React
The Anti-Counterfeiting Network

CHALLENGES AND STRATEGIC PRIORITIES IN IP ENFORCEMENT FOR 2026

Gytis Brazauskas
Global Account Manager
Tech & Automotive

2 June 2026

www.react.com

Key Challenges

I. CUSTOMS ENFORCEMENT

- Declining number of customs seizures in EU
- Right holders' responsibility to cover storage and destruction costs / lack of responsibility from T&L sector

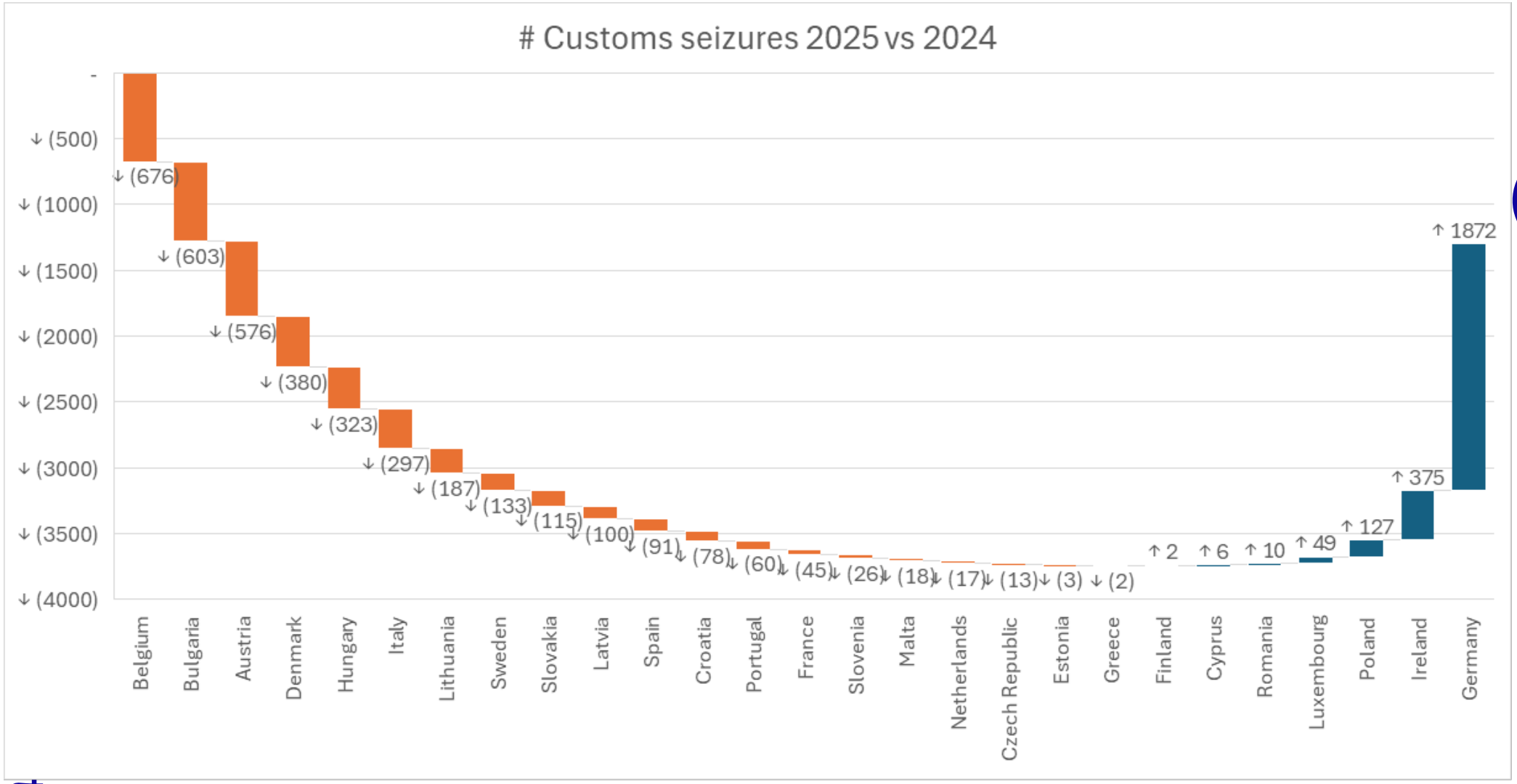
II. ONLINE ENFORCEMENT

- Technical challenges, namely hidden links, rotating domains, anti-bot protections
- Lack of KYBC/KYC implementation by the platforms

