



WORLD CUSTOMS ORGANIZATION



The 2017
WCO Knowledge Academy
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WCO Vision Statement

Borders divide, Customs connects

Dynamically leading modernization and connectivity in a rapidly changing world.

Customs in the 21st Century

Promote the security and facilitation of international trade, including simplification and harmonization of Customs procedures
Strategic Goal 1

Economic
Competitiveness Package



Promote fair, efficient and effective Revenue collection

Strategic Goal 2

Revenue Package



Protect society, public health and safety, and contribute to combating crime and terrorism

Strategic Goal 3

Compliance and
Enforcement Package



Strengthen
Capacity Building

Strategic Goal 4

Organizational
Development Package

Strategic Goal 5 - Promote Digital Customs to support, in particular, Coordinated Border Management and information exchange between all stakeholders

Strategic Goal 6 - Raise the performance and profile of Customs

Strategic Goal 7 - Conduct Research and Analysis

WCO Values

WCO Mission Statement

"The WCO provides leadership, guidance and support to Customs administrations to secure and facilitate legitimate trade, realize revenues, protect society and build capacity".



What?

- IPR → Intellectual Property Rights
 - “..rights given to persons over creations of their minds” or *Harvests of your intellectual activity.*
- Two main categories:
 - Copyrights /Authors rights
 - *creation of an expression or work of art, typically books, paintings etc.*
 - Industrial (or registered) rights
 - the creative activity results in an expression of industrial use of some kind either as a technological solution, design or a distinctive mark or sign to signal a specific commercial activity: ie. Patents, **Trademarks** and Designs.
- And other rights as Geographical indications, Folklore, Biodiversity-traditional knowledge etc.



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What?

- IPR = Counterfeit = fakes = pirated goods
= illicit trade
- Illicit medicine
 - Counterfeit or Fake
 - Falsified/false/unlicensed medicine





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What again?

The only international common global legal base for IPR in Trade and for Customs enforcement:

TRIPS*
=
Trademarks...mostly

Creates a uniform base for border measures to fight counterfeits. Art. 51-60 + 61

*) Treaty on Trade related aspects of Intellectual Property rights



Why?

- Attaint to legitimate business
- Reduces R&D
- Causes unemployment
- Both social cost and loss of tax/excise income
- Loss to trade – 461 Bill \$ 2,5% of world trade
 - Or € 85 bill - 5,5% EU - trade
- Fuels Organised Crime
- Risk to health, security and environment

IPR-intensive industries contribute
26% of employment and
39% of GDP in the EU.

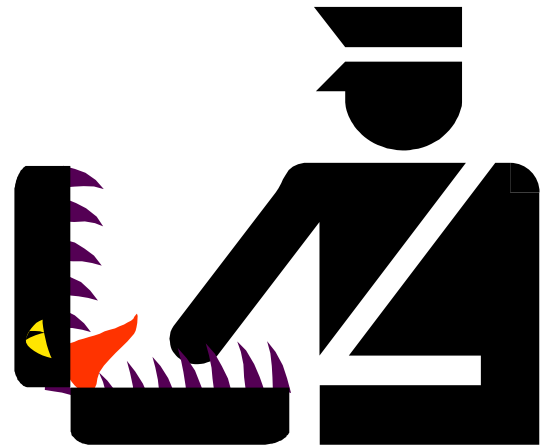




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Who/What/Where is Customs?

- At the border
- Revenue driven
 - Ministry of Finance is our boss
 - In many Countries the only stable source of income!
- Politically driven
 1. Excise and Tax
 2. Security
 3. Drugs
 4. Cigarettes & Alcohol ...
 5. → what's left at end of the day... Cites, IPR, Environment



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Why Customs?

- Not only because we are extremely smart and clever
- Uniquely situated - focal point for trade
 - Customs handles 95% of all international trade.
 - One container at the border = hundreds of stores
- Duty to pay duty and **declare** your goods:... *“readymade garments”*...?
- But we see this →
 - ...it was “underpants”
 - And more than one brand in the same consignment = Counterfeit!

