# 2025 Special 301 Report

Office of the United States Trade Representative

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In preparing the Report, substantial information was solicited from U.S. embassies around the world, from U.S. Government agencies, and from interested stakeholders. The draft of this Report was developed through the Special 301 Subcommittee of the interagency Trade Policy Staff Committee.

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# EXECUTIVE SUMMARY

A top trade priority for the Administration is to use all possible sources of leverage to encourage other countries to open their markets to U.S. exports of goods and services and to provide adequate and effective protection and enforcement of intellectual property (IP) rights. Toward this end, a key objective of the Administration's trade policy is ensuring that U.S. owners of IP have a full and fair opportunity to use and profit from their IP around the globe.

The Special 301 Report (Report) is the result of an annual review of the state of IP protection and enforcement in U.S. trading partners around the world, which the Office of the United States Trade Representative (USTR) conducts pursuant to Section 182 of the Trade Act of 1974, as amended (the Trade Act, 19 U.S.C. § 2242). Congress amended the Trade Act in 1988 specifically "to provide for the development of an overall strategy to ensure adequate and effective protection of intellectual property rights and fair and equitable market access for United States persons that rely on protection of intellectual property rights."[1] In particular, Congress expressed its concern that "the absence of adequate and effective protection of United States intellectual property rights, and the denial of equitable market access, seriously impede the ability of the United States persons that rely on protection of intellectual property rights to export and operate overseas, thereby harming the economic interests of the United States."[2]

This Report provides an opportunity to put a spotlight on foreign countries and the laws, policies, and practices that fail to provide adequate and effective IP protection and enforcement for U.S. inventors, creators, brands, manufacturers, and service providers, which, in turn, harm American workers whose livelihoods are tied to America's innovation- and creativity-driven sectors. The Report identifies a wide range of concerns, including: (a) challenges with border and criminal enforcement against counterfeits, including in the online environment; (b) high levels of online and broadcast piracy, including through illicit streaming devices; (c) inadequacies in trade secret protection and enforcement in China, Russia, and elsewhere; (d) troubling policies on "indigenous innovation" and forced technology transfer (which can range from state-sponsored theft of trade secrets to transfer under pressure from state actors) that may unfairly disadvantage U.S. right holders in markets abroad; and (e) other ongoing, systemic issues regarding IP protection and enforcement, as well as market access, in many trading partners around the world. Combating such unfair trade policies can foster American innovation and creativity and increase economic security for American workers and families.

Specifically, this Administration continues to closely monitor developments in, and to engage with, those countries that have been on the Priority Watch List for multiple years. Over the coming weeks, USTR will review those developments against the benchmarks established in the Special 301 action plans for those countries. For countries failing to address U.S. concerns, USTR will

[1] Omnibus Trade and Competitiveness Act of 1988, § 1303(a)(2), 102 Stat. 1179.

[2] *Id.* § 1303(a)(1)(B); *see also* S. Rep. 100-71 at 75 (1987) ("Improved protection and market access for U.S. intellectual property goes to the very essence of economic competitiveness for the United States. The problems of piracy, counterfeiting, and market access for U.S. intellectual property affect the U.S. economy as a whole. Effective action against these problems is important to sectors ranging from high technology to basic industries, and from manufacturers of goods to U.S. service businesses.").



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take appropriate actions, which may include enforcement actions under Section 301 of the Trade Act or pursuant to World Trade Organization (WTO) or other trade agreement dispute settlement procedures.

The Report serves a critical function by identifying opportunities and challenges facing U.S. innovative and creative industries in foreign markets and by promoting job creation, economic development, and many other benefits that effective IP protection and enforcement support. The Report informs the public and our trading partners and seeks to be a positive catalyst for change. USTR looks forward to working closely with the governments of the trading partners that are identified in this year's Report to address both emerging and continuing concerns and to build on the positive results that many of these governments have achieved.

## THE 2025 SPECIAL 301 LIST

The Special 301 Subcommittee received stakeholder input on more than 100 trading partners but focused its review on those submissions that responded to the request set forth in the notice published in the *Federal Register* to identify whether a particular trading partner should be named as a Priority Foreign Country, placed on the Priority Watch List or Watch List, or not listed in the Report. Following extensive research and analysis, USTR has identified 26 trading partners as follows:

| Priority Watch List | Watch List | |
|---|---|---|
| • Argentina | • Algeria | • Egypt |
| • Chile | • Barbados | • Guatemala |
| • China | • Belarus | • Pakistan |
| • India | • Bolivia | • Paraguay |
| • Indonesia | • Brazil | • Peru |
| • Mexico | • Bulgaria | • Thailand |
| • Russia | • Canada | • Trinidad and Tobago |
| • Venezuela | • Colombia | • Türkiye |
| | • Ecuador | • Vietnam |

The Special 301 review of Ukraine has been suspended due to the ongoing war.

**Mexico** is placed on the Priority Watch List in 2025 due to long-standing and significant IP concerns, many of which relate to Mexico's implementation of the United States-Mexico-Canada Agreement (USMCA). Criminal investigations and prosecutions for trademark counterfeiting and copyright piracy appear to be non-existent in the past year, and the Attorney General's Office has failed to report any IP enforcement statistics for the past five years. Nearly five years after the USMCA entered into force, concerns regarding IP protection and enforcement throughout Mexico have not improved. For example, as part of its IP commitments under the USMCA, Mexico still has not issued implementing regulations for the *Copyright Law* amendments or the *Industrial Property Law*. Moreover, Mexico still needs to address long-standing concerns regarding enforcement against counterfeiting and piracy, protection of pharmaceutical-related IP, pre-



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established damages for copyright infringement and trademark counterfeiting, plant variety protection, and enforcement and protection of IP rights in the digital environment.

**Turkmenistan** is removed from the Watch List this year. Stakeholders have not raised significant concerns about IP protection or enforcement during the Special 301 review over the last several years. The Ministry of Foreign Affairs of Turkmenistan also recently reported that it is conducting a review of its IP laws, with a goal of harmonizing with the World Trade Organization (WTO) Agreement on Trade-Related Aspects of Intellectual Property Rights (TRIPS), and intends to publish a database of patent information resources in 2025. Nevertheless, the United States will continue to monitor Turkmenistan's IP protection and enforcement regime, including the status of ratification and implementation of international IP treaties, the use of unlicensed software by government agencies, and the lack of *ex officio* authority for its customs officials.

## OUT-OF-CYCLE REVIEWS

An Out-of-Cycle Review is a tool that USTR uses to encourage progress on IP issues of concern. Out-of-Cycle Reviews provide an opportunity to address and remedy such issues through heightened engagement and cooperation with trading partners and other stakeholders. Out-of-Cycle Reviews focus on identified IP challenges in specific trading partner markets. Successful resolution of specific IP issues of concern can lead to a positive change in a trading partner's Special 301 status outside of the typical period for the annual review. Conversely, failure to address identified IP concerns, or further deterioration as to an IP-related concern within the specified Out-of-Cycle Review period, can lead to an adverse change in status.

USTR may conduct additional Out-of-Cycle Reviews of other trading partners as circumstances warrant or as requested by a trading partner.

## REVIEW OF NOTORIOUS MARKETS FOR COUNTERFEITING AND PIRACY

In 2010, USTR began publishing annually the *Review of Notorious Markets for Counterfeiting and Piracy* (*Notorious Markets List*) separately from the annual Special 301 Report. The *Notorious Markets List* identifies illustrative examples of online and physical markets that reportedly engage in, facilitate, turn a blind eye to, or benefit from substantial copyright piracy and trademark counterfeiting, according to information submitted to USTR in response to a notice published in the *Federal Register* requesting public comments. In 2024, USTR requested such comments on August 16, 2024, and published the *2024 Notorious Markets List* on January 8, 2025. USTR plans to conduct its next Review of Notorious Markets for Counterfeiting and Piracy in the fall of 2025.

## THE SPECIAL 301 PROCESS

The Congressionally mandated annual Special 301 Report is the result of an extensive multi-stakeholder process. Pursuant to the statute mandating the Report, the United States Trade Representative is charged with designating as Priority Foreign Countries those countries that have the most onerous or egregious acts, policies, or practices and whose acts, policies, or practices have the greatest adverse impact (actual or potential) on relevant U.S. products. (See ANNEX 1.) To facilitate administration of the statute, USTR has created a Priority Watch List and a Watch



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List within this Report. Placement of a trading partner on the Priority Watch List or Watch List indicates that particular problems exist in that country with respect to IP protection, enforcement, or market access for U.S. persons relying on IP. Provisions of the Special 301 statute, as amended, direct the United States Trade Representative to develop action plans for each country identified as a Priority Watch List country that has also been on the Priority Watch List for at least one year.

*Public Engagement*

USTR solicited broad public participation in the 2025 Special 301 review process to facilitate sound, well-balanced assessments of trading partners' IP protection and enforcement and related market access issues affecting IP-intensive industries and to help ensure that the Special 301 review would be based on comprehensive information regarding IP issues in trading partner markets.

USTR requested written submissions from the public through a notice published in the *Federal Register* on December 6, 2024 (*Federal Register* notice). In addition, on February 19, 2025, USTR conducted a public hearing that provided the opportunity for interested persons to testify before the interagency Special 301 Subcommittee of the Trade Policy Staff Committee (TPSC) about issues relevant to the review. The hearing featured testimony from witnesses, including representatives of foreign governments, industry, and non-governmental organizations. USTR posted on its public website the testimony received at the Special 301 hearing and offered a post-hearing comment period during which hearing participants could submit additional information in support of, or in response to, hearing testimony.[3] The *Federal Register* notice drew submissions from 45 non-government stakeholders and 19 foreign governments. The submissions filed in response to the *Federal Register* notice are available to the public online at www.regulations.gov, docket number USTR-2024-0023. The public can access the transcript of the hearing at www.ustr.gov.

*Country Placement*

The Special 301 listings and actions announced in this Report are the result of intensive deliberations among all relevant agencies within the U.S. Government, informed by extensive consultations with participating stakeholders, foreign governments, the U.S. Congress, and other interested parties.

USTR, together with the Special 301 Subcommittee, conducts a broad and balanced assessment of U.S. trading partners' IP protection and enforcement, as well as related market access issues affecting IP-intensive industries, in accordance with the statutory criteria. (See ANNEX 1.) The Special 301 Subcommittee, through the TPSC, provides advice on country placement to USTR based on this assessment. This assessment is conducted on a case-by-case basis, taking into account diverse factors such as a trading partner's level of development, its international obligations and commitments, the concerns of right holders and other interested parties, and the trade and investment policies of the United States. It is informed by the various cross-cutting issues and trends identified in Section I. Each assessment is based upon the specific facts and circumstances that shape IP protection and enforcement in a particular trading partner.

[3] Available at https://ustr.gov/issue-areas/intellectual-property/special-301/2025-special-301-report.



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In the year ahead, USTR will continue to engage trading partners on the issues discussed in this Report. In preparation for, and in the course of, those interactions, USTR will:

- Engage with the U.S. Congress and U.S. Government agencies, as well as U.S. stakeholders and other interested parties to ensure that USTR's position is informed by the full range of views on the pertinent issues;

- Conduct extensive discussions with individual trading partners regarding their respective IP regimes;

- Encourage trading partners to engage fully, and with the greatest degree of transparency, with the full range of stakeholders on IP matters;

- Develop an action plan with benchmarks for each country that has been on the Priority Watch List for at least one year to encourage progress on high-priority IP concerns; and

- Identify, where possible, appropriate ways in which the U.S. Government can be of assistance. (See ANNEX 2.)

USTR will conduct these discussions in a manner that both advances the policy goals of the United States and respects the importance of meaningful policy dialogue with U.S. trading partners. In addition, USTR will continue to work closely with other U.S. Government agencies to ensure consistency of U.S. trade policy objectives.

**STRUCTURE OF THE SPECIAL 301 REPORT**

The 2025 Report contains the following Sections and Annexes:

SECTION I: Developments in Intellectual Property Rights Protection, Enforcement, and Related Market Access discusses global trends and issues in IP protection and enforcement and related market access that the U.S. Government works to address on a daily basis;

SECTION II: Country Reports includes descriptions of issues of concern with respect to particular trading partners;

ANNEX 1: Special 301 Statutory Basis describes the statutory basis of the Special 301 Report; and

ANNEX 2: U.S. Government-Sponsored Technical Assistance and Capacity Building highlights U.S. Government-sponsored technical assistance and capacity building efforts.

April 2025



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# SECTION I: Developments in Intellectual Property Rights Protection, Enforcement, and Related Market Access

An important part of the mission of the Office of the United States Trade Representative (USTR) is to support and implement the Administration's commitment to protect American jobs and workers and to advance the economic interests of the United States. USTR works to protect American innovation and creativity in foreign markets employing all the tools of U.S. trade policy, including the annual Special 301 Report (Report).

Fostering innovation and creativity is essential to U.S. economic growth, competitiveness, and the estimated 63 million American jobs that directly or indirectly rely on intellectual property (IP)-intensive industries.[4] IP-intensive industries, defined by the U.S. Patent and Trademark Office (USPTO) as industries that rely most heavily on IP protections, are a diverse group that include, among others, manufacturers, technology developers, apparel makers, software publishers, agricultural producers, and creators of creative and cultural works.[5] Together, these industries generate 41% of the U.S. gross domestic product (GDP).[6] The 47.2 million workers that are directly employed in IP-intensive industries also enjoy pay that is, on average, 60% higher than workers in non-IP-intensive industries.[7]

IP infringement, including patent infringement, trademark counterfeiting, copyright piracy,[8] and trade secret theft, causes significant financial losses for right holders and legitimate businesses. IP infringement can undermine U.S. competitive advantages in innovation and creativity, to the detriment of American workers and businesses.[9] In its most pernicious forms, IP infringement endangers the public, including through exposure to health and safety risks from counterfeit products, such as semiconductors, automobile parts, apparel, footwear, toys, and medicines. In addition, trade in counterfeit and pirated products often fuels cross-border organized criminal networks, increases the vulnerability of workers to exploitative labor practices, and hinders sustainable economic development in many countries.

This Section highlights developments in 2024 and early 2025 in IP protection, enforcement, and related market access in foreign markets, including: examples of initiatives to strengthen IP

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[4] USPTO, *Intellectual Property and the U.S. Economy: Third Edition* at 4 (Mar. 2022), https://www.uspto.gov/sites/default/files/documents/uspto-ip-us-economy-third-edition.pdf.
[5] *See id*. at 15 (table listing IP-intensive industries).
[6] *Id*. at 13.
[7] *Id*. at 4 and 9.
[8] The terms "trademark counterfeiting" and "copyright piracy" may appear below also as "counterfeiting" and "piracy," respectively.
[9] The Issue Focus of the *2022 Review of Notorious Markets for Counterfeiting and Piracy* examines the impact of online piracy on U.S. workers. Workers, such as content creators and the creative professionals who support the production of creative works, rely more than ever on adequate and effective copyright protection and enforcement to secure their livelihoods in today's digital era. Online piracy is not only highly detrimental to the U.S. economy as a whole, but it also has a strong impact on the everyday lives of individual workers.



