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Combating counterfeit goods

The dual tasks of protecting intellectual property rights and combating counterfeit goods are among the most pressing issues facing governments in the UNECE region. Counterfeiting and piracy have a negative impact on economy, employment, economic growth, and technology transfer. Counterfeit goods can be life-threatening – for example, adulterated or contaminated foods, hazardous toys, substandard electrical products and shoddy car or aircraft parts. Software is widely targeted by counterfeiters. It has been estimated that worldwide 35% of PC business software put into use in 2005 was non genuine.



The UNECE Advisory Group on Market Surveillance ("MARS" Group) has examined these and other consumer protection problems, and its findings were of relevance to discussions at the Third Global Congress on Combating

Counterfeiting and Piracy (Geneva, 30-31 January). The conference, convened by the World Intellectual Property Organization, Interpol and the World Customs Organization, brought together top government and private sector representatives to pool their experience, enhance international coordination and cooperation and seek more effective solutions in pursuit of their common goals of combating counterfeiting and piracy.

As part of UNECE work on "good practices" in market surveillance, following long consultations, the "MARS" Group drafted a proposal urging Governments to enlist those authorities charged with enforcing product safety in the fight against counterfeit and pirated goods, where they could complement the efforts of Customs police and intellectual property agencies.

Specifically, UNECE experts proposed that after a given product had met all the safety, health and other requirements called for by national legislation, market surveillance officers should verify that the product is in

fact genuine, i.e. that it has been produced legally and that use of a trademark or logo has been authorized by its legal owners. If results proved otherwise, the approval process would be suspended and the officers would promptly inform the intellectual property rights (IPR) holders concerned that counterfeit goods had been detected.

It was agreed that these procedures should not be a financial burden for market surveillance authorities, neither should they replace or duplicate existing IPR enforcement tools nor create legal conflicts between the market surveillance and IPR efforts. Having two complementary processes would benefit both private consumers and commercial users, help establish "rule of the law" principles in society, and promote fair competition and business development. Certain companies and Governments have already experienced great success using such an approach.



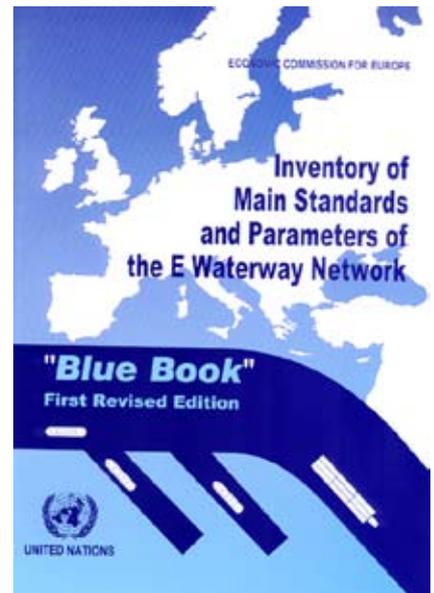
Ukraine, Procter and Gamble and the Ukrainian market surveillance authorities managed to detect and destroy a lucrative illegal market in Procter and Gamble products. Through a survey conducted in 1999, the company found that a staggering 43% of the hair-care products and 23% of the laundry products marketed under its name were counterfeit. An intense joint campaign by Procter and Gamble and State authorities, consisting of public confidence-building and deploying mobile testing laboratories for on-the-spot testing, succeeded in completely eliminating the counterfeit products. The case of Procter and Gamble and the Ukraine is hardly unique – many companies and countries face similar situations – but thankfully its positive outcome can be replicated. *

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Off the press

Blue Book

The "Blue Book", first issued in 1998, contains technical characteristics of European inland waterways and ports of international importance (E waterways and ports) identified in the European Agreement on Main International Waterways of International Importance (AGN). In total, 27,913 km of European inland waterways have been earmarked by Governments as E waterways, excluding the double counting of sections on which two or more E waterways overlap.



Its objective is to establish an inventory of existing and envisaged standards and parameters of E waterways and ports in Europe and to show, on an internationally comparable basis, the current inland navigation infrastructure parameters in Europe as compared to the minimum standards and parameters prescribed in the AGR Agreement. This would enable member Governments and intergovernmental organizations concerned to use the "Blue Book" as a basic instrument for monitoring the progress made in the implementation of the AGN.

This first revised version is available from the UN Publications and Sales Section, Palais des Nations, Geneva (unpubli@unog.ch).