III. E-COMMERCE SHIPMENTS AND SMALL CONSIGNMENTS

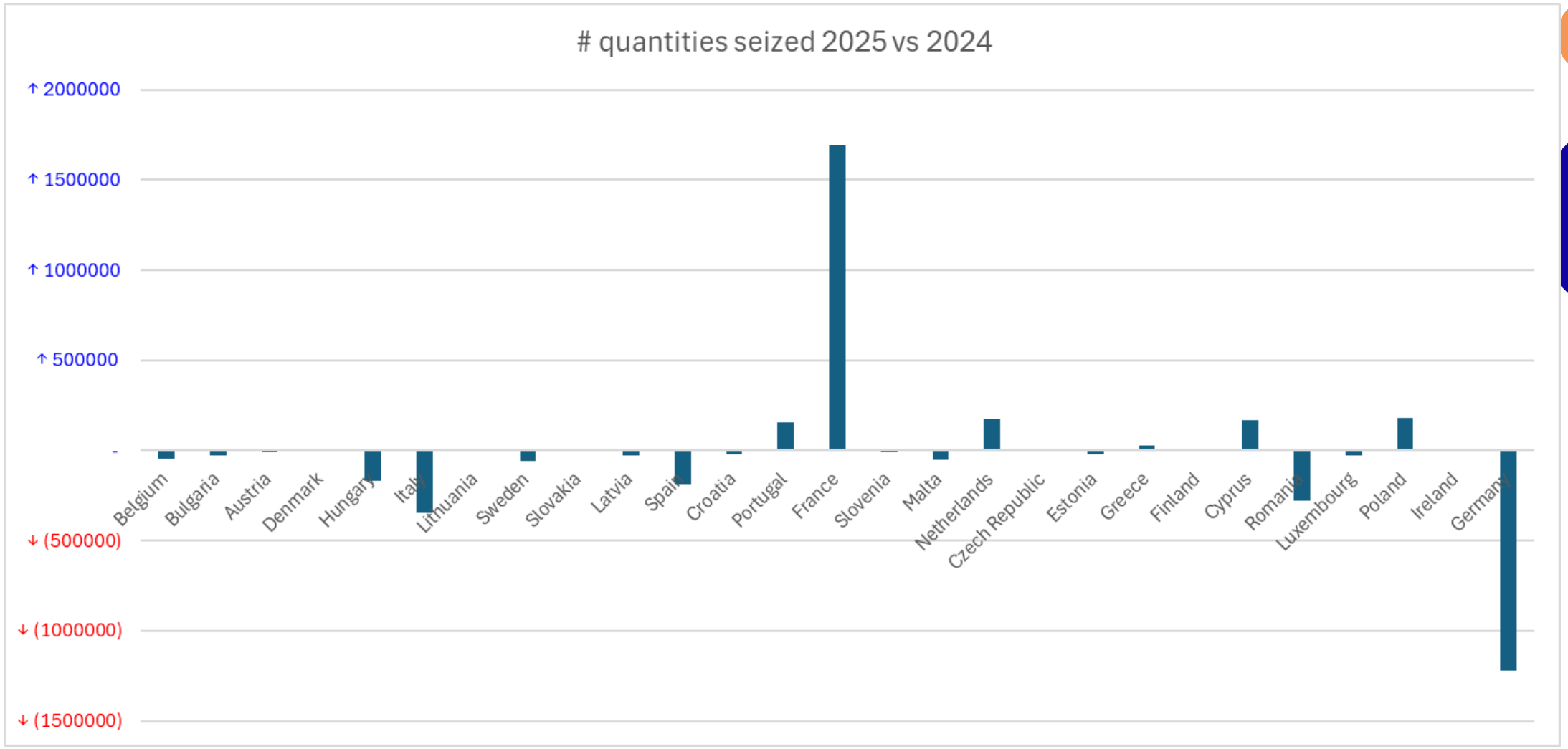
- Large volume of small consignments
- Undeveloped risk management systems

Decline of Customs Seizures in EU



React

Decline of Quantities Seizure by Customs in EU



React

Customs – Costs and T&L Responsibility

Key problem - responsibilities

1. **Right holders alone bearing storage and destruction costs.**
2. Third parties not defined (article 29) - reimbursement limited.
3. **Often seizure data indicate only customs agent.**
4. Non-existing consignors and lack of case law development.
5. **Thresholds by right holders.**

Suggested solutions

1. **Shift the storage and destruction costs to transport and logistics sector.**
2. T&L sector adopting KYBC practices linked with payment.
3. **T&L disclosing contractors to the right holder.**
4. Defining third parties would suffice without the need for legislation change.

