

# INTELLECTUAL PROPERTY PROVISIONS IN REGIONAL TRADE AGREEMENTS

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Staff Working Paper ERSD-2014-14 Date: 23 September 2014 World Trade Organization Economic Research and Statistics Division Staff Workins INTELLECTUAL PROPERTY PROVISIONS IN REGIONAL TRADE AGREEMENTS: REVISION AND UPDATE Raymundo Valdés and Maegan McCann WTO Manuscript date: 24 June 2014 Disclaimer: paper contain not meant to r Disclaimer: This is a working paper, and hence it represents research in progress. This paper position of an contains the opinions of the authors, and is the product of professional research. It is not meant to papers can be: represent the position or opinions of the WTO or its Members, nor the official position of any staff Statistics Divis members. Any errors are the fault of the authors. Copies of working papers can be requested from the Switzerland, I divisional secretariat by writing to: Economic Research and Statistics Division, World Trade Organization, Rue de Lausanne 154, CH 1211 Geneva 21, Switzerland. Please request papers by

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#### RTAs analysis: IP provisions



| RTA                  | Commitment to IP protection | TRIPS reaffirmation | References to WIPO treaties | Nat'l or MFN<br>Treatment | Assistance, co-<br>operation | Enforcement<br>procedures | Border measures | Exhaustion   |
|----------------------|-----------------------------|---------------------|-----------------------------|---------------------------|------------------------------|---------------------------|-----------------|--------------|
| Australia - Chile    | $\checkmark$                | $\checkmark$        | $\checkmark$                | $\checkmark$              | $\checkmark$                 | $\checkmark$              | $\checkmark$    |              |
| Canada - Israel      |                             | $\checkmark$        |                             |                           |                              |                           |                 |              |
| Chile - Nicaragua    |                             |                     |                             |                           |                              |                           |                 |              |
| Chile - Mexico       | $\checkmark$                |                     | $\checkmark$                | $\checkmark$              | $\checkmark$                 | $\checkmark$              | $\checkmark$    |              |
| Mexico - Uruguay     | $\checkmark$                |                     | $\checkmark$                | $\checkmark$              | $\checkmark$                 | $\checkmark$              | $\checkmark$    |              |
| EFTA - Singapore     | $\checkmark$                | $\checkmark$        | $\checkmark$                | $\checkmark$              | $\checkmark$                 | $\checkmark$              | $\checkmark$    | $\checkmark$ |
| EU - Central America | $\checkmark$                | $\checkmark$        | $\checkmark$                | $\checkmark$              | $\checkmark$                 | $\checkmark$              | $\checkmark$    | $\checkmark$ |
| CAFTA-DR             | ✓                           | $\checkmark$        | $\checkmark$                | $\checkmark$              | $\checkmark$                 | $\checkmark$              | $\checkmark$    |              |

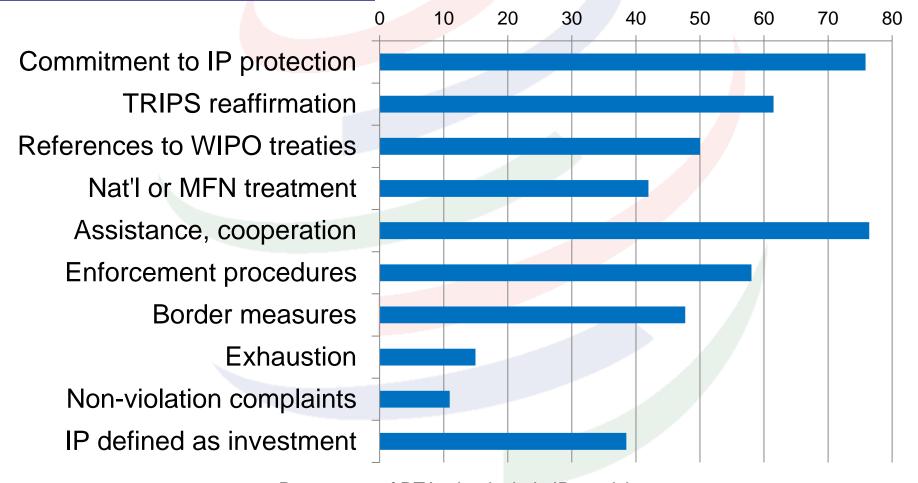


#### IP provisions in RTAs

| (1) General              | (2) Specific IPRs        | (3) Pharma-related        |
|--------------------------|--------------------------|---------------------------|
| Commitment IP protection | Copyright                | Patentability criteria    |
| TRIPS reaffirmation      | Trademarks               | Patentability of new use  |
| References to WIPO       | Geographical Indications | Patenting of life forms   |
| MFN or Nat'l Treatment   | Industrial Designs       | Patent linkage            |
| Assistance, cooperation  | Patents                  | Exceptions to rights      |
| Enforcement procedures   | Undisclosed Information  | Data protection           |
| Border measures          | Integrated Circuits      | minimum period            |
| Exhaustion               | New Plant Varieties      | Patent extensions         |
| Non-violation complaints | TK, genetic resources    | Compulsory licence (pat.) |
| IP defined as investment | Satellite signals        | Compulsory licence (inv.) |
|                          | Domain names             | Trademark's function      |

