### INTERNATIONAL INTELLECTUAL PROPERTY ALLIANCE®



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May 17, 2013

#### Via Regulations.gov (USTR-2013-0020 for Burma, USTR-2013-0021 for Laos)

William D. Jackson
Deputy Assistant U.S. Trade Representative
for the Generalized System of Preferences,
Office of the U.S. Trade Representative
United States Trade Representative
600 17th Street, N.W.
Washington, DC 20508

Request to Testify and Written Submission of the International Intellectual Property Alliance (IIPA) Regarding: Generalized System of Preferences (GSP): Initiation of a Review of the Union of Burma and the Lao People's Democratic Republic for Possible Designation as Beneficiary Developing Countries, 78 Fed. Reg. 22593 (April 16, 2013)

Dear Mr. Jackson and the GSP Subcommittee:

This Request to Testify and Written Submission by the International Intellectual Property Alliance (IIPA), submitted in response to the above-referenced Federal Register notice, provides comments on the possible designation of Burma or Laos as beneficiary developing countries or least developed country beneficiary developing countries for purposes of the Generalized System of Preferences (GSP) program. Appearing at the June 4, 2013 hearing will be:

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### Written Brief/Submission of the International Intellectual Property Alliance (IIPA)

The above-referenced notice announces "the initiation of reviews to consider designation of the Union of Burma (Burma) and the Lao People's Democratic Republic (Laos) as beneficiary developing countries under the GSP program, and, if designated, whether either country should also be designated as a least-developed beneficiary developing country under GSP," noting, "[t]he governments of Burma and Laos, respectively, have each recently informed USTR of their















interest in being considered for designation as eligible for GSP trade benefits." The notice indicates the history of GSP for both nations:

"Burma was previously designated a beneficiary developing country under GSP but its trade benefits under GSP were suspended, effective July 1, 1989, as a result of a presidential determination that the country was not meeting the statutory GSP eligibility requirements regarding internationally recognized worker rights. Laos has not previously been considered for eligibility for GSP trade benefits."

The notice also indicates that "[i]n designating countries as GSP beneficiary developing countries, the President must consider the criteria in sections 502(b)(2) and 502(c) of the Trade Act of 1974, as amended (19 U.S.C. 2462(b)(2), 2462(c)) ("the Act"), including definitions found in section 507 of the Act (19 U.S.C. 2467)," and that "[w]hen determining whether to designate a country as a least-developed beneficiary developing country, the President must consider the factors in sections 501 and 502(c) of the Act (19 U.S.C. 2461, 2462(c))."

The IIPA hereby submits its comments on whether Burma or Laos meets the eligibility criteria set forth below and in section 502(c) of the Trade Act of 1974, as amended (19 U.S.C. 2462(c)) (the 'Act'). Specifically, while IIPA does not oppose granting beneficiary developing country (BDC) status or least-developed beneficiary developing country status (LDBDC) (should USTR determine criteria for that latter designation are met) to either Burma or Laos under the GSP trade program, IIPA notes several areas in which Burma and Laos may not fully meet the eligibility criteria. IIPA requests that one year after the President designates Burma and Laos as BDCs or LDBDCs for the purposes of the GSP program, a review should be scheduled to determine whether Burma or Laos has made progress in fully meeting its eligibility criteria sufficient to continue to enjoy GSP benefits.

#### **Interest of the IIPA**

The IIPA is a private sector coalition, formed in 1984, of trade associations representing U.S. copyright-based industries working to improve international protection and enforcement of copyrighted materials and to open foreign markets closed by piracy and other market access barriers. IIPA's seven member associations represent over 3,200 U.S. companies producing and distributing materials protected by copyright laws throughout the world—all types of computer software, including operating systems, systems software such as databases and security packages, business applications, and consumer applications such as games, personal finance, and reference software, free software, open source software, and software as a service, entertainment software including interactive games for videogame consoles, handheld devices, personal computers and the Internet, and educational software; motion pictures, television programming, DVDs and home video and digital representations of audiovisual works; music, records, CDs, and audiocassettes; and fiction and non-fiction books, education instructional and assessment materials, and professional and scholarly journals, databases and software in all formats.