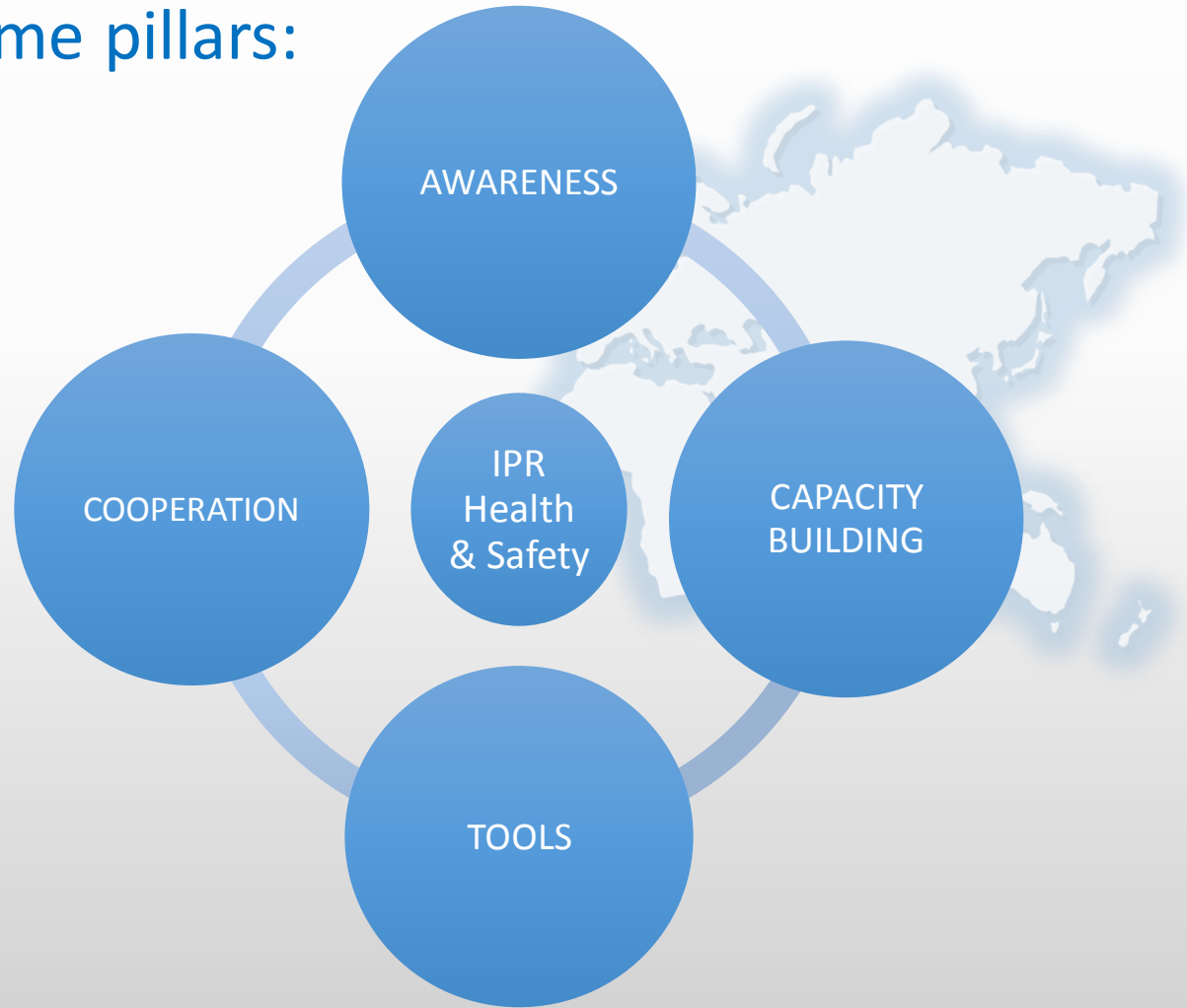




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How?:

