INTRODUCING THE SIRACUSA GUIDELINES ON ILLICIT TRADE

THE MECHANISM FOR COMBATING ILLICIT TRADE (M-CIT)

Filippo Musca, Director General
Tobias Freeman, Senior Legal Officer
UNCTAD Illicit Trade Forum, 4 February 2020

The views expressed are those of the author and do not necessarily reflect the views of UNCTAD
A REGIONAL HUB WITH GLOBAL REACH
Technical assistance, training & research

Centre of excellence in Mediterranean

Organized crime & illicit trade

Strengthening the Fight Against Illicit Trade in South Eastern Europe (SEE-IMPACT)

Mechanism for Combating Illicit Trade (M-CIT)
Countries (and businesses) are presented with an overwhelming task in navigating legal and regulatory frameworks, other policy guidance. Connect the dots, don’t reinvent the wheel.
Ministries

Criminal justice

Customs/border

Trade

Financial intelligence

Regulatory/inspection

National strategies, action plans, policies, etc.
organized crime, illicit financial flows, specific illicit trade sectors

International legal frameworks
Patchwork of international treaties, UNSC resolutions

National law & regulations

Regional strategies, initiatives, etc.

Non-binding guidance
UNGA, G20, World Economic Forum, OECD, etc.

Sector-specific guidance
Human trafficking, weapons, cultural property, wildlife, etc.

WTO, UNCTAD

Egmont Group

WHO, CITES

Banks

FATF standards

Industry standards

Producers, manufacturers, traders (import/export), transport & logistics operators, e-commerce

Readers, banks, trade operators, etc.
WHAT ARE WE WORKING TOWARDS?

NO MECHANISM EXISTS TODAY

BREAKING DOWN THE SILOS

ADDRESSING ILLICIT TRADE ACROSS SECTORS

ALIGNING FOR IMPACT

PROMOTING A PARADIGM CHANGE
BUILDING A MECHANISM TO TAKE US FORWARD

ASSESSING READINESS TO STAND UP TO ILLICIT TRADE
INFORMING POLICY, LEGAL & INSTITUTIONAL CHANGE
BUILDING CAPACITY TO APPLY NEW ENFORCEMENT APPROACHES
Global mapping exercise

What’s the state-of-play in terms of existing legal, regulatory, policy and enforcement guidance?
• International treaties
• UN Security Council resolutions
• Standards
• Guidelines and recommendations
• Best practices in investigations, prosecutions and cooperation
• Available tools, databases, networks, platforms, etc.
• Effective mechanisms for communication and cooperation
TO LAY THE GROUND FOR A REVIEW MECHANISM

Guidelines
Specific, actionable, measurable

Methodology
Assessing where we stand today, in five years, etc.
TO BETTER SUPPORT COUNTRIES AND BUSINESSES IN THE FIGHT AGAINST ILLEGAL TRADE

Technical cooperation

• Tailored assessments
• Strategic reviews
• Development of strategies and action plans
• Capacity-building and training
• Cross-institutional dialogue, etc.
WHAT DOES A WHOLE-GOVERNMENT APPROACH LOOK LIKE?

01 Reinforcing national leadership, strategies & coordination
02 Addressing root causes & drivers
03 Disabling perpetrators
04 Enhancing detection & interdiction
05 Tackling cyber-enabled illicit trade
06 Tracing the origin & movement of goods through supply chains
Six tracks for concrete & coordinated action

National leadership
- Whole-Government strategic review
- Lead authority
- National strategy
- Coordination mechanism
- Regional governance bodies
- Trade-related mechanisms

Root causes, drivers
- Evidence-based policy & awareness campaigns
- Reinvesting confiscated criminal assets in affected communities
- Reviewing post-seizure procedures
- Peace operations, state-building & development

Disabling perpetrators
- Criminalisation & effective penalties
- Money laundering including trade-based
- Financial investigations & criminal asset recovery
- Special investigative techniques
- Inter-agency task forces & joint investigations
- Two-way cooperation with private sector
- Targeting corruption links

Detection & interdiction
- Targeting high-risk consignments
- Empowering & properly resourcing Customs
- Cooperation between Customs and other enforcement agencies
- Transparency & oversight in FTZs
- Emerging technologies?

Online intermediaries & cryptomarkets
- Engaging & defining responsibilities of online intermediaries
- Regulating cryptoexchanges, miners, etc.
- Addressing capacity needs to investigate Dark Web and cryptomarkets
- Monitoring data and traffic on Dark Web

Provenance & supply chain traceability
- Licensing & import/export controls
- Industry-wide due diligence standards
- Authentication, tracking & tracing mechanisms
- Distributed ledger technologies?
THE M-CIT TEAM
M-CIT’S BRAIN TRUST

Jean-François Thony  
Prosecutor General, Rennes

Carlos Moreira  
WISeKey

Amb. Adam Blackwell  
former Chair, WEF Meta-Council on Illicit Economy

Leigh Winchell  
former Deputy Director, Enforcement, WCO

Stephanie Farr  
former DIAGEO

Danil Kerimi  
World Economic Forum

Dr Irene Mia  
The Economist Intelligence Unit

Huw Watkins  
Head, Asia Policy, UKIPO

Dr Walter Gehr  
Austrian Government

Jeff Hardy  
Director, TRACIT
WHERE TO FROM HERE?

➢ Refine the Siracusa Guidelines through inclusive and participatory consultations

   UN Crime Congress, Kyoto, 20-27 April 2020

➢ Consider the most effective and feasible approach for reviewing compliance on-the-ground

➢ Identify countries (or regions) and businesses willing to pilot-test the concept
PLEASE REACH OUT
F.MUSCA@SIRACUSAINSTUTUTE.ORG; T.FREEMAN@SIRACUSAINSTITUTE.ORG
WWW.SIRACUSAINFORESTITUTE.ORG