INTERNATIONAL INTELLECTUAL PROPERTY ALLIANCE



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September 26, 2003

Via electronic submission: fr0052@ustr.gov Steven Falken Chair, GSP Subcommittee Office of the U.S. Trade Representative 1724 F Street, NW Washington, DC 20508

Re: Lebanon, GSP Country Practices Review,

016-CP-02, Notice of Intent to Testify and Pre-

Hearing Brief

To the GSP Subcommittee:

The International Intellectual Property Alliance (IIPA) hereby submits this Notice of Intent to Testify at the GSP country practices review of Lebanon, which is scheduled to be held on October 7, 2003. As you know, IIPA was the petitioner of the GSP review of Lebanon's intellectual property rights practices in the 2001 GSP Annual Review. Attached to this letter is IIPA's Pre-Hearing Brief.

The IIPA witness will be: Michael Schlesinger

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Thank you.

Sincerely,

Michael Schlesinger

Pre-hearing Brief













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of the International Intellectual Property Alliance in the GSP Review of the Intellectual Property Rights Practices of Lebanon

Before the GSP Subcommittee Case 016-CP-02, Lebanon Submitted September 26, 2003

The International Intellectual Property Alliance (IIPA) appreciates this opportunity to provide the GSP Subcommittee with an update on Lebanon's efforts to enforce its copyright laws. In sum, we believe that Lebanon currently fails to provide "adequate and effective" copyright protection and enforcement, as required by the GSP trade program.

I. Interest of the IIPA in this GSP IPR Review

The International Intellectual Property is an "interested party" in this GSP review. IIPA represents associations and companies which have a significant economic interest in the adequate and effective protection of copyright in Lebanon. Specifically, the IIPA is a private sector coalition formed in 1984 to represent the U.S. copyright-based industries in bilateral and multilateral efforts to improve international protection of copyrighted materials. The IIPA is comprised of six trade associations: the Association of American Publishers (AAP), AFMA, the Business Software Alliance (BSA), the Entertainment Software Association (ESA), the Motion Picture Association of America (MPAA), and the Recording Industry Association of America (RIAA).

These member associations represent over 1,300 U.S. companies producing and distributing materials protected by copyright laws throughout the world – all types of computer software including business applications software and entertainment software (such as videogame CDs and cartridges, personal computer CD-ROMs and multimedia products); theatrical films, television programs, home videos and digital representations of audiovisual works; music, records, CDs, and audiocassettes; and textbooks, tradebooks, reference and professional publications and journals (in both electronic and print media). The copyright-based industries are a vibrant force in the American economy.¹

Inadequate copyright laws and ineffective anti-piracy enforcement adversely affects employment, job creation and revenues, both in the United States as well as abroad. With many of these U.S. companies increasingly relying on foreign licensing and sales revenues, piracy combined with inadequate enforcement,

¹ According to Copyright Industries in the U.S. Economy: The 2002 Report, prepared for the IIPA by Economists, Inc., the core U.S. copyright industries accounted for 5.24% of U.S. GDP or \$535.1 billion in value-added in 2001. Between 1977-2001 (24 years), the core copyright industries' share of GDP grew at an annual rate more than twice as fast as the remainder of the economy (7.0% vs. 3.0%). Also over those 24 years, employment in the core copyright industries more than doubled to 4.7 million workers (3.5% of total U.S. employment), and grew nearly three times as fast as the annual employment growth rate of the economy as a whole (5.0% vs. 1.5%). In 2001, the U.S. copyright industries achieved foreign sales and exports of \$88.97 billion, a 9.4% gain from the prior year. The copyright industries' foreign sales and exports continue to be larger than almost all other leading industry sectors, including automobiles and auto parts, aircraft, and agriculture. IIPA's 2002 economic report can be accessed in its entirely at http://www.iipa.com/copyright us economy.html.













has become a major impediment to this continued revenue growth and has become the major market access barrier for the copyright industries. As the GSP Subcommittee is aware, the challenges faced by the copyright industries and national governments to enforce copyright laws grow exponentially as the forms of piracy shift from hard-goods and toward digital media and unauthorized electronic transmissions.