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protection and enforcement; illustrative best practices demonstrated by the United States and our trading partners; U.S.-led initiatives in multilateral organizations; and bilateral and regional developments. This Section identifies outstanding challenges and trends, including as they relate to enforcement against counterfeit goods, online and broadcast piracy, protection of trade secrets, forced technology transfer and preferences for indigenous IP,[10] geographical indications (GIs), innovative pharmaceutical products and medical devices, trademark protection issues, copyright administration and royalty payment, and government use of unlicensed software. This Section also highlights the importance of IP to innovation in the environmental sector and considerations at the intersection of IP and health. Finally, this Section discusses the importance of full implementation of the World Trade Organization (WTO) Agreement on Trade-Related Aspects of Intellectual Property Rights (TRIPS) and developments on the use of WTO dispute settlement procedures by the United States to resolve IP concerns.

## A. Initiatives to Strengthen Intellectual Property Protection and Enforcement in Foreign Markets

The Office of the United States Trade Representative (USTR) notes the following important developments in 2024 and early 2025:

- In **Peru**, the Executive Branch issued *Decree No. 1649*, amending Article 217 of the Penal Code to criminalize the unauthorized camcording or reproduction of motion picture audiovisual works in cinemas or similar venues without requiring proof of commercial intent.

- **India** finalized the *Patents (Amendments) Rules, 2024*, which include amendments to the procedures for pre-grant oppositions, an update to the reporting form for patent working, and decreased reporting time for reporting foreign applications. In addition, India's Department for Promotion of Industry and Internal Trade (DPIIT) withdrew the 2016 Department of Industrial Policy and Promotion Office Memorandum on Section 31D under Copyright Act, 1957, which had extended the scope of Section 31D to Internet transmissions and would have had severe implications for right holders who make their content available online.

- In April 2024, prosecutors obtained the first criminal conviction in **Vietnam** for online copyright infringement in a case against the operator of piracy site BestBuyIPTV. In July 2024, a case against the operators of piracy sites Bilutv.net, Tvhayh.org, and Hiss.pro also resulted in criminal convictions of all three defendants.

- In **Vietnam**, the Hanoi Police collaborated with U.S. Homeland Security Investigations (HSI), the U.S. Department of Justice (DOJ) International Computer Hacking and Intellectual Property (ICHIP) program, and the Alliance for Creativity and Entertainment (ACE) to shut down the site Fmovies and associated piracy sites in July and August 2024. Right holders commended the Hanoi Police for this action to shut down one of the world's

[10] In certain countries, preferences or policies on "indigenous IP" or "indigenous innovation" refer to a top-down, state-directed approach to technology development, which can include explicit market share targets that are to be filled by producers using domestically owned or developed IP.

largest piracy operations after a multi-year investigation, noting that domains controlled by the piracy operation drew more than 6.7 billion visits between January 2023 and June 2024.

- In September 2024, the National Congress of **Chile** approved a side letter under the United States-Chile Free Trade Agreement regarding market access to Chile for a number of U.S. cheese and meat products and how Chile will treat prior users of certain terms for cheeses with respect to the European Union-Chile Interim Trade Agreement.

- As of March 2025, there are 62 members of the 1991 Act of the International Union for the Protection of New Varieties of Plants Convention (UPOV 1991). The treaty requires member countries to grant IP protection to breeders of new plant varieties, known as breeder's rights. An effective plant variety protection system incentivizes plant-breeding activities, which leads to increased numbers of new plant varieties with improved characteristics, such as high-yield, tolerance to adverse environmental conditions, and better food quality. In addition, promoting strong plant variety protection and enforcement globally helps improve industry competitiveness in foreign markets, encourages the importation of foreign plant varieties, and enhances domestic breeding programs.

- As of March 2025, there are 114 parties to the World Intellectual Property Organization (WIPO) Performances and Phonograms Treaty and 118 parties to the WIPO Copyright Treaty (WCT), collectively known as the WIPO Internet Treaties. These treaties, which were completed in 1996 and entered into force in 2002, have raised the standard of copyright protection around the world, particularly with regard to online delivery of copyrighted content. The treaties, which provide for certain exclusive rights, require parties to provide adequate legal protection and effective legal remedies against the circumvention of technological protection measures (TPMs), as well as certain acts affecting rights management information (RMI). Since the publication of the 2024 Special 301 Report, **Cameroon** and **Saint Kitts and Nevis** have acceded to both of the WIPO Internet Treaties.

The United States will continue to work with its trading partners to further enhance IP protection and enforcement during the coming year.

### B. Illustrative Best Intellectual Property Practices by Trading Partners

The Office of the United States Trade Representative (USTR) highlights the following illustrative best practices by trading partners in the area of intellectual property (IP) protection and enforcement. Although these best practices are positive examples of IP protection and enforcement, the adoption of best practices in some areas is not an indicator that a country provides adequate levels of IP protection and enforcement in all areas.

- Cooperation and coordination among national government agencies involved in IP issues are examples of effective IP enforcement. Several countries, including the United States, have introduced IP enforcement coordination mechanisms or agreements to enhance interagency cooperation. **Brazil**'s National Council on Combating Piracy and Intellectual Property Crimes comprises representatives from executive branch ministries and the



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private sector, and works to discuss ongoing IP enforcement issues, propose public policy initiatives, and organize public awareness workshops. In **Ecuador**, the National Service of Intellectual Rights (SENADI) produced a digital manual to help Ecuador's Customs Service (SENAE) identify products and marks with the goal of making internal enforcement processes more efficient. The **Dominican Republic** Interministerial Council of Intellectual Property continued its work coordinating the agencies involved in IP protection and enforcement to advance cooperation and information sharing and published its second annual report in February 2025. In **Paraguay**, the Intellectual Property Rights Interagency Coordination Center (CODEPI) consists of the National Directorate of Intellectual Property (DINAPI), Ministry of Industry and Commerce, the National Police (PNP), the Ministry of Foreign Affairs (MFA), the National Directorate of Health Surveillance, the Ministry of Information and Communications Technology (MITIC), the National Directorate of Tax Revenues (DNIT, which includes Customs), the National Service for Plant and Seed Health and Quality, the Consumer Protection Secretariat, and the National Telecommunications Commission. DINAPI increased the number of IP-related investigations and seizures in 2024 and attributed this increase to the use of CODEPI to facilitate information sharing and coordination on enforcement actions. In January 2025, the **Thailand** Ministry of Commerce, through its Department of Foreign Trade, Department of Business Development, and Department of Intellectual Property, announced a joint initiative with sixteen government agencies and various e-commerce platforms to combat the sale of substandard and counterfeit goods, which includes facilitating more effective identification and prosecution of entities engaged in the sale of such goods.

- Specialized IP enforcement units and specialized IP courts also have proven to be important catalysts in the fight against counterfeiting and piracy. For example, in 2024, the Ministry of Culture and the Ministry of Industry in **Algeria** partnered with the World Intellectual Property Organization (WIPO) to establish an IP academy aimed at training government officials. In March 2024, the **Philippines** launched a new e-Commerce Bureau under the Department of Trade and Industry to support the Department of Trade and Industry's regulatory oversight of e-commerce transactions, which includes protecting against the sale of counterfeit goods online. In **India**, the Calcutta and Himachal Pradesh High Courts established Intellectual Property Divisions for hearing IP disputes, building upon the establishment of such divisions in the Delhi and Madras High Courts. In June 2024, the Karnataka High Court issued a notification instituting a subcommittee to prepare draft rules pertaining to future establishment of an IP division. In **Saudi Arabia**, the Saudi Authority for Intellectual Property established an IP Public Prosecution Department for prosecutors with IP training to initiate criminal proceedings related to trademark, copyright, patent, and industrial design infringements.

- Many trading partners conducted IP awareness and educational campaigns, including jointly with stakeholders, to develop support for domestic IP initiatives. In **Spain**, the Ministry of Industry, Trade, and Tourism's Patent and Trademark Office carried out campaigns against IP theft. In October 2024, the **United Arab Emirates** (UAE) Ministry of Economy and Dubai Future Foundation launched the Dubai IP Hub, the UAE's first centralized IP and intangible assets hub aimed at empowering innovators, artists,



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entrepreneurs, academics, and startups. In **Thailand**, the Department of Intellectual Property conducted outreach via a new "Business Class" program on cable and social media to encourage local entrepreneurs to learn about the importance of IP, a new quiz show program on television channels and online media to provide information about IP and business operations, and IP awareness campaigns at physical markets. In the **Philippines**, the Intellectual Property Office of the Philippines promoted a "Pirated Inferno" comic through printed hard copies at the Philippines International Comics Festival and the Manila International Book Fair, and collaborated with a local media company on a "Stream Responsibly: Fight Piracy" campaign. In **Peru**, the Copyright Directorate of the National Institute for the Defense of Free Competition and the Protection of Intellectual Property hosted 41 virtual and in-person trainings, reaching over 3,200 citizens. The Patent Directorate hosted capacity-building and knowledge-strengthening activities on patent and IP related issues for 2,307 participants through webinars, free massive online open courses, and individualized training sessions.

- Another best practice is the active participation of government officials in technical assistance and capacity building. In April 2024, representatives from the government of **Algeria** and 30 Algerian judges and prosecutors attended a three-day IP enforcement workshop in Paris hosted by the U.S. Patent and Trademark Office (USPTO) and the French national IP office. In **Türkiye**, the IP agency Turk Patent held specialized trainings for the Turkish National Police and customs officials for over 200 in-person and 1,000 online participants. The Intellectual Property Office of the **Philippines** conducted a National Judicial Colloquium on Intellectual Property Adjudication, which included participation from judges through the Philippine Judicial Academy. In 2024, the USPTO hosted an in-person workshop in **Brazil** for patent examiners of the National Institute for Industrial Property and broadcast it virtually to share with examiners from the national offices of **Argentina**, **Chile**, **Colombia**, **Ecuador**, **Mexico**, **Paraguay**, and **Peru** on advanced biotechnology patent examination. With respect to IP protection and enforcement, the USPTO brought thirty-seven representatives of the judiciaries of Argentina, Brazil, Chile, Colombia, Ecuador, Mexico, and Peru among other Latin American countries to Washington, D.C. as part of a week-long Judicial Intellectual Property Colloquium for Latin American Judges to share knowledge on the U.S. system for enforcement and litigation of matters relating to patents and trademarks. In **Thailand**, the Department of Intellectual Property organized workshops for law enforcement officers on "Prevention of Intellectual Property Violations" that included trainings on how to examine counterfeit goods. In **Pakistan**, regulatory and law enforcement agencies participated in a roundtable on best practices in digital piracy, working with experts from USPTO, FBI, FCC and DHS. In addition, examiners from Pakistan's Intellectual Property office (IPO) participated in a trademark examination program with USPTO. The IPO also collaborated with other international and local partners to enhance capacity building and public awareness of IP rights. In March 2024, the Delhi Judicial Academy, the Delhi High Courts, USPTO, and the Department of Justice cohosted a 3-day South Asia Judicial Conclave on IP in New Delhi, involving around twenty-five judges from the United States and **Bangladesh**, **Bhutan**, the **Maldives**, **Nepal**, and **Sri Lanka**, and over seventy-five judges from **India**. In **Bulgaria**, the Department of Justice's International Computer Hacking and Intellectual Property (ICHIP) program held a workshop focused on Digital



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Service Act implementation, which was attended by more than 130 police officers, prosecutors, civil, criminal and administrative judges, customs officers, Bulgarian Patent Office (BPO) staff, and representatives of the Communication Regulations Commission.

- Micro, small, and medium-sized enterprises (MSMEs) play a positive role in the global economy as they contribute widely to innovation, trade, growth, investment, and competition. According to a study by the European Patent Office (EPO) and the European Union Intellectual Property Office (EUIPO) in 2019, small and medium-sized enterprises (SMEs) that have at least one IP right are 21% more likely to experience a growth period.[11] Many trading partners provide capacity building, technical assistance, or other resources to help MSMEs better understand IP and how to protect and enforce their IP. For example, the **United Kingdom** provides IP audits to help potential high-growth, innovative MSMEs with a tailored assessment of the IP within their business to help them develop IP management strategies, and **India** provides administrative and financial incentives for the creation and use of IP by SMEs and startups. In **Liberia**, the Intellectual Property Office has established IP Management Clinics for SMEs.

### C. Multilateral Initiatives

The United States works to promote adequate and effective intellectual property (IP) protection and enforcement through various multilateral institutions, notably the **World Trade Organization** (WTO). These efforts are critical, as stakeholders have raised concerns regarding the use of multilateral institutions to undermine IP rights by some member countries.

In 2024, the United States advanced its Intellectual Property and Innovation agenda in the WTO Council for Trade-Related Aspects of Intellectual Property Rights (TRIPS Council) through a series of different initiatives that cover often unexplored areas connected to IP and innovation. Specifically, the United States is part of the Friends of Intellectual Property and Innovation (FOII) group within the TRIPS Council, which in 2024 focused on how protecting and enforcing copyright can benefit creators and other workers in the creative industries. Over the course of three meetings, the United States and FOII co-sponsors presented on IP awareness, focusing on creators, cooperation, and education. The discussions were wide-ranging and spurred Members to consider the links between these areas.

### D. Bilateral and Regional Initiatives

The United States works with many trading partners on IP protection and enforcement through the provisions of bilateral instruments, including trade agreements and memoranda of cooperation, and through regional initiatives.

The following are examples of bilateral coordination and cooperation:

- Trade and Investment Framework Agreements (TIFAs) between the United States and more than 50 trading partners and regions around the world and other similar frameworks

[11] *See* EPO/EUIPO, *High-growth Firms and Intellectual Property Rights: IPR Profile of High-potential SMEs in Europe* (May 2019), https://link.epo.org/web/high_growth_firms_study_en.pdf.

for bilateral engagement have facilitated discussions on IP protection and enforcement. In June 2024, on the margins of the fourth meeting of the Trade and Investment Council under the United States-**Argentina** TIFA, the United States and Argentina held the eighth Innovation and Creativity for Economic Development (ICED) Forum to discuss IP issues. The Intellectual Property Working Group under the United States-**Saudi Arabia** TIFA also met in June 2024 to discuss opportunities for cooperation on IP enforcement and other issues. The United States and the **Philippines** held a technical meeting in June to discuss IP issues raised under the United States-Philippines TIFA, followed by a TIFA meeting in July. In July 2024, the Intellectual Property Working Group under the United States-**Central Asia** TIFA met to discuss and share ideas about customs enforcement in each country. In September 2024, the United States and **Paraguay** met for the third time under the United States-Paraguay TIFA and reviewed implementation of the 2022 Intellectual Property Work Plan. Also, the seventh meeting of the United States-**Nepal** TIFA took place in September 2024 and focused on updates to draft IP legislation in Nepal, technical assistance and trademark issues. In October 2024, the United States and **Egypt** met under the United States-Egypt TIFA and discussed developments in Egypt's IP framework and the country's future-looking National IP Strategy. In December 2024, the United States and **Bangladesh** met for an intersessional meeting of the United States-Bangladesh Trade and Investment Cooperation Forum Agreement (TICFA) Council and discussed issues such as high levels of counterfeiting in Bangladesh and efforts to update IP laws in Bangladesh. Additionally, in 2024, several meetings of the Intellectual Property Working Group under the United States-**India** Trade Policy Forum (TPF) were held, discussing India's efforts to modernize its patent system and exchanging ideas on other patent, copyright, and trademark issues.

