

WHY ACTA MATTERS

➤ ACTA is important for the EU's external competitiveness, growth and jobs

To boost the competitiveness of EU producers abroad it is essential that their **innovations, creation and brands** are adequately protected on their export markets, through intellectual property rights.

Products and services based on intellectual property rights are usually difficult and expensive to create but cheap to replicate and reproduce. Organised and large-scale infringement of intellectual property has become a global phenomenon and is causing worldwide concern. **Copycats deprive EU creators of appropriate rewards**, create barriers to innovation, harm competitiveness, destroy jobs, decrease public finances and potentially threaten the health and safety of EU citizens.

The Anti-Counterfeiting Trade Agreement (ACTA) therefore aims at improving the level and effectiveness of enforcement of intellectual property rights (IPR) world wide. It was negotiated by the EU and 10 other parties¹, in a total of 37 countries.

➤ ACTA is a balanced agreement, providing adequate protection to sectors in need, while safeguarding the rights of citizens and consumers

ACTA strikes an appropriate balance between the need to protect innovations and creations and the rights of *citizens and the concerns of stakeholders such as consumers or internet providers*. ACTA contains the necessary guarantees to safeguard access to medicines or internet freedom.

Also, **ACTA is fully compatible with the existing EU legislation**. It does not create or expand obligations with regard to legislation adopted at EU level in recent years such as the enforcement directive, the customs regulation or the e-commerce directive, and which received a broad support in the EP. The enforcement standards that apply in the EU (the "EU *acquis*") are higher than those agreed in ACTA.

ACTA does not foresee any rules to cut the access to citizens to the internet or to introduce censorship of websites, unlike the proposals discussed in recent days in the US (SOPA and PIPA).

ACTA provides its parties with the necessary flexibility to establish a balance which takes account of their economic, political and social objectives, as well as their legal traditions. As a result, ACTA is fully compatible with the relevant EU law. The advantage of ACTA is that the other parties of ACTA will have to establish a level of IPR enforcement close to that of the EU.

¹

Australia, Canada, Japan, Korea, Mexico, Morocco, New Zealand, Singapore, Switzerland and the USA.



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- **ACTA is about adequately enforcing existing intellectual property rights, but does not create new rights**

ACTA does not create new intellectual property rights, but concerns procedures and measures to **enforce existing rights** and to **act against large scale infringements**.

With ACTA, European creators, innovators and brand holders in a third country will be able to count on **efficient and clear enforcement rules**, very similar to the ones they have in the EU, regarding the kind of action he can obtain from police, from customs or from a court, how damages will be calculated, what kind of urgent protection they may get, what kind of evidence will be collected and preserved, what will happen to seized fake goods, etc.

- **ACTA has a broad coverage, so as to protect all European creators and innovators, through a broad range of means**

ACTA contains rules on **civil enforcement** (for infringement matters between private entities), **border measures** (to address the cross-border traffic of fake goods), **criminal enforcement** measures (for the more serious violations, made wilfully and on a commercial scale by criminal actors) and **digital environment** measures (for specific infringements taking place on the internet or involving technical protection mechanisms). It also contains a number of enforcement "**best practices**" and provisions to ensure better international **cooperation** between enforcement entities.

It is also important to underline ACTA has a **broad coverage of intellectual property rights**. It will benefit to a wide range of EU exporters that rely on copyrights, trademarks, designs, geographical indications and, in certain situations, patents. **This is a EU success**, as some parties to ACTA wanted to limit it to copyright and trademarks. The EU has a wide and diversified basis of right-holders. A farmer producing products protected by **geographical indications (GIs)** or a textile company creating **designs** are also victims of counterfeiting and also need to be protected abroad.

ACTA will therefore help our European export businesses, of all sizes, to protect their work from violations - especially in the arts, culture, agriculture, *industry* and science sectors and so maintain their competitiveness and jobs.

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More information can be found at DG Trade's website: <http://ec.europa.eu/trade/creating-opportunities/trade-topics/intellectual-property/anti-counterfeiting/>

Latest data on counterfeiting

The [latest OECD study](#) (2009) estimates that international trade in counterfeit goods grew from just over USD 100 billion in 2000 to USD 250 billion in 2007. This amount is larger than the national GDPs of about 150 countries. The EU's own figures on national customs activities reflect that the number of registered cases of goods suspected of infringing IPR rose from 26.704 in 2005 almost 80.000 in 2010, an increase of more than 300 percent in six years.

A study carried out by the Centre for Economics and Business Research (CEBR) ("*Economic Impact of Counterfeiting in Europe*", *Global Anti-Counterfeiting Group, June 2000*) stresses that losses caused by counterfeiting and piracy could reduce EU GDP by EUR 8 billion annually. Counterfeiting also generates large profits for organised crime groups and distorts the market by encouraging illicit practices within businesses.