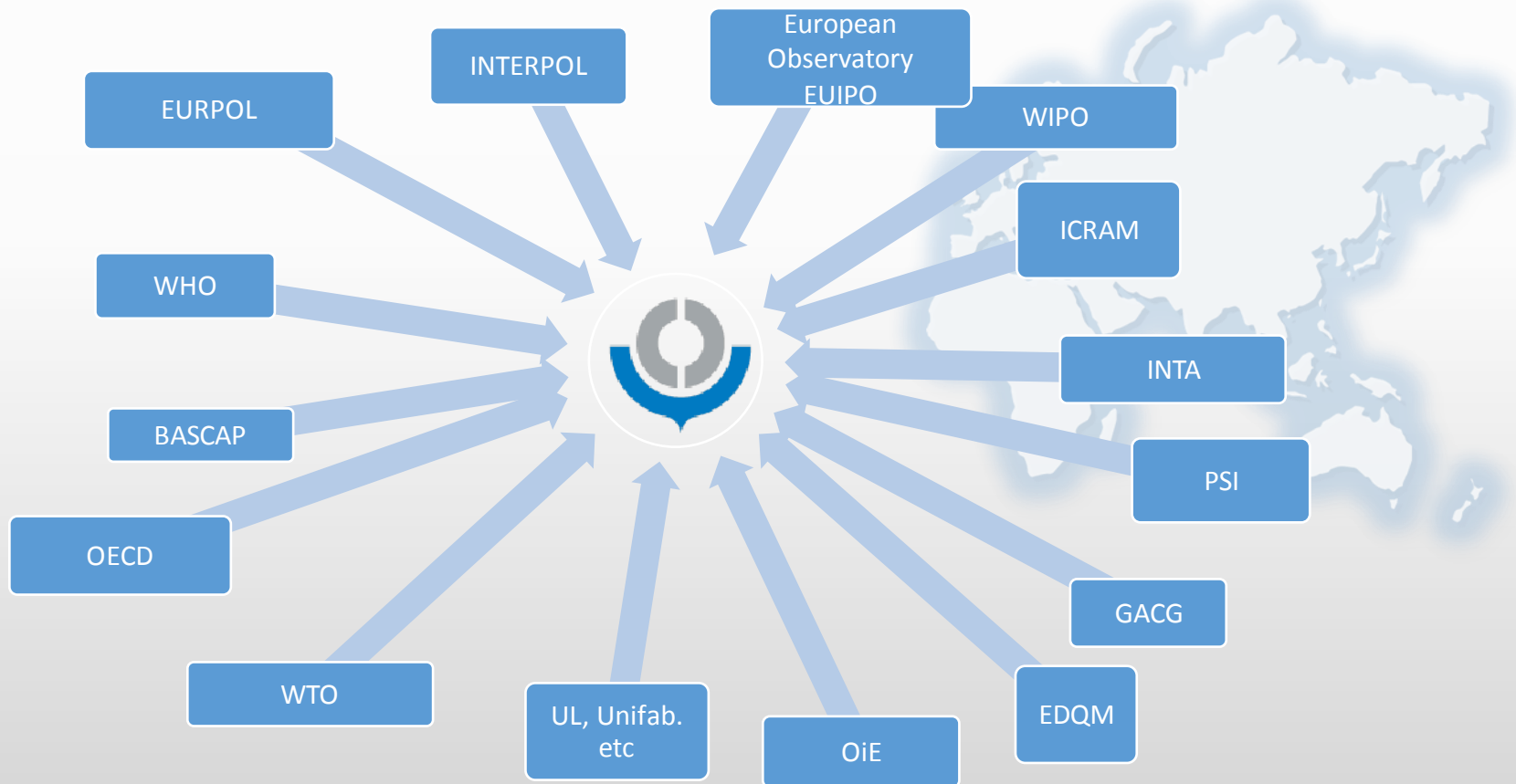
Our programme pillars:





