# INTERNATIONAL INTELLECTUAL PROPERTY ALLIANCE



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Secretary International Trade Commission 500 E Street SW Washington, DC 20436

Inv. No: 332-352

Re: Andean Trade Preferences Act: Effect on the U.S. Economy and on Andean Drug Crop Eradication,

71 Fed. Reg. 27277 (May 10, 2006)

To the Commissioners:

The International Intellectual Property Alliance (IIPA) takes this opportunity to respond to the ITC's request for comments on the effect of the Andean Trade Preference Act (ATPA) on the U.S. economy and on Andean drug crop eradication.

### I. About the IIPA

The International Intellectual Property Alliance (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. IIPA was one of only two commenters in the USITC's prior report in this matter, *Andean Trade Preference Act: Impact on U.S. Industries and Consumers and on Drug Crop Eradication and Crop Substitution, Eleventh Report, 2004.* There, the USITC found that the overall effect of ATPA imports on the U.S. economy and consumers to be negligible in 2004. Unfortunately, the only discussion of intellectual property rights (IPR) in that ITC report involved a summary of the ATPA statute and a single paragraph highlighting the IIPA's comments.

Our comments this year are again directed at the challenges and difficulties these four ATPA beneficiary countries have encountered in satisfying their current ATPA obligations to provide "adequate and effective protection" to U.S. copyright owners, as required under this program's eligibility criteria. Because of the ongoing Andean Free Trade Agreement (FTA) negotiations (one completed, others in progress), we believe it to be prudent for the ITC to expand its independent review of the actual incountry intellectual property issues in this year's exercise. IIPA already is on the record with the USITC

<sup>&</sup>lt;sup>1</sup> IIPA is comprised of seven trade associations, each representing a significant segment of the U.S. copyright community. These member associations represent over 1,900 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). See www.iipa.com.















with respect to the Peru Trade Promotion Agreement,<sup>2</sup> and our comments were reflected in the ITC's report issued on June 7, 2006.<sup>3</sup>

#### II. Actual or Probable Effect of the ATPA on the U.S. Economy

Section 206(c) of the ATPA requires that the ITC report include discussion of the actual effect and/or probable effect that the ATPA will have on the U.S. economy generally and on the domestic industries affected by the Act. As IIPA has noted in our prior filings with the ITC, IIPA cannot point to specific attributes connecting the strength of the U.S. copyright-based industries here in the U.S. to the actual implementation of the ATPA itself.

The U.S. copyright industries are one of the most vibrant sectors of our economy. For example, in 2002, the U.S. "core" copyright industries accounted for an estimated 6% of the U.S. gross domestic product (\$626.6 billion) and employed 4% of U.S. workers in 2002 (5.48 million workers). In 2002, the U.S. copyright industries achieved foreign sales and exports estimated at \$89.26 billion, leading other major industry sectors such as: chemicals and related products, food and live animals, motor vehicles, parts, and accessories, and aircraft and associated equipment sectors. IIPA's economic report contains almost yearly progressions regarding the contribution of the "core" copyright industries to the U.S. GDP. We will be updating our economic study later this year.

# III. Economic Costs Inflicted Due to Copyright Piracy in the Andean Region

Comprehensive copyright laws, combined with effective enforcement of those laws, are the twin pillars necessary for copyright industries – both U.S. and local industries – to continue to grow. Many copyright sectors look to grow their markets overseas. As a result, the IPR standards found in the ATPA as amended can provide a good foundation for these four countries to improve both their copyright laws and enforcement mechanisms to protect both their domestic rightsholders as well as foreign rightsholders.

U.S. companies suffered estimated trades losses due to copyright piracy of \$256 million in 2005 in these four Andean countries. The challenges faced by the copyright industries and national governments to enforce copyright laws grow dramatically as the forms of piracy shift from hard goods toward digital media and unauthorized electronic transmissions. Over the last few years, unauthorized "burning" of CDs has grown rapidly in Latin America, adversely affecting the ability of legitimate businesses engaged in the creation and distribution of copyrighted materials – recordings, computer software, videogames, books, and increasingly, DVDs – to compete against these pirated products. Inadequate and ineffective copyright enforcement has failed to stem this problem and continues to result in significant trade distortions and losses in the Andean region. Criminal and civil justice systems must work in a transparent and expeditious manner and apply deterrent penalties and remedies.