Members of the IIPA include <u>Association of American Publishers</u>, <u>BSA | The Software Alliance</u>, <u>Entertainment Software Association</u>, <u>Independent Film & Television Alliance</u>, <u>Motion Picture</u> <u>Association of America</u>, <u>National Music Publishers' Association</u>, and <u>Recording Industry</u> <u>Association of America</u>.

In November 2011, IIPA released the latest update of the comprehensive economic report, Copyright Industries in the U.S. Economy: The 2011 Report, prepared by Stephen E. Siwek of Economists Inc. This report details the economic impact and contributions of U.S. copyright industries to U.S. gross domestic product (GDP), employment, and trade. The "core" copyright-based industries in the U.S. continue to be major contributors to the U.S. economy, accounting for an estimated \$931.8 billion or 6.36% of the U.S. GDP in 2010. These industries provide nearly 5.1 million U.S. jobs, which is 4.75% of the entire private sector labor force in 2010, and pay on average over \$78,000, 27% higher than the overall workforce average. Estimated 2010 foreign sales and exports of key sectors of the core copyright industries amounted to \$134 billion, a significant increase over previous years, and more than foreign sales of other major U.S. industry sectors such as aircraft, automobiles, agricultural products, food, and pharmaceuticals. Linkages between copyright protection and economic development in other countries are documented by the World Intellectual Property Organization's 2012 study, Copyright + Creativity = Jobs and Economic Growth: WIPO Studies on the Economic Contribution of the Copyright Industries, compiling similar studies in 30 countries.<sup>2</sup> WIPO reports the completion of a total of 39 country studies, with more in the pipeline. Other studies have measured the contribution of certain sectors to national economies,<sup>3</sup> or the multiplier effects of reducing piracy on contribution to GDP, job growth, and tax revenues.<sup>4</sup>

While these studies amply demonstrate the contribution of copyright-based industries to the economy, they do not reveal the massive costs imposed by overseas piracy and market access

<sup>&</sup>lt;sup>1</sup>See Stephen E. Siwek, Copyright Industries in the U.S. Economy: The 2011 Report, November 2, 2011. The entire report as well as summaries can be accessed at <a href="http://www.iipa.com/copyright\_us\_economy.html">http://www.iipa.com/copyright\_us\_economy.html</a>. Core copyright industries are those whose primary purpose is to create, produce, distribute or exhibit copyright materials. These include books, journals, newspapers, and periodicals; motion pictures; recorded music; radio and television broadcasting; and computer software.

<sup>2</sup>World Intellectual Property Organization, Copyright + Creativity = Jobs and Economic Growth: WIPO Studies on the

Economic Contribution of the Copyright Industries, 2012 (on file with IIPA). In 2003, the World Intellectual Property
Organization (WIPO) published a guidebook on the economic parameters to develop such studies entitled *Guide on Surveying the Economic Contribution of the Copyright-Based Industries* (WIPO Publication No. 893) (2003), at
<a href="http://www.wipo.int/copyright/en/publications/pdf/copyright\_pub\_893.pdf">http://www.wipo.int/copyright/en/publications/pdf/copyright\_pub\_893.pdf</a>. The guidelines have been implemented in over 39
countries around the world, and studies have been published so far in 30 countries, including: Australia (2007), Bhutan (2011),
Brunei (2012), Bulgaria (2011), Canada (2004), China (2011), Colombia (2010), Croatia (2010), Finland (2011), Hungary (2006), Jamaica (2008), Kenya (2011), Latvia (2006), Lebanon (2008), Malaysia (2011), Mexico (2008), Netherlands (2011),
Pakistan (2011), Panama (2011), Peru (2011), Philippines (2008), Republic of Korea (2012), Romania (2010), Russia (2010),
Singapore (2004), Slovenia (2011), South Africa (2012), Thailand (2012), and Ukraine (2010), and United States (2011).

