

NESTLE SIGNS MOU WITH CEPS

The Customs Excise and Preventive Service (CEPS) has signed a Memorandum of Understanding (MOU) with Nestle Ghana Limited with the aim of seeking to address the issue of parallel importation, smuggling and importation of counterfeit and contraband Nestle products.

Consequently, both parties have agreed to promote bilateral cooperation and to develop channels aimed at exchanging relevant information in order to tackle and counter smuggling and counterfeiting of Nestle products.

The move has become necessary because of the increase in free trade and globalization which have made it easier for counterfeiters to have access to different markets, among which are the Middle East and African Markets.

The consequences of counterfeiting are not merely confined to trademark infringements and brand dilution. It damages market dynamics, undermines revenue generation and most importantly exposes consumers to serious hazards and health risks.

Speaking at the ceremony in Accra, the Minister of Trade, Ms Hannah Tetteh, noted that counterfeiting has become a global phenomenon in recent years and the range of goods subject to infringement has increased significantly, citing a study by the Counterfeiting Intelligence Bureau (CIB) of the International Chamber of Commerce, which indicates that counterfeit goods make up 5-7 % of world trade.

She said various medicines, food and beverages, cosmetics and medicinal devices are being counterfeited and therefore stressed on the need to come out with proactive measures to address the issue.

Ms. Tetteh observed that there is the need for a concerted effort to fight the crime and put in place quick decisive and punitive measures to bring rampant counterfeiting and piracy activities down.

She said the fight against counterfeiting and piracy can only be successful if stakeholders including the consumer work closely in a coordinated manner and across borders with the aim of dismantling the modus operandi of the criminal gangs behind counterfeiting.

In his speech the Commissioner of Customs Excise and Preventive Service (CEPS), Mr. Emmanuel Doku noted that while the impact of counterfeiting brings dire consequences on public health and safety due to the consumption of sub-standard and inferior consumables and pharmaceuticals, the negative

economic effects on tax revenue, investment inflows and profits are matters of concern for both government and business.

He emphasized that in reality effective combating of the counterfeit problem cannot be achieved through isolation. It is for this reason that the World Customs Organization (WCO) encourages the establishment of customs to business partnerships at the national, regional and global levels to fight against counterfeiting and piracy.

Mr. Doku said it is therefore in the true spirit of partnership that this memorandum has been drawn up with the view to establishing effective operational and enforcement mechanisms to combat counterfeit trading in Nestle trademarked goods.

He observed that the unique role of Customs places it in the front line of the battle against counterfeiting while the World Trade Organization agreement on Trade-Related Aspects of Intellectual Property Rights (IPR) provides framework for the role and responsibilities of Customs administrations with regard to the application of the IPR regulations.

He reiterated that the primary responsibility for taking measures to protect trademarks and copyright lies with the right holder and it is therefore assumed that the Nestle trade marks (to be protected) have been registered with the recognized national, regional or international official body.

Mr. Doku commended the management and staff of the Nestle for demonstrating strong commitment to combating the growing menace of Intellectual Property Right and gave the assurance that CEPS will employ every instrument and tool available to fight counterfeiting in order to promote legitimate business.

The Head of Nestle Central and West Africa Region, Mr. Etienne Benet, said last year Nestle invested two billion dollars in research and development to ensure that high quality products are made available to consumers and that explains why all stakeholders must take responsibility to counterattack the widespread trading in counterfeited products.

He observed that Customs has set an excellent example of a transparent modernized and responsive customs authority and expressed that hope that the memorandum will provide the strong support necessary to escalate anti-counterfeiting efforts.

An advisor at the Ministry of Finance Mr. Larbi Siaw, who represented the Minister of Finance, said it is the hope and expectation of government that

Nestle will support CEPS to build the necessary capacity to combat Intellectual Property Right fraud.

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