

RISKS OF COUNTERFEIT CROP PROTECTION PRODUCTS

WHAT WE KNOW

Criminal activity in the manufacture and trade of counterfeit pesticides appears to be growing, as reported incidents of counterfeit crop protection products have risen considerably. Accurate measurement of the incidence of this illegal activity remains virtually impossible, since counterfeiting activity by nature specifically aims to bypass regulators and deceive police.

Estimates suggest that counterfeit products in all types of goods exceed 6% of all global trade. By 2000, trade in counterfeit goods reached an estimated US\$450 billion. From 1990 to 2000, revenues from illegal counterfeiting and piracy increased by more than 400%. Unfortunately, these estimates are probably low. Due to the covert and criminal nature of counterfeiting activity, estimates are based on extrapolation of seizures, charges and, in some cases, accidents causing property damage, illness or death. Counterfeiting is a serious and growing problem with potentially dangerous consequences, as recognized by Interpol: "Fake products pose a significant safety threat to consumers worldwide."

THE HARD EVIDENCE

Below are just a handful of the isolated incidents of counterfeit crop protection products that have been reported by police and media. These are just those cases that have actually been uncovered. **Unfortunately, what is unknown overwhelms what is known.**

Kenya - Coffee crops destined for export were treated with a counterfeit crop protection product. The product was ineffective, the crop was destroyed and farmers lost their livelihood. Ingredients in the product were simple calcium carbonate or magnesium carbonate.

Brazil - Exports of unregulated active ingredients from China routinely arrive in Paraguay at levels 100 times what the national market needs. There they are repackaged and smuggled illegally into Brazil. The Brazilian government has dedicated police and budgets to the fight against illegal trade in counterfeit crop protection products.

European Union - According to a November 2006 report in The Times, hundreds of hectares of maize, potatoes and tomatoes, in Italy, Spain, and France had been damaged by a fake herbicide.

WHAT NEEDS TO BE DONE?

Hold exporters accountable

Exporters must be held accountable if their precursor ingredients end up in illegal and counterfeit crop protection products. It should be their responsibility to pay for any related storage and destruction costs incurred by police and governments who have confiscated the illegal product.

Tighten up distribution systems

To protect farmers and the public from counterfeits, governments cannot allow the anti-counterfeiting packaging of the original manufacturer to be tampered with.

Ensure no oversupply

Oversupplies often become counterfeit crop protection products or the ingredients of counterfeits.

Food chain stewardship

All levels of food chain, including retailers, must ensure that only legitimate and legal crop protection products are used on the ingredients or the end food products that reach consumers.

Systematic reporting of counterfeits

All incidents of counterfeit crop protection products must be reported. Governments should speak to CropLife International for technical assistance, and work together to protect farmers, the environment, the food chain and ultimately the general public from the growing issue of counterfeit crop protection products.

Spain - Shortly before the end of 2006, supermarkets reported they had found an illegal crop protection product in Spanish peppers that has never been approved for use anywhere in the EU. The Spanish pepper industry lost millions as a result of the mass destruction of their crops and widespread export bans. The illegal pesticide was found on exported Spanish peppers throughout Europe.

WHAT NEEDS TO BE DONE?

Detailed confirmation of shipping documents

Customs at import must ensure the coding and description of crop protection products and their precursors are accurately described in all documentation. Proof from exporters that contents are indeed what is indicated on the documentation is needed, and officials need to verify the manufacturing factories are licensed and registered with regulatory authorities.

Tougher regulation and enforcement of manufacturing facilities

Governments around the globe must ensure factories making crop protection products and their precursors are legal, licensed and are following all regulatory standards for quality control, worker safety and environmental safety of surrounding communities.

On-farm enforcement

Existing laws surrounding the use of illegal crop protection products must be enforced. Prosecution of these crimes must become a priority for police and regulators.

Train law enforcement, governments and farmers

Responsible crop protection product manufacturers, such as the members of CropLife International, will use existing stewardship and container management programs to help educate law enforcement, governments and farmers on how to identify counterfeit products. All training is to ensure dangerous goods do not reach the food supply.

Almeria - In late 2007, diligence on the part of the Spanish police in their efforts to protect the integrity of the Spanish food industry led to the arrest of a criminal network using unapproved crop protection products.

Ukraine - In one seizure alone, 560 tons of illegal pesticides were seized by police in January 2007. In the Ukraine, the smuggling of illegal crop protection product precursors from China occurs regularly, destined for the Ukraine and other EU countries. The counterfeit pesticides are being stored as the government does not have the budget to destroy the illegal toxic product.

China - In 2007, the government of China issued public statements, outlining the need to control counterfeit crop protection products after successfully seizing \$250 million worth of counterfeit crop protection products. Given the risks to food quality, the government is taking numerous steps including the closure of over 1,000 illegal manufacturing facilities. Regulators in China announced in 2008 that they are also taking measures to ensure exports of many goods, including crop protection products and their precursors, are manufactured and shipped in compliance with the laws of China, international standards, and have all appropriate shipping documentation.

THE ANTI-COUNTERFEITING TEAM AT CROPLIFE INTERNATIONAL

In reaction to the growing crisis threatening the world food supply, CropLife International and their member companies have formed an anti-counterfeiting task force. The mandate is to work with police internationally to seize counterfeit crop protection products, arrest counterfeiters, raise awareness of governments and regulatory agencies of the dangers of counterfeit products, and help those agencies restructure and train staff to deal with this new threat.

The industry association is also working with its member companies to improve anti-counterfeiting packaging and labels to include security marks to avoid product tampering and enable purchasers to distinguish authentic pesticides from counterfeits.

The industry effort is managed by an expert in investigations with 15 years experience in working with international law enforcement specifically on the issue of counterfeits, eight years of which were spent working the pharmaceutical industry developing law enforcement programs to fight counterfeit medicines.

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For more information, visit www.croplife.org