3For example, the Motion Picture Association Asia Pacific has issued a series of "Economic Contribution of the Film and Television Industry" studies for Indonesia (2012), Japan (2012), South Korea (2012), Thailand (2012), New Zealand (2009, 2012), Australia (2011), India (2010), and Hong Kong (2009).

<sup>&</sup>lt;sup>4</sup>See, e.g., BSA (now BSA | The Software Alliance) and IDC, *Piracy Impact Study: The Economic Benefits of Reducing Software Piracy: Israel*, 2010, at <a href="http://portal.bsa.org/piracyimpact2010/cps/cp\_israel\_english.pdf">http://portal.bsa.org/piracyimpact2010/cps/cp\_israel\_english.pdf</a>.



barriers to U.S. copyrighted products and services. Content industries are forced to face unfair competition from those who engage in piracy as a high-profit, low risk enterprise. Today, legitimate businesses built on copyright are facing increased threats, as they must compete with the massive proliferation of illegal services unencumbered by costs associated with either producing copyrighted works or obtaining rights to use them. An independent study released by BASCAP (Frontier Economics), *Estimating the Global Economic and Social Impacts of Counterfeiting and Piracy* (February 2011),<sup>5</sup> estimated the value of digitally pirated music, movies and software (not losses) at \$30-75 billion in 2010, and growing to \$80-240 billion by 2015. Others have issued reports on the economic consequences of piracy for specific industry sectors.<sup>6</sup> In many countries in this submission, rampant piracy is not only impeding the evolution of legitimate channels for distribution, but also threatens to damage permanently or displace existing and authorized distribution channels which are unable to compete with infringing business models.

#### **GSP Eligibility Criteria on Intellectual Property Rights and Market Access**

The Generalized System of Preferences (GSP) program of the United States provides unilateral, non-reciprocal, preferential duty-free entry for up to 5,000 products from 127 designated beneficiary countries and territories for the purpose of aiding their economic development through preferential market access. The GSP program was instituted on January 1, 1976, and authorized under the Trade Act of 1974 (19 U.S.C. 2461 et seq.) for a 10-year period. The program has been renewed periodically since 1976, most recently in October 2011, when President Obama signed legislation to reauthorize the GSP program through July 31, 2013. IIPA has supported a multi-year extension of this program to support use of the GSP program as one avenue to protect the interests of U.S. copyright owners around the world.

The April 16, 2013 Federal Register notice states in part,

"In designating countries as GSP beneficiary developing countries, the President must consider the criteria in sections 502(b)(2) and 502(c) of the Trade Act of 1974, as amended (19 U.S.C. 2462(b)(2), 2462(c)) ("the Act"), including definitions found in section 507 of the Act (19 U.S.C. 2467)."

<sup>&</sup>lt;sup>5</sup>Frontier Economics, Estimating the Global Economic and Social Impacts of Counterfeiting and Piracy: A Report Commissioned by Business Action to Stop Counterfeiting and Piracy (BASCAP), February 2011 (on file with IIPA). The report builds on a previous OECD study (The Economic Impact of Counterfeiting and Piracy (2008))

previous OECD study (*The Economic Impact of Counterfeiting and Piracy* (2008))

<sup>6</sup>The Motion Picture Association has commissioned studies from IPSOS and Oxford Economics on *Economic Consequences of Movie Piracy: Japan* (2011) and *Economic Consequences of Movie Piracy: Australia* (2011). BSA's most recent study estimating the software piracy rate and commercial value of unlicensed software in more than 100 markets is at <a href="http://portal.bsa.org/globalpiracy2011/">http://portal.bsa.org/globalpiracy2011/</a>. A 2010 study looking at the economic impact of piracy in select countries is at <a href="http://portal.bsa.org/piracyimpact2010/index.html">http://portal.bsa.org/piracyimpact2010/index.html</a>.

<sup>&</sup>lt;sup>7</sup>See Office of the United States Trade Representative, Generalized System of Preferences (GSP), at <a href="http://www.ustr.gov/trade-topics/trade-development/preference-programs/generalized-system-preference-gsp">http://www.ustr.gov/trade-topics/trade-development/preference-programs/generalized-system-preference-gsp</a>.