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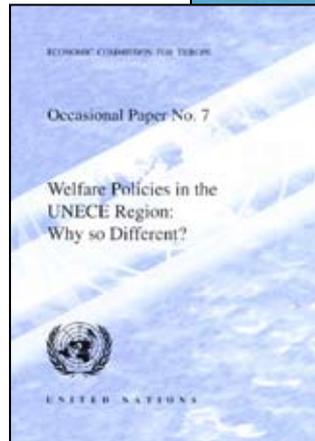
Off the press

Welfare policies in the UNECE region: why so different?

The fourth in the renewed series of Myrdal Lectures was delivered in May 2006 by Professor Alberto Alesina of the Department of Economics at Harvard University. The original text of the lecture is issued as Occasional Paper No. 7.

In his lecture Professor Alesina attempts to analyse why different countries in the western world have chosen rather different models of the welfare state and, more generally, alternative policies to fight poverty. Specifically he highlights the reason why the American welfare system is less generous than the typical European systems, emphasizing the causes and implications of these differences. For lack of a better word he classifies the reasons as purely economic, political and behavioural. He next explores the variations in welfare policies within west European countries - the Nordic system, the Anglo-Saxon system and the Continental and Mediterranean systems - by comparing their effectiveness, successes and failures.

Available from the UN Publications and Sales Section, Palais des Nations, Geneva (unpubli@unog.ch).



Protocol on water and health

The Protocol on Water and Health, to the 1992 Convention on the Protection and Use of Transboundary Watercourses and International Lakes, which entered into force in 2005, has been published in one volume. The publication contains the text of the Protocol in the four official languages of the World Health Organization – English, French, German and Russian.

For more information see <http://www.unece.org/env/water> and <http://www.euro.who.int/watsan>, or contact UNECE (protocol.water_health@unece.org) or WHO (watsan@ecr.euro.who.int).

Coming up

5-9 February
Working Party on Brakes and Running Gear

6-8 February
Inland Transport Committee,
69th session

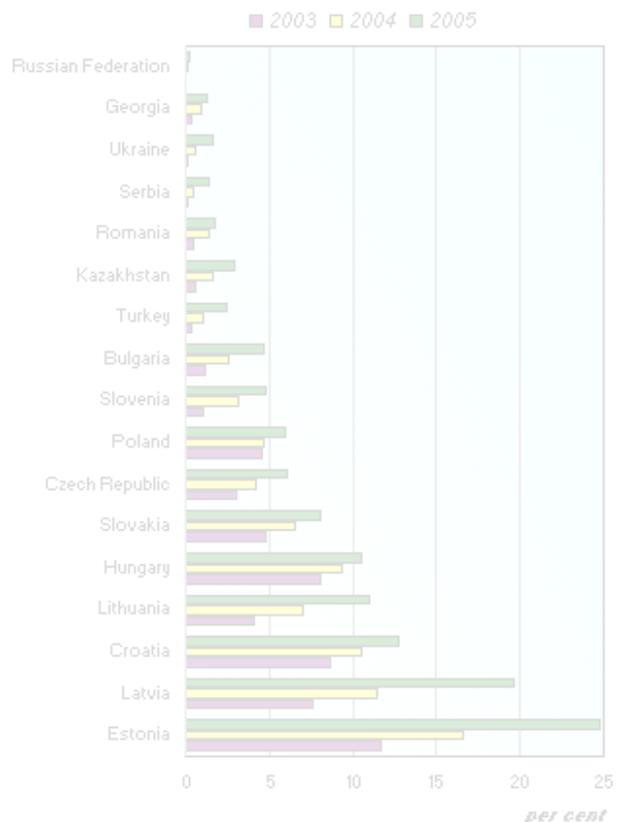
Facts and figures

Mortgage market gains ground in UNECE emerging market economies

Until the late 1990s mortgage markets were nearly non-existent in UNECE emerging market economies, but the situation started changing rapidly in recent years as a new finance sector gained ground thanks to financial liberalization and improved banking regulation in these countries. The demand factors – increasing household income, falling interest rates and inflation – also contributed.

The ratio of mortgage debt to GDP, in fact, more than doubled in the last three years in these countries (except for Croatia, Hungary, Poland and Slovakia), albeit from very low levels in some cases. And preliminary data show that the rapid growth continued in 2006. However, when compared to the EU-25 average ratio of 47.5% (2005), the level of residential mortgage debt remains rather low, particularly in the CIS countries, ranging between 0.03% in Armenia and 0.2% in Russia to 2.9% in Kazakhstan. The Baltic countries, on the other hand, seem to be catching up quite impressively.

Mortgage debt as percentage of GDP



Source: Central Banks' websites, World Bank and European Mortgage Federation.

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