

The Secretary General

Mr. Peter Mandelson Member of the European Commission European Commission Rue de la Loi 200 B-1049 Brussels

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Request for higher engagement of the OECD in the fight against Counterfeiting

Dear Commissioner,

Firstly, may I take this opportunity to congratulate you on your confirmation as European Commissioner.

Counterfeiting and piracy of both consumer and industrial goods is increasingly posing a critical challenge to consumers and to industry in Europe. For European engineering companies the implications go far beyond the brand image: the safety and health of consumers are also often at stake. Orgalime, which is the European association representing the interests of the European mechanical, electrical, electronic and metalworking industries, and its 33 national trade federations representing some 130,000 companies in 23 European countries, have therefore always campaigned in favour of a determined fight against counterfeiting and piracy and have welcomed all initiatives from the European institutions supporting anti-counterfeiting and anti-piracy measures, as for example with last week's proposed strategy for the enforcement of intellectual property rights in third countries. Given the size of the problem of counterfeiting on a worldwide scale, we feel that all parties involved should attach more importance to the issue to ensure that the fight against counterfeited products is high on the agenda of all multilateral and bilateral trade contacts and fora.

In this context, we would like to draw your attention to recent developments at the Organisation for Economic Cooperation and Development (OECD). A number of business communities, including Orgalime, requested that the OECD should increase its engagement in combating product counterfeiting and piracy of intellectual property. An appropriate first step in this engagement should be an OECD study to analyse the damage caused by counterfeiting and piracy and which should develop methodologies for measuring and analysing the harm caused by counterfeiting and piracy. The study should furthermore analyse the effectiveness of existing practices within business and government - for combating counterfeiting in OECD and non-OECD countries. Additional future projects could include the development of follow-up OECD high-level workshops and anti-counterfeiting/piracy work programs with China, Russia and possibly other countries.

Besides various industry associations which support this initiative, the First Global Congress on Combating Counterfeiting hosted by Interpol and the World Customs Organization in May 2004, (also attended by Orgalime), asked in its outcome statement for such a study, and for the OECD to take the lead.

In view of the enormous economic and societal damage done by piracy and counterfeiting, Orgalime asks the Commission to urge the OECD to listen to business needs and to allocate substantially greater attention and resources to combating these illegal activities.

Yours sincerely,

Adrian Harris

Cc: DG Trade: Messrs Mogens Peter Carl, Pierre Defraigne, Paul Vandoren.