The notice also indicates with respect to least-developed beneficiary developing country designation in part,

"When determining whether to designate a country as a least-developed beneficiary developing country, the President must consider the factors in sections 501 and 502(c) of the Act (19 U.S.C. 2461, 2462(c))."

Section 502(c) criteria are important indicators of a country's eligibility in either the case of a BDC or a LDBDC. Section 502(c) provides, in relevant part,

"In determining whether to designate any country as a beneficiary developing country under this subchapter, the President shall take into account—

. . .

- (4) the extent to which such country has assured the United States that it will provide equitable and reasonable access to the markets ... of such country ...;
- (5) the extent to which such country is providing adequate and effective protection of intellectual property rights;<sup>8</sup>

<sup>8</sup>The provisions tying intellectual property protection to trade benefits were first added by virtue of the Trade and Tariff Act of 1984, also known as the Generalized System of Preferences Renewal Act of 1984, Title V, Pub. L. No. 98-573 (1984), *codified at* 19 U.S.C. 2461-2465, Section 501(b)(9)(B). Title V of the Act renewed the GSP Program and added the express condition that developing countries provide "adequate and effective means under its laws for foreign nationals to secure, to exercise and to enforce exclusive rights in intellectual property, including patents, trademarks, and copyrights." While there has been a minor change in the statutory language between the GSP Renewal Act of 1984 and the GSP Renewal Act of 1996, the GSP provisions as related to IPR remain essentially the same as in 1984. *See* GSP Renewal Act of 1996, Title I, Subtitle J, of the Small Business Job Protection Act of 1996, Pub. L. No. 104-188, *codified at* 19 U.S.C. 2462(c)(5) (the language of the IPR discretionary criterion for GSP eligibility in Section 502(c)(5) was simplified slightly and now requires the President to take into account "the extent to which such country is providing adequate and effective protection of intellectual property rights"). The legislative history of the 1984 Renewal Act is instructive on the important link between GSP benefits and strong IPR protection, as well as market access. The Senate Finance Committee Report explained that:

To determine whether a country provides "adequate and effective means," the President should consider the extent of statutory protection for intellectual property (including the scope and duration of such protection), the remedies available to aggrieved parties, the willingness and ability of the government to enforce intellectual property rights on behalf of foreign nationals, the ability of foreign nationals effectively to enforce their intellectual property rights on their own behalf and whether the country's system of law imposes formalities or similar requirements that, in practice, are an obstacle to meaningful protection.

See S. Rep. No.98-485, 98th Cong., 2d Sess. At 11 (1984). The Senate Report also noted,

Where valid and reasonable complaints are raised by U.S. firms concerning a beneficiary country's market access policy or protection of intellectual property rights, for example, it is expected that such interests will be given prominent attention by the President in deciding whether to modify duty-free treatment for that country.



(6) the extent to which such country has taken action to—

. . .

(B) reduce or eliminate barriers to trade in services..."

### **Designation of Burma as a GSP Beneficiary Country**

IIPA does not oppose granting BDC or LDBDC status to Burma under the GSP trade program. However, IIPA notes below several areas in which Burma may not fully meet the eligibility criteria. IIPA also requests that one year after the President designates Burma as either a BDC or LDBDC for the purposes of the GSP program, a review be scheduled to determine whether Burma has made sufficient progress in meeting its eligibility criteria to continue to enjoy GSP benefits.

# Burma's Compliance with the Eligibility Criteria on Intellectual Property Rights and Market Access

IIPA notes two criteria which should be more carefully examined to determine if Burma is eligible for BDC or LDBDC status under the GSP program. These are intellectual property rights protection (the Eligibility Criterion of Section 502(c)(5)) and market access and barriers to trade in copyright-related goods and services (the Eligibility Criteria of Section 502(c)(4) and (c)(6)(B)).