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Whom? (International Cooperation)





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Typical Programme activities

- National Seminars
- Regional Seminars
- Diagnostic Missions
- Train the trainer seminars
- Preoperational workshops
- Specialist training - Accredited Experts





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Operation objectives

- Awareness raising;
- Strengthen the enforcement capacities
 - by providing training on risk analysis techniques and on recognising counterfeit or pirated goods;
- Undertake a simultaneous capacity building activity
 - dedicated to the practical applicability of risk analysis
 - standards in real-life conditions;





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Activities & Tools

Capacity Building

- Workshops
- Experts Training
- Operations
 - ACIM
 - Action IPR
 - Seascope
 - PANGEA

Policy Development

- Basel coalition against counterfeit medicines
- Coordination meetings
- IP- Crime Conference
- Global Conference
- CAP-Meeting

Tools

CEN
CEN-Comm
IPM*

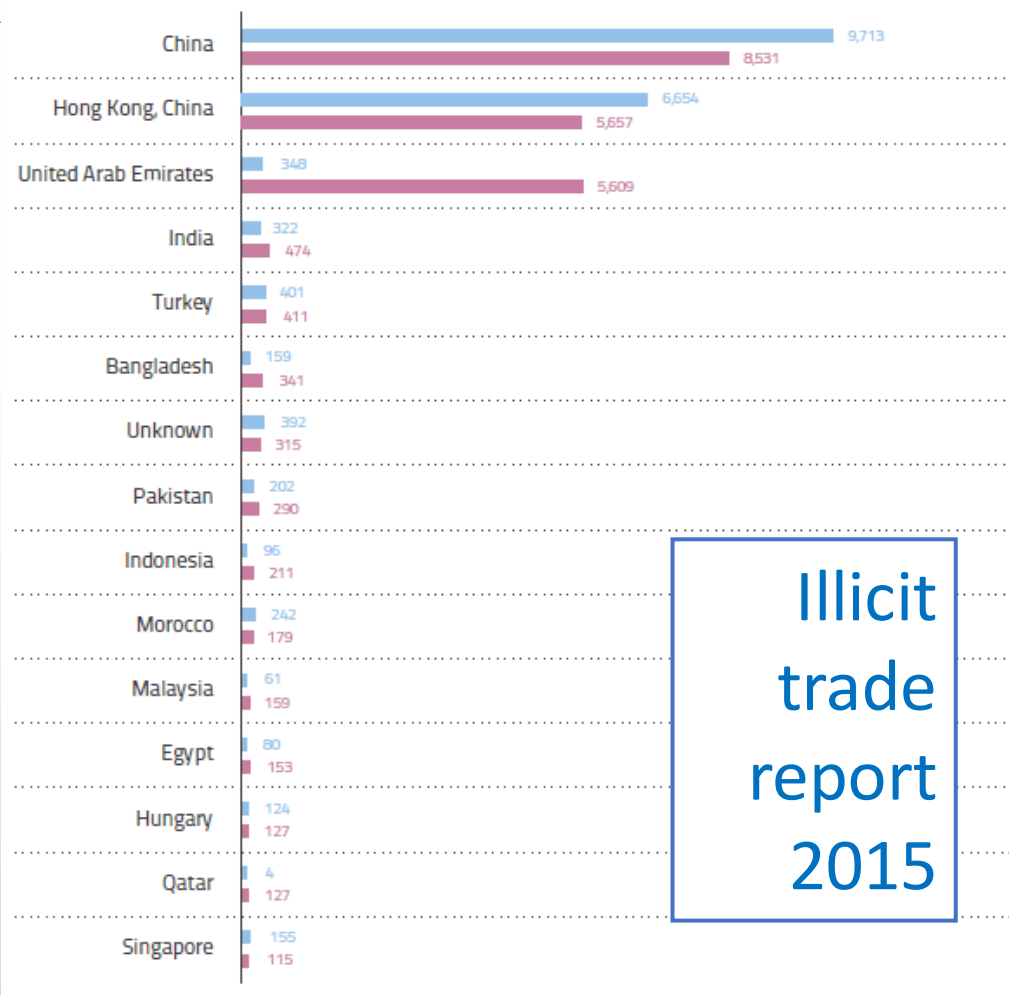




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From where?

