# EDB 2.0

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# Current Tools used in EU

**EDB – Enforcement database**

- Accessible for right holders, customs and police
- Managed by EU Observatory
- Platform that may be used to share info with Law Enforcement Authorities
- Based on the uploaded info, the national or EU-wide Application for Action may be generated and submitted
- A new detention can be reported through the EDB (suspicious case room)

**IPM – Enforcement database**

- Global system that is managed by WCO, allowing right holders to share info with customs

**COPIS**

- An EU-wide information exchange system for all customs operations that is addressing inter alia counterfeiting and piracy by facilitating the information exchange
- Managed by TAXUD
- Not accessible to right holders
- Interfaced with EDB
- Reports and statistics are extracted from COPIS

# Current Way of Working

a. Whenever customs detain a consignment, they will contact the right holder [RH]
b. RH can ask customs for supplementary info concerning the detained consignment
c. Eventually, RH will be in a position to determine the nature of the detained goods and the RH will request for the destruction or release of the goods
d. Communication goes directly to RH or passes via agent
e. Fax or email are most commonly used in this respect
f. None of the info is automatically logged in a system
g. Logging of data required manual input

# Considerations

a. A lot (80% if not more) of the communication can be standardized
b. The EDB provides for a communication functionality through the 'suspicious case room'
c. By optimizing EDB communications features, an alternative way of communication can be offered, next to the way described in the previous slide
d. Once we start communicating through the EDB, process steps and decisions can be logged
e. All steps and decisions can be linked through a unique customs file reference
f. Once all info concerning a case can be linked and stored, said info can be used for future (risk) profiling purposes

# Objective (looking 5 to 7 years ahead)

a. By streamlining the communication flow it becomes possible to automatically log process steps and relevant data in the anti-counterfeiting platform that consist, among others, of COPIS and EDB

b. In doing so, the anti-counterfeiting platform becomes *intelligent*

c. By storing decisions and labelling involved parties, the EU anti-counterfeiting platform is able to actively support improve customs' risk analysis tools without increasing customs' headcount

Current Picture

Law Enforcement Authorities[LEA] detain a consignment > they inform all involved parties > this leads to a decision to release or destroy the detained goods

Manual key-in is needed for reporting purposes

Sharing of case related data with colleagues is labor intensive and subject to the initiative of the concerned law enforcement officer
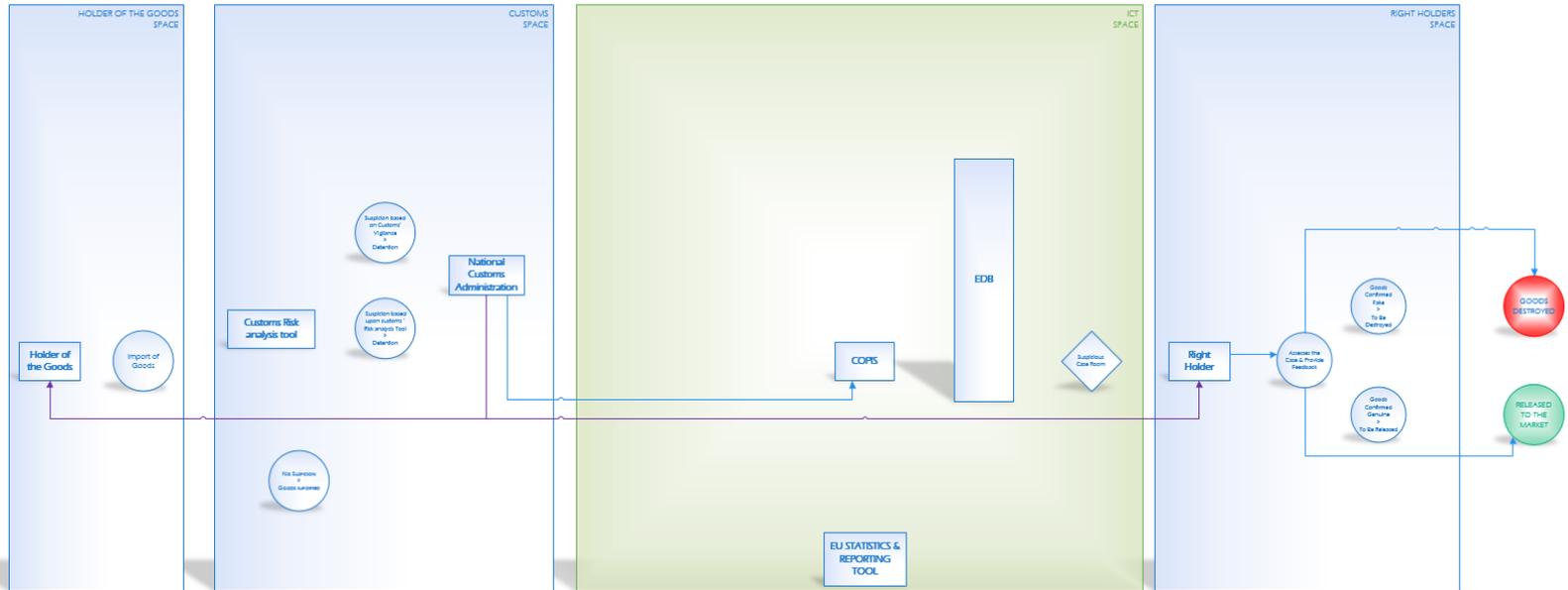
Substantial progress can be realized by restructuring the communication flow, through (a) enhanced use of the systems already in place and through (b) creating a Nominal Data Box [NDB]

