

accompanying the Common Position<sup>(1)</sup> the Council indicated that this funding 'both granted its wish to see the programme become a success and its concern for a fair division of the available resources at a time of significant financial restraint.'

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(1) OJ C 210, 22.7.1999, p. 1.

(2000/C 280 E/046)

**WRITTEN QUESTION E-2458/99**

**by Raffaele Costa (PPE-DE) to the Commission**

(16 December 1999)

*Subject:* The European stationery industry

The European stationery industry, in particular the manufacture of pens, pencils, biros etc., is being damaged by the mass influx on the European market of articles that are faithful copies of Italian and European designs but whose price is 50-60 % lower than their actual value.

The key perpetrators of such unfair competition are firms from non-member states, such as China, India, Taiwan and Indonesia, which, using a myriad of importers scattered throughout Europe, now have the capacity to exhibit their products at national and international trade fairs.

This widespread lawlessness has been made possible by a combination of several factors: the lack of controls by the authorities, the excessive duration (many years, especially in Italy) of civil proceedings brought with a view to protecting trademarks and patents, the lack of solvency of the aforementioned importers (they are often dummy companies with a sparsely-furnished office, fax and telephone, which can be dismantled and transferred elsewhere under another name within a few hours).

Furthermore, these manufacturers systematically breach all the strict safety standards which their European competitors are obliged to comply with, thereby endangering people's health, especially that of children, who are often the end users of these products.

If this unlawfulness and unfair competition continue, European industries, particularly those in Italy, will be forced to close down; this will have a serious impact on employment and on the market, which will be completely flooded with dangerous, low-quality products, to the total detriment of consumers.

First and foremost, can the Commission say how it intends to act in the most appropriate and effective manner to curb this phenomenon swiftly and to restore legality in this area?

Secondly, can it take action to limit the import of stationery products from countries with which, because they operate in an economic climate that is particularly favourable owing to local conditions (labour costs that are next to nothing compared to those in Europe, negligible or even non-existent safety standards in the workplace, absence of product quality and safety standards), European firms are unable to compete on equal terms?

**Answer given by Mr Lamy on behalf of the Commission**

(28 January 2000)

The Honourable Member has raised a number of important questions with respect to action taken within the Community to address the problems created by the production and marketing of counterfeited goods by companies in a number of third countries. It is clear that the marketing of counterfeit and pirated goods damages trademark owners, law-abiding manufacturers and traders, and misleads consumers. As the Honourable Member has rightly pointed out, counterfeited goods can also cause public health hazards.

In order to prevent counterfeited goods from entering into and being sold on the Community market, the Community has adopted rules and regulations that aim to protect intellectual property rights (IPR) effectively within the Community. In particular, Council Regulation 3295/94 as amended by Regulation (EC) No 241/1999 of 25 January 1999 laying down measures to prohibit the release for free circulation, export, re-export or entry for a suspensive procedure of counterfeit and pirated goods<sup>(1)</sup>, allows Community customs' authorities to suspend the release of goods suspected of being counterfeit, or pirated, while the rightholder launches infringement proceedings before the national authorities. The Commission is presently working closely with Member States in the framework of the Customs 2002 Programme to help customs and the economic operators to exchange information better and to improve the service offered by customs to rightholders through an increased emphasis on training for customs officials involved with intellectual property rights.

The Commission also adopted in October 1998 a green paper on combating counterfeiting and piracy in the single market<sup>(2)</sup>, which is the start of a wide consultation process to strengthen the fight against piracy in the Community.

As the Honourable Member has correctly pointed out, a key element of an overall strategy to combat counterfeiting must be to eliminate the problem at the source, i.e. in the country where such goods are made. An important step towards an improved protection of IPR throughout the world will have been taken on 1 January 2000, when developing countries (except the least developed) will have had to implement fully the World trade organisation provisions on IPR protection (the well-known trade-related aspects of intellectual property rights (TRIPs)-agreement). In implementing the WTO rules on intellectual property these countries are obliged to provide for criminal procedures and penalties in all cases of wilful trademark counterfeiting on a commercial scale.

With regard to the position expressed by the Honourable Member with respect to the economic conditions prevailing in developing countries, the Commission would observe that low labour costs are one of the key factors of their comparative advantage and a prerequisite to enable them to integrate more fully into the global economy and pursue economic development. It is the view of the Commission that as their level of subsistence increases they themselves have an interest in improving the conditions of work including safety, health and other aspects.

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<sup>(1)</sup> OJ L 27, 2.2.1999.

<sup>(2)</sup> COM(98) 569 final.

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(2000/C 280 E/047)

**WRITTEN QUESTION E-2463/99**

**by Inger Schörling (Verts/ALE) to the Council**

(16 December 1999)

*Subject:* EU rules and Sweden's restrictive drugs policy

In Sweden the rules heavily restrict the import of substances classified as narcotics, even when they are prescribed by doctors for medicinal purposes. For example, Medicines Regulation 1997/11 allows an individual to import amphetamines for no more than five days' personal use.

A Swedish doctor has now reported Sweden's actions and regulations to the Commission, maintaining that the rules applied in Sweden infringe EU rules on the free movement of goods and services between the Member States, and wishing the Commission to take action against Sweden and declare our rules to be illegal and in contravention of EC law.

If the Commission found that Swedish legislation did infringe EU law, would a Swedish citizen then be able to have drugs prescribed by a doctor in another Member State whose drugs policy is more liberal, and then import them into Sweden, with the Swedish Customs authorities powerless to act?