

Guardia di Finanza
SPECIAL MARKETS' PROTECTION UNIT
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Guardia di Finanza
SPECIAL MARKETS' PROTECTION UNIT
Ref. No 0044004/13 of 29 March 2013

Ministry of Economic Development
Department for Business and Internationalisation
Directorate-General for Markets, Competition,
Consumers, Surveillance and Technical Standards
OFFICIAL REGISTER
Ref. No 0066092 – 19 April 2013 – INCOMING

SUBJECT: Market surveillance and control of products originating from third countries: 2013 report

MINISTRY OF ECONOMIC DEVELOPMENT

ROME

Department for Business and Internationalisation
- Directorate-General for Markets, Competition, Consumers,
Surveillance and Technical Standards
- Division XVI – Product Safety and Conformity

cc:

HEADQUARTERS OF THE GUARDIA DI FINANZA

ROME

Division III Operations
- Office for the Protection of Exports and Markets
- Markets, Goods and Services Section

**SPECIAL DIVISION COMMAND
GUARDIA DI FINANZA**

ROME

**SPECIAL UNIT COMMAND
GUARDIA DI FINANZA**

ROME

With reference to Memorandum No 38036 of 5 March 2013:

- (1) Further to the request made in the above-mentioned memorandum, please find enclosed, in **Annex 1**, the table illustrating the enforcement action taken by the Guardia di Finanza in relation to product safety.

(2) As previously reported by the General Command of Division III, copied in on this correspondence, in the letter 108632/12 of 11 April 2012, the deployment strategies for the operating resources of the Guardia di Finanza are defined each year by the Ministry of the Economy and Finance in its 'General Directive for administration and management'. This document lists the protection requirements for the market in goods and services, including the prevention of counterfeiting and piracy, product safety infringements and misappropriation of the 'made in Italy' indication of origin.

Therefore, the action plans of the Guardia di Finanza entail a specific commitment of resources in this area, without a preliminary quantification of the measures to be carried out: in keeping with the functions of the economic and financial police, these activities are carried out through economic monitoring in each province, which serves as the starting point for inspections, audits and investigations of economic operators identified and/or suspected of irregularities based on the reports and information obtained from preliminary intelligence work.

Accordingly, based on the provisions of Article 3 of Legislative Decree No 68 of 19 March 2001, and Article 107 of the above-mentioned Legislative Decree 206/2005, the Guardia di Finanza also provides constant operational support to the surveillance authorities on product safety, and this Ministry in particular.

The resources of the Guardia di Finanza committed to this particular sector consist of regional and special divisions, and specifically:

- (a) with regard to the territorial component, around 700 'ordinary' divisions, consisting of tax police units (with their 'Protection of Markets, Goods and Services' groups, which include the most qualified investigative teams in each province), groups, companies, divisions and brigades, which represent the core structure of the operating activities of the Guardia di Finanza;
- (b) with regard to the other sector, by the Special Command Unit, which is responsible for this Special Markets' Protection Unit.

This latter department:

- (1) is responsible for risk analysis by cross-referencing internal and external databases, studying fraud cases, devising operating methods and providing technical and specialist support for regional commands, if necessary with the preparation of broad-based inspection plans targeting carefully selected parties;
- (2) has two 'MS creator' workstations that are used to populate the database of the new GRAS-RAPEX platform (RAPID ALERT SYSTEM FOR ALL DANGEROUS CONSUMER PRODUCTS) with information from Guardia di Finanza departments on dangerous products identified in the national territory;

- (3) verification of the correct implementation of restrictive measures (ban on imports, notice to comply, ban on sale, withdrawal from the market, etc.) issued by the Ministry of Economic Development;
- (4) overseeing monitoring in accordance with Article 36 of Law No 273 of 12 December 2002 of the correct designation and use of raw materials and intermediate goods that require special qualifications.

UNIT COMMANDER
(General B. Gioacchino Angeloni)
[Signature]

1. EU and national legislation identifying the powers and functions based on which market surveillance and the related controls on competence-specific products are carried out¹

The Guardia di Finanza, in performing its administrative control, exercises the powers assigned to it by the following national laws:

- Legislative Decree 68/2001;
- Legislative Decree 206/2005, Article 107(6);
- Law 689/1981;

in addition to EU and national legislation on product safety and conformity, as indicated below:

(a) EU LEGISLATIVE FRAMEWORK:

(1) Low voltage

Council Directive 93/68/EEC of 22 July 1993 on electrical equipment designed for use within certain voltage limits, Directive 2006/95/EC of 12 December 2006 (codified version of Directive 73/23/EEC), transposed by Law No 791 of 18 October 1977.