Management of NDB needs to be carefully considered in view of applicable privacy rules
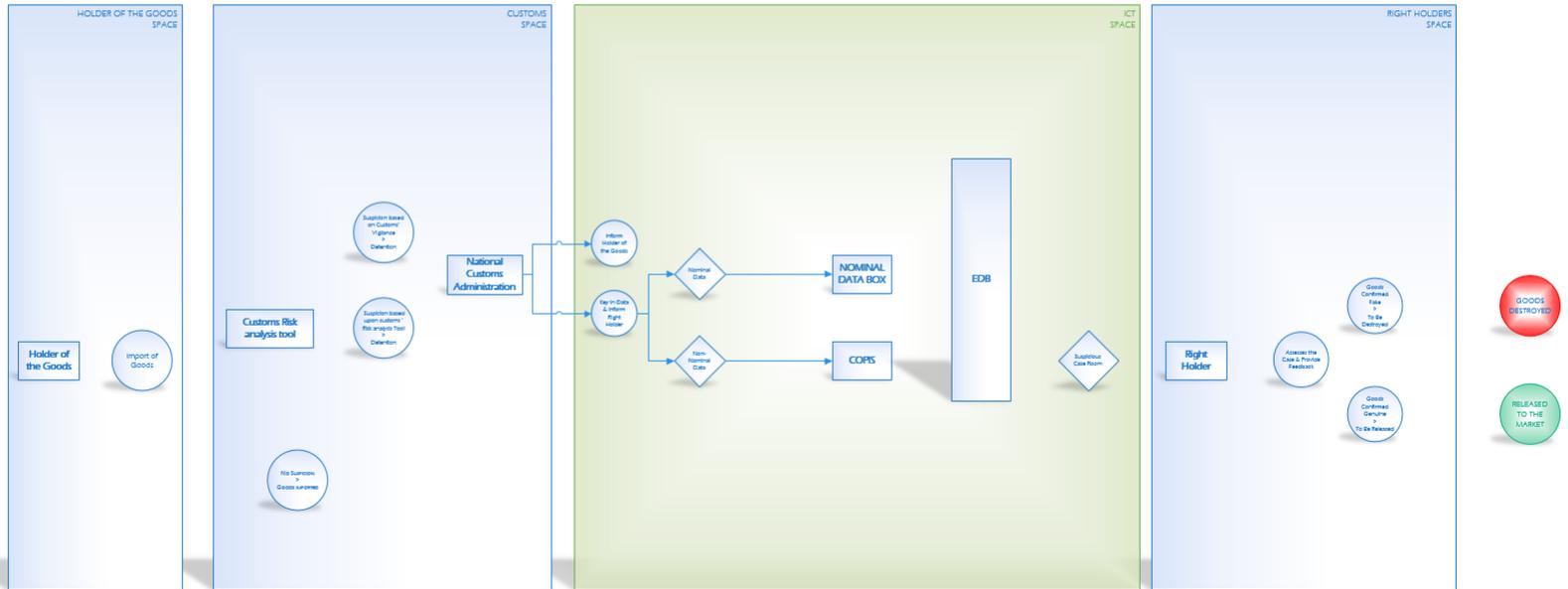
1. When reporting a new case, LEA will key-in all relevant info
2. Fields containing nominal data will be diverted to the NDB
3. Fields containing non-nominal data (incl. pictures) will be diverted to COPIS