Good practice: *liability of export trading companies in China*

Online Enforcement

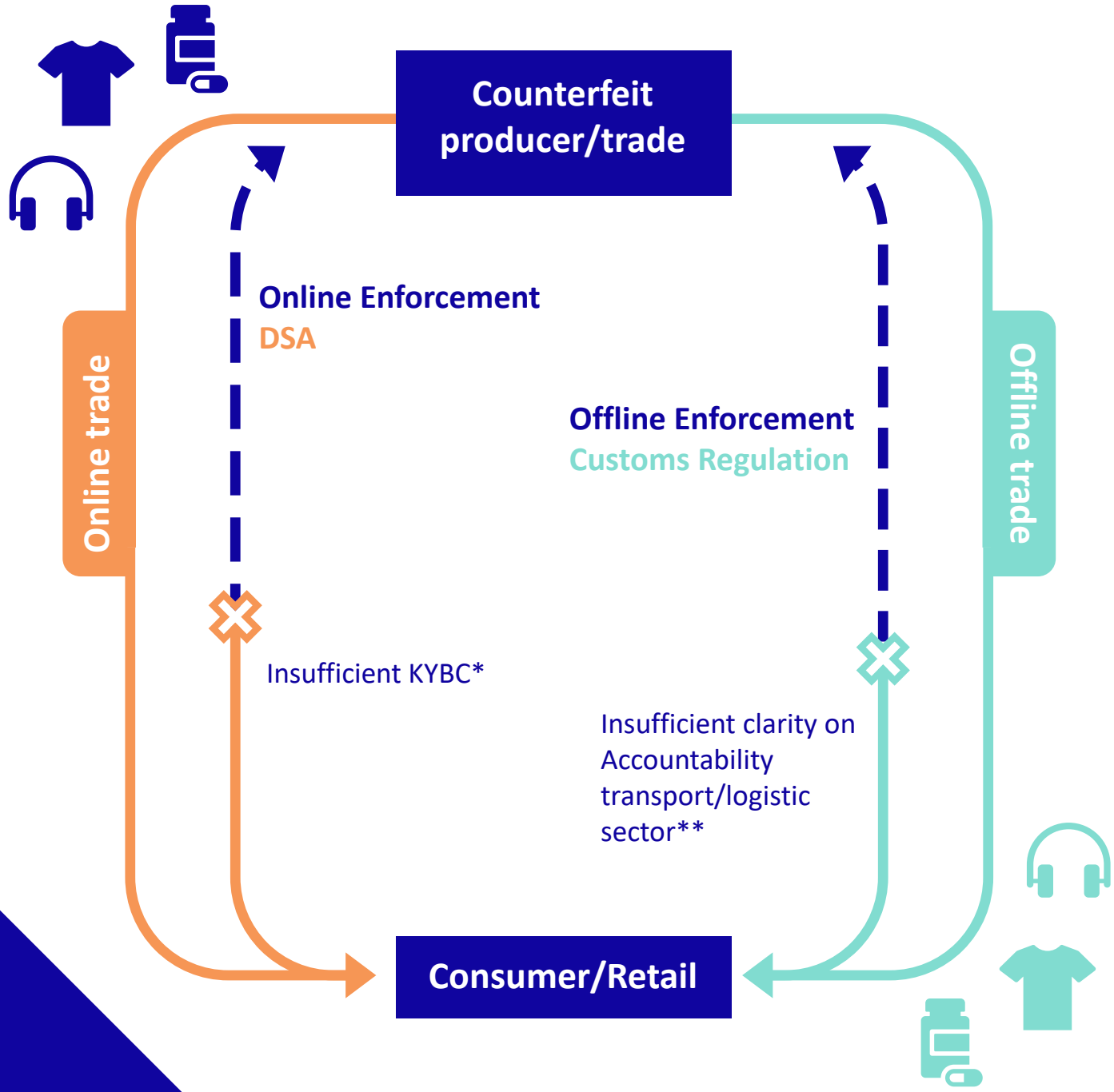
Key Issue – Trader Verification

1. **Platforms are not obliged to guarantee accuracy of information provided by the user.**
2. Enforcement limitations when trader's data is false or incomplete.
3. **No requirement for robust payment detail verification.**

Suggested solutions

1. **KYC/KYBC linked to payment instruments.**
2. Minor payment requirement for platform users (sellers).
3. **Code of conduct encouraging more robust KYBC.**
4. Promoting responsible ISP scorecard on best practices.