<sup>&</sup>lt;sup>2</sup> IIPA, Comments to the U.S. ITC on the Economic Effects of the U.S.-Peru Trade Promotion Agreement, March 28, 2006, available at <a href="http://www.iipa.com/pdf/IIPA\_PeruFTA\_Letter\_to\_USITC\_032806.pdf">http://www.iipa.com/pdf/IIPA\_PeruFTA\_Letter\_to\_USITC\_032806.pdf</a>.

<sup>&</sup>lt;sup>3</sup> U.S. ITC, *U.S.-Peru Trade Promotion Agreement: Potential Economywide and Selected Sectoral Effects*, Inv. No. TA-2104-20, issued June 7, 2006, available at http://hotdocs.usitc.gov/docs/pubs/332/pub3855.pdf.

<sup>&</sup>lt;sup>4</sup> IIPA's <u>Copyright Industries in the U.S. Economy: The 2004 Report</u> can be accessed in its entirety at the IIPA website at <a href="http://www.iipa.com/copyright\_us\_economy.html">http://www.iipa.com/copyright\_us\_economy.html</a>. Note: The "core" industries are those copyright-related industries whose primary purpose is to produce and/or distribute copyright materials. The "total" copyright industries contain four sub-sectors called the core, partial, non-dedicated support, and interdependent sectors.

IIPA believes that it is critical that all four of these Andean countries continue to take all appropriate actions to improve their respective efforts and results under their existing laws to combat copyright piracy in their domestic markets. In fact, all four of these nations currently have bilateral IPR obligations (under the ATPA and GSP trade programs) as well as international obligations (under the WTO TRIPS Agreement) to provide certain high levels of copyright protection and effective enforcement.

# ESTIMATED TRADE LOSSES DUE TO COPYRIGHT PIRACY (in millions of U.S. dollars) and LEVELS OF PIRACY (2005) in the four ATPDEA BENEFICIARY COUNTRIES

	Motion Pictures		Records & Music		Business Software Applications <sup>5</sup>		Videogame Software		Books	2005
COUNTRY	Loss	Piracy Level	Loss	Piracy Level	Loss	Piracy Level	Loss	Piracy Level	Loss	TOTAL LOSSES
Bolivia	NA	NA	15.8	90%	6.0	80%	NA	NA	NA	21.8
Colombia	NA	NA	47.7	71%	44.8	55%	NA	NA	6.0	98.5
Ecuador	NA	NA	26.3	90%	7.9	70%	NA	NA	2.5	36.7
Peru	NA	NA	66.0	98%	23.6	73%	NA	NA	9.0	98.6
TOTAL	NA		155.8		82.3		NA		17.5	255.6

NA = Not Available

Attached as appendices (including hyperlinks) are four IIPA reports on each ATPA country, all of which appear in the IIPA's February 2006 Special 301 submission to USTR. Each country report contains detailed discussions on piracy, enforcement as well as the status of copyright and related law reform measures. Each report also lists specific actions that each government could take to address the identified issues/problems.

#### IV. Copyright Law Reform in the Four ATPA Countries

Colombia, Peru and Ecuador all engaged in copyright law reform efforts during the 1990s. In fact, these three countries have already deposited their instruments of accession to both the WIPO Copyright Treaty (WCT) and the WIPO Performances and Phonograms Treaty (WPPT). However, some further revisions to the copyright laws (and related laws such as criminal and civil codes) will be needed to fully incorporate the WIPO Treaties as well as provisions included in the expected FTA IPR Chapter.

<sup>&</sup>lt;sup>5</sup> BSA's 2005 figures above are preliminary, and follow the methodology found in the BSA/IDC May 2005 and July 2004 Global Software Piracy Studies. They cover, in addition to business software applications software, computer applications such as operating systems, consumer applications such as PC gaming, personal finance and reference software. BSA's trade loss estimates reported here represent estimated 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. The 2005 BSA/IDC Global Piracy Study (using 2004 data) is posted at <a href="http://www.bsa.org/globalstudy/">http://www.bsa.org/globalstudy/</a>. BSA/IDC have released their third study (using 2005 data) but the proportion of estimated U.S. trade losses only in these foreign countries are not yet available, hence the 2005 BSA data remains preliminary.