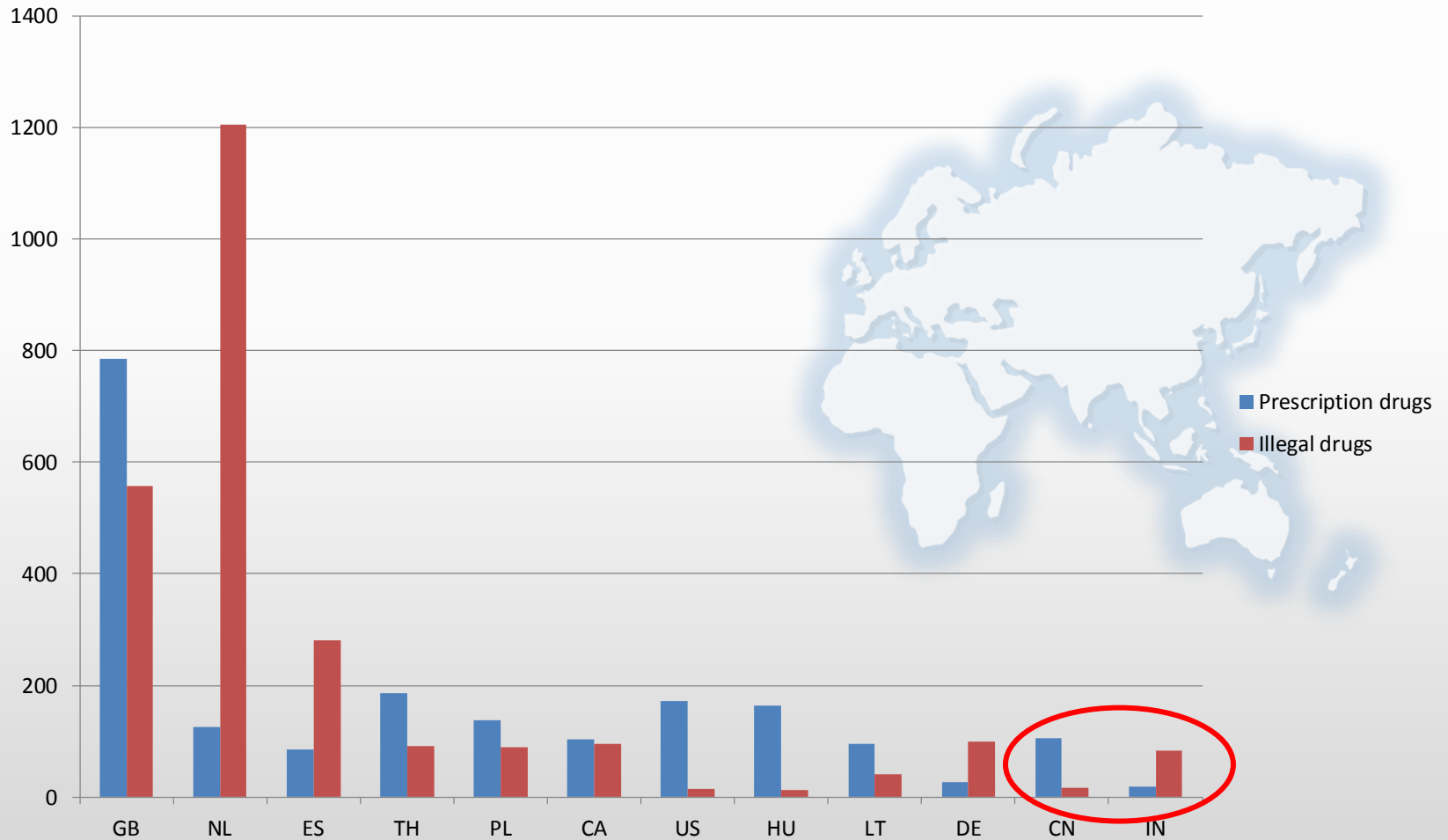
CHART 4.
Top 15 departure countries by number of cases