# "...the extent to which such country is providing adequate and effective protection of intellectual property rights..."

Burma, like its Southeast Asian neighbors, has the potential for migration into its territory sources of production of piracy, including optical disc plants (the existence of a rogue optical disc production plant has been previously reported by IIPA). The possibility of production in Burma, but also the import, transshipment, and sale in the country of pirated materials, including high-quality counterfeits, gives rise to our collective concern. In IIPA's 2013 Special 301 report, we reported that high-quality counterfeit DVDs, Blu-ray discs, and elaborate box sets continue to be manufactured in China and find markets in Southeast Asia, with unlikely entry points such as into Thailand *from Cambodia and Burma*. IIPA also reported in 2013 that the Thailand malls and "Red Zones" are replete with vendors openly selling infringing copies of copyright content, including films (DVDs/Blu-ray discs, manufactured in China and imported through Myanmar have a huge impact on the legitimate market in Thailand, selling for approximately US\$1 per DVD and US\$8 for Blu-ray, and many pirated DVDs are local dubbed versions which are sourced back to illegal camcording), music (largely burned CDRs with MP3s, but also China *imports through Myanmar*, priced at Bt100-300), software, games, and published materials [emphasis added.]



Burma has a 91-year-old, colonial-era copyright law that is largely ignored. It is positive that the Burmese Government is currently undertaking a comprehensive legal reform process, and IIPA will be weighing into this process, which includes a reported draft copyright bill to replace the outdated law. Burma has been a WTO member since 1995, and a WIPO Member since 2001. It is not, however, a member of the Berne Convention, nor has it ratified or implemented the WIPO "Internet" Treaties. Burma's WIPO membership makes it eligible for WIPO programs and support. UNESCO held a seminar on copyright protection in Burma in September 2005, and there has been limited cooperation and participation by the Government of Burma in WIPO and ASEAN-related activities in the area of intellectual property.

"the extent to which such country has assured the United States that it will provide equitable and reasonable access to the markets ... of such country ..." and "the extent to which such country has taken action to ... reduce or eliminate barriers to trade in services"

Market access in Burma is almost entirely non-existent for the creative industries. As can be seen from a recent report of the United Nations Economic and Social Commission for Asia and the Pacific (December 2012), <sup>12</sup> Burma has one of the most restrictive markets in Asia, if not the world. Its GATS score for openness for services is extremely low, with a score of "0" in the area of "Recreational/cultural services." Foreign direct investment in creative or cultural-based industries is essentially not permitted, with a non-transparent "permit" system essentially stymieing any attempts by foreign right holders to do business in the country. The trade facilitation infrastructure for creative goods and services, including electronics and Internet, remain in their infancy in Burma. Trade sanctions imposed by the United States for many years also played a role in the lack of market access in the country. All this said, there is a new Foreign Investment Law, <sup>13</sup> which, while not in force yet (thus the 1988 law remains in effect today), may result in some market opening. The ESCAP report indicates that foreign ownership will be discretionary under the new law, but also notes that there remains a ban on 100% foreign ownership of certain sectors. The listing of sectors in the law for which foreign investment is prohibited or restricted is vague but includes "business which can affect the traditional culture and customs of the national races within the Union." It is highly unclear what any of the new

<sup>&</sup>lt;sup>9</sup>See http://www.accu.or.jp/appreb/10copyr/10\_3ws.html#ws0509.

<sup>&</sup>lt;sup>10</sup>See http://www.wipo.int/tad/en/activitysearchresult.jsp?bcntry=MM.

<sup>&</sup>lt;sup>11</sup>See basic information at the ASEAN IP Portal, at <a href="http://www.aseanip.org/">http://www.aseanip.org/</a>. See, for example, the List of ASEAN Enforcement Focal Points for Initiative 6, at <a href="http://www.aseanip.org/ipportal/index.php?option=com\_content&view=article&id=213:list-of-asean-enforcement-focal-points-for-initiative-6&catid=102:enforcement-agencies&Itemid=695&highlight=WyJteWFubWFyIl0=.

agencies&Itemid=695&highlight=WyJteWFubWFyIl0=.