Regional coordination and cooperation also increase the effectiveness of engagement on IP protection and enforcement challenges that extend beyond individual jurisdictions:

- In 2024, the United States continued to use the Intellectual Property Experts Group and other **Asia-Pacific Economic Cooperation** (APEC) sub-fora to build capacity and raise standards for the protection of IP rights in the Asia-Pacific region. This included continued discussions with APEC economies on effective practices for enforcement against illicit streaming in a United States-led initiative on illicit streaming, which previously included the joint publication of the *Report on Results of Survey Questionnaire on Domestic Treatment of Illicit Streaming Devices (ISDs) by APEC Economies* and a virtual workshop. The United States also organized workshops on the margins of the Intellectual Property Experts Group Meeting. In August 2024 and February 2025, the United States organized a two-part workshop on "Enhancing Innovation with More Efficient Patent Systems: Tools, Resources, and Worksharing." The workshop highlighted the benefits of leveraging the work products of other offices, such as to reduce patent application backlogs, increase patent quality, reduce costs, and reduce time to obtaining patents. The workshop also discussed tools for identifying prior art, formal worksharing arrangements between IP offices, and different worksharing case studies, using actual and hypothetical patent applications.

- Under its trade preference program reviews, the Office of the United States Trade Representative (USTR), in coordination with other U.S. Government agencies, examines IP practices in connection with the implementation of Congressionally authorized trade preference programs, including the Generalized System of Preferences (GSP) program, the African Growth and Opportunity Act, the Caribbean Basin Economic Recovery Act, and the Caribbean Basin Trade Partnership Act. USTR has pending GSP reviews of IP practices in **Indonesia** and **South Africa** but is not making any determinations about ongoing reviews while duty-free benefits under GSP remain lapsed. USTR continues to work with trading partners to address policies and practices that may adversely affect their eligibility under the IP criteria of preference programs.

In addition to the work described above, the United States anticipates engaging with its trading partners on IP-related initiatives in fora such as the **Group of Seven** (G7), the **World Intellectual Property Organization** (WIPO), the **Organisation for Economic Co-operation and Development** (OECD), and the **World Customs Organization**. USTR, in coordination with other U.S. Government agencies, looks forward to continuing engagement with trading partners to improve the global IP environment.

## E. Intellectual Property Protection, Enforcement, and Related Market Access Challenges

### *Border, Criminal, and Online Enforcement Against Counterfeiting*

Trademark counterfeiting harms consumers, legitimate producers, and governments. Consumers may be harmed by fraudulent and potentially dangerous counterfeit products,[12] particularly medicines, automotive and airplane parts, and food and beverages that may not be subject to the rigorous good manufacturing practices used for legitimate products. Infringers often disregard product quality and performance for higher profit margins. Legitimate producers and their employees face diminished revenue and investment incentives, adverse employment impacts, and reputational damage when consumers purchase fake products. Counterfeiting may also increase costs for firms to enforce their intellectual property (IP) rights. Governments lose the tax revenues generated by legitimate businesses and may find it more difficult to attract investment when illegal competitors undermine their respective markets. For a further discussion on the potential health and safety risks posed by counterfeit goods, please see the Issue Focus section of the *2023 Review of Notorious Markets for Counterfeiting and Piracy* (*Notorious Markets List*).

The problem of trademark counterfeiting continues on a global scale and involves the production, transshipment, and sale of a vast array of fake goods. Counterfeit goods, including semiconductors and other electronics, chemicals, medicines, automotive and aircraft parts, food and beverages, household consumer products, personal care products, apparel and footwear, toys, and sporting

[12] *See* Organisation for Economic Co-operation and Development and European Union Intellectual Property Office, *Dangerous Fakes: Trade in Counterfeit Goods that Pose Health, Safety and Environmental Risks* (Mar. 2022), https://www.oecd.org/publications/dangerous-fakes-117e352b-en.htm (identifying types of potentially dangerous counterfeit products, associated health and safety risks, and global trade statistics from 2017 to 2019 for these products).



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goods, make their way from **China**[13] and other source countries, such as **India** and **Türkiye**, directly to purchasers around the world. As more brands have shifted production from China to Southeast Asia, countries such as **Vietnam** have become more prominent as manufacturers of counterfeit products.

The counterfeits are shipped either directly to purchasers or indirectly through transit hubs, including in **Chile**, **Hong Kong, Kyrgyz Republic**, **Singapore**, **Türkiye**, and the **United Arab Emirates** to third-country markets such as **Brazil**, **Kenya**, **Mexico**, **Nigeria**, **Paraguay**, and **Russia**, that are reported to have ineffective or inadequate IP enforcement systems.

According to an Organisation for Economic Co-operation and Development (OECD) and European Union Intellectual Property Office (EUIPO) study released in June 2021, titled *Global Trade in Fakes: A Worrying Threat*, the global trade in counterfeit and pirated goods reached $464 billion in 2019, accounting for 2.5% of the global trade in goods for that year.[14] The report identified **Bangladesh** as one of the top five source economies for counterfeit clothing globally.[15] In Fiscal Year 2024, **China** and **Hong Kong**, together, accounted for over 93% of the value measured by manufacturers' suggested retail price of counterfeit and pirated goods seized by U.S. Customs and Border Protection.[16] Stakeholders also continue to report dissatisfaction with border enforcement in **Singapore**, including concerns about the lack of coordination between Singapore Customs and the Singapore Police Force's Intellectual Property Rights Branch.

The manufacture and distribution of pharmaceutical products and active pharmaceutical ingredients bearing counterfeit trademarks is a growing problem that has important consequences for consumer health and safety and is exacerbated by the rapid growth of illegitimate online sales. Counterfeiting contributes to the proliferation of substandard, unsafe medicines that do not conform to established quality standards. The United States is particularly concerned with the proliferation of counterfeit pharmaceuticals that are manufactured, sold, and distributed by numerous trading partners. The top countries of origin for counterfeit pharmaceuticals seized at the U.S. border in Fiscal Year 2024 were **India**, **China,** including **Hong Kong**, the **United Arab Emirates**, and **Singapore**.[17] A recent study by OECD and EUIPO found that **China**, **India**, **Indonesia**, **Pakistan**, the **Philippines**, and **Vietnam** are the leading sources of counterfeit medicines distributed globally.[18] U.S. brands are the most popular targets for counterfeiters of medical products, and counterfeit U.S.-brand medicines account for 38% of global counterfeit medicine seizures.[19] While it may not be possible to determine an exact figure, the World Health

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[13] In fiscal year 2024, China (including Hong Kong) accounted for over 93% of the value (measured by manufacturers' suggested retail price) of counterfeit and pirated goods seized by U.S. Customs and Border Protection.
U.S. Customs and Border Protection, *Intellectual Property Rights (IPR) Seizures Dashboard*, (Apr. 1, 2025), https://www.cbp.gov/newsroom/stats/intellectual-property-rights-ipr-seizures.

[14] OECD/EUIPO, *Global Trade in Fakes: A Worrying Threat* at 9 (Jun. 2021), https://www.oecd-ilibrary.org/sites/74c81154-en/index.html?itemId=/content/publication/74c81154-en.

[15] OECED/EUIPO, *Global Trade in Fakes: A Worrying Threat*, at 48.

[16] U.S. Customs and Border Protection, *Intellectual Property Rights (IPR) Seizures Dashboard*, (Apr. 1, 2025), https://www.cbp.gov/document/annual-report/fy-2024-ipr-seizure-statistics.

[17] U.S. Customs and Border Protection, *Intellectual Property Rights (IPR) Seizures Dashboard*, (Apr. 1, 2025), https://www.cbp.gov/newsroom/stats/intellectual-property-rights-ipr-seizures.

[18] OECD/EUIPO, *Trade in Counterfeit Pharmaceutical Products* at 35 (Mar. 2020), http://www.oecd.org/gov/trade-in-counterfeit-pharmaceutical-products-a7c7e054-en.htm.

[19] *Id*. at 12.

Organization (WHO) estimated that substandard or falsified medical products comprise 10% of total medical products in low- and middle-income countries.[20] Furthermore, the increasing popularity of online pharmacies[21] has aided the distribution of counterfeit medicines. A 2020 study by Pennsylvania State University found that illicit online pharmacies, which provide access to prescription drugs, controlled substances, and substandard or counterfeit drugs, represent between 67% to 75% of web-based drug merchants.[22] The U.S. Government supports programs in sub-Saharan Africa, Asia, and elsewhere that assist trading partners in protecting the public against counterfeit and substandard medicines in their markets. For a further discussion on illicit online pharmacies and the risks and growing availability of counterfeit medicines, please see the Issue Focus section of the *2024 Review of Notorious Markets for Counterfeiting and Piracy (Notorious Markets List)*.

Counterfeiters increasingly use legitimate express mail, international courier, and postal services to ship counterfeit goods in small consignments rather than ocean-going cargo to evade the efforts of enforcement officials to interdict these goods. Approximately 90% of U.S. seizures at the border are made in the express carrier and international mail environments. Counterfeiters also continue to ship products separately from counterfeit labels and packaging to evade enforcement efforts.[23]

Counterfeiters also increasingly sell counterfeit goods on online marketplaces, particularly through platforms that permit consumer-to-consumer sales. The Office of the United States Trade Representative (USTR) urges e-commerce platforms to take proactive and effective steps to reduce piracy and counterfeiting, for example, by establishing and adhering to strong quality control procedures in both direct-to-consumer and consumer-to-consumer sales, vetting third-party sellers, engaging with right holders to quickly address complaints, and working with law enforcement to identify IP violators.[24]

The United States continues to urge trading partners to undertake more effective criminal and border enforcement against the manufacture, import, export, transit, and distribution of counterfeit goods. The United States engages with its trading partners through bilateral consultations, trade agreements, and international organizations to help ensure that penalties, such as significant monetary fines and meaningful sentences of imprisonment, are available and applied to deter

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[20] WHO, *Substandard and Falsified Medical Products* (Jan. 2018), https://www.who.int/news-room/fact-sheets/detail/substandard-and-falsified-medical-products.

[21] *See* Alliance for Safe Online Pharmacies (ASOP Global) / Abacus Data, *2020 National Survey on American Perceptions of Online Pharmacies* (Oct. 2020), https://asopfoundation.pharmacy/wp-content/uploads/2021/07/Survey-Key-Findings_October-2020.pdf (based on a July 2020 poll of 1500 American consumers, "35% of Americans have now reported using an online pharmacy to buy medication for themselves or someone in their care" with "31% [doing] so for the first time this year because of the pandemic").

[22] Journal of Medical Internet Research, *Managing Illicit Online Pharmacies: Web Analytics and Predictive Models Study* (Aug. 2020), https://www.jmir.org/2020/8/e17239/; *cf.* ASOP Global / Abacus Data, *infra* ("At any given time, there are 35,000 active online pharmacies operating worldwide, 96% of which are operating illegally in violation of state and/or federal law and relevant pharmacy practice standards."); FDA, *Internet Pharmacy Warning Letters* (Mar. 2021), https://www.fda.gov/drugs/drug-supply-chain-integrity/internet-pharmacy-warning-letters (listing illegally operating online pharmacies that have been sent warning letters by the FDA).

[23] For more information on these trends, see CBP's intellectual property rights seizure statistics at https://www.cbp.gov/trade/priority-issues/ipr.

[24] For more examples, see DHS, *Combating Trafficking in Counterfeit and Pirated Goods* (Jan. 2020), https://www.dhs.gov/sites/default/files/publications/20_0124_plcy_counterfeit-pirated-goods-report_01.pdf.

counterfeiting. In addition, trading partners should ensure that competent authorities seize and destroy counterfeit goods, as well as the materials and implements used for their production, thereby removing them from the channels of commerce. Permitting counterfeit goods, as well as materials and implements, to re-enter the channels of commerce after an enforcement action wastes resources and compromises the global enforcement effort.

In addition, trading partners should provide enforcement officials with *ex officio* authority to suspend release of suspect goods and to seize and destroy counterfeit goods as part of their criminal procedures and at the border during import, export, or in-transit movement without the need for a formal complaint from a right holder. For example, regarding criminal enforcement, **Türkiye** provides its customs officials with *ex officio* authority to seize infringing goods at the border, but its National Police lack such clear abilities. **Pakistan** has not provided criminal enforcement authorities *ex officio* authority to take action against counterfeit goods. Regarding border enforcement, in **Colombia**, for example, the customs police reportedly do not have authority to enter primary inspection zones and lack *ex officio* authority to inspect, seize, and destroy counterfeit goods in those zones. Similarly, in **Ecuador**, stakeholders have reported concerns with a lack of *ex officio* authority. Although **Indonesia** provides *ex officio* authority for its customs authorities and has a recordation system, right holders can only benefit from the system if they meet several stringent requirements, including local permanent establishment requirements and large deposit requirements. Similarly, border authorities in **Canada** have *ex officio* authority to seize suspected counterfeit goods, but they do not consistently use this authority. **Turkmenistan** also lacks *ex officio* authority for border enforcement. In **Mexico**, its National Customs Agency (ANAM) does not have *ex officio* authority to seize products that are suspected as being counterfeit, and they must instead wait for a right holder to file a complaint with Mexico's Institute of Industrial Property (IMPI) or the Attorney General's Office of Mexico who then decides whether or not to take action and notify ANAM.

The United States coordinates with and supports trading partners through technical assistance and sharing of best practices on criminal and border enforcement, including with respect to the destruction of seized goods (see ANNEX 2).

As supply chains have grown more complicated, such increased segmentation has provided more opportunities for counterfeit goods to enter into the sourcing, production, manufacturing, packaging, and distribution process. This practice can taint the supply chain for goods in all countries, harm consumers, and create reputational risk for companies. Countries must work together to detect and deter commerce in counterfeit goods. To this end, the United States strongly supports continued work in the OECD and elsewhere on countering illicit trade. For example, the OECD recently adopted recommendations for enhancing transparency and reducing opportunities for illicit trade in free trade zones (also known as foreign-trade zones).[25] The United States encourages the OECD and our trading partners to build off the *Governance Frameworks to Counter Illicit Trade* OECD report[26] and the International Chamber of Commerce (ICC) *Know*

[25] OECD, *Recommendation of the Council on Countering Illicit Trade: Enhancing Transparency in Free Trade Zones* (Oct. 2019), https://legalinstruments.oecd.org/en/instruments/OECD-LEGAL-0454.

[26] OECD, *Governance Frameworks to Counter Illicit Trade* (Mar. 2018), https://www.oecd.org/en/publications/governance-frameworks-to-counter-illicit-trade_9789264291652-en.html.



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*Your Customer* initiative[27] aimed at tackling the problem of counterfeit goods transported by international shipping companies. The United States commends these efforts by the OECD and the ICC.

***Online Piracy and Broadcast Piracy***

The increased availability of broadband Internet connections around the world, combined with increasingly accessible and sophisticated mobile technology, has led to the development of legitimate digital platforms for distribution of copyrighted content. This development in turn has allowed consumers around the world to enjoy the latest movies, television, music, books, and other copyrighted content from the United States.