## RTAs containing general IP provisions



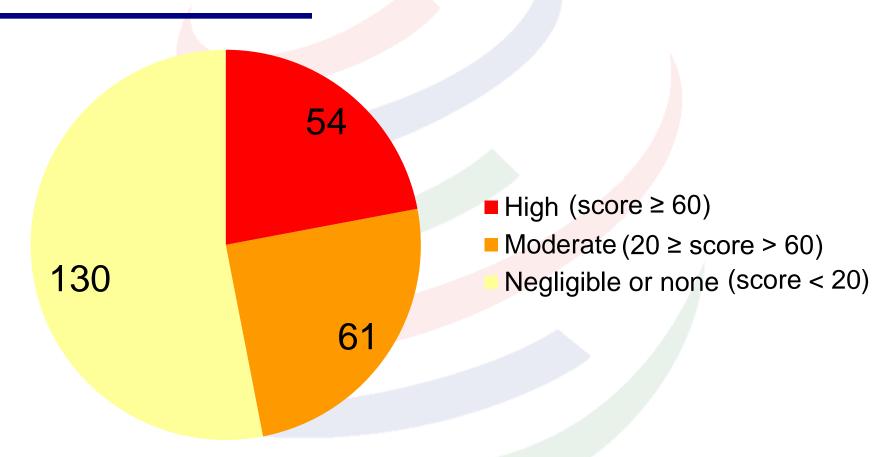






#### Number of RTAs by level of IP content



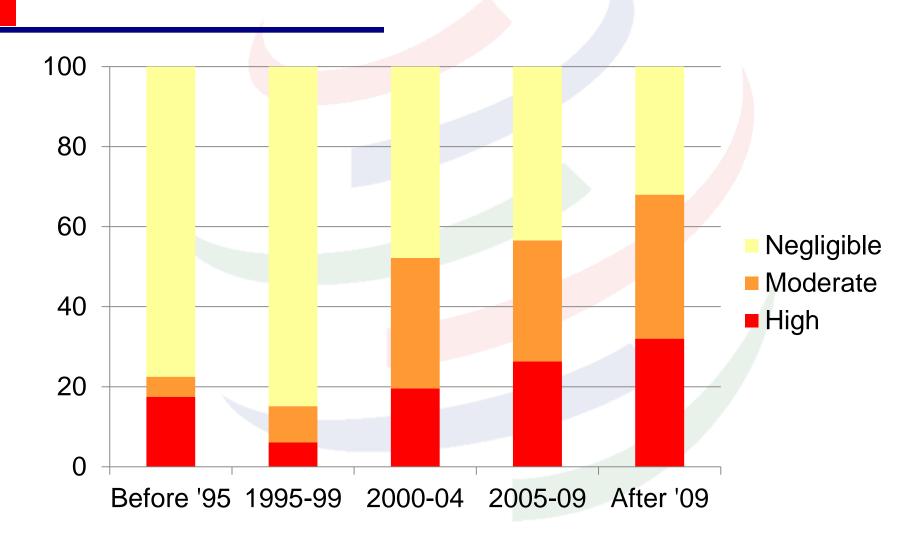


All notified RTAs in force: 245



#### RTAs by level of IP content







#### IP content score, 2014

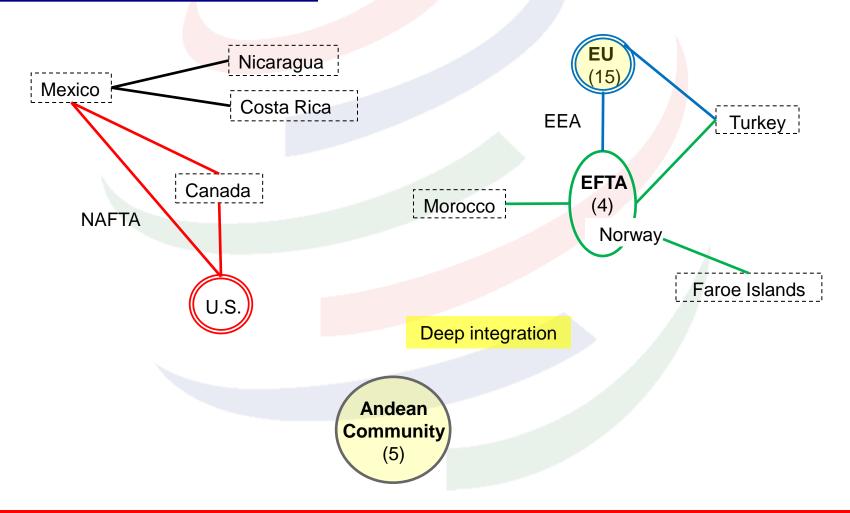


(30 highest overall scores)

| US - Australia          | 91        | US - Morocco        | <b>78</b> |
|-------------------------|-----------|---------------------|-----------|
| US - Colombia           | 88        | US - Panama         | <b>78</b> |
| CAFTA-DR                | 85        | NAFTA               | <b>78</b> |
| EU - Albania            | 84        | US - Oman           | <b>75</b> |
| EU - Bosnia-Herzegovina | 184       | Faroe Is Norway     | <b>74</b> |
| <b>EU - Montenegro</b>  | 84        | EFTA - Chile        | <b>72</b> |
| EU - Serbia             | 84        | EFTA - Tunisia      | <b>72</b> |
| US - Chile              | 82        | EFTA - Lebanon      | <b>69</b> |
| US - Peru               | 82        | Japan - Switzerland | <b>69</b> |
| US - Singapore          | 82        | US - Bahrain        | 68        |