12United Nationals Economic and Social Commission for Asia and the Pacific (ESCAP), Myanmar: Opening Up to Its Trade and Foreign Direct Investment Potential, September 20, 2012, revised December 31, 2012, at http://www.unescap.org/tid/publication/swp112.pdf.

http://www.unescap.org/tid/publication/swp112.pdf.

13The Foreign Investment Law (The Piadaungsu Hluttaw Law No. 21 / 2012), The 3rd Waning of Thadingyut, 1374 M.E. (November 2, 2012), at http://www.president-office.gov.mm/en/hluttaw/law/2012/11/23/id-1103.



restrictions will mean for creative industries, but we believe that, once the law is in force, part of the GSP review for Burma should include gaining an understanding of how Burma will provide creative industries, including film, music, games, books and journals, and software the ability to do business in the country.

#### **Designation of Laos as a GSP Beneficiary Country**

IIPA does not oppose granting BDC or LDBDC status to Laos under the GSP trade program. However, IIPA notes below several areas in which Laos may not fully meet the eligibility criteria. IIPA also requests that one year after the President designates Laos as either a BDC or LDBDC for the purposes of the GSP program, a review be scheduled to determine whether Laos has made sufficient progress in meeting its eligibility criteria to continue to enjoy GSP benefits.

# <u>Laos' Compliance with the Eligibility Criteria on Intellectual Property Rights and Market Access</u>

IIPA notes two criteria which should be more carefully examined to determine if Laos is eligible for BDC or LDBDC status under the GSP program. These are intellectual property rights protection (the Eligibility Criterion of Section 502(c)(5)) and market access and barriers to trade in copyright-related goods and services (the Eligibility Criteria of Section 502(c)(4) and (c)(6)(B)).

# "...the extent to which such country is providing adequate and effective protection of intellectual property rights..."

Laos' location has long given rise to concerns regarding the potential migration of optical disc plants from neighboring Southeast Asian countries where illegal overproduction and export has been a significant problem.<sup>14</sup> The copyright market in Laos is at or near a 100% piracy level. Copyright protection is reportedly currently governed under the Intellectual Property Law, 2011 (which revised the 2007 law).

There is little enforcement activity in Laos, although the Department of Intellectual Property, Standardization and Metrology (DISM) is apparently tasked with coordinating training of enforcement officials, the Ministry of Education, as well as deciding, along with Customs

<sup>&</sup>lt;sup>14</sup>In 2004, press reported that there may be plants in Thailand near the borders of Laos and Burma, and in 2005, product sourced from Laos was seized by Thai authorities. *See*, e.g., Subin Khuenkaew, *Plant Churns Out Sex Films*, Bangkok Post, January 30, 2005, at <a href="http://www.bangkokpost.com/300105">http://www.bangkokpost.com/300105</a> News/30Jan2005 news16.php. On September 29, 2005, Royal Thai Police intercepted a private van which had just entered Thailand across the Nong Kai Laotian border control point. On being searched the vehicle was found to contain approximately 33,000 infringing discs, including pirate sound recordings. The driver was arrested and charged.



(under the Ministry of Finance), Department of Interior Trade under the Ministry of Commerce, and the Department of Economic Police under the Ministry of Public Security, to respond to specific industry complaints and decide what course of action to take.<sup>15</sup>

Laos joined the World Trade Organization (WTO) on February 2, 2013, and is now bound by the TRIPS Agreement. Laos' Working Party Report describes in greater detail Laos' progress toward substantive and its "as such" compliance with the TRIPS Agreement by virtue of that law. The United States and Laos signed an Agreement on Trade Relations in 2003 which includes a chapter on intellectual property rights, and that agreement went into force in late 2004 when the U.S. Senate approved extending normal trade relations to Laos. The Laotian Government should consider adopting measures designed to improve its border enforcement authority as well as consider measures to control any optical disc production currently occurring or contemplated. Also under the trade agreement, the Government of Laos is obligated to protect U.S. works/sound recordings and should take steps to implement its obligations as soon as possible. Laos is a member of the World Intellectual Property Organization, and Laos joined the Berne Convention in December 2011, effective March 14, 2012. Laos is also a member of the Universal Copyright Convention (from September 16, 1955), providing an earlier and alternative point of attachment for U.S. copyright subject matter.

