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OPENING PLENARY ADDRESS

by

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Secretary General

**7<sup>th</sup> GLOBAL CONGRESS  
ON COMBATING COUNTERFEITING AND PIRACY**

Wednesday, 24 April 2013

Istanbul, Turkey

Your Excellency, Honorable Prime Minister,  
Honorable Minister of Customs and Trade,  
Honorable Minister of Culture and Tourism,  
Dear Secretary General of the WCO,  
Director General of the WIPO,  
Ms Toe Su Aung, 2013 President, International Trademark Association,  
Ms Shelley Duggan, Co-Chair, ICC/BASCAP,  
Mr President of The Union of Chambers and Commodity Exchanges of Turkey and Chairman  
of International Chamber of Commerce of Turkey,

Dear Colleagues,

Ladies and Gentlemen,

Good morning.

Once an important artery of the silk and spice routes, the city where we are gathered today, exists as a strategic crossroads in our world since time immemorial. Today, goods in abundance from around the globe pass through Turkey and indeed the city of Istanbul in ever-increasing volumes.

We know for a fact that after manufacturing, packaging, loading, shipping, and delivery, comes the moment when each of those products will reach a consumer somewhere in the world, to enter his or her daily life.

Among these consumers will be those we care the most about.

Yesterday Turkey celebrated its National Sovereignty and Children's Day: a day dedicated to children. Therefore our first thoughts today, as we launch this Congress, must be:

Are all goods that the world's children and their families use and consume today what they purport to be?

Are they authentic products and legally produced ?

Are they legally in the country where they are being sold and purchased?

It is to answer these questions that the member organizations of the Global Congress Steering Group have been working together over the years. We have one solemn resolve: to ensure that counterfeited, illicit and pirated goods are kept away from unsuspecting consumers... especially children.

We have also been very concerned with fighting the illegal trafficking of medical products and with their counterfeiting. As the world's largest international police organization, INTERPOL's primary concern when it comes to fighting illicit trade is to protect human life, just like it is the absolute priority for each police officer walking the streets of any of our 190 member countries as I speak. In addition, we work to help police ensure that individuals and businesses do not violate criminal laws.

This principle is also at the core of our programme, renamed 'Trafficking in Illicit Goods and Counterfeiting'.

INTERPOL knows how to best fight crime internationally. It cannot be done alone and without the right leaders. At INTERPOL, we have been very fortunate. For years, John Newton did a great job in leading this programme; so when he left, we conducted a global search to not only to find someone who could succeed him, but someone who could take INTERPOL to another level.

I am proud to announce publicly and present to you today, Mr Michael Ellis, INTERPOL's new Assistant Director for the Trafficking in Illicit Goods and Counterfeiting Programme, starting 1 June 2013. Could I request Michael Ellis, representing Cosmetics Europe today, to please stand and be recognized.

INTERPOL's Trafficking in Illicit Goods and Counterfeiting Programme is based on a comprehensive approach.

We invite any government, law enforcement authorities, law abiding entity or citizens concerned with this type of criminal conduct or the rule of law to collaborate with us and our member countries.

We believe in providing a full range of services such as capacity building and training and operational activity; our legal division provides institutional and legal support to governments and our communication branch raises public awareness. We are proud to do so.

In 2012 alone, working closely with organizations such as WCO, actions coordinated via INTERPOL led to the seizure of about USD 70 million in counterfeit items and some 2,000 arrests worldwide.

I speak of operations spread across all regions and multiple product categories, involving partners such as Europol, national police agencies, regulatory agencies and of course national customs authorities around the world.

For instance, WCO and INTERPOL joined efforts in Eastern and Southern Africa. This collaboration led to the seizure of more than 32 million sticks of cigarettes, 134 tons of raw tobacco and over 2,800 litres of alcohol.

As Secretary General of INTERPOL, I want my organization and all of our 190 member countries to fight organized crime and even terrorists involvement in the trafficking of illicit goods or of the counterfeiting of lawful goods.