However, technological developments have also made the Internet an extremely efficient vehicle for disseminating pirated content that competes unfairly with legitimate e-commerce and distribution services that copyright holders and online platforms use to deliver licensed content. Online piracy is the most challenging copyright enforcement issue in many foreign markets. For example, during the review period, countries such as **Argentina**, **Bulgaria**, **Canada**, **Chile**, **China**, **Colombia**, **Ecuador**, **Guatemala**, **India**, **Mexico**, the **Netherlands**, **Pakistan**, **Poland**, **Romania**, **Russia**, **Switzerland**, **Thailand**, and **Vietnam** had high levels of online piracy and lacked effective enforcement. A June 2019 report, titled *Impacts of Digital Video Piracy on the U.S. Economy*, estimated that global online video piracy costs the U.S. economy at least $29.2 billion and as much as $71 billion in lost revenue each year.[28]

Stream-ripping software can be used to create infringing copies of copyrighted works from licensed streaming sites, and stream-ripping is now a dominant method of music piracy, causing substantial economic harm to music creators and undermining legitimate online services. During the review period, stream-ripping was reportedly popular in countries such as **Canada**, **Chile**, **India**, **Mexico**, **Nigeria**, **Russia**, and **Switzerland**.

Furthermore, illicit streaming devices (ISDs), also referred to as piracy devices, continue to pose a direct threat to content creators, sports leagues, and live performances, as well as legitimate streaming, on-demand, and over-the-top media service providers. Similarly, illicit Internet Protocol television (IPTV) services unlawfully retransmit telecommunications signals and channels containing copyrighted content through dedicated web portals and third-party applications. Today, there are many illegal IPTV services worldwide, many of which are subscription-based, for-profit services with vast and complex technical infrastructures. Stakeholders continue to report notable levels of piracy through ISDs and illicit IPTV apps,

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[27] International Chamber of Commerce, *Know Your Customer* (Sept. 2018), https://iccwbo.org/news-publications/arbitration-adr-rules-and-tools/know-your-customer-due-diligence-and-maritime-supply-chain-integrity.

[28] Blackburn, David et al, *Impacts of Digital Video Piracy on the U.S. Economy* at Foreword, ii (Jun. 2019), https://www.project-scope.org/wp-content/uploads/2020/08/digital-video-piracy.pdf. *See also* Danaher, Brett et al, *Piracy Landscape Study: Analysis of Existing and Emerging Research Relevant to Intellectual Property Rights (IPR) Enforcement of Commercial-Scale Piracy*, USPTO Economic Working Paper No. 2020-2 (Apr. 2020) (evaluating peer-reviewed studies addressing the scope and magnitude of economic harm from piracy, particularly via digital channels, across music and books as well as movies and television), https://papers.ssrn.com/sol3/papers.cfm?abstract_id=3577670.

including in **Algeria**, **Argentina**, **Brazil**, **Canada**, **Chile**, **China**, **Guatemala**, **Hong Kong**, **India**, **Indonesia**, **Jordan**, **Mexico**, **Morocco**, **Singapore**, **Switzerland**, **Taiwan**, **Thailand**, the **United Arab Emirates**, and **Vietnam**. China, in particular, is a manufacturing hub for these devices.

Signal theft by cable operators continues to be a problem. In most cases, infringers circumvent encryption systems or otherwise unlawfully access cable or satellite signals to access copyrighted content. Unauthorized distributors may also steal "overspill" broadcast or satellite signals from neighboring countries, access broadcast signals, or otherwise hack set-top boxes to allow consumers unauthorized access to copyrighted content, including premium cable channels. Hotels remain common sites of this type of infringement as they may use their own on-site facilities to intercept programing services and retransmit them throughout the hotel without paying right holders. For example, in **Brazil**, signal theft is used as a source of premium live content. Similarly, **Argentina**'s law enforcement authorities do not prioritize prosecuting theft of pay-tv signals. **Honduras** continues to have one of the highest rates of signal piracy in Latin America and the Caribbean, with lack of enforcement being an ongoing problem. There are also ongoing concerns that a major cable provider in the country is offering unlicensed programming, is using that pirated content to expand its market share, and is now moving to illegal streaming as well.

The proliferation of "camcords" continues to be a significant trade problem. Unauthorized camcording is the primary source of infringing copies found online of newly released movies. The recordings made in movie theaters today are very different from those by a single person sitting in a theater with a bulky videotape recorder. The results are not shaky, inaudible recordings. It is now easy for a surreptitious recording in a movie theater to result in a clean digital copy of a movie with perfect audio that can be quickly distributed online. The pirated version of the newly released movie may be available online while it is still showing in theaters. The economic damage is magnified because movies may be released in different markets at different times. Thus, a camcord of a movie released in one market can be made available unlawfully in another market before the movie enters the theaters there. In addition to theater owners who lose revenue, legitimate digital platforms, which often negotiate for a certain period of exclusivity after the theatrical run, cannot fairly compete in the market due to unauthorized camcording.

Stakeholders continue to report serious concerns regarding unauthorized camcords. For example, in **Russia**, stakeholders continue to report significant levels of camcording. The withdrawal of major U.S. right holders from the market due to the war in Ukraine has only exacerbated the issue. **China** remains a notable source of unauthorized camcords, including live streams of theatrical broadcasts online. China has taken some enforcement actions in recent years but still lacks a specific criminal law to address the issue. Additionally, stakeholders report that unauthorized camcords originating from **India** continue to be a concern.

Countries also need to update legal frameworks to effectively deter unauthorized camcording and keep up with changing practices. For example, the requirement in some countries that a law enforcement officer must observe a person camcording and then prove that the person is circulating the unlawfully recorded movie before intervening often precludes effective enforcement. Countries like **Argentina**, **Brazil**, **Ecuador**, and **Russia** do not effectively criminalize unauthorized camcording in theaters. The United States urges countries to adopt laws and enforcement practices designed to prevent unauthorized camcording, such as laws that have been



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adopted in **Canada**, **Japan**, **Peru**, the **Philippines**, and **Ukraine**. The Asia-Pacific Economic Cooperation (APEC) has also issued a report titled *Effective Practices for Addressing Unauthorized Camcording*.[29] As the practice of camcording evolves, so too must methods for detecting and preventing camcording. One best practice to supplement, but not replace, such effective legal measures is building public awareness. Another important practice is for the private sector to work on capacity building to help theater managers and employees detect camcording and assist law enforcement.

In addition to the distribution of copies of newly released movies resulting from unauthorized camcording, other examples of online piracy that damage legitimate trade are found in virtually every country listed in the Special 301 Report and include: the unauthorized retransmission of live sports programming online; the unauthorized cloning of cloud-based entertainment software through reverse engineering or hacking onto servers that allow users to play pirated content online, including pirated online games; and the online distribution of software and devices that allow for the circumvention of technological protection measures, including game copiers and mod chips that allow users to play pirated games on physical consoles. Piracy facilitated by online services presents unique enforcement challenges for right holders in countries where copyright laws have not been able to adapt or keep pace with these innovations in piracy.

The availability of recourse to right holders, enforcement procedures, and remedies are critical components of the online ecosystem. For all the above reasons, governments should avoid creating a domestic environment that offers a safe haven for online and broadcast piracy.

***Trade Secrets***

This year's Report continues to reflect the growing need for trading partners to provide effective protection and enforcement of trade secrets. Companies in a wide variety of industry sectors, including information and communications technology (ICT), services, environmental technologies, pharmaceuticals, medical devices, and other manufacturing sectors, rely on the ability to protect and enforce their trade secrets and rights in proprietary information. Trade secrets are particularly important to small businesses, which often rely on trade secret protection to preserve the secrecy and value of their technology. Small businesses may not have the resources to obtain and enforce patents, which require disclosure of the technology and risk infringement by others, and therefore rely on the protection of trade secrets for their proprietary technology. Trade secrets, such as business plans, internal market analyses, manufacturing methods, customer lists, and recipes, are often among a company's core business assets. A company's competitiveness may depend on its capacity to protect such assets. Trade secret theft threatens to diminish U.S. competitiveness around the globe and puts U.S. jobs at risk. The reach of trade secret theft into critical commercial and defense technologies poses threats to U.S. national security interests as well.

Various sources, including the National Counterintelligence and Security Center (NCSC), have reported specific gaps in trade secret protection and enforcement, particularly in **China** and

[29] APEC, *Effective Practices for Addressing Unauthorized Camcording* (Nov. 11, 2011), https://www.apec.org/docs/default-source/groups/ip/11_amm_014app05.doc.

**Russia**.[30] Theft may arise in a variety of circumstances, including those involving departing employees taking portable storage devices containing trade secrets, failed joint ventures, cyber intrusion and hacking, and misuse of information submitted by trade secret owners to government entities for purposes of complying with regulatory obligations. In practice, effective remedies appear to be difficult to obtain in a number of countries, including in **China**, **India**, and **Russia**. Lack of legal certainty regarding trade secrets also dissuades companies from entering into partnerships or expanding their business activities in these and other countries. Many countries do not provide criminal penalties for trade secret theft sufficient to deter such behavior. In some foreign countries, certain practices and policies, including evidentiary requirements in trade secrets litigation and mandatory technology transfer, put valuable trade secrets at risk of exposure. Certain data governance regimes (whether proposed or implemented) also raise concerns for intellectual property protection in general and trade secret protection of proprietary data in particular. The United States continues to monitor this trend and its impact on incentivizing innovation and market access.

The United States uses all trade tools available to ensure that its trading partners provide robust protection for trade secrets and enforce trade secrets laws. Given the global nature of trade secret theft, action by our trading partners is also essential. Several trading partners have recently strengthened or have been working toward strengthening their trade secret regimes, including **Taiwan**.

The United States-Mexico-Canada Agreement (USMCA), which entered into force in July 2020, has the most robust protection for trade secrets of any prior U.S. trade agreement. It includes a number of commitments addressing the misappropriation of trade secrets, including by state-owned enterprises: civil procedures and remedies, criminal procedures and penalties, prohibitions against impeding licensing of trade secrets, judicial procedures to prevent disclosure of trade secrets during the litigation process, and penalties for government officials for the unauthorized disclosure of trade secrets. The USMCA requires the Parties to conduct a joint review of the Agreement on July 1, 2026, where the USTR will be focused on ensuring that it remains in the interest of American workers and businesses. The United States-China Economic and Trade Agreement (Phase One Agreement), signed in January 2020, also includes several trade secret commitments to address a number of long-standing concerns in **China**, including on expanding the scope of civil liability, covering acts such as electronic intrusions as trade secret theft, shifting the burden of producing evidence, making it easier to obtain preliminary injunctions to prevent use of stolen trade secrets, allowing criminal investigations without need to show actual losses, ensuring criminal enforcement for willful misappropriation, and prohibiting unauthorized disclosure of trade secrets and confidential business information by government personnel or third-party experts. USTR has been assessing China's lack of compliance with certain commitments in the Phase One Agreement, including with respect to trade secrets, and is considering potential responses.

Action in international organizations is also crucial. For instance, the United States strongly supports continued work in the Organisation for Economic Co-operation and Development (OECD) on trade secret protection, building off two studies released by the OECD in 2014. The

[30] NCSC, *Foreign Economic Espionage in Cyberspace* at 5-9 (2018), https://www.dni.gov/files/NCSC/documents/news/20180724-economic-espionage-pub.pdf.

first study, titled *Approaches to Protection of Undisclosed Information (Trade Secrets)*,[31] surveyed legal protection for trade secrets available in a sample of countries. The second study, titled *Uncovering Trade Secrets - An Empirical Assessment of Economic Implications of Protection for Undisclosed Data*,[32] examined the protection of trade secrets for a sample of 37 countries, provided historical data for the period since 1985, and considered the relationship between the stringency of trade secret protection and relevant economic performance indicators. Also, in November 2016, the Asia-Pacific Economic Cooperation (APEC) endorsed a set of *Best Practices in Trade Secret Protection and Enforcement Against Misappropriation*,[33] which includes best practices such as: broad standing for claims for the protection of trade secrets and enforcement against trade secret theft; civil and criminal liability, as well as remedies and penalties, for trade secret theft; robust procedural measures in enforcement proceedings; and adoption of written measures that enhance protection against further disclosure when governments require the submission of trade secrets.

***Forced Technology Transfer, Indigenous Innovation, and Preferences for Indigenous Intellectual Property***

Right holders operating in other countries report an increasing variety of government measures, policies, and practices that require or pressure technology transfer from U.S. companies. While these measures are sometimes styled as means to incentivize domestic "indigenous innovation," in practice they disadvantage U.S. companies, conditioning market entry on surrendering their intellectual property (IP). These actions serve as market access barriers and deny U.S. companies reciprocal opportunities to access foreign markets relative to market access provided to foreign companies operating in the United States. Such government-imposed conditions or incentives for technology transfer to domestically owned companies may also introduce non-market distortions into licensing and other private business arrangements, resulting in commercially suboptimal outcomes for the firms involved and for innovation in general. Furthermore, these measures discourage foreign investment in national economies; hurt local manufacturers, distributors, and retailers; and slow the pace of innovation and economic progress. This kind of government intervention in the commercial decisions that enterprises make regarding the ownership, development, registration, or licensing of IP is not consistent with international practice and may raise concerns regarding consistency with international obligations as well.

These government measures often have a distortive effect by forcing U.S. companies to transfer their technology or other valuable commercial information to domestically owned entities. Examples of these policies include:

- Requiring the transfer of technology as a condition for obtaining investment and regulatory approvals or otherwise securing access to a market or as a condition for allowing a company to continue to do business in the market;

[31] Schultz, M. and D. Lippoldt, *Approaches to Protection of Undisclosed Information (Trade Secrets): Background Paper* (Jan. 2014), https://doi.org/10.1787/5jz9z43w0jnw-en.
[32] Lippoldt, D. and M. Schultz, *Uncovering Trade Secrets - An Empirical Assessment of Economic Implications of Protection for Undisclosed Data* (Aug. 2014), https://doi.org/10.1787/5jxzl5w3j3s6-en.
[33] *Best Practices in Trade Secret Protection and Enforcement Against Misappropriation*, https://ustr.gov/sites/default/files/11202016-US-Best-Practices-Trade-Secrets.pdf.

- Directing state-owned enterprises in innovative sectors to seek non-commercial terms from their foreign business partners, including with respect to the acquisition and use or licensing of IP;

- Providing domestically owned firms with an unfair competitive advantage by failing to effectively enforce, or discouraging the enforcement of, U.S.-owned IP, including patents, trademarks, trade secrets, and copyright;

- Failing to take meaningful measures to prevent or to deter cyber intrusions and other unauthorized activities;

- Requiring use of, or providing preferences to, products or services that contain domestically developed or owned IP, including with respect to government procurement;

- Manipulating the standards development process to create unfair advantages for domestically owned firms, including with respect to participation by foreign firms and the terms on which IP is licensed; and

- Requiring the submission of unnecessary or excessive confidential business information for regulatory approval purposes and failing to protect such information appropriately.

In **China**, investment and regulatory approvals, market access, government procurement, and the receipt of certain preferences or benefits may be conditioned on a firm's ability to demonstrate that IP is developed in or transferred to China, or is owned by or licensed to a Chinese party. China has made enforceable commitments to address forced technology transfer in the United States-China Economic and Trade Agreement (Phase One Agreement).

In **Indonesia**, it is reported that approvals for foreign companies to market pharmaceuticals are conditioned upon the transfer of technology to Indonesian entities or upon partial manufacture in Indonesia. In October 2024, Indonesia enacted a new *Patent Law*, which reflected amendments made through the *Omnibus Law No. 6 on Job Creation* that modified requirements for patents to be worked in Indonesia so that the requirements can be met by importation or licensing. However, the *Patent Law* includes a new requirement for patent holders to make a statement regarding the implementation of their patents at the end of each year. The *Patent Law* lacks clarity about how right holders should meet this requirement and the potential penalties for non-compliance.