In June 2001, the IIPA filed a petition with the U.S. government to initiate a review of Lebanon's eligibility to participate in these programs due to its failure to provide adequate effective copyright protection for U.S. copyright owners, as required by Sections 502(b) and 502(c) of the 1974 Trade Act. IIPA has kept this Subcommittee informed of developments in Lebanon, including circulating our 2003 Special 301 submission on Lebanon. In fact, the Office of the U.S. Trade Representative, in its 2003 Special 301 decisions, reiterated the concern of the U.S. government regarding "Lebanon's severe copyright piracy problem and the lack of a comprehensive government commitment to eliminate piracy and foster legitimate business." The decision continues:

Despite the entry into force in 1999 of a new copyright law, there has been little action by Lebanon against piracy. Some raids of pirate store and operations occurred in 2002, leading to the first sentencing of a software pirate and financial penalties in other cases. However, pervasive cable piracy continues to undermine legitimate theatrical, video, and television service providers. Overall Lebanon had made little progress in 2002 in addressing its significant IPR deficiencies. The United States urges the Lebanese Government to press forward with its recent proposal to draft a law regulating the cable television industry and to mount an aggressive campaign against pirates. Enduser piracy of computer software is widespread among large companies, banks, trading companies, and most government ministries. Also troubling is an overly broad software exception for certain educational uses in the new copyright law that seriously undermines the viability of this market for legitimate products. Book piracy also remains a serious problem. A 2001 petition by U.S. industry to suspend Lebanon's benefits under the GSP trade program is under review by the U.S. Government. A committed and vigorous program to enforcement intellectual property rights, particularly copyright protection, is essential to the success of the Lebanese Government's efforts to reform its economy, increase trade and foreign direct investment and prepare for accession to the WTO.

IIPA's GSP petition was accepted in September 2003, and GSP hearings are scheduled for October 7, 2003.

II. Piracy and Inadequate and Ineffective Copyright Enforcement in Lebanon

This section of our Pre-Hearing Brief updates the Subcommittee on the scope of copyright piracy in Lebanon as well as the government's inadequate and ineffective enforcement actions to protect copyrighted materials there.

A. Piracy in Lebanon harms U.S. copyright owners

• Cable Piracy Destroys Markets For Audiovisual Materials: Rampant cable piracy continues to devastate the local theatrical, video, and television markets. There remain well over 1,000 cable operators that serve over 60% of the Lebanese population, retransmitting domestic and foreign terrestrial and satellite programming without authorization to their subscribers (over 60% of the Lebanese population)

² The intellectual property rights provisions in the GSP statute appear at 19 U.S.C. §§ 2462(b) and (c).

³ A copy of IIPA's February 14, 2003 letter to the GSP Subcommittee, which included our 2003 Special 301 submission on Lebanon, is available at http://www.iipa.com/gsp/2003 Feb14 GSP Lebanon.pdf.

⁴ USTR 2003 Special 301 Report, May 1, 2003, available at the USTR website at http://www.ustr.gov/reports/2003/special301-pwl.htm#lebanon.

for an average monthly fee of US\$10. Occasionally, these systems also use pirate videocassettes and DVDs to broadcast directly to their subscribers, including the broadcasting of recent popular movies and TV shows, and movies that have yet to be released theatrically in Lebanon. Each cable operator retransmits an average of 40 to 50 different television channels. Included among those channels is a minimum of four movie channels that broadcast motion pictures 24 hours a day. Films are frequently retransmitted by these pirate cable operators prior to their legitimate broadcast by television stations in Lebanon. Largely as a result of cable piracy, receipts from ticket sales to movie theaters dipped approximately 27% in 2002, compared with sales in 2001. Local broadcast television stations have canceled long-standing licenses with copyright owners because they cannot compete with the pirates. The legitimate video market has been almost entirely destroyed by the various forms of piracy in Lebanon. Sadly, rampant cable piracy has even hindered the pirate video market, as the ease of watching pirated cable channels, and the wide variety of available product, has made pirate cable stations a more popular alternative than obtaining pirated product from a video store. In July 2003, 41 cable pirates were sentenced for cable piracy in the first such criminal convictions in the country's history. Unfortunately, like previous convictions, no jail time was ordered served, even by the most egregious pirates, and the fines ranged from a mere US\$4,533 for some defendants to \$9,335 for the most egregious defendants, hardly a deterrent (although the total award to the two right holders, US\$160,000 for one and US\$20,000 for the other, was relatively substantial for copyright cases decided in Lebanon). That court decision did not result in any tangible reduction of the level of cable piracy in Lebanon. In August, 2003, a judge in Beirut issued the first-ever injunction against seven cable pirates (responding to requests brought by two petitioners, Showtime, and Arab Radio & Television). The judge also imposed a fine equal to US\$333.00 per day for any of the pirates that violated the injunction. While these cases do represent a positive development, many more cases must now be brought and concluded, with deterrent fines and jail times in serious cases, to protect U.S. copyrighted works.