Good practice: *platforms performing mandatory verification of business licenses in China*



Principles/Laws to support KYBC & Transport and Logistic Liability in EU:

* Legal grounds supporting KYBC

Articles 14, 19 and 30 DSA

Articles 8-9, and recital 23 IPRED

** Legal grounds supporting Transport and Logistic Responsibility

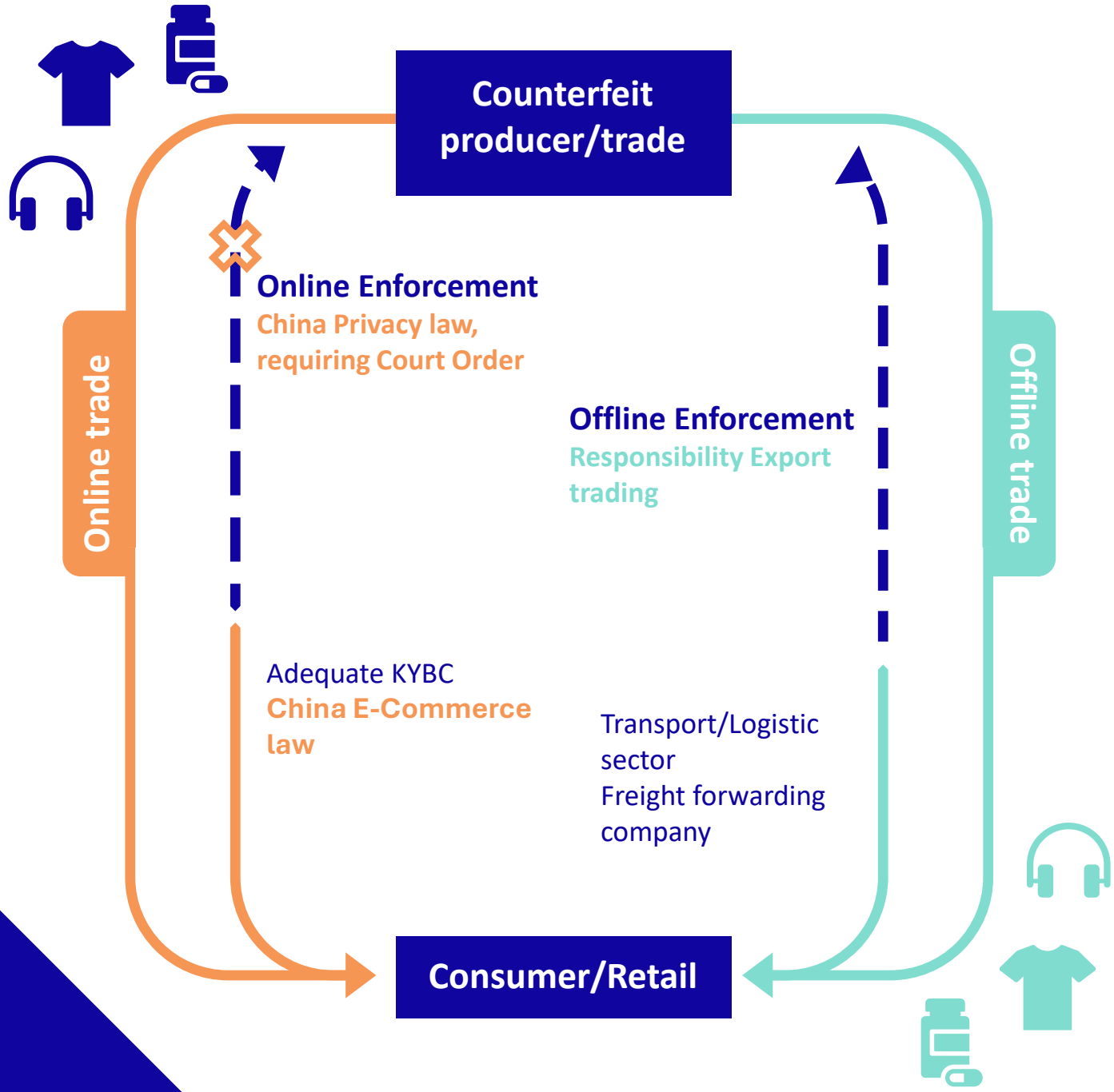
UCC?

Article 29 (2) Customs Regulation 608/2013

Articles 8-9, and recital 23 IPRED

Chapter 2 Article 9 Recommendation European Commission 19-3-2024 (Toolbox!)

