



Recommendation on measure to combat counterfeiting and enhance the enforcement of IPR

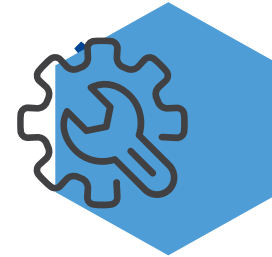
IP Key South-East Asia 8 November 2024

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Counterfeiting facts & figures

- **6% of EU imports** were counterfeit in 2019, €119 billion in value
- **€83 billion in lost sales**, €15 billion in tax revenue, and more than **670 000 jobs lost**
- **SMEs are 34% less likely to survive** as a business after 5 years if affected by counterfeits



Spare parts



Toys



Food and drinks



Pesticides



Electronic devices

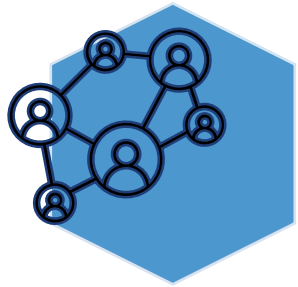


Pharma

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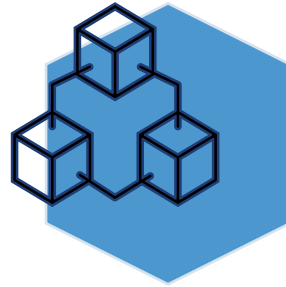
Five pillars



Fostering cooperation & information sharing



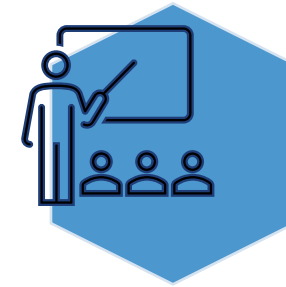
Advancing IP enforcement procedures



Adapting IP practices to AI & virtual worlds



Providing SMEs with tools to better protect intangible assets



Fostering IP awareness, training & education

Fostering cooperation, coordination, and information sharing



- **Modernise existing MoUs** and encourage the role of signatories of the MoU on counterfeiting as **DSA trusted flaggers**
- Urge intermediaries such as transport, payment, social media, and domain name providers to **follow best practices** to prevent misuse of services, e.g. setting up **verification and notification systems**, and replicate the **information and alert system** for .eu TLD
- Designate a **single contact point** for IP related matters and promote **tools for coordination and information sharing**, e.g. IPEP
- **Entrust market surveillance authorities** with skills and resources to identify counterfeits

Advancing IP enforcement procedures

- Tackle IP infringements with **dynamic injunctions**, optimising **information sharing & right to information**, and ensuring granting of **appropriate damages**
- Provide **alternative dispute resolutions** for all types of IP-related disputes, including domain name disputes
- **Re-asses and raise** (where appropriate) the **maximum sanctions** on serious criminal IP offence and encourage the use of **covert investigative measures**
- **Set up specialised IP units** in police forces and prosecutors office and systematic exploit **cross-border coordination & follow the money approach** in investigations
- Assess ways to **decrease the time and cost** for storage & destruction and ensure a **more ecological destruction or recycling** of IP infringing goods



Adapting IP practices to AI and virtual worlds



- Raise awareness of and adopt advanced technologies and solutions to combat counterfeiting, such as **content recognition systems**, **blockchain** and the **digital product passport** to increase traceability & transparency in supply chains
- Encourage Member States to use advanced technologies to **improve the application & enforcement** of IP rights and engage in **stakeholder dialogue on AI and IP**
- Encourage Member States and industry stakeholders to participate in the development of a **checklist for SMEs on safer use of AI**

Providing SMEs with tools to better protect intangible assets



- **IP Enforcement Scan Voucher** to reimburse costs for advice on how to enforce rights in case of IP infringements
- **Cybertheft prevention Toolkit** to help SMEs prevent or react to cyber-attacks (e.g. hacking) against trade secrets



Fostering IP awareness, training, and education among all relevant stakeholders



- Raise IP awareness among the public and young entrepreneurs through **education in schools and universities**
- Include tailor-made IP content in national **training curricula for police, customs, public prosecution**, etc.
- Help consumers avoid **illicit online pharmacies** and raise awareness of the **IP Watch List** and information that EU businesses can use when operating outside the EU, e.g. **IPR Helpdesks**
- Encourage operators of free-trade zones located in the EU to adhere to the **OECD Code of Conduct for Clean Free Trade Zones**

Monitoring

- The Commission will **together with EUIPO closely monitor** the effects and implementation of this Recommendation – next 3 years

EUIPO will:

- Continue to **develop and extend IPEP** to new stakeholders
- **Monitor and share good practices** implemented by competent authorities and intermediary services
- Monitor the inclusion and impact of **IP training in national curricula** for competent authorities
- **Enhance cooperation with EURid** and other registries on domain names
- Track the success of the **IP Scan Enforcement voucher**



Thank you