Despite these reform efforts, it should be made clear that these copyright laws are not without problems; in fact, further revisions will be needed to fully incorporate the WIPO Treaties as well as provisions likely to be included in the Andean FTA IPR Chapter. In particular, the copyright law in Bolivia falls far short of these eligibility criteria and of that country's current bilateral and multilateral copyright obligations in numerous respects. Bolivia is long overdue to remedy its inadequate copyright law and fix serious deficiencies in its enforcement regime. Ecuador passed an Education Law in 1999, which includes a poorly drafted, TRIPS-incompatible provision that purports to grant free software licenses to high educational institutions. In Peru, recent legislation known as the "Law of the Artist, Interpreter and Performer" (2003) makes a derogation against all provisions of copyright law which it may conflict, thus creating legal uncertainties. Furthermore, these countries do not contain statutory damages provisions, a very useful tool in creating deterrence.

#### V. Recent USTR Actions in the "Special 301" Process

IIPA's summary above (along with the four country reports) is supported by concerns outlined by USTR. On April 28, 2006, USTR decided to continue placement of all four of these Andean nations on the annual Special 301 "Watch List" for concerns over their respective intellectual property regimes. <sup>6</sup> The text of USTR's 2006 Special 301 decisions on these four countries appears below:

BOLIVIA: Bolivia will remain on the Watch List in 2006. Despite an increase in public education on IPR and ongoing efforts to institutionalize the National Intellectual Property Rights Service, there were no notable improvements to Bolivia's IPR regime. Under the TRIPS Agreement and the WIPO Internet Treaties, the latter of which were signed but have not yet been ratified, Bolivia should have increased its level of IPR protection years ago. Bolivia has inadequate copyright laws, significant copyright piracy and trademark counterfeiting, and weak overall IPR enforcement. The United States encourages Bolivia to strengthen its copyright laws and ratify and implement the WIPO Internet Treaties. The United States also urges Bolivia to increase its IPR enforcement efforts, including providing for civil ex parte searches, preventing unwarranted delays in civil enforcement, providing adequate civil and criminal damages in copyright cases, and strengthening border measures. The U.S. copyright industry continues to report that music piracy in Bolivia is so rampant that all international recording companies have closed their offices in Bolivia. Other copyright problems include commercial photocopying of books, unauthorized translations of books, video piracy, and entertainment software piracy. The United States encourages Bolivia to improve its IPR legislative regime in 2006, as well as increase its IPR enforcement efforts to combat piracy and counterfeiting.

<u>COLOMBIA</u>: Colombia will remain on the Watch List in 2006. The United States notes some progress made by Colombia toward strengthening its IPR regime, but Colombia still needs to make further improvements by addressing copyright piracy, conducting effective prosecutions, imposing deterrent sentences by courts, and completing other IPR enforcement initiatives. Copyright piracy remains high, with problems reported by the U.S. copyright industry in the areas of optical disc piracy (both CD-R and DVD-R), illegal photocopying of academic textbooks, business software piracy, and entertainment software piracy. Efforts to combat piracy through raids and other enforcement measures are hampered by a judicial system that fails to prosecute cases actively or to issue deterrent criminal

<sup>&</sup>lt;sup>6</sup> Press Release, Office of the U.S. Trade Representative, "Report Notes Continued Progress on Intellectual Property Rights, Identifies Significant Improvements Still Needed in China and Russia," April 28, 2006, at <a href="http://www.ustr.gov/Document\_Library/Press\_Releases/2006/April/Report\_Notes\_Continued\_Progress\_on\_Intellect\_ual\_Property\_Rights,\_Identifies\_Significant\_Improvements\_Still\_Needed\_in\_China\_R.html</a>
Text of full USTR 2006 Special 301 Report posted at <a href="http://www.ustr.gov/assets/Document\_Library/Reports\_Publications/2006/2006\_Special\_301\_Review/asset\_upload\_file473\_9336.pdf">http://www.ustr.gov/assets/Document\_Library/Reports\_Publications/2006/2006\_Special\_301\_Review/asset\_upload\_file473\_9336.pdf</a>.

sentences. Border enforcement continues to be weak, and administrative enforcement against signal theft piracy needs improvement. The United States will work with Colombia to make progress on these pressing IPR issues through the implementation of its IPR commitments in the United States-Colombia Trade Promotion Agreement, which was concluded in February 2006, and the United States expects to see continued progress from Colombia in the near term.