This is not an easy or inexpensive fight for INTERPOL and our member countries.

Operations last year also revealed increasingly elaborate efforts by criminals to avoid detection. While items are smuggled via one route, the counterfeit materials are sent separately to be used later to mark these products.

In other cases, criminals have hijacked legitimate components/products from their intended use or destination. Take for example, 'acetate tow' – an essential element in manufacturing cigarette filters. In January, authorities in China raided an underground filter production site and seized some bales of acetate tow. Based on leads generated, subsequent raids led to the seizure by law enforcement of 40 tons of acetate tow.

What happens when these materials/products reach the wrong hands? It assists in sustaining the production of counterfeit cigarettes. The finished products are then even more difficult to detect as illicit. INTERPOL thus aims to seek collaboration with the acetate tow industry, to provide assistance in containing this illegal diversion.

If the trade in counterfeit tobacco products flourishes, prices would be uncontrollable. Cheaper availability will not only slip more money into the wrong hands – it will also lead to an escalation in consumption and affect public health, as experts suggest. The stakes are too high. It is a matter of public health and safety.

On the other side of the spectrum is pharmaceutical crime. Most citizens around the world understand why it is important to fight illicit trade in or counterfeiting of medical products.

Here once again, we need the private sectors expertise, support and collaboration. We have been successful in this arena as well. Just last month 29 pharmaceutical companies agreed to support INTERPOL's efforts to fight illicit trade in or counterfeiting of medical products. We call this effort the PIICC – termed as the Pharmaceutical Industry Initiative to Combat Crime (PIICC).

Let me emphasize for you at this point that Medical Product Counterfeiting and Pharmaceutical Crime is to be treated differently from intellectual property crime generally.

The consumption of medical products by consumers directly affects the health and wellbeing of citizens. The problem of organized crime's involvement in medical product counterfeiting and pharmaceutical crime is well documented. It has become so important an area for us that we have elevated its status internally to from the 'Medical Product Counterfeiting and Pharmaceutical Crime' programme to a sub-directorate and have promoted Ms Aline Plançon to Assistant Director.

Simply put, INTERPOL works to ensure that countries' regulations are respected over the classification of generic and brand drugs; that drugs not permitted as per a country's laws do not reach its consumers.

Among the key highlights of 2012 was Operation Pangea V, which saw the support of 193 agencies from 100 INTERPOL member countries. Aimed at raising awareness on dangers of purchasing illicit medicines online and at disrupting organized crime rings trafficking online, it led to the shutdown of more than 18,600 websites and removal of over 35,000 adverts. Illicit medicines seized amounted to over 4 million units, valued at USD 14.4 million.

Ladies and Gentlemen, dear colleagues, INTERPOL believes that public-private partnerships are essential to our collective interest in fighting the illicit trafficking in goods and counterfeiting.

Based on my experience as INTERPOL Secretary General over the last 12+ years, with respect to public-private partnerships, the necessity for joint action is greater than ever before.

We also know that there are private sector companies whose support, expertise and cooperation is needed to fight the trafficking of illicit goods and counterfeiting in their industry.

What about their financial involvement ?

As Secretary General of INTERPOL, I must take into account the limited capacities of the majority of governments to increase their financial contributions despite increasing trafficking. At the same time, the private sector, deeply affected by these criminal activities, is ready to participate in our global fight.

Based on our 12-year experience in combating illicit trade, we established our programme of action. Then, we were in a position to examine the possibilities of private sector contributions on a solid and transparent basis :

- They should be used in order to support the implementation or expansion of our own programmes and projects, in the framework of our pre-existing strategy to combat illicit trafficking;
- They don't give any right of any kind to the donor to interfere with the way INTERPOL works nor interferes with our independence and neutrality;
- They should be received in strict compliance with our internal rules and regulations.