Materials: Pirate versions of virtually any copyrighted materials (business software, entertainment software, sound recording, or published interactive software such as encyclopedias or educational materials on CD-ROM) can readily be purchased in retail markets in Lebanon for US\$5 or less. Piracy of personal computer (PC) games remains the predominant form of entertainment software piracy in Lebanon. It is believed that about 70% of factory-produced pirated entertainment software product is being imported from Asia, including from Malaysia, while about 30% is domestically sourced. Retail piracy at kiosks and open markets continues unabated. Internet piracy of entertainment software products remains relatively low due to lack of adequate access. Pirate DVDs imported from Asia are widely available. Zone I DVDs are freely imported into Lebanon and often released prior to the theatrical release of member company titles. Pirate sound recordings are sold openly at fixed location retail shops and at the airport, with Lebanese traders importing stocks of CDs from Eastern Europe and Asia. CD-Rs "burned" with "MP3" music data files are imported from Malaysia. CD-Rs "burned" with music appeared with more frequency in 2002. Syria is used as the major "transit country" for shipments of pirated discs into Lebanon.

IIPA continues to express concern over an unregulated CD plant operating in Beirut, which had been producing over 150,000 discs per month. Without proper controls, this plant appears to be transforming Lebanon from a country with a small domestic piracy problem to a country with an over-production and pirate export problem. The plant is believed to be involved in reproduction of a range of unauthorized copies of copyrighted products including sound recordings, entertainment software, and some business software. Lebanese authorities should immediately contact and investigate any known plants to ensure that they are engaged in the production of authorized product, and if necessary, seize infringing copies and machinery, and impose civil, administrative, and criminal penalties under the current laws (including the Copyright Law) to deter the organized manufacturing and distribution of pirate product. IIPA also urges the Lebanese government to move toward implementation of effective measures against optical disc piracy. In particular, the Lebanese government should introduce effective optical media plant

⁵ In 2001, several customs seizures of product destined for South America and elsewhere were found to be sourced from Lebanon.

control measures, including the licensure of plants that produce optical discs; the tracking of movement of optical disc production equipment, raw materials, and production parts (so-called stampers and masters); the compulsory use of manufacturer's codes (both mastering codes and a mould code), in order successfully to halt the production of pirate optical discs; plenary inspection authority as to licensed plants and search and seizure authority as to all premises; and remedies, including revocation of licenses, civil, administrative, and criminal penalties for violations of the regime.

- Retail Videocassette and Audiocassette Piracy Remains High: Pirate videocassettes of motion pictures not yet released in the theaters or on video continue to cause major commercial damage in Lebanon. Such pirate copies are often of poor quality, having been taken with camcorders inside theaters. The home video market in Lebanon is estimated to be 80% pirate. Locally and regionally manufactured music audiocassettes are ubiquitous in Lebanon. As with pirate music CDs, Syria supplies many pirate cassettes. Music piracy hurts local musicians and artists. Lebanon has traditionally been a very important source for repertoire that has been sold throughout the region and in Arabic populations around the globe, and U.S. record companies make significant investments in the production and distribution of Lebanese repertoire, but these investments are undermined by the current high piracy levels for music.
- <u>Book Piracy Remains Serious</u>: Book piracy took root during the 1980s and remains a serious problem, although the legitimate university community has recently made some efforts to have students use only legitimate textbooks. Nonetheless, pirate photocopying and pirate publications are still the norm on college campuses. Pirate scientific, technical and medical and other English-language materials continue to flow out of Lebanon into Jordan, Saudi Arabia and the United Arab Emirates, among other countries.
- <u>Hard-Disk Loading Piracy of Business Software</u>: Retail piracy of business software takes several forms, including the sale of hardware loaded with unlicensed software ("hard-disk loading" piracy), in addition to the mass CD replication of pirate copies of business software.