(2) Electromagnetic compatibility

Directive 89/336/EEC of 3 May 1989 relating to electromagnetic compatibility, Directive 92/31/EEC of 28 April 1992 and Directive 93/68/EEC of 22 July 1993 (amending Directive 89/336/EEC), Directive 1999/5/EC of 9 March 1999 (on radio equipment and telecommunications terminal equipment), transposed by Legislative Decree No 615 of 12 November 1996.

(3) Toys

Directive 88/378/EEC of 3 May 1988 on the safety of toys, Directive 93/68/EEC of 22 July 1993 (amending Directive 89/336/EEC), transposed by Legislative Decree No 313 of 27 September 1991, Regulation (EC) No 765/2008 of 9 July 2008 setting out the requirements for accreditation and market surveillance relating to the marketing of products, Directive 2009/48/EC of 18 June 2009 on the safety of toys, transposed with Legislative Decree No 54 of 11 April 2011.

(4) Personal protective equipment

Directive 89/686/EEC of 21 December 1989 on personal protective equipment, Directive 93/68/EEC of 22 July 1993, Directive 93/95/EEC of 29 October 1993, Directive 96/58/EC of 3 September 1996 (which amend Directive 89/686/EEC), transposed by Legislative Decree No 475 of 4 December 1992.

(5) Directive 2001/95/EC on general product safety.

¹ The following are excluded because they are governed by special provisions: food, animal feed, live plants and animals, products of human origin and products of plants and animals relating directly to their future reproduction.

(b) NATIONAL LEGISLATIVE FRAMEWORK:

(1) Low voltage

Law No 791 of 18 October 1977 implementing Directive 73/23/EEC relating to safety guarantees for low-voltage electrical equipment, Legislative Decree No 626 of 25 November 1996 (implementing Directive 93/68/EEC on CE marking of low-voltage electrical equipment (which amends and repeals Law 791/1977)), Legislative Decree No 277 of 31 July 1997 (amendment to Legislative Decree 626/1996).

(2) Electromagnetic compatibility

Legislative Decree No 476 of 4 December 1992 (implementing Directive 89/336/EEC relating to electromagnetic compatibility), Legislative Decree No 615 of 12 November 1996 (implementing Directive 89/336/EEC on electromagnetic compatibility), Legislative Decree No 269 of 9 May 2001 (implementing Directive 1999/5/EC on radio equipment and telecommunications terminal equipment).

(3) Toys

Legislative Decree No 313 of 27 September 1991 (implementing Directive 88/378/EEC of 3 May 1988 on the safety of toys), Legislative Decree No 41 of 24 February 1997 (implementing Directive 93/68/EEC on the safety of toys (which amends and repeals Legislative Decree 313/1991)), Legislative Decree No 54 of 11 April 2011 (transposing Directive 2009/48/EC of 18 June 2009 on the safety of toys).

(4) Personal protective equipment

Legislative Decree No 475 of 4 December 1992 (Personal Protective Equipment), Legislative Decree No 10 of 2 January 1997 (implementing Directives 93/68/EEC, 93/95/EEC and 96/58/EC relating to personal protective equipment (and which amends and repeals Legislative Decree 475/1992).

(5) Legislative Decree No 206 of 6 September 2005 (Consumer Code).

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| 2. Designated authority |
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For the 'Product Safety and Conformity' area only

- Ministry of Economic Development;
- Department for Business and Internationalisation
- Directorate-General for Markets, Competition, Consumers, Surveillance and Technical Standards;
- Division XVI – Product Safety and Conformity;
- Person responsible (telephone number and e-mail address) Rita Novelli – Tel. +39 0647055404 – E-mail: rita.novelli@sviluppoeconomico.gov.it.

