



GOGLA Opinion on Intellectual Property Rights (IPR)

Background

A growing number of companies in the off-grid lighting sector face problems with counterfeit products and the protection of their Intellectual Property Rights (IPR). Cases of counterfeiting have been reported in China, East and West Africa as well as in India. This comes at a time when IPR infringements and counterfeit products are a growing problem for industries all over the world. Findings by the OECD confirm that trade in counterfeits amounted to about approximately \$ 250 Billion in 2008, which was at this point equivalent to 2 % of world trade. A recent study on the economic impact of counterfeit products by the International Chamber of Commerce estimates that this figure could increase to approximately \$1.77 trillion in 2015¹.

Due to the growing success of the young solar off-grid lighting industry and increasing consumer demand for solar products in developing countries, counterfeiters have started to target the solar off-grid lighting market. They are looking for opportunities to sell cheap and poor quality rip-offs that generate high profits, while harming consumers, governments and the solar off-grid lighting industry alike. It is bad experience due to considerably shorter life spans of fake products of cheap and poor quality products that undermines the trust of consumers in solar technologies. Therefore the further development of the solar off-grid lighting market is put at risk. Falling revenues for the industry also affect overall economies and governments. Jobs and skills created locally by the off-grid industry are threatened as well as is tax revenue through solar products and incomes generated by trade with such products.

GOGLA Position

GOGLA members hold the view that counterfeit products pose a severe threat to consumers, governments, and the nascent solar off-grid lighting market. Therefore it is necessary to increase efforts and cooperation between government authorities and the industry to keep fake products out of markets. National governments and international organisations, such as GOGLA, should align their activities in the fight against counterfeit products to leverage synergies. GOGLA itself will not accept any fraudulent behaviour among its members.

Recommended Action

Governments should ensure that clear rules and sound procedures for patent registration and legal enforcement are in place. Clear and efficient procedures for IPR registration, judicial enforcement and criminal persecution need to be in place to ensure a sound and proportionate reaction. Fines should reflect the severity of the committed crimes. Furthermore there is a need to improve enforcement efforts by the police, border guards and custom authorities. Minimum Quality standards (make reference to industry opinion) are an important tool to prevent low quality counterfeit products to enter the market. In addition, the dangers of counterfeit products have to be brought to the attention of the public through awareness raising campaigns. Education and training should be provided in cooperation with the off-grid lighting industry to enforcement personnel to ensure compliance with national and international standards for intellectual property.

¹ <http://www.iccwbo.org/Advocacy-Codes-and-Rules/BASCAP/BASCAP-Research/Economic-impact/Global-Impacts-Study/>