B. Enforcement by Lebanese Enforcement Agencies Is Inadequate

Summarized below are some of the key enforcement deficiencies in Lebanon. At the outset, we note that the lack of proper enforcement in Lebanon is chiefly due lack of political will on the part of the Lebanese government make fighting piracy a priority. Enforcement agencies do not self-initiate actions, waiting for complaints by right holders before commencing an investigation. Staffing and training of the Department of Intellectual Property Protection at the Ministry of Economy continues to be meager. Recently, a joint task force that includes inspectors from the Ministry of Economy, the Ministry of Finance and Customs was formed. It was tasked with raiding targets identified in complaints filed with the Department of Intellectual Property Protection. However, even that task force refuses to act on its own, and the results have been non-deterrent so far. A judiciary sensitized to the copyright law, aware of the severe economic damage caused by piracy, and aware of the technologies employed by pirates, is sorely needed in Lebanon.

• Police Raids Worked for Some Industries, But Not Others: In 2002, some raiding activity by the police did take place, marking the first time the government of Lebanon has taken any efforts to address the massive retail piracy problem in the country. For example, the Business Software Alliance and the recording industry, in conjunction with the police, conducted more than 20 store raids in 2002, revealing numerous copies of pirate business software, entertainment software, and sound recordings. After the raids, the pirate CDs were left with the store owners as judicial custodians. It took many months of meetings and discussions with the Chief Public Prosecutors office to convince him to have the pirate CDs and the computers used to produce them, removed from the premises of the targets raided and stored in a police warehouse. Recently, those pirates were indicted, and referred to the criminal court of Baabda for trial. The business software industry also has engaged in some "self-help" activities over the last few

⁶ In one of those raids, Lebanese Police, with the assistance of the BSA, raided a major holiday fair in early January 2002. Two major resellers of pirated software were caught selling dozens of pirate optical discs.

years in Lebanon. For example, the industry teamed with several Lebanese trade associations, including the hotel associations, in an effort to improve the legal use of computer software by corporate end-users.

- Some Criminal Cases Concluded But Results are Non-Deterrent; Other Cases Languish: Lebanese prosecutors and courts have only begun to address devastating cable piracy. Litigation efforts on behalf of U.S. right holders have stalled. As noted, in July 2003, 41 cable pirates were sentenced for cable piracy, but the fines hardly approach the losses incurred by the right holders in those cases and fail to act as a deterrent to further cable piracy. One conviction in 2001, and three convictions in 2002 against software pirates resulted in sentences, including for the first time, a jail sentence (although the sentence has not yet been carried out and the case remains on appeal), but again, the fines were non-deterrent. Other cases remain pending or have failed due to prosecutors' procedural errors. Cases are marred by judges' relative lack of familiarity with intellectual property laws, inefficient handling, incessant delays in adjudication, For example, postponements, even of urgent matters, remain the norm, and criminal cases can take years to reach judgment. It takes about two years to finish the trial stage of a case. It should be noted that in a recent case, a judge refused to issue an injunction because the plaintiff did not register his copyright in Lebanon with the Ministry of Economy and Trade; such a decision, if not overturned, would directly place Lebanon in violation of international copyright standards, which do not permit formalities (such as a registration requirement) to interfere with the exercise of rights.
- <u>Civil Enforcement Not Working</u>: Civil copyright enforcement in Lebanon has led to non-deterrent results, if any. Procedural problems in two cases in 2002 resulted in ineffective enforcement against known cable pirates. In one case (the "Elio Sat" matter), lack of police cooperation following a court-ordered inspection rendered it impossible to obtain the evidence necessary to prosecute the case. In yet another cable piracy case (the "Itani" matter), a court-appointed expert was unable to act quickly enough to catch the pirate cable operator "in the act" to obtain the evidence necessary to proceed. Two other civil actions brought in 2000 against pirate cable operators resulted in orders requiring payment of trivial amounts of money, but only in the event of further infringement.

III. Inadequate and Ineffective Copyright Protection in Lebanon

The 1999 Copyright Law, while providing for the most part a solid legal framework for fighting piracy in Lebanon, has never been implemented in practice to ensure deterrent results to the maximum extent of the law. Therefore, we conclude that "adequate and effective" copyright protection is not being afforded

