



Press Release

Luxembourg, 3 December 2020

Auditors examining intellectual property protection in the EU

Intellectual property is vital to the EU's economy. Making sure that it is well protected within the single market is thus a key element of the Union's competitiveness. With this in mind, the European Court of Auditors is starting an audit to assess the effectiveness of the EU's intellectual property protection system.

Intellectual property is crucially important to the European economy. Intellectual property rights (IPRs) provide an incentive for innovation, creativity and technological development. IPRs also offer protection from unauthorised copying and therefore prevent counterfeiting and piracy. These are a complex and growing problem. Besides being economically damaging, they can also be a public safety issue, as clearly illustrated during the COVID-19 pandemic.

This is especially true in a number of sectors where EU businesses are world leaders: clothing, luxury goods and pharmaceuticals to name but a few. It is estimated that industries relying heavily on intellectual property generate almost 45 % of the EU's GDP, worth €6.6 trillion, while providing almost a third of total EU employment.

"Without effective means of enforcing intellectual property rights, innovation and creativity are discouraged and investment diminished", said Ildikó Gáll-Pelcz, the Member of the European Court of Auditors responsible for the audit. "IPRs are therefore of paramount importance for the success of the internal market."

The EU has put a regulatory framework in place to harmonise IPRs across the EU. Alongside Member States, the European Commission and other EU bodies, such as the EU intellectual property office (EUIPO), have a huge responsibility in ensuring proper and uniform protection of IPRs throughout the EU.

The audit, which has just started, focuses on EU trademarks, Community designs and EU geographical indications. Its aims to assess whether these IPRs are well protected within the single market.

The purpose of this press release is to convey the main messages of the European Court of Auditors' audit preview. The full preview is available at eca.europa.eu in English.

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Background information

Intellectual property refers to creations of the mind, such as inventions, artistic works, symbols, names and images used in commerce. In line with international treaties, intellectual property rights are traditionally divided into two categories:

- copyright covering literary works, films and music; and
- industrial property rights covering patents (inventions), trademarks, designs and geographical indications (GIs).

On 25 November 2020, the European Commission published a new [Intellectual Property Action Plan](#) to support the EU's recovery and resilience initiative.

The audit preview, published today, provides information about an ongoing audit task on protecting intellectual property rights in the EU. The audit is scheduled for completion in the second half of 2021. Audit previews are based on preparatory work undertaken before the start of an audit and should not be regarded as audit observations, conclusions or recommendations. The full audit preview is available in English on the ECA's website (eca.europa.eu).

In May 2019, the ECA published an [opinion on the EUIPO](#).

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