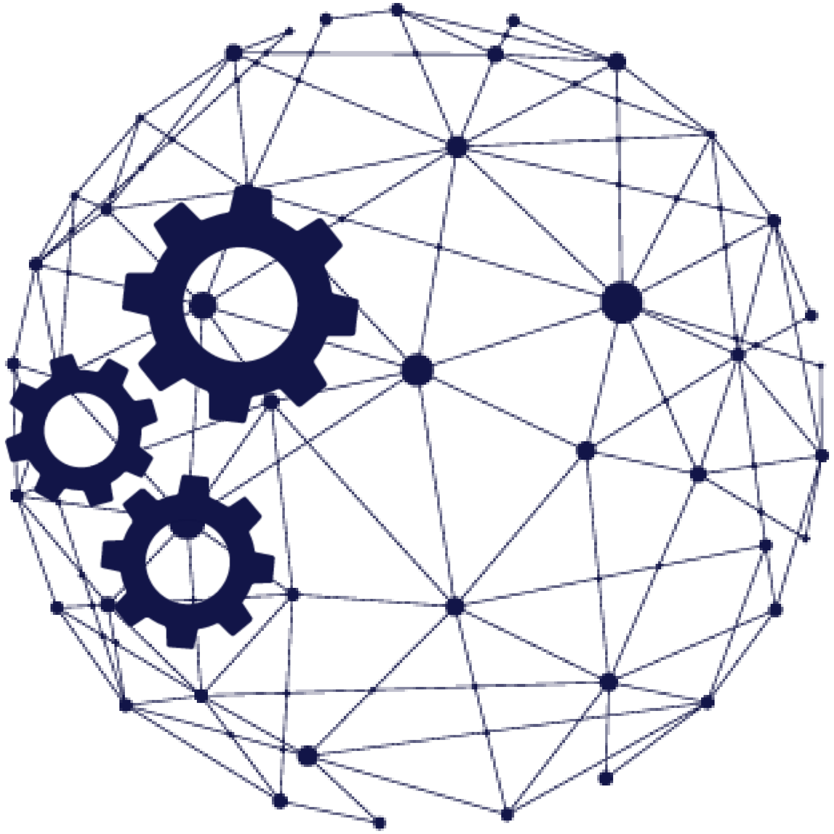
Transnational organized crime seeks to maximize its economic benefits and for this it seeks to establish greater territorial and political control over some specific areas for the trafficking of illicit goods and services.



Class Content

When analyzing the relationship between organized crime and illicit trade, **a very practical and realistic approach is from an economic rationale point of view**.

For this reason, it is important the **public-private cooperation,** the cooperation in terms of intelligence and investigation, and also to understand the methods of drug trafficking or other groups outside the law **that must be clearly understood** in order to monitor their illicit goods, the intervention of their illicit goods and the seizure of their goods.



Class Content

In this case study, we will analyze the illicit trade of tobacco products in Colombia, Ecuador and Panama, which we have investigated in depth. This Investigation, Monitoring and Analysis exercise was carried out over 8 months by the consulting firm Strategos BIP, using an innovative platform, which is the **Central Investigation, Monitoring and Analysis of Illicit Trade (CIMA).**

As a result of this Investigation, Monitoring and Analysis exercise by CIMA, it was possible to highlight that the panorama of the **illicit trade in cigarettes and tobacco products in Colombia, Ecuador and Panama is very negative and worrying.** In Colombia, one of the conclusions of the study indicates that the proportion of illicit cigarettes reached one third of the market. In Ecuador and Panama, between 8 and 9 cigarettes out of 10 are illegal, respectively in each country.

