



To: All Media
Attention: News Editors
Date: 6 August 2019

FOR IMMEDIATE RELEASE

MEC KGOSIENTSHO RAMOKGOPA WARNS AGAINST THE EFFECTS OF COUNTERFEIT GOODS ON THE ECONOMY

Counterfeiting and Piracy represent a multi-billion-dollar global industry that has grown exponentially over the years. The International Chamber of Commerce reports that the infiltration of counterfeit and pirated products, or intellectual property theft, creates an enormous drain on the global economy – undermining Billions in legitimate economic activity and facilitating an “underground economy”. The revenue the province loses due to counterfeit goods deprives government of revenues for vital public services, forces higher burdens on tax payers, dislocates hundreds of thousands of legitimate jobs, discourages foreign direct investment and exposes consumers to dangerous and ineffective products.

Gauteng MEC for Economic Development, Agriculture and Environment, Dr Kgosientsho Ramokgopa has noted the media reports and social comments following the attack on police officers by foreign nationals after a raid in Johannesburg meant to focus on counterfeit goods turned violent. “Whilst we understand the outrage by civil society on what may seem as bullying of foreign nationals, this incident brings to the fore the need for an honest conversation on the negative effects of counterfeit goods on the economy” said Dr Ramokgopa.

He continued “We remain convinced that efforts to stabilize the economy, stimulate economic growth and create jobs will be futile if we government does not support the important role intellectual Property (IP) plays in driving innovation and development. The result of illegal dumping is a massive loss to the South African fiscus. According to SARS figures, in 2014/5, they conducted 630 successful seizures of R68.8 million worth of illicit clothing and textiles”

“Counterfeit goods pose a dangerous threat to the economy of Gauteng, for an example; when consumers buy fake automotive parts, not only do they put their lives in danger, they also render some of our investments to stimulate job creation in the province useless,” the MEC explained.

In line with the State of the Province commitments, the Gauteng government is focused on arresting criminal activity that may threaten its pursuit for inclusive growth, as such, winning the battle against counterfeit goods and general lawlessness is central to the programme of the 6th administration.

For more information, contact:
Ms Nombulelo Nyathela
Spokesperson to MEC Economic Development, Agriculture and Environment



GAUTENG PROVINCE
ECONOMIC DEVELOPMENT
REPUBLIC OF SOUTH AFRICA

MEDIA STATEMENT

060 503 4933 or Nombulelo.Nyathela@gauteng.gov.za

OR

Mr Kutlwano Huma

Media Liaison Officer to MEC Economic Development, Agriculture and Environment

066 141 3592 or Kutlwano.Huma@gauteng.gov.za