ECUADOR: Ecuador will remain on the Watch List in 2006. Despite some enforcement activities to seize pirated CDs and DVDs, overall enforcement of IPR remains problematic, resulting in high piracy levels for the business software and recording industries. Music piracy has become so severe in Ecuador that the majority of international record companies have closed their local offices. Ecuador has not yet established a specialized IP court, as it was required to do under its 1998 intellectual property law, and many Ecuadorian courts appear unwilling to enforce the IP law. Concerns also remain over Ecuador's lack of effective protection against unfair commercial use of undisclosed test and other data submitted by pharmaceutical companies seeking marketing approval for their products, as well as reports that Ecuador lacks an effective coordination system between its health and patent authorities to prevent the issuance of marketing approvals for unauthorized patent-infringing copies of pharmaceutical products. The United States urges Ecuador to strengthen IPR enforcement and will closely monitor Ecuador's efforts to address IPR concerns, particularly through the U.S.-Andean Trade Promotion Agreement negotiations.

PERU: Peru will remain on the Watch List in 2006. Despite high-profile raids and a public antipiracy campaign. Peru still has numerous IPR problems. Peru's Government took some steps toward improving copyright enforcement through its "Anti-Piracy Crusade" initiated in 2002. The U.S. industry reports that copyright piracy remains high in the sectors of sound recordings and business software. The United States encourages the Government of Peru to continue its efforts to combat IPR piracy by coordinating with the private sector, conducting an increased number of raids and seizures, ensuring that arrests of IPR infringers result in convictions and the imposition of deterrent sentences that include imprisonment, and giving increasing attention to IPR enforcement measures at its borders. The United States is pleased at the signing on April 12, 2006 of the United States-Peru Trade Promotion Agreement (PTPA) and looks forward to stronger IPR protection and enforcement in Peru. Under the PTPA, Peru has committed itself to effective protection of copyrights, trademarks, and patents; enforcement against piracy and counterfeiting; and effective protection against unfair commercial use of undisclosed test and other data submitted by pharmaceutical and agricultural chemical companies seeking marketing approval for their products, among other obligations. The United States also is concerned over reports that Peru lacks an effective coordination system between its health and patent authorities to prevent the issuance of marketing approvals for unauthorized patent-infringing copies of pharmaceutical products. The United States will continue to work with Peru to strengthen IPR protection and enforcement and to ensure that Peru implements its IPR obligations to meet its international and PTPA commitments.

## VI. Copyright Law and Enforcement Standards in the ATPA, as Amended

# A. <u>IIPA's longstanding concerns about the U.S. government's not holding</u> these countries to their ATPA IPR obligations:

IIPA has filed comments with the Office of the U.S. Trade Representative on our views regarding the ATPA-eligible countries' compliance (or lack thereof) with the intellectual property rights (IPR) obligations under the ATPA, as amended.<sup>7</sup> In fact, before the ATPDEA benefits were ever extended to these four countries, IIPA submitted its comments to the Trade Policy Staff Committee (TPSC),

<sup>&</sup>lt;sup>7</sup> See e.g., International Intellectual Property Alliance (IIPA), Public Comments to USTR Regarding the Andean Trade Promotion and Drug Eradication Act Beneficiary Countries, March 26, 2003, available at <a href="http://www.iipa.com/rbi/2003">http://www.iipa.com/rbi/2003</a> Mar26 ATPDEA.pdf.

highlighting its view that Bolivia, Colombia, Ecuador and Peru all failed to provide the level of adequate and effective protection for U.S. copyright owners that are required under the eligibility standards in the ATPDEA. In those comments, IIPA indicated that it would be appropriate to deny eligibility status to each of these countries. Nonetheless, IIPA recognized at that time that the TPSC might feel that U.S. interests were best served by extending present benefits, and we recommended that such benefits be conditioned on a clear and tangible commitment by beneficiary states to modify their practices so that they conform to the requirements of the statute. IIPA proposed that the U.S. government should obtain from these potential beneficiary countries written commitments on the specific actions they intend to take to meet the IPR standards of the ATPDEA, on how that country is addressing its copyright law and enforcement obligations before designation is officially conferred. IIPA understands that these countries did address these brief commitments on copyright-related issues which they made in bilateral discussions and exchanges. We remain, however, very concerned that these non-statutory commitments also have not been fully met in-practice.

#### B. Summary of the copyright provisions in the ATPA as amended:

The ATPDEA provides clear and definitive criteria relating to the protection for intellectual property. To summarize, the enhanced trade benefits under the ATPDEA are available to countries that the President designates as "ATPDEA beneficiary countries." The criteria that the President had to consider in designating countries as ATPDEA beneficiary countries included the criteria <u>already</u> existing under the ATPA, <u>as well as</u> the new criteria added by the ATPDEA.