The United States urges that, in formulating policies to promote innovation, trading partners, including **China**, refrain from forced technology transfer and local preferences for indigenous IP and take account of the importance of voluntary commercial partnerships or arrangements on mutually agreed terms. As part of the Phase One Agreement, China agreed to provide effective access to Chinese markets without requiring or pressuring U.S. persons to transfer their technology to Chinese persons. China also made other commitments on forced technology transfer that are described in further detail in Section II of this Report.

### *Geographical Indications*

The United States is working intensively through bilateral and multilateral channels to advance U.S. market access interests in foreign markets and to ensure that geographical indications (GI)-related trade initiatives of the **European Union** (EU), its Member States, like-minded countries, and international organizations do not undercut such market access. GIs typically include place names (or words associated with a place) and identify products as having a particular quality, reputation, or other characteristic essentially attributable to the geographic origin of the product. The EU GI agenda remains highly concerning because it significantly undermines protection of trademarks held by U.S. producers and imposes barriers on market access for U.S.-made goods that rely on the use of common names, such as parmesan or feta.

First, the EU GI system raises concerns regarding the extent to which it impairs the scope of trademark protection, including exclusive rights in registered trademarks that pre-date the protection of a GI. Trademarks are among the most effective ways for producers and companies, including micro, small, and medium-sized enterprises, to create value, to promote their goods and services, and to protect their brands, even with respect to food and beverage products covered by the EU GI system. Many such products are already protected by trademarks in the United States, in the EU, and around the world. Trademark systems offer strong protections through procedures that are easy to use, cost-effective, transparent, and provide due process safeguards. Trademarks also deliver high levels of consumer awareness, significant contributions to gross domestic product and employment, and accepted international systems of protection. The EU GI system undermines trademark protection and may result in consumer confusion to the extent that it permits the registration and protection of GIs that are confusingly similar to prior trademarks.

Second, the EU GI system and strategy adversely impact access for U.S. and other producers in the EU market and other markets by granting protection to terms that are considered in those markets to be the common name for products. The EU has granted GI protection to thousands of terms that now only certain EU producers can use in the EU market, and many of these producers then block the use of any term that even "evokes" a GI. However, many EU Member States, such as Denmark and France, still produce products that are claimed as GIs of other European countries, such as feta, and export these products outside of the EU using the protected GIs as the common name of the products. Furthermore, in 2017, the EU granted GI protection to the cheese name danbo, a widely traded type of cheese that is covered by an international standard under the Codex Alimentarius (Codex). Argentina, South Africa, Uruguay, and other countries produce danbo. Similarly, in 2019, the EU granted GI protection to havarti, notwithstanding the long-standing and widespread use of this term by producers around the world. Australia, New Zealand, the United States, and other countries produce havarti. Like in the case of danbo, the Codex established an international standard for havarti in 2007, premised on the fact that havarti is produced and marketed in many countries throughout the world under that name. The EU's approval of GIs for havarti and danbo undermine the Codex standards for these products, and World Trade Organization (WTO) Members have repeatedly challenged the EU to explain its treatment of Codex cheese standards at the WTO, including in the Technical Barriers to Trade Committee. Moreover, havarti is included in the EU's most favored nation tariff rate quota, indicating that havarti was expected to be produced outside of and imported into the EU. Several countries, including the United States, opposed GI protection of these common names, both during the EU's

opposition period and at the WTO, but the European Commission granted the protection over that opposition and without sufficient explanation or notice to interested parties.

As part of its trade agreement negotiations, the EU pressures trading partners to prevent any producer, except from those in certain EU regions, from using certain product names, such as fontina, gorgonzola, parmesan, asiago, or feta. This is despite the fact that these terms are the common names for products produced in countries around the world. In the EU and other markets that have protected EU GIs within their own GI systems, U.S. producers and traders either are effectively blocked from those markets or must adopt burdensome workarounds. They either cannot use the descriptors at all, or anything even evoking them, in the market or at best may sell their products only as "fontina-like," "gorgonzola-kind," "asiago-style," or "imitation feta." This is costly, unnecessary, and can reduce consumer demand for the non-EU products, as well as reduce consumer choice and cause consumer confusion.

The United States runs a significant deficit in food and agricultural trade with the EU. The EU GI system contributes to this asymmetry, which is acute in trade in agricultural products subject to the EU GI system. In the case of cheese, for example, where many EU products enjoy protection under the EU GI system, the EU exported more than $1.4 billion of cheese to the United States last year. Conversely, the United States exported only about $6.3 million of cheese to the EU last year. Based on this evidence, EU agricultural producers exporting to the United States are doing quite well, benefiting considerably from the effective U.S. system of trademark protection of GIs, despite the absence of an EU-style GI system. Unfortunately, U.S. producers, as evidenced by the deficit, are not afforded the same level of market access to the EU.

Despite these troubling aspects of its GI system, the EU continues to seek to expand its harmful GI system within its territory and beyond. Within its borders, the EU is enlarging its system beyond agricultural products and foodstuffs to encompass non-agricultural products, including apparel, ceramics, glass, handicrafts, manufactured goods, minerals, salts, stones, and textiles. The United States continues to remain concerned about certain changes to the EU's Common Agricultural Policy, adopted in November 2021 and entered into force on January 1, 2023, which would transfer much of the GI application review process to interested EU Member States and sharply reduce the period for filing a reasoned basis in support of an opposition to register a GI. As noted above, the EU has also sought to advance its agenda through trade agreements, which impose the negative impacts of the EU GI system on market access and trademark protection in third countries, including through exchanges of lists of terms that receive automatic protection as GIs without sufficient transparency or due process.

The EU has pursued its GI agenda in multilateral and plurilateral bodies as well. For example, in 2015, the EU, several EU Member States, and others expanded the World Intellectual Property Organization (WIPO) Lisbon Agreement for the Protection of Appellations of Origin and their International Registration to include GIs, thereby enshrining several detrimental aspects of EU law in that Agreement. The Geneva Act of the Lisbon Agreement that emerged from these negotiations was the product of a decision led by the EU and certain Member States to break with the long-standing WIPO practice of consensus-based decision-making and to deny the United States and 160 other WIPO countries meaningful participation rights in the negotiations. In 2020, the EU became party to the Geneva Act of the Lisbon Agreement. In other international organizations,

such as the United Nations Food and Agriculture Organization, the EU has attempted to pursue its agenda by alleging a connection between GIs and unrelated issues, such as biodiversity, sustainability, and food safety.

In response to the EU's aggressive promotion of its exclusionary GI policies, the United States continues its intensive engagement in promoting and protecting access to foreign markets for U.S. exporters of products that are identified by common names or otherwise marketed under previously registered trademarks. The United States is advancing these objectives through its trade agreements, as well as in international fora, including in the Asia-Pacific Economic Cooperation (APEC), WIPO, and the WTO. In addition to these negotiations, the United States is engaging bilaterally to address concerns resulting from the GI provisions in existing EU trade agreements, agreements under negotiation, and other initiatives, including with **Argentina**, **Australia**, **Brazil**, **Canada**, **Chile**, **China**, **Ecuador**, **Indonesia**, **Japan**, **Kenya**, **Korea**, **Malaysia**, **Mexico**, **Moldova**, **New Zealand**, **Paraguay**, the **Philippines**, **Singapore**, **Taiwan**, **Thailand, Uruguay**, and **Vietnam**, among others. U.S. goals in this regard include:

- Ensuring that the grant of GI protection does not violate prior rights (for example, in cases in which a U.S. company has a trademark that includes a place name);

- Ensuring that the grant of GI protection does not deprive interested parties of the ability to use common names, such as parmesan or feta;

- Ensuring that interested persons have notice of, and opportunity to oppose or to seek cancellation of, any GI protection that is sought or granted;

- Ensuring that notices issued when granting a GI consisting of multiple terms identify its common name components; and

- Opposing efforts to extend the protection given to GIs for wines and spirits to other products.

***Pharmaceutical and Medical Device Innovation and Market Access***

In order to promote affordable health care for American patients today and innovation to preserve access to the cutting-edge treatments and cures that they deserve tomorrow, USTR has been engaging with trading partners to ensure that U.S. owners of IP have a full and fair opportunity to use and profit from their IP, including by promoting transparent and fair pricing and reimbursement systems. USTR has sought to: (1) ensure robust IP systems; (2) reduce market access barriers to pharmaceutical products and medical devices, including measures that discriminate against U.S. companies, are not adequately transparent, or do not offer sufficient opportunity for meaningful stakeholder engagement; and (3) enable trading partners to appropriately recognize the value of innovative medicines and medical devices so that trading partners contribute their fair share to research and development of new treatments and cures.

Among other examples, USTR engagement in the past year included:

- Monitored and enforced **China**'s commitments with respect to: (1) a mechanism for the early resolution of potential pharmaceutical patent disputes, including a cause of action to allow a patent holder to seek expeditious remedies before the marketing of an allegedly infringing product; and (2) patent term extensions to compensate for unreasonable patent office and marketing approval delays that cut into the effective patent term;

- Monitored and enforced the implementation of **Canada** and **Mexico**'s IP commitments in the United States-Mexico-Canada Agreement (USMCA), which are important to incentivizing innovation;

- Engaged with **Japan** on the importance of providing regular and sufficient opportunities for the private sector to provide public comments concerning Japan's medical pricing and reimbursement rules;

- Engaged with **India** on the administration of its patent regime, including on disclosure requirements, treatment of confidential information, and patent application oppositions.

This year's Report continues to highlight concerns regarding IP protection and enforcement and market access barriers affecting U.S. entities that rely on IP protection, including those in the pharmaceutical and medical device industries.

For example, actions by trading partners to unfairly issue, threaten to issue, or encourage others to issue compulsory licenses raise serious concerns. Such actions can undermine a patent holder's IP, reduce incentives to invest in research and development for new treatments and cures, unfairly shift the burden for funding such research and development to American patients and those in other markets that properly respect IP, and discourage the introduction of important new medicines into affected markets. To maintain the integrity and predictability of IP systems, governments should use compulsory licenses only in extremely limited circumstances and after making every effort to obtain authorization from the patent owner on reasonable commercial terms and conditions. Such licenses should not be used as a tool to implement industrial policy, including by providing advantages to domestic companies, or as undue leverage in pricing negotiations between governments and right holders. It is also critical that foreign governments ensure transparency and due process in any actions related to compulsory licenses. The United States will continue to monitor developments and to engage, as appropriate, with trading partners, including **Colombia**, **India**, **Indonesia**, **Russia**, and **Türkiye**.

Also, measures that are discriminatory, non-transparent, or otherwise trade-restrictive have the potential to hinder market access in the pharmaceutical and medical device sectors, and potentially result in higher product costs. For example, according to an October 2021 Geneva Network report titled *How Tariffs Impact Access to Medicines*, low and middle-income countries maintain the highest tariffs on medicines and pharmaceutical inputs among the World Trade Organization (WTO) Members identified in the report.[34] The report notes that, in particular, large developing

[34] Geneva Network, *How Tariffs Impact Access to Medicines* (Oct. 2021), https://geneva-network.com/research/how-tariffs-impact-access-to-medicines/.

countries such as **Brazil**, **India**, and **Indonesia** have the highest tariffs for such products. Also, in Brazil, combined federal and state taxes account for 31% of the cost of medicines.[35]

Moreover, unreasonable regulatory approval delays and non-transparent reimbursement policies also can impede a company's ability to enter the market, and thereby discourage the development and marketing of new drugs and other medical products. The criteria, rationale, and operation of such measures are often non-transparent or not sufficiently disclosed to pharmaceutical and medical device companies seeking to market their products. By contrast, a number of countries have policies in place that speed up regulatory approvals for pharmaceutical products and reduce the complexity and administrative cost of the approval process, which can increase market access. For example, "reliance" systems, such as the one implemented by **Egypt**, recognize and depend on regulatory approvals by stringent health regulatory authorities in other countries. The United States encourages trading partners to provide appropriate mechanisms for transparency, procedural and due process protections, and opportunities for public engagement in the context of their relevant health care systems.

In addition, pricing and reimbursement systems in foreign markets that do not appropriately recognize the value of innovative medicines and medical devices, present significant concerns. Such systems undermine incentives for innovation in the health care sector. It is important that trading partners contribute fairly to research and development for innovative treatments and cures.

The IP-intensive U.S. pharmaceutical and medical device industries have expressed concerns regarding the policies of several trading partners, including, **Australia**, **Brazil**, **Canada**, **China**, **Colombia**, **Japan**, **Korea**, **Mexico**, **Russia**, and **Türkiye**, on issues related to pharmaceutical innovation and market access. Examples of these concerns include the following:

- Stakeholders have expressed concerns about delays by **Australia** in its implementation of the notification process as required, for example, under Article 17.10.4(b) of the United States-Australia Free Trade Agreement.

- While stakeholders welcomed the FY2024 drug pricing reform package that made several promising adjustments to the price maintenance premium (PMP) and added premiums to incentivize the early introduction of innovative drugs in **Japan**, they continue to express concerns about Japan's shortcomings in terms of transparency, especially with regard to including meaningful stakeholder input regarding pricing and reimbursement policies for advanced medical devices and innovative pharmaceuticals. Other concerns raised by stakeholders relate to a reported lack of meaningful stakeholder input in the development of a health technology assessment system, as well as a lack of transparency and predictability associated with Japan's continued implementation of annual repricing for drug reimbursement, which continue to apply to larger-than-expected ranges of products.

- Stakeholders continue to report concerns regarding a lack of transparency in **Korea**'s pricing and reimbursement policies for pharmaceuticals and medical devices.

[35] IQVIA, *Market Prognosis Country Report: Brazil* (2021).

The United States seeks to establish or continue dialogues with trading partners to address these and other concerns and to encourage a common understanding on questions related to innovation and pricing in the pharmaceutical and medical device sectors. The United States also looks forward to continuing its engagement with our trading partners to promote fair and transparent policies in these sectors.

***Trademark Protection Issues***

Trademarks help consumers distinguish providers of products and services from each other and thereby serve a critical source identification role. The goodwill represented in a company's trademark is often one of a company's most valuable business assets.

However, in numerous countries, right holders consider bad faith trademarks to be a significant challenge, with an overwhelming number of bad faith applications filed and registrations granted. For example, while some progress occurred in 2024, the trademark system in **China** still largely lacks effective tools to combat widespread bad faith trademark applications, in part because it unnecessarily constrains examiners from considering marks for related goods or services in different classes when evaluating bad faith, likelihood of confusion, and other matters. While China published draft amendments to its *Trademark Law* in 2022 that appear to expand the definition of bad faith trademarks, which would allow for greater enforcement, it remains to be seen whether the steps China has previously taken with respect to commitments in the United States-China Economic and Trade Agreement (Phase One Agreement) will address these issues. Stakeholders also raise concerns about the need for improved and reliable opposition procedures in **Indonesia**, as well as decisions that provide reasoning and evidence, to help prevent counterfeiters from obtaining registrations for similar but not identical trademarks.

Trademark holders also continue to face challenges in protecting their trademarks against unauthorized domain name registration and trademark uses in some country code top-level domain names.

Robust protection for well-known marks, another internationally recognized means of protecting marks outlined in the Paris Convention for Protection of Industrial Property, is also important for many U.S. producers and businesses who have built up the reputation of their brands. Stakeholders report that some countries that do have well-known mark provisions, such as **China**, nevertheless impose significant burdens on brand owners that attempt to establish their marks as well known.