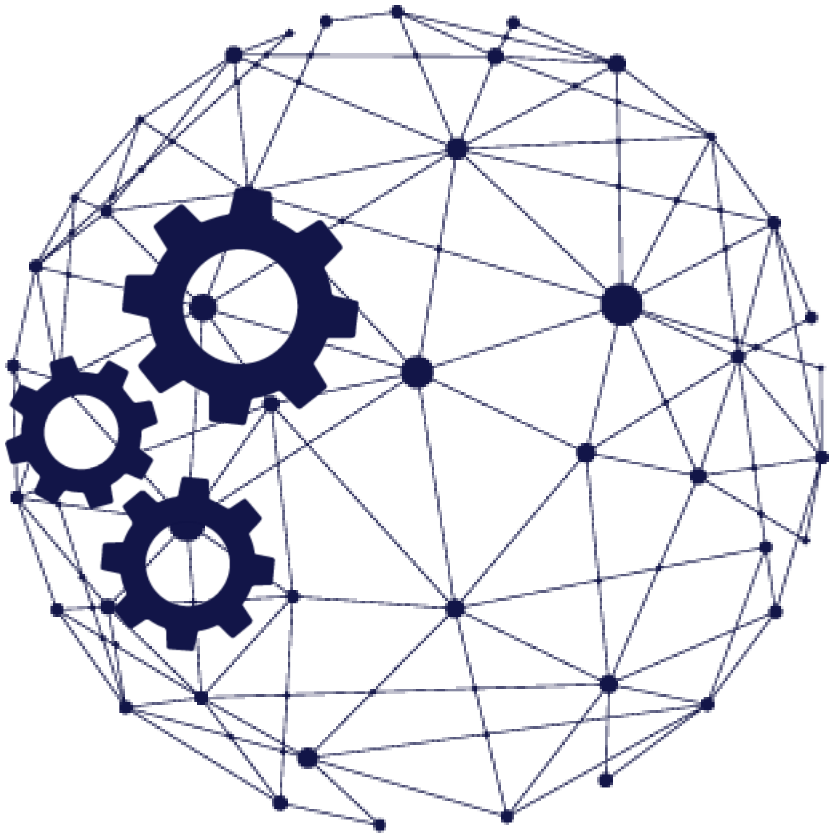
The illicit phenomenon is preponderant in the three countries, the privileged modality is smuggling, and analyzing these data in the last decade shows that there is an **upward trend in the region**.

Class Content

The available legal provisions, which are in force today, for cooperation at the international level and between state agencies, through the exchange of regional good practices that make it possible to prevent and intervene in illicit trade, especially when it is increasingly positioned as the preferred modus operandi for money laundering from organized crime, especially drug trafficking.

The Convention against the Organized Crime, or Transnational Organized Crime, also known as the Palermo Convention, is an international treaty adopted in the year 2000.

This convention establishes **measures for international cooperation**, for the extradition of criminals, the exchange of information and judicial technical assistance in investigation and prosecution of those responsible for these crimes.



Class Content

We also have the **Parlatino Model Law** to combat illicit trade and organized transnational crime. The Parlatino, which is the Latin American Parliament, has developed a standard law, a model law to combat illicit trade and organized crime in the region.

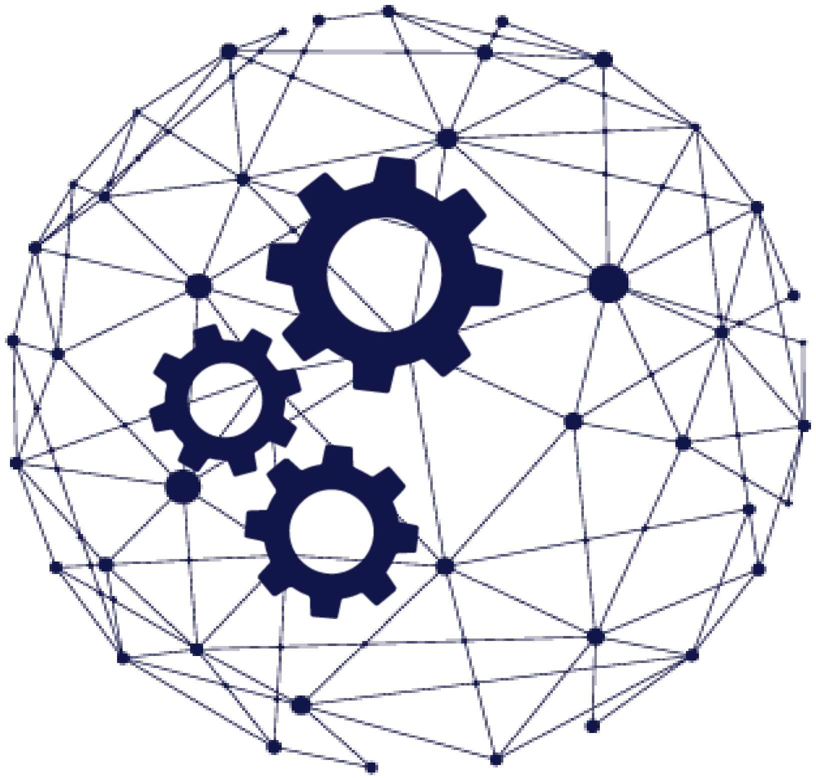
This **standard law** contains very interesting provisions for the prevention, investigation, prosecution and punishment of organized crime, including illicit trade, money laundering and terrorist financing.

