

## **€10.2 billion lost every year across the EU due to fake medicines**

### **Fake medicines cost the EU pharmaceutical sector €10.2 billion each year**

A new report from the European Union Intellectual Property Office (EUIPO) shows that 4.4% of legitimate sales of pharmaceuticals are lost each year in the EU due to counterfeiting.

Those lost sales translate into 37,700 jobs directly lost across the pharmaceutical sector in the EU, as legitimate manufacturers and distributors of pharmaceuticals employ fewer people than they would have done in the absence of counterfeiting.

When the knock-on effect of counterfeit pharmaceuticals on other sectors is taken into account, an additional 53,200 jobs are lost elsewhere in the EU economy.

The total yearly loss of government revenue as a result of counterfeit pharmaceuticals in this sector across the EU-28 in terms of household income taxes, social security contributions and corporate income taxes is estimated at €1.7 billion.

EUIPO's Executive Director, António Campinos, said:

We know through analysis done by the World Health Organization (WHO) that both generic and innovator medicines are falsified, from cancer treatment products to inexpensive pain treatments. These fakes can be toxic and pose a serious danger to health. Our report shows that they also have a serious impact on the economy and on jobs. Our aim is that our data and evidence-based studies will help policymakers as they devise responses to the challenge of combatting fake pharmaceuticals.

Today's report is released in a joint event organised at the EUIPO with ASGECO, the Spanish General Association of Consumers, which is thus opening the third edition of its campaign "consume original" (<http://asgeco.org/consumeoriginal/>)

The report is the ninth in a series of studies undertaken by EUIPO into the economic impact of counterfeiting in industrial sectors in the EU. The series previously looked at: [the spirits and wine sector](#); [the recorded music sector](#); [the watches and jewellery sector](#); [the handbag and luggage sector](#); [the toys and games sector](#); [the sports goods sector](#); [the clothes, shoes and accessories sector](#); and [the cosmetics and personal care sector](#).

**Germany:** The report estimates that over €1 billion, or 2.9% of the German pharmaceutical sector's sales, is lost annually as a result of counterfeiting, with 6,951 direct jobs lost.

**Italy:** Up to €1.59 billion, or 5% of the Italian pharmaceutical sector's sales, is lost each year as a result of counterfeiting, the report estimates, with 3,945 direct jobs lost.

**France:** The report estimates that over €1 billion, or 3% of the French pharmaceutical sector's sales, is lost annually as a result of counterfeiting, with 3,667 direct jobs lost.

**Spain:** Up to €1.17 billion, or 5.9% of the Spanish pharmaceutical sector's sales, is lost each year as a result of counterfeiting, the report estimates, with 3,223 jobs lost.

**United Kingdom:** The report estimates that €605 million, or 3.3% of the UK pharmaceutical sector's sales, is lost annually as a result of counterfeiting, with 2,940 direct jobs lost.

#### **NOTE TO EDITORS**

Today's report is the ninth in a series of [sectorial reports](#) quantifying the economic impact of counterfeiting. Future reports will study additional sectors, such as pesticides, 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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