Illicit
trade
report
2015



Challenges within the Customs Declarations





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Trade routes for fake medicines to Europe





What are the numbers?

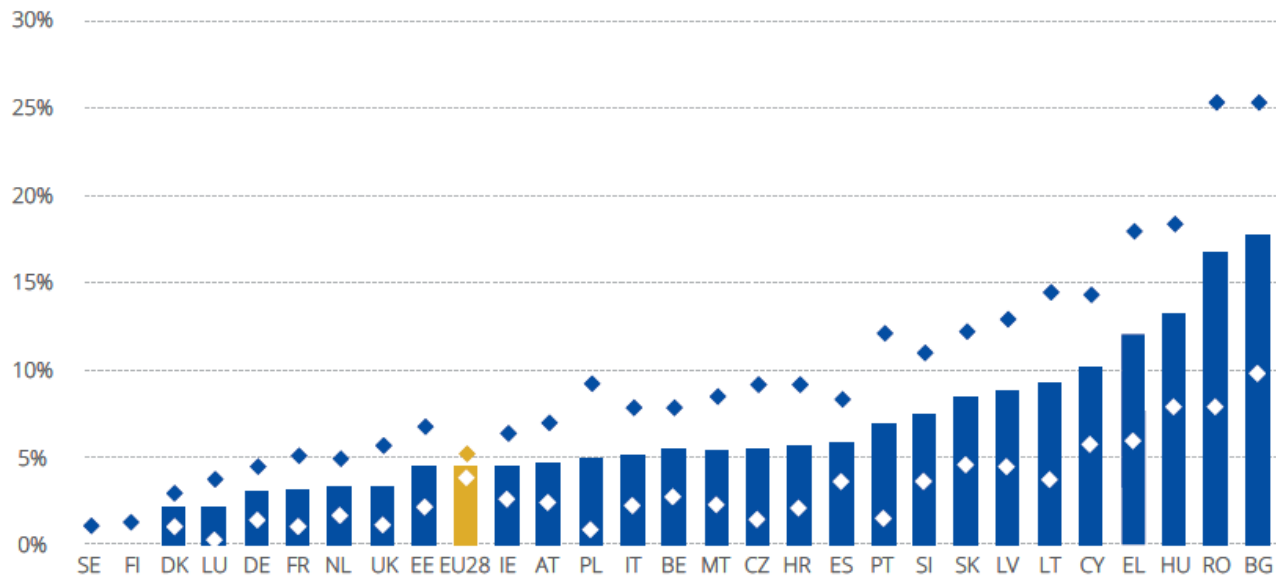
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Type of Medicine	2015
Miscellaneous	4806203
Urogenital Agents (e.g. erectile dysfunction, kidneys, etc)	2836567
Metabolic Agents (e.g. steroids, anti-diabetic)	722902
Anti-Infective Agents (e.g. anti-malarial; antibiotic)	325264
Medical Devices (please specify)	74205
Nervous System Agents (e.g. painkillers, sedatives, anti-Alzheimer)	64535
Health Supplements (e.g. vitamins, herbal products)	33175
Gastrointestinal agents (e.g. laxative, anti-diarrheal)	26437
Veterinary Agents	20550
Ear and Eye Agents	13889
Cardiovascular agents (e.g. hypertension, cholesterol)	11866
Immunological Agents	4440
Hair Los Agents	3353
Dermatological Agents	2224
Psychotherapeutic Agents (e.g. depression, addiction, etc)	1805
Musculo-skeletal Agents (e.g. anti-inflammatory, bone disease)	1777
Anti-Cancer Agents	1322
Respiratory System Agents (e.g. asthma, cough and cold, etc)	530
Blood Agents	190
Total	8951235

Type of medicine/pharmaceutical products in terms of number of pieces from 2627 cases



How much?