React



Principles/Laws to support KYBC & Transport and Logistic Liability in China:

* Legal grounds supporting KYBC

PRC E-commerce law art 27 and 15

Binding: Identity-account-funds

** Legal grounds supportingTransport and Logistic Responsibility

July 7, 2025, ***Announcement of the State Taxation Administration on Optimizing the Declaration of Advance Payment of Enterprise Income Tax***

Case law: Freight Forwarding company liable – insufficient due diligence

React

E-COMMERCE SHIPMENTS AND SMALL CONSIGNMENTS

Key Issue – large volume

1. **Understaffed customs (esp. entry ports)**
2. Infringers exploiting weak links
3. **Lack of Risk Assessment in place**

Solutions

1. **Pre-advance declarations**
2. T&L responsibility on storage and destruction costs
3. **Public-private partnerships in bulk inspections and alerts.**
4. Public-private partnerships in transportation, storage and destruction of counterfeits.

Brazil's (PRC) program: *voluntary compliance program for e-commerce platforms shipping goods to Brazil in exchange of tax and Customs benefits for participating parties.*

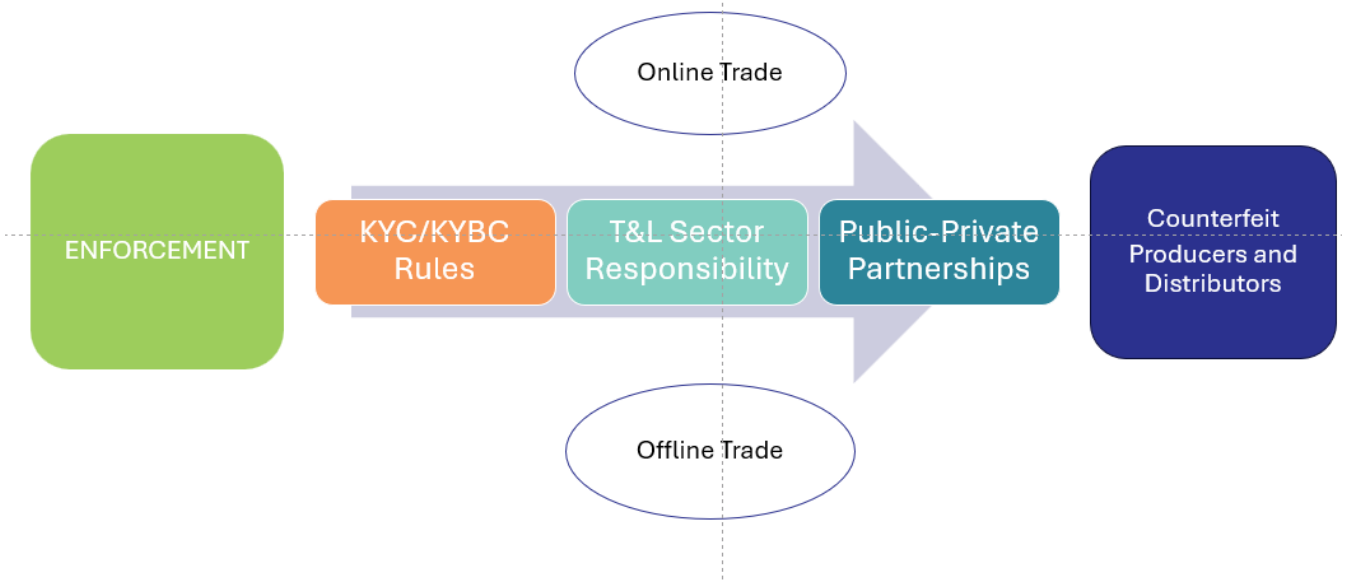
Overview - Programa Remessa Conforme (PRC)

Voluntary compliance program for e-commerce platforms shipping goods to Brazil.	Certification required for participation.	Advance sale information to Customs.	Pre-collection of taxes.	Commitment to anti-contraband and anti-counterfeiting

React

Conclusions

- **Intermediary liability and responsibility** for both online platforms and the transport & logistics sector is essential for effective IP enforcement.
- Stronger **KYBC/KYC rules** linked to payment details, together with shifting **storage and destruction costs** to responsible T&L actors, can significantly improve the efficiency of customs and online enforcement.
- **Public-private partnerships** – through data sharing, pre-arrival declarations, training, and coordinated handling of counterfeit goods – offer practical solutions to the high volume of e-commerce shipments.



React