Another concern includes mandatory requirements to record trademark licenses, such as in **Belize**, **Ecuador**, **Egypt**, and **Turkmenistan**, as they frequently impose unnecessary administrative and financial burdens on trademark owners and create difficulty in the enforcement and maintenance of trademark rights.

Certain formalities and documentation requirements, such as requirements for obtaining traditional pen-and-ink signatures, notarized or legalized powers of attorney, and original documents, can create trade barriers. Numerous countries, including **China**, **Indonesia**, **Iraq**, and the **United Arab Emirates**, require formalities for filing documents, such as intellectual property (IP) applications, registration maintenance, transfer of ownership submissions, and in opposition and

cancellation proceedings, even though such formalities do not appear to advance any legitimate public policy goals.

The absence of default judgments in opposition and invalidation proceedings in certain countries, such as **China**, incurs significant costs to U.S. companies. Companies are forced to submit detailed arguments and evidence in proceedings when the owners of the applications and registrations have no interest in or intention of defending their claims to exclusive rights in such marks, particularly in the case of bad faith trademark registrations and trademark squatters. One means of addressing this situation, according to some U.S. stakeholders, is to require owners of challenged trademarks to submit a written statement that they have an ongoing interest in their trademark in order to continue with a full proceeding before the relevant authorities.

A number of countries do not provide the full range of internationally recognized trademark protections. For example, many countries, such as **Argentina**, **Barbados**, **Belarus**, and **Indonesia**, do not provide protection for certification marks that are used to show consumers that particular goods or services, or their providers, come from a specific geographic region; meet standards with respect to quality, materials, or manufacturing methods such as with environmentally "green" products; or that labor was performed by a union member or member of a specific organization. In some countries, the nature of the requirements imposed for registration of certification marks creates undue burdens on certifying entities. Direct-to-consumer global e-commerce flourished during the COVID-19 pandemic, and certified products have been valued by an ever-growing marketplace of purchasers. Providing for registration of and mechanisms to enforce rights in certification marks are essential to ensure safe, compliant, and reputable products and services.

Companies use letters of consent to resolve potential disputes and overcome refusals based on a likelihood of confusion when multiple trademark owners agree that their marks may coexist in the marketplace without confusion as to the source of the identified goods or services. Some countries refuse to recognize letters of consent. Some countries accept the letters yet view them as informational only. Other countries allow submission of the letters with the caveat that they may be ignored. When letters of consent are rejected, or given little or no effect, companies may be forced to employ alternative measures. Such measures could include additional costs, the submission of detailed arguments and evidence, and even litigation. This could be avoided through the recognition of and deference to letters of consent. Some countries, such as **Türkiye**, now accept letters of consent.

Strict use of the Nice Classification or a country's own sub-classification system to determine conflicts with prior marks does not reflect the realities of the relatedness of underlying goods or services in the current marketplace and introduces uncertainty into the registration process. Goods and services should be considered based on their commercial relationship and not solely in light of classification systems developed for administrative convenience.

Many countries, including **India**, **Malaysia**, **Pakistan**, and the **Philippines**, reportedly have slow opposition or cancellation proceedings, while **Belarus** and **Panama** have no administrative opposition proceedings.

Delays in obtaining registrations present a significant obstacle for protecting IP rights in foreign markets, with stakeholders identifying **Iraq** and **South Africa** as countries with extreme delays in processing trademark applications.

A number of countries do not consider a likelihood of confusion with previously filed applications and registrations during examination, otherwise known as "relative grounds" refusals. The failure to make these rejections costs U.S. companies millions of dollars a year in unnecessary opposition proceedings. Some countries that do consider relative grounds provide a pre-examination opposition period to allow third parties to submit objections before the national office conducts its own examination, thus resulting in unnecessary expenses to oppose marks the national office would likely refuse during examination.

The absence of adequate means for searching trademark applications and registrations, such as by online databases, makes obtaining trademark protection more complicated and unpredictable. The lack of such online systems leads to additional costs, both in terms of initial filing and in relation to docketing and maintenance of multiple registrations.

### *Copyright Administration and Payment of Royalties*

Collective management organizations (CMOs) for copyright can play an important role in ensuring compensation for right holders when CMO practices are fair, efficient, transparent, and accountable. Also, the collection and distribution of royalties to U.S. and other right holders should be carried out on a national treatment basis. Unfortunately, CMO systems in several countries are reportedly flawed or non-operational. In some countries, like **India**, **Kenya**, and **Nigeria**, withdrawals of, or changes in, a CMO's authorization to operate leave right holders in defunct CMOs and music users confused over whom to pay. In the **United Arab Emirates**, the Emirates Music Rights Association (EMRA) registered with the UAE Ministry of Community Development as the first UAE music CMO. A license for EMRA to provide collective management services to music right holders was approved in April 2025. Granting this license helps address a 20-year-plus challenge to introduce CMOs for music rights that has prevented right holders from receiving compensation for their works.

In addition, it is important for right holders of a work or phonogram to be able to freely and separately transfer their economic rights by contract and to fully enjoy the benefits derived from those rights. Unclear limitations on the freedom to contract raise concerns because they reduce the ability of right holders to choose the terms by which they exploit their works or phonograms and reduce public access to the work or phonogram. For example, in the past the United States has raised concerns about vague limitations on assignments that create uncertainty for parties and expansive grants of ancillary rights that depart from current practices in many countries where exceptions are typically confined to special cases.

### *Government Use of Unlicensed Software*

According to a 2018 study, the commercial value of unlicensed software globally was at least $46 billion in 2018.[36] The United States continues to work with other governments to address

[36] BSA, *2018 Global Software Survey* at 12 (Jun. 2018), https://gss.bsa.org.

government use of unlicensed software, particularly in countries that are modernizing their software systems or where there are infringement concerns. Considerable progress has been made under this initiative, leading to numerous trading partners mandating that their government agencies use only legitimate software. It is important for governments to legitimize their own activities in order to set an example of respecting intellectual property for private enterprises. Additionally, unlicensed software exposes governments and enterprises to higher risks of security vulnerabilities. Further work on this issue remains with certain trading partners, including **Argentina**, **China**, **Ecuador**, **Guatemala**, **Indonesia**, **Moldova**, **Pakistan**, **Paraguay**, **Romania**, **Turkmenistan**, **Uzbekistan**, **Venezuela**, and **Vietnam**. The United States urges trading partners to adopt and implement effective and transparent procedures to ensure legitimate governmental use of software.

***Other Issues***

U.S. stakeholders have expressed views with respect to the **European Union** (EU) *Directive on Copyright in the Digital Single Market*. The United States continues to monitor copyright issues in the EU and its Member States as implementation progresses. Stakeholders have expressed concern with the inconsistencies in Member States' approaches to implementation. The United States urges the European Commission to engage closely with stakeholders as it develops guidance on certain implementation issues. It is also critical that EU Member States ensure full transparency in the implementation process with meaningful opportunities for stakeholders to provide input. The United States will continue to engage with various EU and Member State entities to address the equities of U.S. stakeholders.

The *Digital Services Act (DSA)* went into effect in November 2022 and is intended to regulate certain online services, including through rules for how content is shared online. U.S. stakeholders expressed concern that the *DSA*'s adoption of a framework for limitations of liability included modifications to the eligibility threshold and conditions that had been set in the *E-Commerce Directive*, which may adversely impact their IP rights, in particular for copyright and trademarks.

## F. Intellectual Property and Sustainability

Strong IP protection and enforcement are essential to promoting investment in innovation for the environmental sector. Such innovation not only promotes sustainable economic growth and supports jobs, but also is critical to responding to environmental challenges. IP provides incentives for research and development in this important sector, including through university research. Conversely, inadequate IP protection and enforcement in foreign markets discourages broader investment in those markets. This may hinder economic growth, as well as technological advances needed to meet environmental challenges.

## G. Intellectual Property and Health

Numerous comments in the 2025 Special 301 review process highlighted concerns arising at the intersection of intellectual property (IP) policy and health policy. IP protection plays an important role in providing incentives for the development and marketing of new medicines. An effective,

transparent, and predictable IP system is important for both manufacturers of innovative medicines and manufacturers of generic medicines.

The United States recognizes the important role of voluntary licensing in promoting greater access to health products. For example, right holders have entered into voluntary licensing agreements with the Medicines Patent Pool (MPP) to enable sublicenses with generic manufacturers in order to help facilitate broad access to many types of medicine in countries all around the world, including those at varying income levels. In some cases, right holders have entered into voluntary licensing agreements directly with generic manufacturers, including agreements that do not require the generic manufacturers to pay a royalty to the right holder.

The 2001 World Trade Organization (WTO) Declaration on the TRIPS Agreement and Public Health (Doha Declaration) recognized the gravity of the public health problems afflicting many developing and least-developed countries (LDCs), especially those resulting from HIV/AIDS, tuberculosis, malaria, and other epidemics. As affirmed in the Doha Declaration, the United States respects a trading partner's right to protect public health and, in particular, to promote access to medicines for all. The United States also recognizes the role of IP protection in the development of new medicines while being mindful of the effect of IP protection on prices. The assessments set forth in this Report are based on various critical factors, including, where relevant, the Doha Declaration.

WTO Members adopted the Ministerial Decision on the TRIPS Agreement in June 2022, which set forth clarifications and a waiver for eligible WTO Members to authorize the use of the subject matter of a patent required for the production and supply of COVID-19 vaccines. This five-year waiver has not increased access to COVID-19 vaccines but instead may actually negatively impact the development of new treatments and cures for the next pandemic by weakening the standard for IP protections and furthering a false narrative about the role of IP and access to medicines.

The United States is firmly of the view that international obligations such as those in the WTO Agreement on Trade-Related Aspects of Intellectual Property Rights (TRIPS Agreement) have sufficient flexibility to allow trading partners to address the serious public health problems that they may face. The United States urges its trading partners to consider ways to address their public health challenges while also maintaining IP systems that promote innovation.

The United States supports the WTO General Council Decision on the Implementation of Paragraph 6 of the Doha Declaration, concluded in August 2003. Under this decision, WTO Members are permitted, in accordance with specified procedures, to issue compulsory licenses to export pharmaceutical products to countries that cannot produce drugs for themselves. The WTO General Council adopted a Decision in December 2005 that incorporated this solution into Article 31*bis* to the TRIPS Agreement, and the United States became the first WTO Member to formally accept this amendment. In January 2017, the necessary acceptance by two-thirds of WTO Members was secured, resulting in the formal amendment to the TRIPS Agreement. Additional notifications of WTO Member acceptances of the amendment have followed.

The U.S. Government works to ensure that the provisions of its bilateral and regional trade agreements, as well as U.S. engagement in international organizations, including the United

Nations and related institutions such as the World Intellectual Property Organization (WIPO) and the World Health Organization (WHO), are consistent with U.S. policies concerning IP and health and do not impede its trading partners from taking measures necessary to protect public health. Accordingly, USTR will continue its close cooperation with relevant agencies to ensure that public health challenges are addressed and IP protection and enforcement are supported as one of various mechanisms to promote research and innovation.

### H. Implementation of the World Trade Organization Agreement on Trade-Related Aspects of Intellectual Property Rights

The World Trade Organization (WTO) Agreement on Trade-Related Aspects of Intellectual Property Rights (TRIPS Agreement), one of the most significant achievements of the Uruguay Round (1986-1994), requires all WTO Members to provide certain minimum standards of intellectual property (IP) protection and enforcement. The TRIPS Agreement is the first broadly subscribed multilateral IP agreement that is subject to dispute settlement provisions.

Developed country WTO Members were required to implement the TRIPS Agreement fully as of January 1, 1996. Developing country WTO Members were given a transition period for many obligations until January 1, 2000, and in some cases until January 1, 2005. Nevertheless, certain WTO Members are still in the process of finalizing implementing legislation, and many are still engaged in establishing adequate and effective IP enforcement mechanisms.

Recognizing the particular issues faced by WTO Members that are least-developed countries (LDCs), the United States has worked closely with them and other WTO Members to extend the implementation date for these countries. Most recently, on June 29, 2021, the WTO Council for the Trade-Related Aspects of Intellectual Property Rights (TRIPS Council) reached consensus on a decision to again extend the transition period under Article 66.1 of the TRIPS Agreement for LDC WTO Members. Under this decision, LDC WTO Members are not required to apply the provisions of the TRIPS Agreement, other than Articles 3, 4, and 5 (provisions related to national treatment and most-favored nation treatment), until July 1, 2034, or until such a date on which they cease to be an LDC WTO Member, whichever date is earlier. Previously, on November 6, 2015, the TRIPS Council reached consensus to extend the transition period for LDC WTO Members to implement Sections 5 and 7 of Part II of the TRIPS Agreement with respect to pharmaceutical products until January 1, 2033, and reached consensus to recommend waiving Articles 70.8 and 70.9 of the TRIPS Agreement with respect to pharmaceuticals for LDC Members also until January 1, 2033.

At the Thirteenth Ministerial Conference of the WTO in February 2024, WTO Members reached consensus to extend the moratorium on non-violation and situation complaints under the TRIPS Agreement until the next Ministerial Conference. The moratorium was originally introduced in Article 64 of the TRIPS Agreement, for a period of five years following the entry into force of the WTO Agreement (i.e., until December 31, 1999). Historically, the moratorium has been extended from one Ministerial Conference to the next.

The United States participates actively in the TRIPS Council's scheduled reviews of WTO Members' implementation of the TRIPS Agreement and uses the WTO's Trade Policy Review



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mechanism to pose questions and seek constructive engagement on issues related to TRIPS Agreement implementation.

## I. Dispute Settlement and Enforcement

The United States continues to monitor the resolution of concerns and disputes announced in previous Special 301 Reports. The United States will use all available means to resolve concerns, including bilateral dialogue and enforcement tools such as those provided under U.S. law, the World Trade Organization (WTO), and other dispute settlement procedures, as appropriate.

Under Section 301 of the Trade Act of 1974, as amended (19 U.S.C. § 2411) (Section 301), the Office of the United States Trade Representative (USTR) has been taking action to address a range of unfair and harmful Chinese acts, policies, and practices related to technology transfer, intellectual property (IP), and innovation. USTR has also successfully pursued dispute settlement proceedings at the WTO to address discriminatory licensing practices. The United States and China signed the United States-China Economic and Trade Agreement (Phase One Agreement) in January 2020, which included commitments to address numerous long-standing concerns in the areas of trade secrets, patents, pharmaceutical-related IP, trademarks, copyrights, geographical indications (GIs), and technology transfer. The United States has been closely monitoring China's progress in implementing its commitments.

Following the 1999 Special 301 review process, the United States initiated dispute settlement consultations concerning the European Union (EU) regulation on food-related GIs, which appeared to discriminate against foreign products and persons, notably by requiring that EU trading partners adopt an "EU-style" system of GI protection, and appeared to provide insufficient protections to trademark owners. On April 20, 2005, the Dispute Settlement Body (DSB) adopted a panel report finding in favor of the United States that the EU GI regulation is inconsistent with the EU's obligations under the WTO Agreement on Trade-Related Aspects of Intellectual Property Rights (TRIPS) and the General Agreement on Tariffs and Trade 1994. On March 31, 2006, the EU published a revised GI Regulation that is intended to comply with the DSB recommendations and rulings. There remain some concerns, however, with respect to this revised GI Regulation that the United States has asked the EU to address. The United States continues monitoring this situation. The United States is also working bilaterally and in multilateral fora to advance U.S. market access interests and to ensure that the trade initiatives of other countries, including with respect to GIs, do not undercut market access for U.S. companies.