⁷ One case which is indicative of non-deterrence in the judicial system in Lebanon was handed down on December 29, 2001 in the Criminal Court of Beirut against a pirate reseller of software, in which the court fined the pirate US\$667, and awarded the plaintiffs US\$1,334, well below the value of the software seized in the raid, and hardly a deterrent. Three convictions in 2002 resulted in higher but still non-deterrent fines. In April 2002, the Criminal Court of Beirut sentenced the general manager of a major reseller in Lebanon to one month in jail (and ordered him to pay US\$6,600 in compensatory damages), marking the first such sentence in Lebanon against a software pirate. The decision was appealed, and there has been no appellate decision as of the September 26, 2003. In another case decided in 2002, the Criminal Court of Beirut sentenced a pirate end-user of business software (an engineering firm) to a substantial fine and compensation for damages, totaling US\$20,000 for software piracy. In a third case, the Criminal Court of Beirut handed down a decision against a major bank, meting out a fine of LL5,000,000 (US\$3,316) and awarding damages of LL5,000,000 (US\$3,316). This case also remains on appeal. In a further case against an engineering firm, closing arguments were heard, but there was no decision as of September 26, 2003.

⁸ In 1999, the Motion Picture Association filed seven criminal actions against "unknown" defendants in a Beirut court on behalf of the member companies. The public prosecutor ultimately used those initial actions to prosecute 17 individuals allegedly engaged in cable piracy. After many continuances had been granted to the defendants, the court decided on November 15, 2001 that it had no jurisdiction over 12 of the defendants who were not Beirut residents. Those cases were appealed, but the appeal was rejected, leaving the cases against only 5 defendants going forward. The case files have been remanded to the public prosecutor for forwarding to the appropriate court. None of the criminal cases brought thus far (including the remaining five defendants whose cases were not remanded) has led to a positive court decision. In the interim, the court has requested that MPA's counsel provide U.S. copyright certificates for all the titles involved for which MPA claims ownership on behalf of the members, and that counsel restate the specific demands. These interim requests marked the first time in the case MPA's counsel was asked for copyright certificates, and essentially requires counsel to rehash demands already made in the earlier complaints.

by the Copyright Law in Lebanon. There has been no progress on legal reform, of which IIPA is aware, since our 2003 Special 301 submission. Finally, the 1999 Copyright Law, as supplemented by regulations, fails in certain key respects to satisfy international standards, standards which Lebanon must meet if it has hopes of enjoying the benefits of the world trading system in the future.

The Copyright Law of Lebanon (which entered into force on June 14, 1999) provides, on its face, a firm basis for copyright protection for U.S. works and sound recordings, including stiff penalties (on the books, but not carried out in practice) for copyright infringement. The law also provides for the imposition of stiff penalties against those who traffic in devices that receive, or those who arrange the receipt of, unauthorized transmissions of broadcasts "dedicated to a section of the public who pay a fee to receive such broadcasting" (i.e., cable pirates), as well as confiscation of illegal products and equipment, the closure of outlets and businesses engaged in piratical activities, and a Berne-compatible evidentiary presumption of copyright ownership. However, since deterrent penalties are not carried out in practice, Lebanon's legal framework pays only lip-service to the severe problem of piracy, and cannot be said to meet the GSP standard of providing "adequate and effective" copyright protection in practice.

The following are additional major deficiencies which further demonstrate that Lebanon's law fails to meet the GSP standards (and fail to approach the standards of key international copyright conventions). Each of the items noted below would arise in the WTO accession process, and Lebanon must take measures to address these deficiencies.

- There is no direct point of attachment for U.S. sound recordings (however, point of attachment for U.S. sound recordings can be achieved by simultaneous publication in the U.S. and any Rome Convention Member).
- Works and sound recordings are not explicitly given full retroactive protection in accordance with international treaties.
- Article 25, even as implemented by decision No. 16/2002 (July 2002), still does not meet the standards/requirements of the Berne Convention or the TRIPS Agreement. While many modern copyright laws include specific exceptions for the copying of computer programs under narrowly defined circumstances, and/or exceptions allowing the copying of certain kinds of works for "personal use" (but almost never computer programs, except for "back-up" purposes), Article 25 sweeps far more broadly than comparable provisions of either kind, to the detriment of copyright owners. The implementing decision addresses some areas of concerns raised by IIPA in the past, but not the chief area, which is that the exception is essentially a free compulsory license for students to make multiple copies of a computer program. Such an exception violates the requirements of Berne and TRIPS since it "conflicts with a normal exploitation of the work" (software aimed at the educational market) and it "unreasonably prejudices the legitimate interests of right holders" (eliminating completely the educational market for software).
- There are certain other overly broad exceptions to protection (e.g., Article 32).