4. Through the existing interface between COPIS and EDB, the new case is linked to EDB
5. Through the 'suspicious case room' the new case is reported to the right holder [RH]
6. Based on the email account mentioned in the EDB, the concerned RH will receive an email notification
7. The RH is able to ask for supplementary info from LEA
8. This RH-LEA-RH can be standardized (drop down menu)
9. In doing so language issues can be overcome
10. An agent is no longer needed for every single case > SME saving
11. RH is able to decide once he has all the info
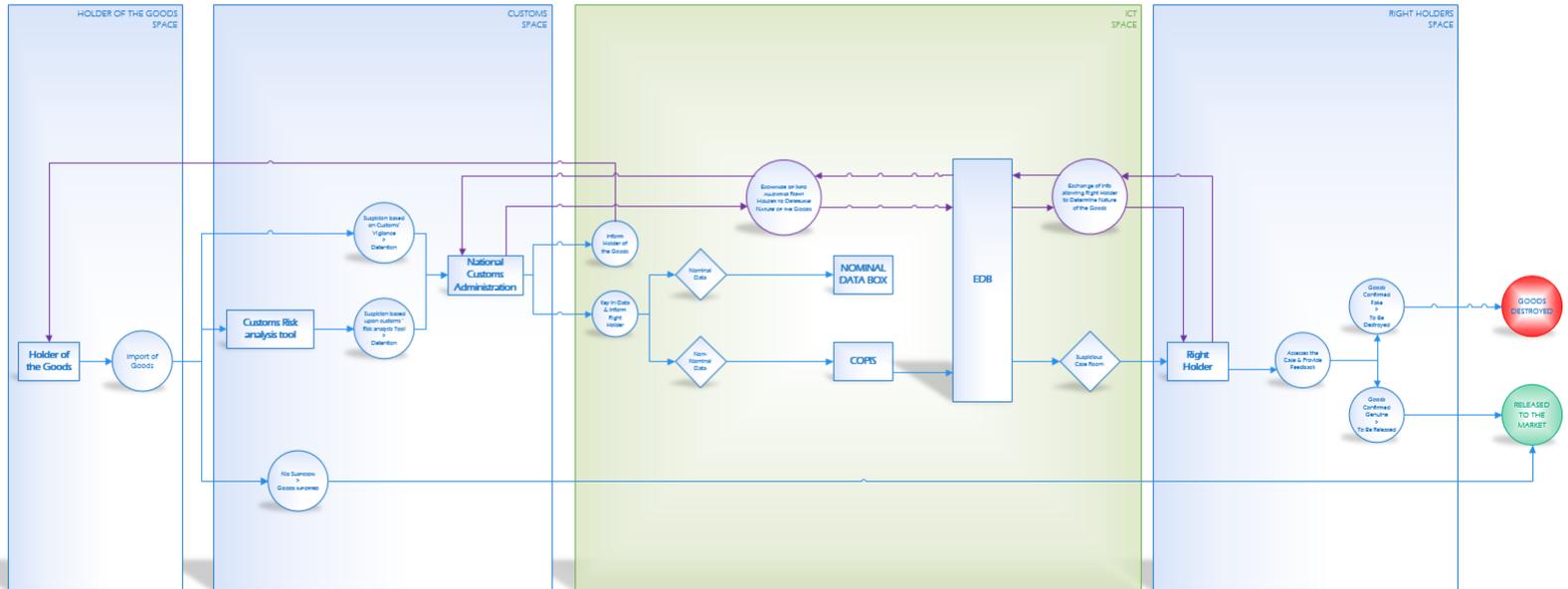
RH is able to submit the decision in the EDB
LEA's unique file reference number is linking pin
This may trigger a number of things
The LEA that have been linked to the case, when the case was created, will receive an email notification