As INTERPOL Secretary General, the most important questions for me are: whether the source of those funds is a lawful entity and whether INTERPOL, not the private sector donor entities, decide how that money should be used to fight serious crime – in this case the trafficking in illicit goods and counterfeiting.

Yet we know that operations alone cannot tackle this threat.

At the 6<sup>th</sup> Global Congress, I had announced the opening of the International Intellectual Property Crime Investigators College (IIPCIC): 118 officers from 17 countries have already received completion certificates, and it currently has 700 globally enrolled users – including participants from the private sector.

Aiding this are INTERPOL's seminars and workshops which included participation by 550 personnel representing 30 countries in 2012. The number of participating countries in 2013 so far has already surpassed this figure.

But no matter how well trained, we cannot have one officer standing next to every single consumer of goods.

So we must rely on innovation. Global trade volumes tell us that 100 per cent screening of merchandise at customs is nearly impossible. Therefore, consumers must be empowered to join this global fight. These thoughts also drove us to the next question: how can individuals check what they purchase – to determine if it is an illicit product?

The answer comes from INTERPOL's history of empowering police officers: by giving access to the right piece of information at the right time.

This, ladies and gentlemen, is called the INTERPOL-Checkit programme, or I-Checkit.

Its aim is to allow consumers and the private sector to identify stolen/illicit products that would have crossed their countries' borders, and reached markets near their homes. These will be identified by their purchasers, and authorized law enforcement personnel will be alerted – while the information would remain only with its respective provider, determined as per each country's laws.

The idea is simple: allowing an average consumer to screen products against existing global databases on stolen/illicit goods.

Similar systems and technologies that already exist in different domains could be integrated into this platform, complementing each other rather than competing – all for a common cause.

INTERPOL has had great success in developing tools and services for our member countries that have gone viral in their usage.

Let me just give you one example. Back in 2003, there were only about 10,000 stolen passports and identity documents in our databases. Now we have more than 32 million.

Back then, there were only a few thousand searches of this database. Last year our Stolen and Lost Document Database was searched 700 million times with more than 60,000 hits. We are now working to have the benefits of that database available to banks, airlines and hotels. What good business wants criminals using stolen or fraudulently altered identity documents to get access to their premises, vehicles or services?

With I-Checkit, we hope to go a step further... straight to the consumer. We want it to be accessible to any citizen with Internet access... whether it be fixed or mobile. We want it to be in compliance with the laws of all countries where it will be deployed.

Since the WCO is doing such a great job at helping member countries protect their borders, INTERPOL decided to focus on how to help and protect innocent consumers and fight this serious crime.

I-Checkit is part of the solution.

I-Checkit will provide consumers the possibility to scan a product using latest communications technology to verify whether the producer/manufacturer of it considers it authentic and whether it is legally on the market and sold.

The private sector can't give these assurances alone. It needs the support of national or intergovernmental organizations such as the WCO at the border or INTERPOL, each working within their respective mandates.

INTERPOL's I-Checkit will be extended across diverse product categories, and encompass the integration of INTERPOL's existing databases on stolen motor vehicles (SMV), stolen and lost travel documents (SLTD) and the planned database on luxury goods.

Here we want to put in place the best technology as determined by the producer/manufacturer in question. The horizon looks promising. INTERPOL's platform will be compatible with the industries' systems, such as PharmaSecure, a leader in drug authentication technologies and software verification systems and Codentify, the authentication solution provider of the tobacco industry. Another example: INTERPOL is engaged in discussion with the Swatch group to help consumers to directly check that their watches have not been reported as lost or stolen by the Swatch Group.

When private entities voluntarily contribute funds to police work, it is an opportunity to provide further safety to citizens; and we expect to find new partners from various industries to fund INTERPOL's efforts to fight trafficking in illicit goods and counterfeit products so that INTERPOL can reinforce the institutional links between public and private sectors in the field of law enforcement.

Governments, intergovernmental organizations, the private sector, working together with clear and transparent rules and parameters, we have to collectively move closer to a safer world.

Thank you.