



Socio-Economic Impact of Counterfeiting and Smuggling

Capacity Building Programme

18 June 2014, NACEN Faridabad

A REPORT

FICCI CASCADE (Committee Against Smuggling and Counterfeiting Activities Destroying the Economy) in association with the National Academy of Customs, Excise and Narcotics, (NACEN) organized a capacity building programme on the 'Socio-Economic Impact of Counterfeiting and Smuggling' on June 18 at NACEN, Faridabad. The objective was to sensitize trainee officers of Indian Revenue Service (Customs and Central Excise) on the ill effects of counterfeiting and smuggling on the economy, and on the society as a whole.

Dr. G. Sreekumar Menon (IRS), Director General, NACEN, the Chief Guest at the programme, in his welcome remarks he stated that counterfeiting and smuggling wa a global problem of enormous scale, impacting human lives and virtually every industry sector around the world. India wa no exception, suffering significant economic and health & safety consequences as a result of widespread counterfeiting, piracy and smuggling in the country. Dr. Menon urged industry to make their products and services optimally priced so that consumers did not fall into the trap of the counterfeit and smuggled market.

Mr. P.C. Jha, Advisor, FICCI CASCADE and Ex-Chairman, Central Board of Excise and Customs gave a detailed overview on the Socio-Economic Impact of Counterfeiting and Smuggling. In his presentation Mr. Jha highlighted FICCI CASCADE's initiatives to curb smuggling and counterfeiting through various awareness programmes engaging industry, policy makers, law enforcement officials, voluntary organizations, the youth and consumer at large. He added that that one of FICCI CASCADE's mandates was capacity building of law enforcement agencies including for Judges, Police and Customs Officers and CASCADE has been working extensively in this area nationally, organizing training programmes and seminars along with continuous



Interactions with the law enforcement authorities to emphasize on the importance of continued awareness and seriousness of the impact of counterfeit and smuggled goods.

Dr. Alka Chawla, Associate Professor, Faculty of Law, University of Delhi and Advisor, FICCI Intellectual Property Education Centre made a comprehensive overview on Intellectual Property - Scope of Rights and Enforcement. Key suggestions indicated by Dr. Chawla included Special Anti-piracy Tribunal; vigorous training of enforcement officials; Centralized National Body with power to enforce cross borders, among others.

Mr. Ravi Mathur, Chief Executive Officer, GS1, India talked about stopping counterfeits at borders. Mr. Mathur stated that Customs authorities were at the front line in the fight against counterfeiting and accounted for 70% of seizures in the world. He emphasized on a three point solution to address the issue:

1. Adoption of anti-counterfeit technologies to enable product authentication at packaging level
2. Implementation of Traceability System to enhance visibility across supply chains
3. Global engagement among regulators, standards bodies, industry and other supply chain stake-holders to ensure safe trade across borders

Mr. Mathur also briefed the participants on IPM (Interface Public Members), WCO's tool against counterfeiting and suggested Indian Customs to implement IPM module to facilitate instant access and cross-checking of marking/labeling by Customs officials during inspection on cartons consignments with product information provided by rights holders.

Ms. Anshika Jha, Senior Intellectual Property Adviser, UK Intellectual Property Office, New Delhi took the participants through International Best Practices for Curbing Counterfeiting and Smuggling, highlighting key players and initiatives in the process of UK Intellectual property enforcement.

Subsequently, representatives from three leading industry organizations, Hewlett-Packard, Beiersdorf and Pfizer shared their insights on how they handled counterfeiting and smuggling in



their respective industries, and interacted actively with the officers on the ways and means to counter the issue.

Mr. Shakil Ahmed, Head Global Security, South Asia, Pfizer stated that pharmaceutical counterfeiting was on the rise around the globe, potentially putting at risk the health of millions of patients. Spurious medicines posed a threat to patient health and safety due to the conditions under which they were manufactured and the lack of regulation of their contents. Despite the conditions under which they were manufactured, spurious medicines were virtually indistinguishable from the authentic medicines they pretended to be. Mr. Ahmed shared with the participants alarming examples and instances of counterfeit products of Pfizer along with counterfeit risk indicators and informed how their global security team was addressing the issue.

Mr. Anubhav Jain, Anti-Counterfeit I&E Manager, Hewlett-Packard informed that HP has created and invested in a variety of brand protection measures and anti-counterfeit programs. HP operates these programs globally and makes effort to provide awareness information to law enforcement that will facilitate the identification of illicit and infringing products in the marketplace. Mr. Jain emphasized that HP was committed to working with law enforcement to deter any and all attacks on its products and brand.

Mr. Santosh Dwivedi, Senior Investigator and Consultant, Beiersdorf shared the Nivea story. Mr. Dwivedi stated that in a recent seize a total of 582,000 counterfeit products were confiscated with a market value at wholesale price of over 2 crores in Mumbai, which was the largest seizure of counterfeits for Beiersdorf till date. Mr. Dwivedi also pointed out differentiators to identify original and counterfeit products along with possible indicators of counterfeit consignments.

Mr. Dipankar Barkakati, Additional Director, FICCI proposed the Vote of Thanks.

The capacity building programme was attended by over 120 officers of Indian Revenue Service (Customs and Central Excise), in day-long interactive event.