The trade in counterfeit and pirated goods is a major challenge in an innovation-driven global economy. Organised crime groups play an increasingly important role in these activities and benefit significantly from counterfeiting and piracy.

The trade in fake goods is booming, and is hitting the sales and profits of the firms affected by it. It impacts governments, business in general, and consumers. It cuts revenues and reduces economic well-being, health, safety and security.

### COUNTERFEIT GOODS

The aim is:

- To disrupt the organised criminal groups (OCGs) involved in the production and distribution of counterfeit and substandard goods.

This crime represents as much as 2.5% of world trade, or USD 461 billion. Thus, rights holders, governments and the formal economy as a whole are suffering huge losses each year, while the criminal networks that are behind the trade profit enormously.

The situation in the EU is even worse: counterfeited and pirated products account for about 5% of imports to the EU. Thus the relative impact of counterfeiting is twice as high for the developed economies of the EU as it is for the world as a whole.

But the damage goes beyond the immediate impact of one and another loss. Counterfeiting and piracy are a threat to sustainable business models based on intellectual property and patenting, because they also discourage innovation and work against the economic growth that is based in it.

### Scope of the problem

Counterfeit products range from high-end consumer luxury goods such as watches, perfumes or leather goods, to business-to-business products such as machines, chemicals or spare parts, to common consumer products such as toys, pharmaceuticals, cosmetics and foodstuffs. In fact, any IP-protected product can be counterfeited.

Some counterfeit products, such as pharmaceuticals, spare parts and toys, are of low quality, and thus create significant health and safety threats.

### A range of responses

Europol works with national law-enforcement agencies, and with partner organisations such as the European Union Intellectual Property Office (EU IPO) to counter this crime.

### OPERATIONS

Europol regularly supports operations to thwart counterfeiting, seize fake goods, shut down websites selling them, and arrest members of the criminal networks involved. Three examples will serve to illustrate the range and scope of these operations:

- The In Our Sites operation has shut down almost a thousand websites selling merchandise online to consumers. The operation involved law enforcement agencies from within and outside the EU, and from North and South America, and East and Southeast Asia.
- Europol has supported the Interpol-led Pangea IX—an international operation targeting the illicit online sale of medicines and medical devices which involved some 193 police, customs and health regulatory authorities from 103 countries.
- Operation OPSON has brought together a number of public- and private-sector agencies to address the threat from food and beverage counterfeiting and fraud. The operation, led by Europol and Interpol, has had a number of successes, including the seizure of more than 10 000 tonnes and a million litres of hazardous fake food and drink in operations that spanned 57 countries.
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48 ARRESTS AND 6 ORGANISED CRIME GROUPS DISMANTLED IN MEDICINE-TRAFFICKING OPERATION

15 ARRESTED IN SPAIN IN INEDIBLE HORSEMEAT SCAM

30 506 INTERNET DOMAIN NAMES SHUT DOWN FOR INTELLECTUAL PROPERTY INFRINGEMENT