For the EU as a whole¹⁶, the estimated total counterfeiting effect amounts to 4.4% of sales or €10.2 billion. This is a direct estimate of sales lost by legitimate manufacturers and wholesalers of medicines in the EU each year due to counterfeiting.



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Where and how much?

ACIM : Action against Counterfeit and Illicit Medicines

114.549.109 units
intercepted (506 cases)
Reported by 14 countries –
8 days
111.701.152 medicines and
pharmaceutical products
(97,51%)



RILO
network

CONTAINER
CONTROL
PROGRAMME





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Where and how much?

Operation PANGAEA IX

- World's biggest (co-) operation
- 103 countries with 193 agencies
- 335,660 packages inspected
- 167,917 packages seized
- 12,5 million units of medicines seized (some veterinary)
- US \$ 53,7 value
- 7,410 illegal websites inspected 4,937 shut down
- 297 search warrants
- 393 individuals arrested or investigated

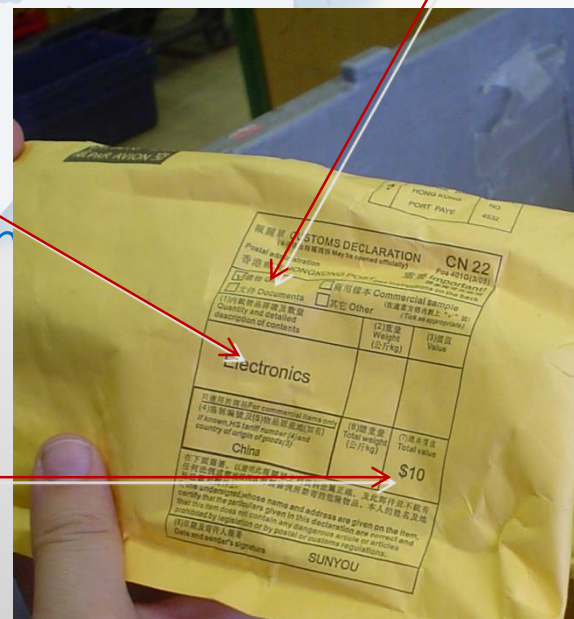




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Challenges in the area of IPR