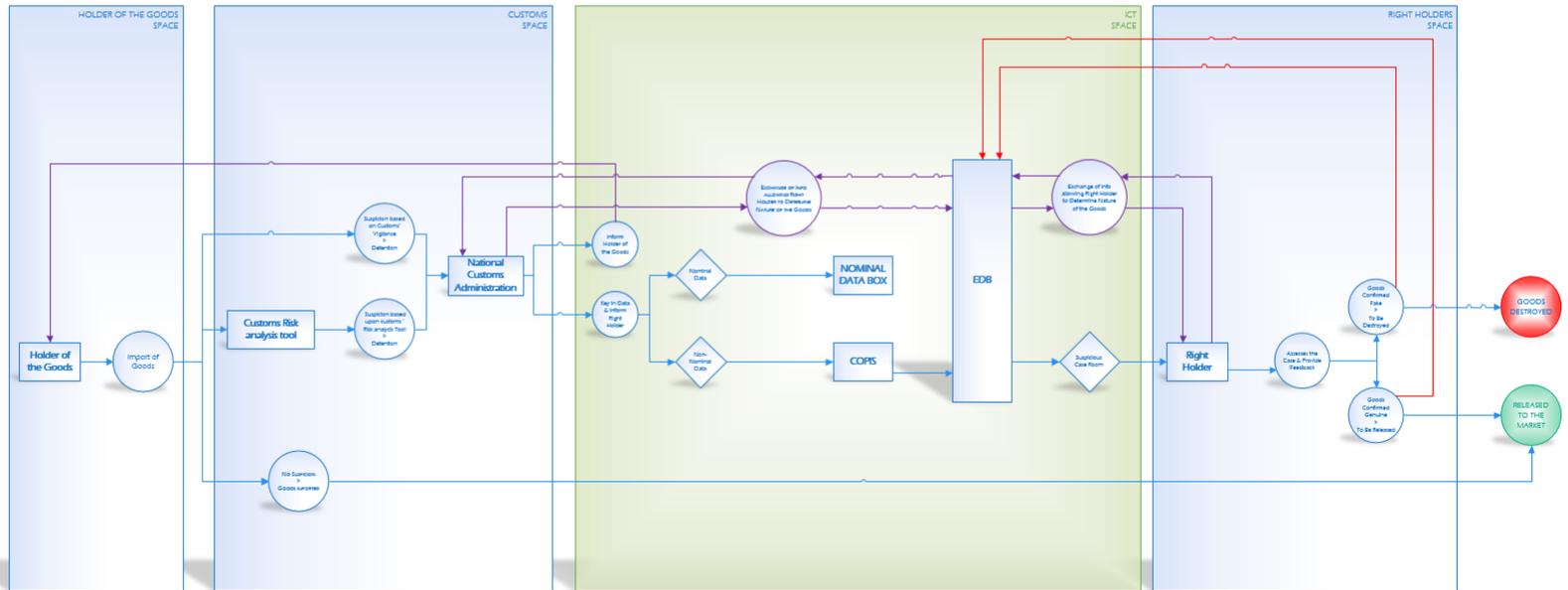
Case relevant feedback can be shared between EDB and COPIS
LEA's unique file reference number is linking pin
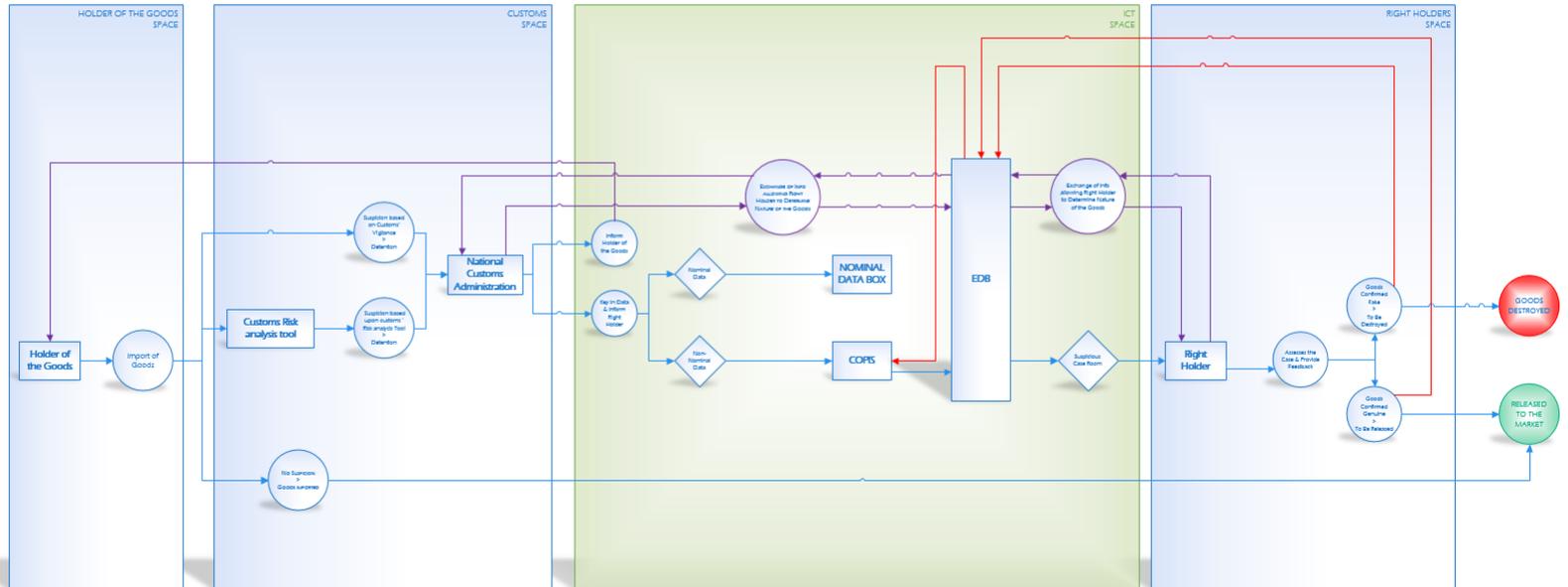
Case relevant feedback can be shared automatically (no manual key-in needed) between COPIS and EU Commission's statistical & reporting tools