"the extent to which such country has assured the United States that it will provide equitable and reasonable access to the markets ... of such country ..." and "the extent to which such country has taken action to ... reduce or eliminate barriers to trade in services"

Market access in Laos remains extremely limited for cultural industries. Laos' WTO Working Party Report confirms this is so, through inclusion in its "List of Controlled Businesses (Negative List)" the category "Information and communication" which includes: 5811 Book publishing; 5813 Publishing of newspapers, journals and periodicals; 5911 Motion picture, video and television programme production activities; 5912 Motion picture, video and television programme post-production activities; 5913 Motion picture, video and television programme distribution activities; 5920 Sound recording and music publishing activities; 6010 Radio broadcasting; 6021 Television broadcasting; 6022 Leasing program via cable, satellite and other;

https://docs.wto.org/dol2fe/Pages/FE\_Search/FE\_S\_S006.aspx?Query=(%20@Symbol=%20wt/acc/lao/\*)&Language=ENGLIS
H&Context=FomerScriptedSearch&languageUIChanged=true#.

17The grant to Laos of Permanent Normal Trade Relations was part of the Miscellaneous Trade & Technical Corrections Act of

<sup>&</sup>lt;sup>15</sup>The official cited did not indicate that right holders had come forward with complaints, although he did indicate that there is one right holder organization operating in the country (presumably this is a collecting society).

<sup>&</sup>lt;sup>16</sup>See Working Party Documents for Laos, at

<sup>&</sup>lt;sup>1</sup>/The grant to Laos of Permanent Normal Trade Relations was part of the Miscellaneous Trade & Technical Corrections Act of 2004 signed by the President in December 2004.

<sup>&</sup>lt;sup>18</sup>By virtue of its membership in WIPO, Laos is eligible to request assistance from WIPO in the form of a mission or "study days" to work on copyright legislation. Also, IIPA had understood the Government of Laos was in the process of preparing legislation for Laotian accession to the Berne Convention. This should be confirmed.



6110 Wired telecommunications activities; 6120 Wireless telecommunications activities; 6130 Satellite telecommunications activities; and 6190 Other telecommunications activities.<sup>19</sup>

We believe strongly that market access barriers, investment barriers, and discriminatory treatment make it impossible for U.S. copyright holders to compete on a level playing field in Laos. All efforts to crack down on piracy will be unavailing if legitimate products and services cannot be brought into the market to meet consumer demand. Thus, the reduction of market access impediments is a key component of ongoing efforts to combat piracy and should be part of any review of Laos in the GSP context.

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The International Intellectual Property Alliance appreciates the opportunity to provide the GSP Subcommittee with these comments related to the possible designation of Burma or Laos as a beneficiary developing country or least developed country beneficiary developing country for purposes of the Generalized System of Preferences program.

Sincerely,

Michael Schlesinger

International Intellectual Property Alliance

<sup>&</sup>lt;sup>19</sup>See Decree No. 68/PM "On Controlled Business" (Negative List) of 28 April 2008, cited in Report of the Working Party on the Accession of Lao PDR to the World Trade Organization, October 1, 2012, WT/ACC/LAO/45, at <a href="https://docs.wto.org/dol2fe/Pages/FE\_Search/FE\_S\_S006.aspx?Query=(%20@Symbol=%20wt/acc/lao/\*)&Language=ENGLISH&Context=FomerScriptedSearch&languageUIChanged=true#.">https://docs.wto.org/dol2fe/Pages/FE\_Search/FE\_S\_S006.aspx?Query=(%20@Symbol=%20wt/acc/lao/\*)&Language=ENGLISH&Context=FomerScriptedSearch&languageUIChanged=true#.</a>