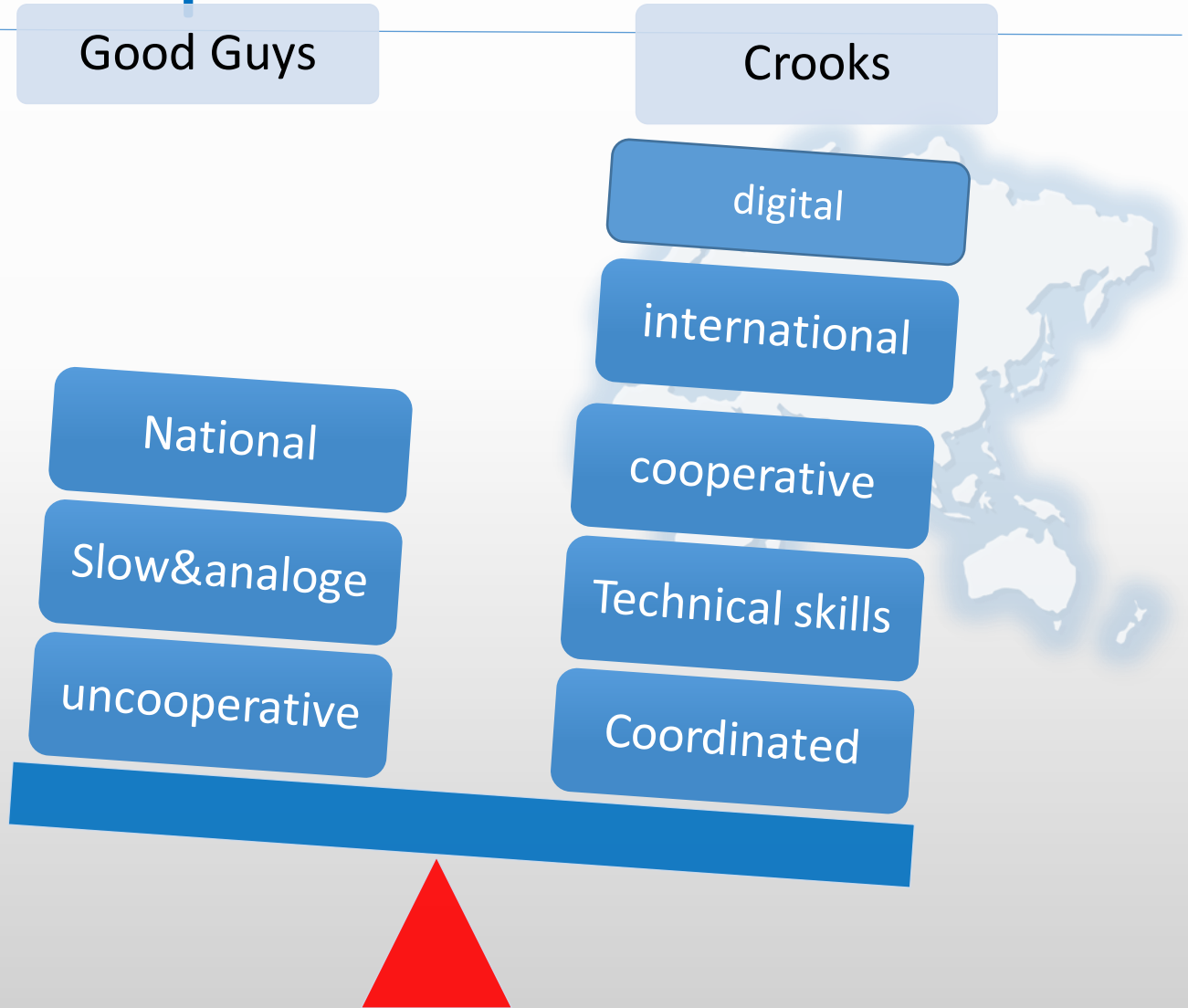
- Poor awareness of the dangers of counterfeit goods
 - Lack of cooperation between agencies
 - Lack of strategic plans
- Poor legal framework
 - For Customs Border measures
 - For other agencies
- Poor procedures
 - No risk indicators with regard to IPR
 - Poor intelligence
- Lack of dedicated IPR/health& safety team
- Small consignments
- Support from Rights Holders
- Big regional differences





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Unfair competition





Solutions?

- Training and intelligence sharing
- Co-operation between agencies
 - Nationally (Customs-Police- other agencies)
 - Internationally
- Better tools
- More focus on internet and standards of trade
- Simplified procedures for seizures
- More responsible intermediates
 - Up stream investigation
 - Free Trade Zone Challenges





Suggestions

- Pilot of information augmentation
 - Can NGOs/Private enhance Customs information?
- Private Co-op Fund for to help SME
 - To fund storage and destruction
- Industry standards
 - “Zero” tolerance threshold
- Support Customs Politically
- Create a Clearing House for information sharing
- **Any other ideas on how to best support customs?**



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Thank you for your
attention!

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***Don't ask what can Customs do for you, -
ask what can you do for Customs!***



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