| <b>EC Treaty</b>        | 81        | EFTA - Ukraine      | 66        |
| EU - Croatia            | 81        | EFTA - Albania      | <b>66</b> |
| EU - FYRM               | 81        | EFTA - Colombia     | 66        |
| EEA                     | 81        | EFTA - Croatia      | <b>66</b> |
| Korea - US              | <b>78</b> | EFTA - Jordan       | 66        |

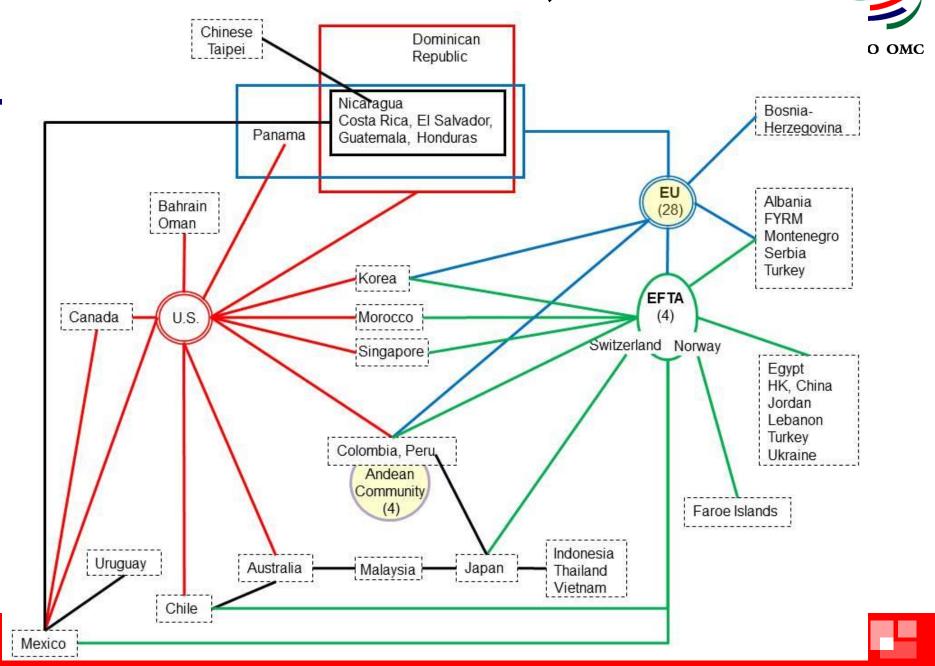
### RTAs architecture, 2000 High level of IP provision







#### RTAs architecture, 2014





#### MFN principle

TRIPS requires that any privilege granted by a
Member to the nationals of any country be accorded
to the nationals of all WTO Members (Article 4).

TRIPS makes available **no general derogation** from the MFN principle

Hence, RTAs have a ratchet-like effect that incrementally adds to domestic IP regulations.







#### Coherence

- Non-discrimination and the hub-and-spoke system transmit IP provisions across RTAs creating new "international IP standards"
  - > does this enhance coherence and trade or?
  - does it create regulatory confusion and implementation problems?

