PRESS RELEASE
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€1.3 billion lost every year across the EU due to fake pesticides

The production of fake pesticides costs EU businesses €1.3 billion each year

A new report from the European Union Intellectual Property Office (EUIPO) shows that 13.8% of legitimate revenues are lost each year due to counterfeiting of pesticides in the EU-28.

Those lost sales translate into 2,600 jobs directly lost across the pesticides sector in the EU, as legitimate manufacturers employ fewer people than they would have done in the absence of counterfeiting.

When the knock-on effects of counterfeit pesticides in the marketplace are taken into account, 11,700 jobs are lost in the EU economy.

The total yearly loss of government revenue as a result of counterfeit products in this sector across the EU-28 in terms of taxes and social contributions is estimated at €238 million.

The Executive Director of the EUIPO, António Campinos said:

> As our reporting series has shown, counterfeiting can affect every economic sector, and the pesticide manufacturing industry, which includes a large number of small and medium enterprises, is no exception. This, the tenth report in our study series, outlines the economic effect of counterfeiting on sales and jobs, and how legitimate producers are impacted by the presence of counterfeit products in the market.

Today’s report is the tenth in a series of studies released by EUIPO via the European Observatory on Infringements of Intellectual Property Rights into the economic impact of counterfeiting in industrial sectors in the EU. The series previously looked at: the pharmaceutical sector, the spirits and wine sector, the recorded music sector, the handbags and luggage sector, the watches and jewellery sector, the toys and games sector; the sports goods sector; the clothes, shoes and accessories sector; and the cosmetics and personal care items sector.

Germany: The biggest producer of pesticides in the EU is Germany, where the sector is worth EUR 4 billion. The report estimates that counterfeit pesticides cost the German manufacturing sector €299 million each year, with 500 jobs lost.

France: The second biggest producer of pesticides in Europe is France, worth EUR 3.5 billion. The report estimates that the French pesticides sector loses an estimated €240 million in sales and 500 jobs each year due to counterfeiting.
Italy: The report estimates that the pesticides sector in Italy loses €185 million as well as 270 jobs annually.

Spain: The report estimates that €94 million is lost in the Spanish pesticides sector annually as a result of counterfeiting, with 200 jobs lost.

United Kingdom: Total lost sales in the pesticides sector are estimated at €76 million each year with an estimated 200 jobs lost.

NOTE TO EDITORS

Today's report is the tenth in a series of sectorial reports quantifying the economic impact of counterfeiting. Future reports will study additional sectors such as smartphones, automotive parts and other sectors thought to be vulnerable to intellectual property rights infringements.

ABOUT THE EUIPO

The EUIPO is a decentralised agency of the EU, based in Alicante, Spain. It manages the registration of the European Union trade mark (EUTM) and the registered Community design (RCD), both of which provide intellectual property protection in all 28 EU Member States, as well as carrying out cooperation activities with the national and regional IP offices of the EU. Up until 23 March 2016, the EUIPO was known as the Office for Harmonization in the Internal Market (OHIM).

The European Observatory on Infringements of Intellectual Property Rights was established in 2009 to support the protection and enforcement of intellectual property rights and help combat the growing threat of IP infringements in Europe. It was transferred to the EUIPO on June 5 by Regulation (EU) No 386/2012 of the European Parliament and of the Council.

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