# SECTION II: Country Reports

## UKRAINE – REVIEW SUSPENDED

Ukraine was placed on the Priority Watch List in 2021. Despite the ongoing war, Ukraine has continued to engage meaningfully with the United States on long-standing areas of concern with Ukraine's intellectual property regime, including: (1) the administration of the system for collective management organizations that are responsible for collecting and distributing copyright royalties to right holders; (2) the use of unlicensed software by government agencies; and (3) the implementation of effective means to combat widespread online copyright infringement. However, due to the ongoing war, the Special 301 review of Ukraine remains suspended.

# PRIORITY WATCH LIST

## ARGENTINA

Argentina remains on the Priority Watch List in 2025.

***Ongoing Challenges and Concerns***

Argentina continues to present long-standing and well-known challenges to intellectual property (IP)-intensive industries, including those from the United States. Enforcement of IP rights in Argentina remains a challenge, and stakeholders report widespread unfair competition from sellers of counterfeit and pirated goods and services.

The physical market of La Salada in Buenos Aires was identified as a notorious market again in the *2024 Review of Notorious Markets for Counterfeiting and Piracy* (*Notorious Markets List*), and online orders of counterfeit goods continue through its social media applications. Counterfeit sales in other physical locations remain high, with surges in the selling of counterfeit goods occurring in small markets, through illegal street vendors, and in the Barrio Once and other markets in Buenos Aires and throughout the country. In addition, Argentine police generally do not take *ex officio* actions, and prosecutions can stall and languish in excessive formalities. Also, when a criminal case does reach final judgment, infringers rarely receive deterrent-level sentences.

Furthermore, a key deficiency in the legal framework for patents remains the unduly broad limitations on patent-eligible subject matter, including patent examination guidelines that automatically reject patent applications for categories of pharmaceutical inventions that are eligible for patentability in other jurisdictions, and requirements that processes for the manufacture of active compounds disclosed in a specification be reproducible and applicable on an industrial scale. Stakeholders also assert that Argentina's limitations on patentability for biotechnological innovations based on living matter and natural substances differ from the standard in many other countries. Another ongoing challenge to the innovative agricultural chemical and pharmaceutical sectors is inadequate protection against the unfair commercial use, as well as unauthorized disclosure, of undisclosed test or other data generated to obtain marketing approval for products



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in those sectors. The National Institute of Industrial Property (INPI) continues to operate with a reduced number of patent examiners, with limited resources posing challenges to recruitment and retention.

In 2024, Argentina did not approve any new legislation to update IP laws. The United States encourages legislative proposals to provide for landlord liability and stronger enforcement on the sale of infringing goods at outdoor marketplaces such as La Salada and to amend the trademark law to increase criminal penalties for counterfeiting carried out by criminal networks. In 2017, Argentina formally created the Federal Committee to Fight Against Contraband, Falsification of Trademarks, and Designations, formalizing the work on trademark counterfeiting under the National Anti-Piracy Initiative. The Committee has not met since 2019, but the United States encourages Argentina to continue this initiative and expand it to include online piracy. Revisions to the criminal code that had been submitted to Argentina's Congress, including certain criminal sanctions for circumventing technological protection measures, have stalled.

Regarding geographical indications (GIs), the United States urges Argentina to ensure transparency and due process in the protection of GIs and to ensure that the grant of GI protection does not deprive interested parties of the ability to use common names, particularly as Argentina proceeds with the European Union-MERCOSUR Trade Agreement.

***Developments, Including Progress and Actions Taken***

Argentina made limited progress in IP protection and enforcement in 2024. During 2024, INPI reported that it reduced the patent application backlog, although stakeholders continue to highlight lengthy delays in processing patent applications, averaging seven to eight years. To further improve patent protection in Argentina, including for small and medium-sized enterprises, the United States urges Argentina to ratify the Patent Cooperation Treaty.

While Argentina's Federal Police Force and the National Border Patrol carried out an increased number of raids in 2024 targeting the sale of counterfeit products, illegal activity largely persists in Argentina in the absence of systemic measures.

Argentina has also made some progress in combating online piracy. For example, Argentina has been active in a regional Digital Piracy Working Group (DPWG) led by the U.S. Department of Justice's International Computer Hacking & Intellectual Property (ICHIP) Attorney Advisor. In 2024, the ICHIP liaison based in Brazil organized five U.S.-led regional DPWG meetings with the active participation of Argentina's federal and state prosecutors as well as the federal police. This collaboration involved both trainings and cross-border law enforcement cooperation. Since its inception in September 2023, the DPWG has seen greater levels of working-level investigations and interactions between the Federal Police, the Public Ministry, and the Attorney General's Office in the Province of Buenos Aires tackling various digital piracy operations. Although Argentine law enforcement have made some arrests related to online piracy cases, online piracy continues to grow despite these criminal enforcement efforts. As a result, IP enforcement online in Argentina consists mainly of right holders trying to convince Argentine Internet service providers to take down specific infringing works, as well as attempting to seek injunctions in civil cases, both of which can be time-consuming and ineffective. The creation of a federal specialized IP prosecutor's

office and a well-trained enforcement unit could potentially help combat online piracy as well as prevent lengthy legal cases with contradictory rulings. The United States intends to monitor all the outstanding issues for progress and urges Argentina to continue its efforts to create a more attractive environment for investment and innovation.

The United States also encourages Argentina to create a national IP enforcement strategy to enhance interagency coordination in enforcement efforts and move to having a sustainable, long-lasting impact on IP infringements. The United States will continue to engage through the United States-Argentina Innovation and Creativity Forum for Economic Development, which was established under the United States-Argentina Trade and Investment Framework Agreement (TIFA), to continue discussions and collaboration in these areas.



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# CHILE

Chile remains on the Priority Watch List in 2025.

***Ongoing Challenges and Concerns***

The United States continues to have serious concerns regarding long-standing implementation issues with a number of intellectual property (IP) provisions of the United States-Chile Free Trade Agreement (Chile FTA). Chile must establish protections against the unlawful circumvention of technological protection measures (TPMs), including civil and criminal liability for the act of circumvention, as well as criminal and civil or administrative measures for trafficking circumvention devices and providing circumvention services. The United States continues to urge Chile to ratify and implement the 1991 Act of the International Union for the Protection of New Varieties of Plants Convention (UPOV 1991) and improve protection for plant varieties. The United States also urges Chile to improve its Internet service provider liability framework to permit effective and expeditious action against online piracy. Chile passed legislation in 2018 establishing criminal penalties for the importation, commercialization, and distribution of decoding devices used for the theft of encrypted program-carrying satellite signals, but without clarifying the full scope of activities criminalized in the implementation of the law. The United States also urges Chile to provide remedies or penalties for willfully receiving or further distributing illegally decoded encrypted program-carrying satellite signals, as well as the ability for parties with an interest in stolen satellite signals to initiate a civil action. Concerns remain regarding the availability of effective administrative and judicial procedures, as well as deterrent-level remedies, for right holders and satellite service providers.

Concerns also remain with the lack of copyright enforcement efforts by the Chilean authorities. For example, the National Institute of Industrial Property (INAPI) published a July 2024 report indicating that the number of copyright-related criminal cases initiated in Chile declined by 60% between 2017 and 2022. As a result of the lack of enforcement, stakeholders note the high levels of online piracy, including through stream-ripping, streaming, piracy apps, signal theft, and circumvention devices. In addition, pharmaceutical stakeholders continue to raise concerns over the efficacy of Chile's system for resolving patent issues expeditiously in connection with applications to market pharmaceutical products and over the provision of adequate protection against unfair commercial use, as well as unauthorized disclosure, of undisclosed test or other data generated to obtain marketing approval for pharmaceutical products.

***Developments, Including Progress and Actions Taken***

Chile has made some progress in strengthening its legal framework for IP. INAPI's modernization efforts continue, which has resulted in a reduction of trademark and patent application pendency, and all patent and nearly all trademark applications were filed online in 2024. Right holders welcomed Chile's enactment of two laws in 2023, *Law 21,577* on the prosecution of organized crime offenses and *Law 21,595* that created new categories of "economic crimes." However, right holders are waiting to see the results of the cases brought to court in order to determine the effectiveness of these laws. In 2024, although the Intellectual Property Brigade of the Chilean

Investigative Police reported fewer counterfeit products seized and arrests, the National Customs Service nearly doubled the number of counterfeit products seized in enforcement actions.

In September 2024, the National Congress of Chile approved a side letter under the U.S.-Chile FTA regarding market access to Chile for a number of U.S. cheese and meat products and how Chile will treat prior users of certain terms for cheeses with respect to the European Union-Chile Interim Trade Agreement. The United States urges Chile to ensure transparency and due process in the protection of geographical indications (GIs) and to ensure that the grant of GI protection does not deprive interested parties of the ability to use common names, particularly with respect to protection granted pursuant to trade agreements.

The United States appreciates Chile's engagement with the United States and the steps Chile has taken as an attempt to resolve ongoing issues pertaining to the Chile FTA, but it has been over twenty years since the Chile FTA entered into force. It remains important that Chile show tangible progress in addressing the long-standing Chile FTA implementation issues and other IP issues in 2025.

# CHINA

China remains on the Priority Watch List in 2025 and is subject to continuing monitoring pursuant to Section 306 of the Trade Act of 1974, as amended (19 U.S.C. § 2416).

***Ongoing Challenges and Concerns***

In 2024, the pace of reforms in China aimed at addressing intellectual property (IP) protection and enforcement remained slow. The United States continues to have concerns about implementation of the amended *Criminal Law*, *Copyright Law*, and *Patent Law*. Concerns remain about long-standing issues, including technology transfer, trade secrets, counterfeiting, online piracy, copyright law, patent and related policies, bad faith trademarks, and geographical indications. China needs to complete the full range of fundamental changes that are required to improve the IP landscape in China.

Statements by Chinese officials that tie IP rights to Chinese market dominance continue to raise strong concerns. In an October 2024 letter to the 2024 International Association for the Protection of Intellectual Property World Congress, President Xi reiterated China's aspiration to become a global IP powerhouse and noted that China has blazed a path of IP rights development with "Chinese characteristics." In May 2024, the National Inter-Ministerial Joint Meeting on the Construction of an IP Power issued the "2024 Promotion Plan for the Construction of an IP Power," which notes the priority of "deeply participating in global IP governance" and directs the Supreme People's Procuratorate to carry out "prosecution to protect enterprises" in order to serve "technological self-reliance" in key core technologies and emerging industries. Such statements recall long-standing concerns about requiring or pressuring technology transfer from foreign individuals or companies to Chinese companies, as well as about whether IP protection and enforcement will apply fairly to foreign right holders in China. China should provide a level playing field for IP protection and enforcement, refrain from requiring or pressuring technology transfer to Chinese companies at all levels of government, open China's market to foreign investment, and embrace open, market-oriented policies.

Under Section 301 of the Trade Act of 1974, as amended (19 U.S.C. § 2411) (Section 301), the Office of the United States Trade Representative (USTR) has been taking action to address a range of unfair and harmful Chinese acts, policies, and practices related to technology transfer, IP, and innovation. USTR has also successfully pursued dispute settlement proceedings at the World Trade Organization (WTO) to address discriminatory licensing practices. The United States and China signed the United States-China Economic and Trade Agreement (Phase One Agreement) in January 2020, which included commitments to address numerous long-standing concerns in the areas of trade secrets, patents, pharmaceutical-related IP, trademarks, copyrights, geographical indications (GIs), and technology transfer. China has failed to implement or only partially implemented a number of these commitments. The United States continues to closely monitor China's progress in implementing its commitments under the Phase One Agreement.

*China's Acts, Policies, and Practices Related to Technology Transfer, Intellectual Property, and Innovation*

In 2018, USTR reported that its investigation under Section 301 found that China pursues a range of unfair and harmful acts, policies, and practices related to technology transfer, IP, and innovation. These include investment and other regulatory requirements that require or pressure technology transfer, substantial restrictions on technology licensing terms, direction or facilitation of the acquisition of foreign companies and assets by domestic firms to obtain cutting-edge technologies, and conducting and supporting unauthorized intrusions into and theft from computer networks of U.S. companies to obtain unauthorized access to IP.

In March 2018, the United States initiated a WTO case challenging Chinese measures that deny foreign patent holders the ability to enforce their patent rights against a Chinese joint-venture partner after a technology transfer contract ends and that impose mandatory adverse contract terms, which discriminate against, and are less favorable for, imported foreign technology as compared to Chinese technology. Consultations took place in July 2018, and a panel was established to hear the case at the United States' request in November 2018. In March 2019, China revised certain measures that the United States had challenged in its panel request, including the *Regulations on the Administration of Import and Export of Technologies*. The United States considered that China's actions had sufficiently addressed U.S. concerns, and the authority of the panel expired on June 9, 2021.

As part of the Phase One Agreement, China agreed to provide effective access to Chinese markets without requiring or pressuring U.S. persons to transfer their technology to Chinese persons. China also agreed that any transfer or licensing of technology by U.S. persons to Chinese persons must be based on market terms that are voluntary and mutually agreed, and that China would not support or direct the outbound foreign direct investment activities of its persons aimed at acquiring foreign technology with respect to sectors and industries targeted by its industrial plans that create distortion. In addition, China committed to ensuring that any enforcement of laws and regulations with respect to U.S. persons is impartial, fair, transparent, and non-discriminatory. USTR continues to work with stakeholders to evaluate whether these commitments have resulted in changes in China's ongoing conduct at the national, provincial, and local levels.

In May 2022, USTR launched a statutorily mandated four-year review of the tariffs that had been imposed on Chinese imports as a result of the Section 301 investigation into China's unfair acts, policies, and practices related to technology transfer, intellectual property, and innovation. As part of this review, USTR examined the effectiveness of the tariff actions in achieving the objectives of the original investigation, other actions that could be taken, and the effects of those actions on the United States economy, including consumers. In May 2024, USTR issued a report that found that China's unfair acts, policies, and practices had continued and, in some cases, had worsened.

*Trade Secrets*

Stakeholders report that the Chinese judicial system's enforcement of trade secret protections continues to be weak, and implementation of the amended *Criminal Law* remains incomplete. In January 2023, the Supreme People's Court (SPC) and Supreme People's Procuratorate (SPP)

issued for public comment a draft *Interpretation of Several Issues Concerning the Application of Laws for Handling Criminal Cases of Infringement upon Intellectual Property Rights*, which would define key terms in the amended *Criminal Law*. However, further changes are needed to implement a new threshold for triggering criminal investigations and prosecutions in the draft *Interpretation* and to update a related standard issued by the SPC and Ministry of Public Security. Although China proposed a new amendment to the *Anti-Unfair Competition Law* in December 2024 that would increase the minimum administrative fine for trade secret misappropriation under "serious circumstances," such a change is no substitute for strengthening criminal enforcement of trade secrets. Moreover, stakeholders continue to identify significant enforcement challenges, including high evidentiary burdens, limited discovery, difficulties meeting stringent conditions to enforce agreements related to protection of trade secrets and confidential business information against theft, and difficulties in obtaining deterrent-level damages awards.