Whenever status of concerned case changes, statistics are automatically updated. More statistics can be generated
LEA's unique file reference number is linking pin
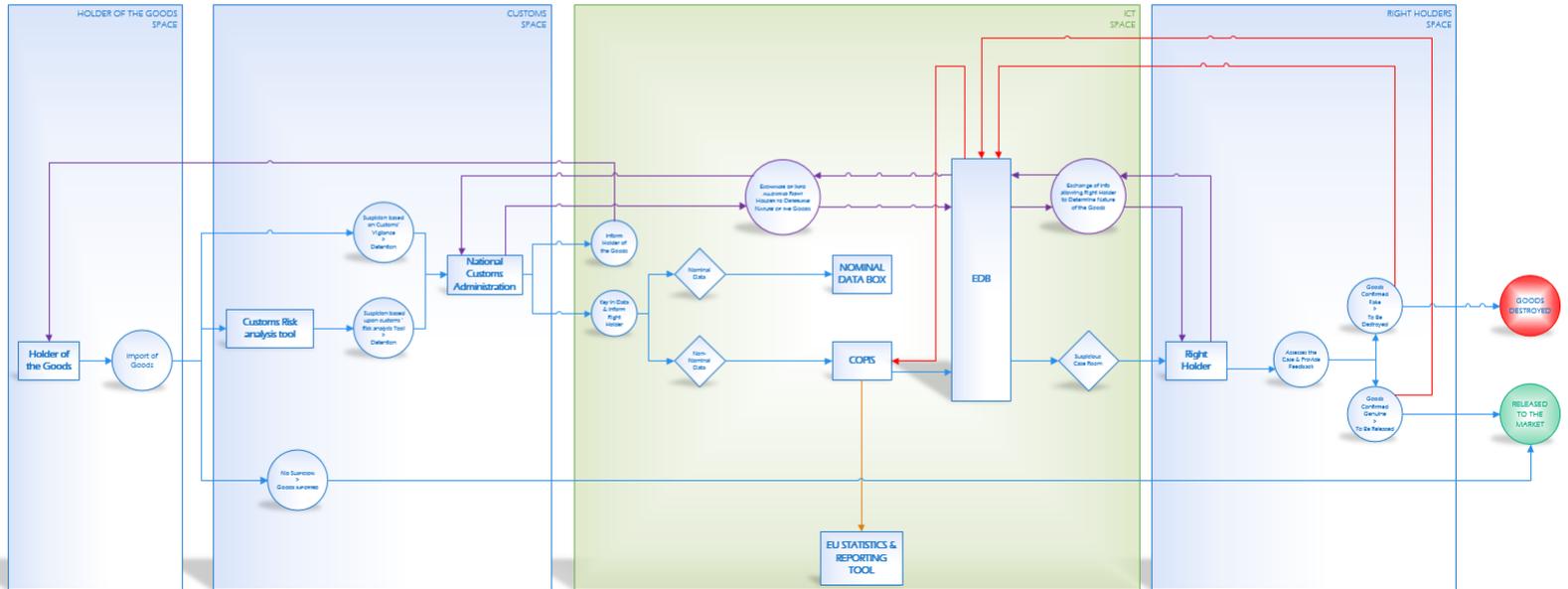
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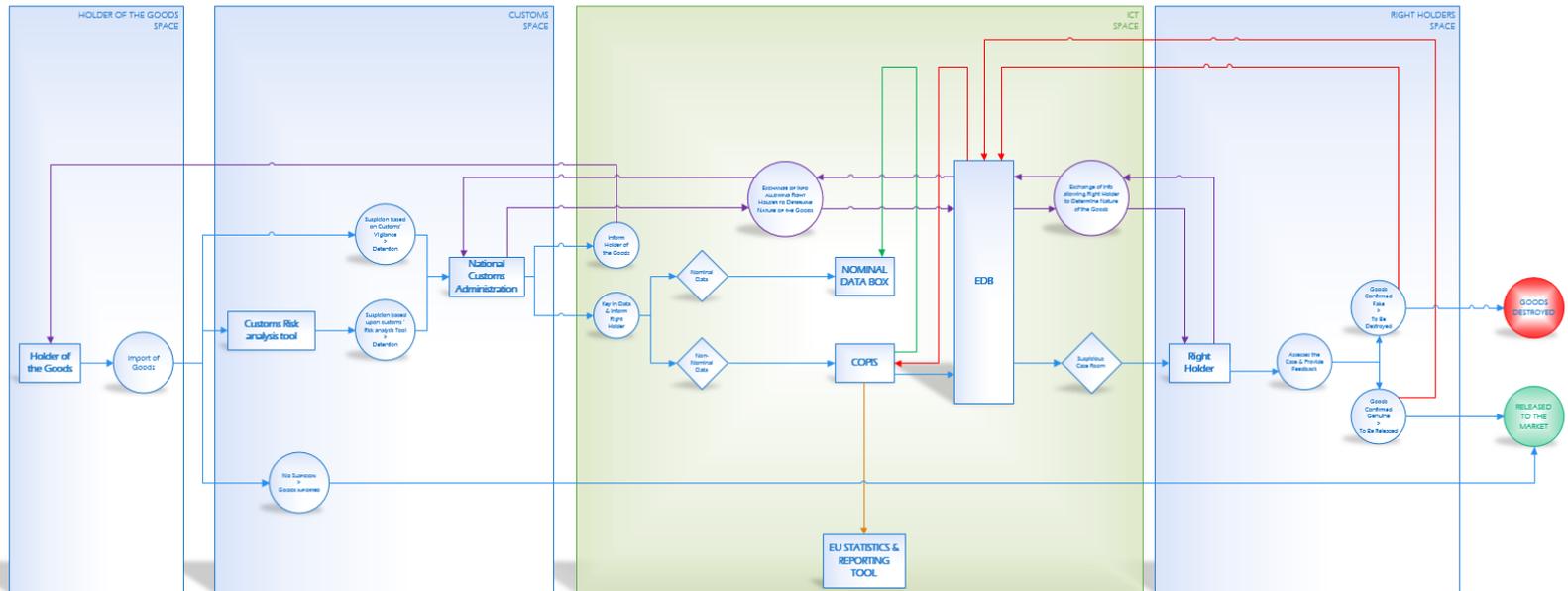
Previous picture + automated feedback from NDB > Customs Risk Analysis Tools [CRAT]