In this section, we restate what we have provided to the ITC in prior ATPA proceedings. The ATPA<sup>9</sup> contains provisions for the protection of intellectual property rights similar to those in the Caribbean Basin Initiative<sup>10</sup> and the Generalized System of Preferences.<sup>11</sup> The ATPA has two mandatory IPR criteria and two discretionary IPR criteria. Section 3202(c)(5) states that the President shall not designate a country as an ATPA beneficiary country

if a government-owned entity in such country engages in the broadcast of copyrighted material, including films or television material, belonging to the United States copyright owners without their express consent <u>or</u> such country fails to work toward the provision of adequate and effective protection of intellectual property rights.

19 U.S.C. § 3202(c)(5) (emphasis added). In addition, in determining whether to designate a country as a beneficiary country, the President shall take into account the following two <u>discretionary</u> IPR criteria in Section 3202(d)<sup>12</sup>:

the extent to which such country provides under its law adequate and effective means for foreign national to secure, exercise, and enforce exclusive rights in intellectual property, including patent, trademark and copyright rights;

<sup>&</sup>lt;sup>8</sup> See International Intellectual Property Alliance (IIPA), Public Comments to the Trade Policy Staff Committee (TPSC) Regarding the Designation of Eligible Countries as Andean Trade Promotion and Drug Eradication Act Beneficiary Countries, September 16, 2002, available at <a href="http://www.iipa.com/rbi/2002\_Sep16\_ATPDEA.pdf">http://www.iipa.com/rbi/2002\_Sep16\_ATPDEA.pdf</a>.

<sup>&</sup>lt;sup>9</sup> Andean Trade Preferences Act of 1990, Pub. L. No. 102-182 (codified at 19 U.S.C. § 3201 <u>et seq.</u>). Bolivia and Colombia became eligible to receive ATPA preferential duty treatment on July 2, 1992, Ecuador on April 13, 1993, and Peru on August 11, 1993.

<sup>&</sup>lt;sup>10</sup> The Caribbean Basin Economic Recovery Act, Pub. L. No. 98-67, Section 212 (codified at 19 U.S.C. § 2701 et seq.) (CBERA or the Caribbean Basin Initiative or CBI).

See the Generalized System of Preferences Renewal Act of 1984, Pub. L. No. 98-573, as amended (codified at 19 U.S.C. § 2462(c)).

<sup>&</sup>lt;sup>12</sup> See 19 U.S.C. §§ 3202(d)(9) and 3202(d)(10).

the extent to which such country prohibits its nationals from engaging in the broadcast of copyrighted material, including films or television materials, belonging to United States copyright owners without their express consent; ...

The ATPDEA IPR-related provisions are found in the revised Section 203(b)(6)(B). The President, in considering his designation of ATPDEA beneficiary countries shall take into account the following provisions in addition to the criteria in the pre-existing ATPA (cited above). For ATPDEA eligibility purposes, the President shall take into account:

- (i) Whether the beneficiary country has demonstrated a commitment to –
  (I) undertake its obligations under the WTO, including those agreements listed in section 101(d) of the Uruguay Round Agreements Act, on or ahead of schedule, and; (II) participate in negotiations toward the completion of the FTAA or another free trade agreement:
- (ii) The extent to which the country provides protection of intellectual property rights consistent with or greater than the protection afforded under the Agreement on Trade-Related Aspects of Intellectual Property Rights described in section 101(d)(15) of the Uruguay Round Agreements Act.

On October 31, 2002, President Bush issued Presidential Proclamation 7616 designating Bolivia, Colombia, Ecuador and Peru as ATPDEA beneficiary countries. 14

#### C. <u>IIPA Observations on the IPR criteria in the ATPA, as Amended</u>:

IIPA again takes this opportunity to make several observations about these ATPA IPR standards. First, the WTO TRIPS Agreement is widely recognized as containing the minimum standards of IPR protection. With respect to copyright, <sup>15</sup> the TRIPS Agreement incorporates the level of copyright protection found in the Berne Convention (1971 Paris text), adds explicit protection for computer programs as literary works, adds a rental right, and also affords protection for performers and producers of sound recordings. Perhaps most important, TRIPS also adds an entire new set of obligatory standards of enforcement, including measures on civil remedies, administrative measures, border measures and criminal penalties. In addition to obliging WTO members to have these enforcement measures in statutory law, TRIPS also requires that they be implemented in-practice in such a manner as to actually deter further infringements.