3. Market surveillance and product control: procedures and processes followed, steps required and management flows

3.1 Description of the activity

The Guardia di Finanza, as the law enforcement agency for economic and financial matters, is engaged in a permanent fight against the infringement of intellectual property rights, and in this context, is responsible for the monitoring and control of product safety. Market surveillance is carried out by the Special Markets' Protection Unit, in terms of the direction, analysis and planning of operations, and by regional departments, in terms of local implementation of preventive and/or punitive measures necessary to ensure consumer safety.

More specifically, the Special Markets' Protection Unit, within the framework of the cooperation formally established by the Memorandum of Understanding of 19 October 2007 with the Ministry of Economic Development, is responsible for inspecting economic operators on whom restrictive measures (ban on imports, notice to comply, ban on sale and withdrawal from the market of dangerous products, etc.) have been imposed by the Ministry, either performing these directly or delegating the investigations to the regional departments.

Furthermore, the Special Markets' Protection Unit, a specialist branch of the Guardia di Finanza, populates, via two 'MS creator' workstations, the database of the new GRAS-RAPEX platform (RAPID ALERT SYSTEM FOR ALL DANGEROUS CONSUMER PRODUCTS) with information on dangerous products received from the departments of the Guardia di Finanza.

3.2 Origin of the reports

Regarding product safety and conformity, the control measures taken by the Guardia di Finanza might result from:

- developments upstream of routine operations;
- customs inspections;
- reports and complaints from members of the public or trade associations, organisations or bodies;
- the work of the administrative, tax or judicial police;
- requests from the Ministry of Economic Development;
- the GRAS-RAPEX system;
- reports from other agencies or public officials.

3.3. Commencement of administrative proceedings

Not within the direct remit of this Special Unit.

3.4 End of administrative proceedings

Not within the direct remit of this Special Unit.

3.5 Community exchange system

As explained in section 3.1.

3.6 Sanctions

The countermeasures taken by the Guardia di Finanza to ensure product safety and conformity in 2012 helped to achieve the operating results listed in Annex 1².

4. Surveillance programme for 2013

4.1 Monitoring projects carried out as part of the activities

The surveillance of product safety and consumer protection is a major priority for cooperation with the Ministry of Economic Development. In this context, according to the guidelines of the Ministry concerned, particular attention is paid to consumer goods, such as electrical equipment, toys, jewellery and personal protective equipment, that infringe industrial property rights and/or are non-compliant with the required safety standards. The control and prevention of illegal imports of these types of products is particularly important to protect Italy's economy and for the health and safety of consumers. The initiatives taken are therefore central to the implementation of Regulation (EC) No 765/2008/EC, which came into force in January 2010.

4.2 Official inspections and controls

Efforts by the Guardia di Finanza to ensure product safety and conformity in general also include tackling other related offences such as infringements of industrial property rights and intellectual property in general, false or misleading indications of origin, infringements of the 'Made in Italy' indication of origin, the use of false signs, unfair competition and tax and social security evasion.

4.3 Preventive actions planned during the year

In addition to that described in section 3.1, the internet will be monitored constantly in order to identify online sales of consumer goods suspected of not being compliant with current legislation on product safety and the protection of industrial and intellectual property.

² Guardia di Finanza Information System – 2012 statistical results – SIPRO code – Stat/1.

