**SPIRITSEUROPE CALLS FOR PUBLIC-PRIVATE ACTION TO COMBAT ILLICIT ALCOHOL IN EUROPE**

**Brussels, 11 December 2015. spiritsEUROPE welcomes the OECD report on illicit trade published today [in Washington DC, later today] which highlights an important issue to be solved for the benefit of all.**

“*Illicit trade in alcohol cuts into our spirits sector, reducing our ability to grow, invest and employ but also cuts into the tax revenues that national exchequers could normally expect to receive,*” said Paul Skehan, Director General of spiritsEUROPE. *“We would like to work with national governments, the European Commission and others to more accurately quantify the scale of the problem, and then to address the drivers behind this unwelcome phenomenon.”*

Today, the OECD launches its first report “Illicit Trade: Converging Criminal Networks” containing base line estimates of the monetary value of illicit trade in several of the most important sectors, including alcohol. The objective is to facilitate a cross-cutting and holistic effort to improve data quality, enhance partnerships between the public and private sectors for data sharing, and conceive new approaches to effective strategies.

“*Until now, the percentage of illegal alcohol is estimated by WHO at round 30% across the world and the cost can be counted in billions*”, said Skehan, adding “*However, the level of knowledge remains quite poor. We see the OECD report as a great contribution to the debate but more is needed for systematic and comparable research to measure the scale & value of illicit alcohol in Europe*”.

Cross-EU research would benefit business, public administrations, customs services, police, and consumers’ health. Indeed, illicit alcohol production and counterfeit spirit drinks also pose a serious health threat by providing consumers with inferior or even toxic products (e.g. over 45 people died and dozens more suffered serious illness in the Czech Republic, the Slovak Republic and Poland after drinking illicit vodka or rum tainted with methanol in 2012)

“*Years of austerity has had multiple, interconnected, negative effects on our businesses. Not only has it knocked a hole in the pockets and wallets of our consumers*” said Skehan “*but it has also left large deficiencies in many exchequers, deficiencies that Finance Ministers look to make up through increased taxation of our products with the end result of growing illicit markets, the scale of which is directly linked to excessive increases in tax on legitimate products*”.

**ENDS**

**Notes to Editors:**

* spiritsEUROPE represents the spirits industry, comprising 34 associations and 8 multinationals.
* The goal of the [OECD Task force on Charting Illicit Trade](http://www.oecd.org/gov/risk/oecdtaskforceonchartingillicittrade.htm) is to better understand economic risks and societal harms related to illicit trade, and to analyse the effectiveness of policies aimed at deterrence or disruption of activities that generate revenues for a global illegal economy. It aims to facilitate a cross-cutting and holistic effort to improve data quality, enhance partnerships between the public and private sectors for data sharing, and conceive new approaches to effective policy strategies.
* The spirits sector generates €21.4bn in excise duty and VAT across EU-28
* 1 million jobs in production and sales
* Additional data and examples on illicit markets across Europe: Click [here](http://spirits.eu/files/24/spirits-europe-150415-basse-definition.pdf)
* Paul Skehan in his capacity as permanent representative of Skehan sprl, Director General of spiritsEUROPE

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