IV. Estimated Trade Losses Due to Copyright Piracy in Lebanon

Below is a chart tracking the estimated trade losses due to copyright piracy and their estimated piracy levels in Lebanon. Data for this chart is provided to IIPA by its member associations. The methodology, which is basically the same used when we filed our 2001 petition, is available on the IIPA website. 9

LEBANON

⁹ The methodology used by IIPA member associations can be accessed at www.iipa.com/pdf/2003spec301methodology.pdf.

ESTIMATED TRADE LOSSES DUE TO PIRACY (in millions of U.S. dollars) and LEVELS OF PIRACY

INDUSTRY	2002		2001		2000		1999		1998	
	Loss	Level								
Motion Pictures	8.0	80%	8.0	80%	8.0	60%	8.0	60%	8.0	80%
Records & Music 10	2.0	67%	2.0	65%	2.0	68%	2.0	60%	2.0	40%
Business Software Applications 11	3.5	74%	1.1	79%	1.3	83%	1.6	88%	0.9	93%
Entertainment Software	NA	NA	NA	NA	1.5	96%	0.5	70%	0.6	70%
Books	2.0	NA	2.0	NA	2.0	NA	2.5	NA	2.5	NA
TOTALS	15.5		13.1		14.8		14.0		12.4	

V. WTO Accession and Copyright Protection

IIPA takes this opportunity to note the importance of WTO accession negotiations. Accession candidates, like Lebanon, must ensure that these have met in full their WTO obligations prior to accession, including that their copyright laws and enforcement systems comply with the substantive and enforcement provisions of the WTO TRIPS Agreement.

On January 1, 2000, all TRIPS copyright obligations, including providing effective and deterrent enforcement, entered into force for all the world's developing countries (except those classified by the U.N. as the "least" developed countries). It is the promise of these new enforcement obligations that is essential to returning the commercial benefits that were envisioned at the conclusion of the Uruguay Round. For accession candidates, it is insufficient that their statutory legal regime is in place prior to accession; they must also demonstrate that their enforcement system is, in practice, effective in deterring piracy. TRIPS obligations, both with respect to substantive law and to enforcement standards, in statutory law and in practice, are the worldwide "floor" for copyright and other intellectual property protection. As a result of the numerous legal reform deficiencies in Lebanon, IIPA filed comments with the U.S. government in May 2002, requesting that Lebanon not be admitted into the WTO until these shortcomings were corrected.¹²

IIPA urges USTR and the U.S. government as a whole to continue use the WTO accession process as a leverage and consultation tool to move Lebanon toward effective implementation of its TRIPS obligations as a member of the international trading community. However, such attention in the WTO sphere must not be

¹⁰ Loss figures for sound recordings represent U.S. losses only. Piracy levels represent the piracy level for "international" repertoire, whereas the "overall" piracy rate was 40% in 2001 and 45% in 2000. The piracy level for "Arabic"-only repertoire was more than 30% in 2002, indicating that the local music market is being infected by piracy as well. The piracy level for 1998 represented above is the "overall" piracy rate.

¹¹ In IIPA's February 2003 Special 301 filing, BSA's estimated losses were not available and the piracy rate was identified as preliminary. BSA finalized its 2002 numbers in mid-2003, and those revised figures are reflected above. BSA's trade loss estimates reported here represent losses due to piracy which affect only U.S. computer software publishers in this country, and differ from BSA's trade loss numbers released separately in its annual global piracy study which reflects losses to (a) all software publishers in this country (including U.S. publishers) and (b) losses to local distributors and retailers in this country.

¹² See IIPA Comments to the Trade Policy Staff Committee on Accessions to the World Trade Organization and on U.S. Participation in Negotiations for the Terms of those Accessions, 67 Fed. Reg. 13205, submitted May 15, 2002, available at http://www.iipa.com/rbi/2002 May 15 WTOAccession.pdf.

at the blinding cost of the fact that Lebanon fails to meet its <u>current</u> IPR bilateral obligations to the U.S. under the GSP trade program

VI. Conclusion and Request for Action

Copyright enforcement in Lebanon fails to conform to the "adequate and effective protection" standard demanded of our trading partners in our GSP trade law. Lebanon has been on notice for years that it must take appropriate action to meet its "part of the bargain" in receiving these unilateral trade benefits. So far, its part of the bargain has not been met. The penalty at risk is the loss of GSP benefits and/or its loss of GSP beneficiary country status.

Respectfully submitted,

International Intellectual Property Alliance