There are other multilateral mechanisms such as **Interpol**, which is the International Criminal Police Organization, but also **Ameripol**, which is the American Police Organization and which is currently meeting in Argentina precisely at one of its conferences on cybersecurity, and also **Europol**, the European Police Organization, institutions that play an important role in international police cooperation to combat illicit trade and organized crime.

Class Content

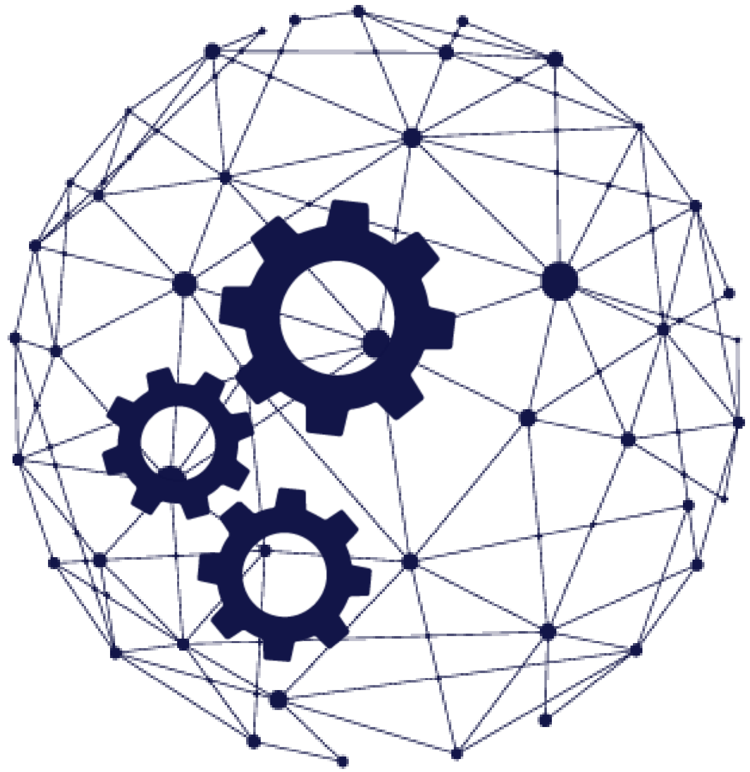
There is also the **Risk Profiling Strategy** by **customs for the verification of containers**. This risk profiling is a fundamental strategy used to identify and select cargo containers that are most likely to carry illicit goods, such as drugs, weapons, counterfeit goods, and other classes of items.

This strategy is **supported by national and international legal and regulatory frameworks** that regulate customs procedures that have already been standardized by different countries within the framework of multilateral institutions, such as the World Customs Organization and the World Trade Organization simultaneously.