Ideally NDB will

   collect all the info across the EU territory, so that counterfeiters can no longer apply a 'Forum Shopping' practice

   be linked to other relevant databases (fraud, criminal, judicial, etc...)

No need to trigger CRAT for every single time a party is checked. However automated triggers in CRAT are possible for repeated offenders

# Previous picture + explanatory remarks



Chronology of a case:
- Regular flow from import to Right Holder's decision
- Procedural communication Customs/Parties
- Right Holder's feedback channeled to system
- Sharing of info from COPIS to risk analysis tools
- Sharing of info from COPIS to reporting tools

Scoring in Customs' risk analysis tools may be influenced, in case a party is labelled repeatedly

Statistics about Results of a case can be directly extracted from COPIS for generating statistics and reports

In case a detention is successful, the parties linked to the import of the concerned consignment will be labelled. Customs unique reference# allows linking

Result of detention is channeled from EDB to COPIS

Result of detention is channeled back to EDB

In many cases, the Q&A's are very similar. A carefully considered list of Q&A's can be managed through a dropdown menu. In doing so translation issues are avoided

Goods destroyed following:
- No objection by Holder of goods
- Court order

Goods released following:
- Decision by Rightholder
- Evidence provided by Holder of Goods
- Court order

# Full Picture

**Chronology of a case:**
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Feedback Items to Enhance Intelligence of Anti-Counterfeiting Platform

Current Flow

Reporting and Statistics

HOLDER OF THE GOODS SPACE

CUSTOMS SPACE

ICT SPACE

RIGHT HOLDERS SPACE

Holder of the Goods

Import of Goods

Customs Risk analysis tool

Suspicion based on Customs' Vigilance > Detention

Suspicion based upon customs' Risk analysis Tool > Detention

National Customs Administration

Inform Holder of the Goods

Key in Data & Inform Right Holder

Nominal Data

Non-Nominal Data

NOMINAL DATA BOX

Exchange of Info Allowing Right Holder to Consume Nature of the Goods

Exchange of info allowing Right Holder to Determine Nature of the Goods

EDB

COPIS

Suspicious Case Room

Right Holder

Assess the Case & Provide Feedback

Goods Confirmed Fake > To Be Destroyed

Goods Confirmed Genuine > To Be Released

GOODS DESTROYED

RELEASED TO THE MARKET

No Suspicion > Goods Imported

EU STATISTICS & REPORTING TOOL

# Benefits

a. Through a carefully considered communications framework, translation issues can avoided

b. Brand protection process may become cheaper for right holders, including SME's

c. Reporting and statistics can be produced automatically – no additional handling

d. Risk profile becomes more accurate and success rate of physical inspections may increase based upon facts acquired from and intelligence generated through the anti-counterfeiting platform

e. Having nominal data intelligence facility linked to EDB increases EDB's attraction to become a central intelligence hub