Second, the ATPDEA-eligible countries must provide protection "consistent with or greater" than the levels found in the WTO TRIPS Agreement. One of the copyright industries most critical substantive challenges is to ensure that levels of protection available in any country accounts for the important changes made by digital, networked environment. The Internet fundamentally transforms copyright piracy from a mostly local phenomenon to a potential global plague. In order for protection to be "adequate and effective," modern copyright laws must respond to this fundamental change by providing that creators have the basic property right to control the reproduction, distribution and transmission of their creations, whether those works are in analog or digital form and whether they are distributed as permanent copies or via transmission over electronic networks like the Internet.

<sup>&</sup>lt;sup>13</sup> Andean Trade Promotion and Drug Eradication Act, Title XXXI of the Trade Act of 2002, Pub. L. No. 107-210 (2002).

<sup>&</sup>lt;sup>14</sup> The text of the Presidential Proclamation is posted on the White House website at <a href="http://www.whitehouse.gov/news/releases/2002/10/20021031-9.html">http://www.whitehouse.gov/news/releases/2002/10/20021031-9.html</a>.

<sup>&</sup>lt;sup>15</sup> All references to "copyright" herein are meant to include subject matter protected under neighboring rights' regime, which is often the case in many, but not all, countries in Latin America.

<sup>16</sup> This new standard in the ATPDEA tracks that found in the CBTPA.

It is no longer sufficient, therefore, in the Internet and digital world, that countries merely meet their obligations under TRIPS. The new means by which protected works can be reproduced digitally and globally transmitted electronically without authorization has given rise to the negotiation of the two new "Internet" treaties under the auspices of the World Intellectual Property Organization (WIPO). The WIPO Copyright Treaty (WCT) entered into force on March 6, 2002, and the WIPO Performances and Phonograms Treaty (WPPT) entered into force on May 20, 2002 and together they provide the legal infrastructure for this new digital and Internet environment. Because the standards of protection to be afforded by ATPDEA beneficiaries must incorporate these modern standards of protection and enforcement, including those contained in the WCT and WPPT, the U.S. government has been working at all levels to encourage countries to sign, ratify and implement both WIPO Treaties. Of the ATPDEA beneficiary countries, Colombia, Ecuador and Peru are members of the WCT and the WPPT; Bolivia is not. All countries must implement these new obligations, and IIPA again strongly recommends that the U.S. government request Bolivia to make a specific commitment to ratify these two WIPO treaties and implement their obligations.

Finally, copyright law reform, while critical to meeting the ATPA and ATPDEA standards, is not sufficient in and of itself. IIPA believes that one of the most immediate problems in this region is the failure of all four Andean countries to adequately and effectively <u>enforce</u> even their <u>current</u> copyright laws. The point is that laws, even good laws, which are not effectively enforced on-the-ground <u>do not</u> satisfy the IPR criteria in the ATPDEA, the ATPA, other U.S. trade programs nor the TRIPS Agreement or the WIPO "Internet" Treaties.

#### VII. CONCLUSION

IIPA appreciates the opportunity to convey to the ITC our views on the current situation, both in terms of substantive copyright legislation and piracy/enforcement, in the four ATPA countries of Bolivia, Colombia, Ecuador and Peru. The IPR criteria of the ATPDEA (and all U.S. trade programs, for that matter) should be applied to ensure that these countries substantially improve both their copyright laws as well as enforcement practices. Finally, IIPA believes that it is critical that these FTA-eligible countries continue to take all appropriate actions <u>now</u> to improve their respective efforts under their existing laws to combat copyright piracy in their domestic markets.

Respectfully submitted,

Maie Stry

Maria Strong

Vice President and General Counsel International Intellectual Property Alliance

Attachments (and links): Country reports from IIPA's February 2006 Special 301 submission to USTR:

- Bolivia at http://www.iipa.com/rbc/2006/2006SPEC301BOLIVIA.pdf
- Colombia at http://www.iipa.com/rbc/2006/2006SPEC301COLOMBIA.pdf
- Ecuador at http://www.iipa.com/rbc/2006/2006SPEC301ECUADOR.pdf
- Peru at http://www.iipa.com/rbc/2006/2006SPEC301PERU.pdf