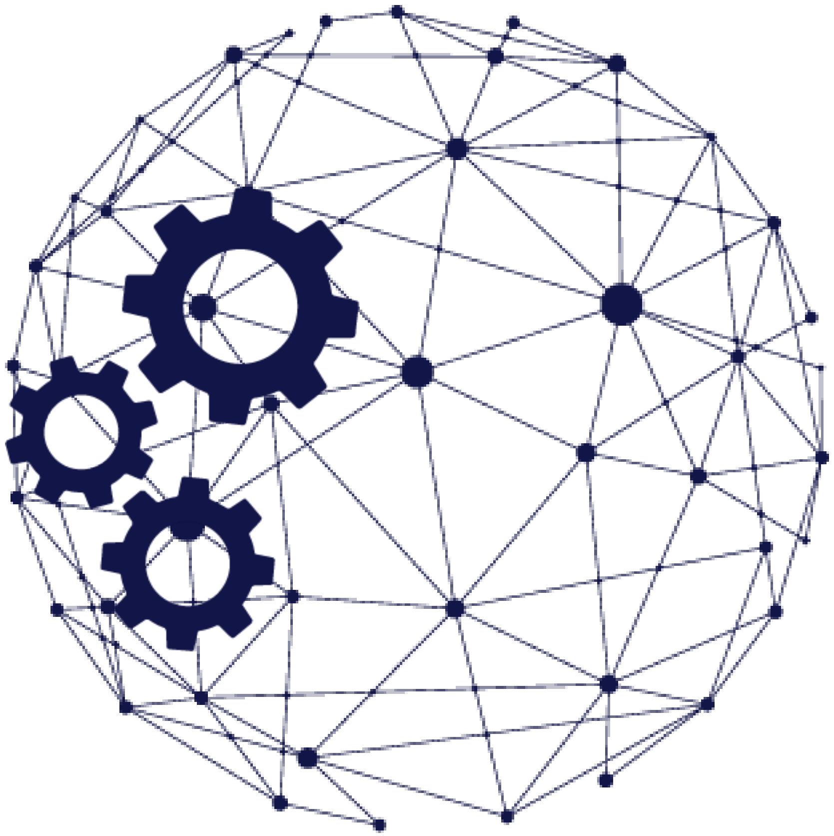
Class Content

Regional collaboration and coordination of efforts among all institutions, State actors, but also with private companies, to prevent and combat illicit trade and transnational organized crime, are crucial in order to maintain, protect, and strengthen the Social Rule of Law in the Americas, but also to promote sustainable and prosperous development in the region.



Class Summary

- Economic approach to crime.
- Interagency cooperation.
- Regional cooperation.
- Different regulatory frameworks as example cases to implement.



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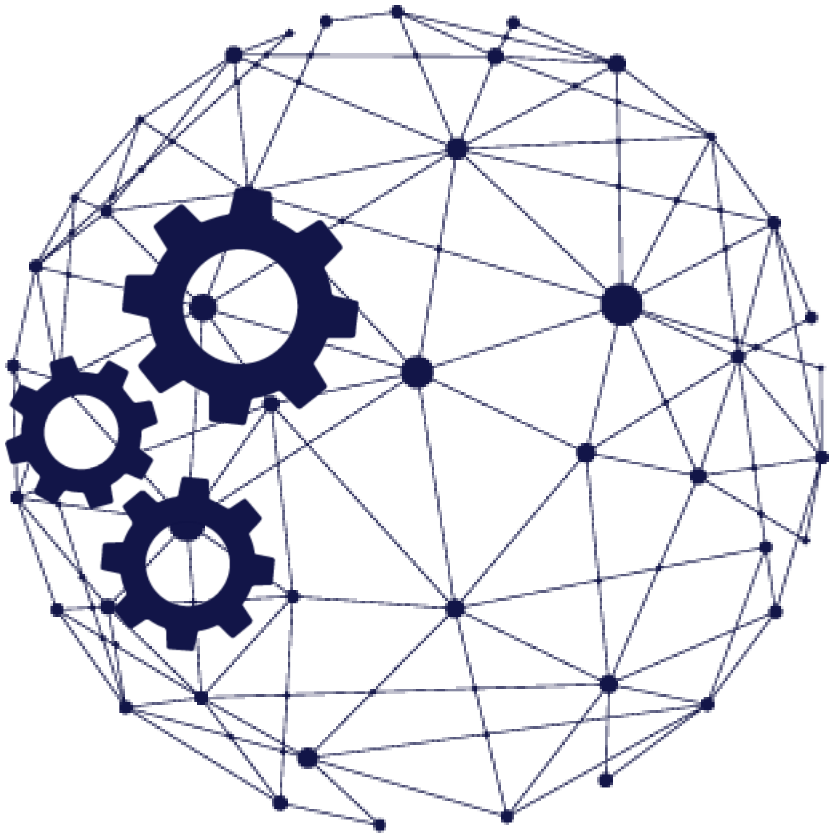
PARLATINO. Ley modelo para combatir el comercio ilícito y la delincuencia transnacional organizada.



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