# Thank You

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Back-up

# Proposed way of working (1)

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# Proposed way of working (2)

1. RH decision can be logged in EDB
2. Case relevant feedback can be linked automatically (no manual key-in needed) between EDB, COPIS and NDB
3. LEA unique reference code can be used to link everything together

4. Once a case is flagged as fake the parties linked to the import of the consignment can be labelled in the NDB
5. At that the level of the NDB certain smart rules need to be applied to end up with a meaningful flagging
6. The meaningful flags will can be pushed to the Law Enforcement's Risk Analysis tool

7. Future exports/imports by a labelled party may trigger an automated alarm with the LEA
8. Based on this alarm, LEA can have a closer look into the freight documents and may decide to carry out a detailed physical inspection

# Recent statistics
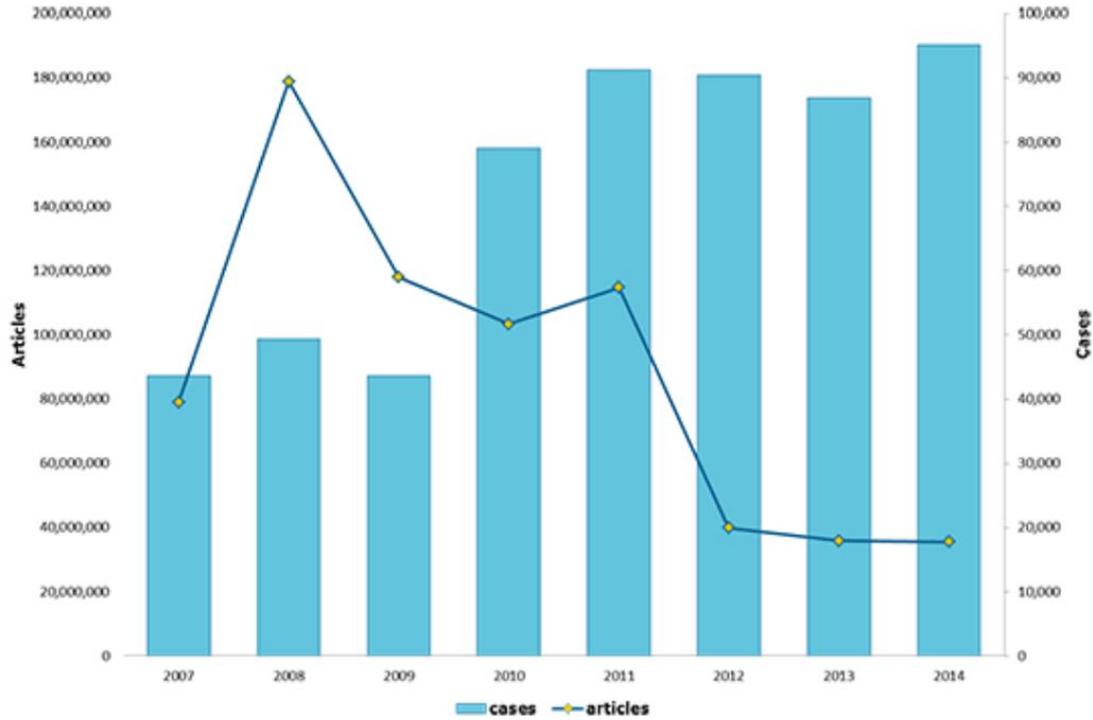


Source: EU Commission - TAXUD

From a recent OECD/EUIPO study, we learn that 5% of all goods in EU are counterfeited

Such large amount of goods, require sea freight detentions