| PRODUCT SAFETY RESULTS OBTAINED BY GUARDIA DI FINANZA DEPARTMENTS IN 2012 | | | 2012 |
|--|---|--------|-------------|
| Measures | | number | 2 136 |
| Persons reported to the judicial authority | | number | 417 |
| PRODUCTS SEIZED | | number | 38 400 866 |
| of which: | | | |
| FASHION | FASHION ACCESSORIES | number | 3 524 736 |
| | SPORTSWEAR | number | 2 523 |
| | BAGS | number | 87 434 |
| | FOOTWEAR | number | 44 083 |
| | KNITWEAR | number | 49 939 |
| | CLOTHING | number | 54 652 |
| | HEADWEAR | number | 28 198 |
| | BELTS | number | 5 608 |
| | EYEWEAR | number | 162 471 |
| | WATCHES | number | 61 326 |
| | BROOCHES, BUCKLES, BUTTONS | number | 25 313 |
| TOTAL | | | 4 046 283 |
| ELECTRONICS | PHONE ACCESSORIES | number | 372 741 |
| | ACCESSORIES AND PARTS FOR MUSICAL INSTRUMENTS | number | 5 080 |
| | STORAGE BATTERIES | number | 52 322 |
| | IT COPYING EQUIPMENT | number | 32 |
| | AUDIO-VIDEO RECORDING EQUIPMENT | number | 213 |
| | ELECTRIC LIGHTING EQUIPMENT | number | 2 621 449 |
| | TELEPHONE EQUIPMENT | number | 10 279 |
| | AUDIO AND VIDEO ENTERTAINMENT SYSTEMS | number | 3 628 |
| | [illegible] | number | 4 252 |
| | CALCULATORS, CASH REGISTERS, ETC. | number | 15 740 |
| | HEATERS AND RADIATORS | number | 3 510 |
| | CD-ROMS | number | 2 464 |
| | OTHER UNCLASSIFIED ELECTRICAL COMPONENTS | number | 293 968 |
| | AIR CONDITIONING UNITS | number | 2 |
| | ELECTROMAGNETS, MAGNETS, ETC. | number | 11 829 |
| | HARD DISKS | number | 1 |
| | PORTABLE ELECTRIC LAMPS | number | 60 137 |
| | OTHER ELECTRIC MACHINERY AND EQUIPMENT | number | 1 045 333 |
| | MECHANICAL MACHINERY, EQUIPMENT AND DEVICES | number | 74 |
| | MICROPHONES AND MICROPHONE STANDS | number | 331 |
| | PROCESSORS AND HARDWARE COMPONENTS | number | 2 665 |
| CLOCKS AND ALARM CLOCKS | number | 15 321 | |
| PERSONAL COMPUTERS AND LAPTOPS | number | 49 | |
| SMALL DOMESTIC APPLIANCES | number | 47 601 | |

| | | | |
|--|--|---------|------------|
| | BATTERIES | number | 468 270 |
| | PUMPS, MOTOR PUMPS, ETC. FOR LIQUIDS | number | 57 |
| | RADIO RECEIVERS | number | 3 324 |
| | OTHER RADIO AND TELEVISION EQUIPMENT | number | 296 |
| | OVENS, [illegible], ETC. | number | 51 |
| | ELECTRONIC MUSICAL INSTRUMENTS | number | 24 |
| | TOTAL | | 5 041 243 |
| CONSUMER GOODS | LIGHTERS, LIGHTING DEVICES | number | 42 159 |
| | CAR ACCESSORIES | number | 183 290 |
| | MOTORCYCLE AND CYCLE ACCESSORIES | number | 555 |
| | FITNESS EQUIPMENT | number | 10 |
| | SMOKING ACCESSORIES | number | 20 258 |
| | FISHING EQUIPMENT | number | 295 993 |
| | BINOCULARS AND TELESCOPES | number | 789 |
| | GAS BOTTLES AND CONTAINERS | number | 65 |
| | CONTAINERS | number | 41 451 |
| | COSMETICS | number | 2 222 845 |
| | DETERGENTS | number | 712 |
| | HARDWARE AND SIMILAR ITEMS | number | 2 464 956 |
| | OTHER RUBBER PRODUCTS | number | 218 015 |
| | LENS AND OTHER OPTICAL PRODUCTS | number | 150 |
| | BOOKS, BROCHURES, PRINTED MATTER, ETC. | number | 7 547 |
| | MEDICINES | number | 908 |
| | MOTORBIKES | number | 373 |
| | CUTLERY | number | 80 902 |
| | WIGS AND SIMILAR ITEMS | number | 14 416 |
| | PLASTICS, UNCLASSIFIED PRODUCTS | number | 4 438 083 |
| | PAPER PRODUCTS FOR SCHOOLS/OFFICES | number | 2 242 581 |
| | STATIONERY | number | 1 224 703 |
| | VETERINARY PRODUCTS | number | 12 |
| | HYGIENE PRODUCTS | number | 187 210 |
| | RAZORS AND BLADES | number | 2 995 |
| MEDICAL INSTRUMENTS AND EQUIPMENT | number | 26 867 | |
| ITEMS PREDOMINANTLY FOR COMMERCIAL USE | number | 104 | |
| UTENSILS AND HAND TOOLS, OTHER | number | 870 157 | |
| | TOTAL | | 14 588 106 |
| | TOYS | number | 14 725 234 |