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The economic and social damage caused by counterfeiting deprives governments of revenues and can support serious crimes, such as drug trafficking and money laundering, according to a new report published by the European Union Intellectual Property Office (EUIPO).

The report estimates that governments across the European Union have total losses of up to € 15 billion per year due to the presence of counterfeit goods in the market, by reducing the amount of taxes (direct and indirect) and social contributions that are not paid by illegal producers.

EUIPO's analysis shows that the registered dangerous counterfeit goods have been assessed as posing a serious risk to consumers. Even worse is the fact that most of the goods in question were intended for children's toys, childcare articles or children's clothing.

From the research carried out by EUIPO and Europol also proceeds the link between counterfeiting and other serious crimes. Since 2016, EU law enforcement authorities have carried out 29 major anti-counterfeiting and anti-piracy operations, targeting organized groups involved in other serious crimes, including drug trafficking and money laundering.

"Counterfeiting is not victimless crime. Counterfeit goods reduce the sales of legitimate companies and deprive governments of much-needed revenues. They present clear risks to the health and safety of those who use them. However, research carried out together with Europol shows that revenues gained from counterfeiting can also support serious organized crime. In order to fully address this issue, concerted actions are needed at all levels," said EUIPO Executive Director Christian Archambeau.

Current estimates are contained in the 2020 Intellectual Property Rights Infringement Report, which brings together the EUIPO's reporting work on intellectual property at EU and at global level and contains the findings of the inquiries carried out together with the Organization for Economic Co-operation and Development (OECD) and with the European Patent Office (EPO). The report also contains research on the volume of counterfeit and pirated goods in international trade and an analysis of the economic contribution intellectual property rights intensive industries to economic growth and jobs. The report includes new insights on how small and medium-sized enterprises (SMEs) use intellectual property.

The report can be found here:
https://euipo.europa.eu/ohimportal/en/web/observatory/status-reports-on-ip-infringement [1]

ABOUT EUIPO

EUIPO is a decentralized agency of the European Union, based in Alicante, Spain. The Agency manages the registration of the European Union trademark (EUTM) and the registered Community design (RCD), both of which provide protection of intellectual property rights in all EU Member States. The EUIPO also carries out cooperation activities with the national and regional Intellectual Property Offices of the EU. The European Observatory on Infringements of Intellectual Property Rights was set up in 2009 to support the protection and enforcement of intellectual property rights and help combat the growing threat of intellectual property infringements in Europe. The Observatory was entrusted to EUIPO on 5 June 2012 by Regulation (EU) No 386/2012 of the European Parliament and of the Council.

Source URL: https://www.agepi.md/en/news/public-revenues-billions-euros-lost-every-year-eu-due-counterfeiting