China needs to address concerns regarding the risk of unauthorized disclosures of trade secrets and confidential business information by government personnel and third-party experts, which continue to be a serious concern for the United States and U.S. stakeholders in industries such as software, manufacturing, and cosmetics. The draft *Guiding Opinions on Strengthening the Protection of Trade Secrets and Confidential Business Information in Administrative Licensing* was published for public comment in August 2020 by the Ministry of Justice but has not been finalized. U.S. stakeholders continue to express concerns about the potential for discriminatory treatment and unauthorized disclosure of their information by local authorities under the proposed expansion of administrative trade secret enforcement, for which the State Administration of Market Regulation (SAMR) issued draft rules in 2020 that have not been finalized.

*Manufacturing, Domestic Sale, and Export of Counterfeit Goods*

China continues to be the world's leading source of counterfeit and pirated goods. For example, a 2022 report identified China and Hong Kong as the largest exporters of counterfeit foodstuffs and cosmetics, accounting for approximately 60% of counterfeit foodstuffs customs seizures and 83% of counterfeit cosmetics customs seizures.[37] China and Hong Kong, together, accounted for over 93% of the value measured by manufacturers' suggested retail price of counterfeit and pirated goods seized by U.S. Customs and Border Protection in Fiscal Year 2024.[38] Counterfeiting activities have increased as economic conditions have declined within China. The failure to curb the widespread manufacture, domestic sale, and export of counterfeit goods affects not only right holders but also the health and safety of consumers. The production, distribution, and sale of counterfeit medicines, fertilizers, and pesticides, as well as under-regulated pharmaceutical ingredients, remain widespread in China.

Stakeholders continue to express concerns about the production, distribution, and sale of counterfeit medicines and unregulated active pharmaceutical ingredients (APIs), as well as about the *Drug Administration Law* and *Criminal Law*, which give local officials substantial discretion

[37] Organisation for Economic Co-operation and Development and European Union Intellectual Property Office, *Dangerous Fakes: Trade in Counterfeit Goods that Pose Health, Safety, and Environmental Risks* at 68, 70 (Mar. 9, 2022), https://www.oecd.org/social/dangerous-fakes-117e352b-en.htm.

[38] U.S. Customs and Border Protection, *Intellectual Property Rights (IPR) Seizures Dashboard*, (Apr. 1, 2025), https://www.cbp.gov/newsroom/stats/intellectual-property-rights-ipr-seizures.

in allowing companies that import unapproved drugs to escape liability or face lighter penalties. As the top manufacturer and a leading exporter of pharmaceutical ingredients, China still lacks effective regulatory oversight. In particular, China does not regulate manufacturers that do not declare an intent to manufacture APIs for medicinal use. It also does not subject exports to regulatory review, enabling many bulk chemical manufacturers to produce and export APIs outside of regulatory controls. Furthermore, China lacks central coordination of enforcement against counterfeit pharmaceutical products and ingredients, resulting in ineffective enforcement at the provincial level and with respect to online sales.

*Availability of Counterfeit Goods Online, Online Piracy, and Other Issues*

China's e-commerce markets, the largest in the world, remain a source of widespread counterfeits as infringing sales have migrated from physical to online markets. Right holders also raise concerns about the proliferation of counterfeit sales facilitated by the confluence of e-commerce platforms and social media in China. This trend is now well-established as the popularity of e-commerce has led many sellers to maintain both a physical and online presence, or to shift to online platforms entirely, which offer short-form video, live stream, and e-commerce functionalities that allow sellers of counterfeit goods to evade detection. Right holders continue to report difficulties in receiving information and support from platforms in investigations to uncover the manufacturing and distribution channels of counterfeit goods and sellers, as well as onerous evidentiary requirements and excessive delays in takedowns. Counterfeiters continue to exploit the use of small parcels and minimal warehouse inventories, the separation of counterfeit labels and packaging from products prior to the final sale, and the high volume of packages shipped to the United States to escape enforcement and to minimize the deterrent effect of enforcement activities.

Widespread online piracy also remains a major concern, including in the form of "mini Video on Demand (VOD)" facilities that screen unauthorized audiovisual content, illicit streaming devices (ISDs), and unauthorized copies of or access codes to scientific journal articles and academic texts. As a leading source and exporter of systems that facilitate copyright piracy, China should take sustained action against websites and online platforms containing or facilitating access to unlicensed content, ISDs, and piracy apps that facilitate access to such websites.

There was no progress in 2024 on finalizing amendments to the *E-Commerce Law*, which were issued by SAMR for public comment in August 2021. The draft amendments to the *E-Commerce Law* include changes that would extend the deadline for right holders to respond to a counter-notification of non-infringement, and impose penalties for fraudulent counter-notifications and penalties that restrict the business activities of platforms for serious circumstances of infringement. Although noting improvements under the draft amendments, right holders have raised concerns about the failure to codify the elimination of liability for erroneous notices submitted in good faith, as well as proposed changes that would allow reinstatement of listings upon posting a guarantee.

China's most recent version of its *Foreign Investment Negative List*, which entered into force in January 2022, continues to maintain prohibitions on foreign investment in online publishing and online audiovisual programming (with the exception of services under China's WTO accession

commitments), as well as radio and TV broadcasting, transmission, production, and operation. The *Foreign Investment Negative List* does not restrict foreign investment in online music services.

Also, right holders report significant obstacles to releasing content in China, including limited windows to submit content for review, a non-transparent content review system, and significantly slowed processing and licensing of content for online streaming platforms. Another challenge has been burdensome requirements for documentation of chain of title and ownership information. These barriers have severely limited the availability of foreign content, prevented the simultaneous release of foreign content in China and other markets, and created conditions for greater piracy. Right holders also report that a draft bill published in March 2021 could restrict participation of foreign companies in production, distribution, and broadcasting of radio and television programs, including when provided online. Also, China's extension of its content review system to cover books intended for distribution in other markets has imposed heavy burdens on foreign publishers.

Additionally, it is critical that China fully implement the terms of the 2012 United States-China Memorandum of Understanding (MOU) regarding the importation and distribution of theatrical films and abide by its commitment to negotiate further meaningful compensation that China owes the United States.

The United States continues to urge all levels of the Chinese government, as well as state-owned enterprises, to use only legitimate, licensed copies of software. The United States also urges the use of third-party audits to ensure accountability, as China committed to provide under the Phase One Agreement.

*Copyright*

Right holders continue to highlight the need for effective implementation and clarification of criminal liability for the manufacture, distribution, and exportation of circumvention devices, as well as new measures to address online piracy. Right holders also report continuing uncertainty about whether amendments to the *Copyright Law* in 2021 protect sports and other live broadcasts, and recommend clarification in the copyright regulations. While right holders welcomed some effective, but limited, enforcement actions, such as the annual Sword-Net Special Campaign that targeted online piracy of copyrighted content, they encourage China to develop these periodic campaigns into sustained, long-term enforcement measures.

*Patent and Related Policies*

Right holders raised concerns that, although the *Patent Law* allows the filing of supplemental data to support disclosure and patentability requirements, the rules for accepting post-filing data are opaque and patent examiners have applied an overly stringent standard to reject such data. In addition, the China National Intellectual Property Administration's (CNIPA) administrative Patent Reexamination and Invalidation Department and Chinese courts reportedly reject supplemental data based on unduly stringent requirements for acceptance of such data, resulting in potentially improper invalidity decisions. Such decisions can also lead to automatic dismissal of parallel patent infringement proceedings in China's courts.

Following the implementation of a mechanism for the early resolution of potential pharmaceutical patent disputes in 2021, right holders have expressed concerns about the lack of transparency in decisions issued by CNIPA, the cumbersome registration system, and the lack of any penalties for erroneous patent statements. Right holders continue to raise concerns that they had identified prior to implementation, such as regarding the scope of patents and pharmaceuticals covered by the mechanism, the lack of clarity about what could trigger a dispute under the mechanism, potential difficulties in obtaining preliminary injunctions, the length of the stay period, and the possibility of bias in favor of Chinese companies.

Obstacles to patent enforcement continue to include lengthy delays in the court system, the reported unwillingness of courts to issue preliminary injunctions, an undue emphasis on administrative enforcement, burdensome invalidity proceedings, onerous evidentiary requirements, and ambiguity about whether a patentee's right to exclude extends to manufacturing for export.

With respect to patent prosecution, right holders continue to express concerns about the lack of transparency and due process, including a lack of notice of third-party submissions or the opportunity to respond, despite the reliance of examiners on arguments from such submissions. Long-standing concerns also include a lack of harmonization between China's patent grace period and international practices.

China continues to impose unfair and discriminatory conditions on the effective protection against unfair commercial use, as well as unauthorized disclosure, of undisclosed test or other data generated to obtain marketing approval for pharmaceutical products. The United States and China agreed to address this issue in future negotiations.

Stakeholders continue to express concern regarding the 2019 *Human Genetic Resources Administrative Regulation* and the 2020 *Biosecurity Law*, along with the *Implementing Rules for the Regulations on the Management of Human Genetic Resources* that entered into effect in May 2023. These measures mandate collaboration with a Chinese partner and shared ownership of patent rights arising out of any research generated by using human genetic resource materials in China. According to stakeholders, these measures create uncertainty about the type of research that would trigger the sharing of IP rights, a need for greater clarity on the requirements for approved IP arrangements, and the risk of being pressured to transfer technology to Chinese companies. These measures also impose non-transparent requirements for government approval before any transfer of data outside of China. Right holders continue to raise concerns about the lack of transparency in government pricing and reimbursement processes for pharmaceutical products.

With respect to standards, China should establish standards-setting processes that are open to domestic and foreign participants on a non-discriminatory basis, eliminate unreasonable public disclosure obligations in standards-setting processes, and provide sufficient protections for standards-related copyrights and patent rights.

The issuance of anti-suit injunctions by Chinese courts in standard essential patent (SEP) disputes has not occurred in recent years, but the issue continues to raise due process and transparency

concerns for right holders, including regarding how such rulings may favor domestic companies over foreign patent holders. High-level political and judicial authorities in China have called for extending the jurisdiction of China's courts over global IP litigation and have cited the issuance of an anti-suit injunction as an example of the court "serving" the "overall work" of the Chinese Communist Party and the Chinese State. Moreover, Chinese courts appear increasingly interested in exercising jurisdiction in cases involving SEPs, raising concerns that China seeks to establish itself as the forum for SEP litigation in order to favor domestic companies.

The National People's Congress passed amendments to the *Anti-Monopoly Law* (*AML*), which entered into effect in August 2022. Right holders have raised concerns about the implementation of the amended *AML*, particularly regarding the draft implementing rules that define anti-competitive behavior in the development of standards and the licensing and implementation of SEPs. Right holders stated concerns that *AML* enforcement can be misused for the purpose of depressing the value of foreign-owned IP in key technologies, including by finding violations of the law with respect to the licensing of patents without actual harm to competition or the competitive process.

It is critical that China's *AML* enforcement be fair, transparent, and non-discriminatory; afford due process to parties; focus on whether there is harm to competition or the competitive process, consistent with the legitimate goals of competition law; and implement appropriate competition remedies to address the competitive harms. China should not use competition law to advance non-competition goals.

*China's "Secure and Controllable" Policies*

China continues to build on its policies for "secure and controllable" information and communications technology (ICT) products under the *Cybersecurity Law* (*CSL*) and the *Cryptography Law*. In 2022, the Cyberspace Administration of China issued final implementing measures for conducting cybersecurity reviews under the *CSL*. Right holders continue to raise concerns about the invocation of cybersecurity as a pretext to require disclosure of trade secrets and other types of IP and to restrict market access. Furthermore, encryption laws, which impose mandatory approval requirements with unclear exemptions, create an uncertain business environment for foreign companies.

U.S. right holders should not be forced to choose between protecting their IP against unwarranted disclosure and competing for sales in China. Going forward, China must not invoke security concerns in order to erect market access barriers, require the disclosure of critical IP, or discriminate against foreign-owned or -developed IP.

*Bad Faith Trademarks and Other Trademark Examination Issues*

Stakeholders welcomed the publication of draft amendments to the *Trademark Law* in January 2023, which contain provisions relating to bad faith trademarks. However, the draft amendments remain pending. The State Council's 2024 Legislative Work Plan included the draft amendments to the *Trademark Law*, but the release date of an updated draft is still unknown. In 2023 and 2024, China sought to address some concerns regarding bad faith trademark applications, including by



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issuing a measure intended to provide more consistent and predictable application examination results, by providing a non-use ground for cancellation of a collective or certification mark in another measure, and by establishing goals for combating bad faith trademark registrations.

Despite these developments, bad faith trademarks remain one of the most significant challenges for U.S. brand owners in China. The United States continues to urge China to take further steps to address concerns.

In 2024, stakeholders continued to raise concerns regarding reforms that appear primarily focused on increasing the speed rather than quality of trademark examinations. While CNIPA continues to tout downward trends in the average period for obtaining a trademark from the date of application to registration (currently less than 7 months), and the average time for appeals of trademark oppositions and rejections has been cut to 11 months and 5.5 months, respectively, stakeholders continue to indicate that the quality of trademark examination is inconsistent across the board.

Stakeholders also continue to express other concerns relating to trademark examination, including regarding unnecessary constraints on examiners' ability to consider applications and marks across classes of goods and services, as well as the CNIPA Trademark Review and Adjudication Department's increasing refusal to consider co-existence agreements and letters of consent during the trademark registration or appeal process. They also noted that, in 2024, CNIPA's Trademark Office continued to erroneously refuse trademark applications on absolute grounds (such as lacking distinctiveness, being deceptive as to product quality or source, and being offensive to socialist morality), which are much more difficult to overcome on appeal and often lead to refusals in future applications for the same trademark. In addition to denying right holders the ability to register their legitimate trademarks, erroneous refusals on absolute grounds significantly impact business operations because, in such cases, the right holders must immediately cease use of the mark even if the product already has launched or face significant potential penalties by administrative enforcement officials. Right holders also continued to report in 2024 that CNIPA is rejecting defensive filings allowed under the *Guidelines for Trademark Examination and Trial*, denying brand owners a useful proactive tool to defend against bad faith filings.

Stakeholders continue to urge the adoption of reforms to address the difficulties faced by legitimate right holders in obtaining well-known trademark status. The United States urges China to address these concerns from right holders concerning the administration of trademarks.

***Developments, Including Progress and Actions Taken***

*Legislative, Administrative, and Judicial Developments*

In 2024, the National People's Congress (NPC) and its Standing Committee issued no new or amended legislation directly addressing IP. Despite some positive reports from right holders of courts issuing higher damage awards for IP infringement, insufficient damage awards are still a concern. China has yet to address right holder concerns with respect to preliminary injunctive relief, evidence production, evidentiary requirements, establishment of actual damages,



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burdensome thresholds for criminal enforcement, and lack of deterrent-level damages and penalties.

Right holders continue to raise concerns about their ability to meet consularization and notarization requirements for documents submitted to the Beijing Intellectual Property Court and in other IP-related proceedings. As a positive step, the Convention of 5 October 1961 Abolishing the Requirement of Legalisation for Foreign Public Documents (Apostille Convention) entered into force with respect to China in November 2023. However, right holders continue to report inconsistent implementation, including instances where Chinese courts still required burdensome legalization procedures for certain court documents, hampering the efficacy of civil litigation to resolve IP disputes.

The decrease in transparency and the potential for political intervention with the judicial system, as well as the emphasis on administrative enforcement in China, remain as critical concerns. Adding to these concerns, in March 2025, the State Council of China issued the *Provisions on the Handling of Foreign-Related Intellectual Property Disputes*, a troubling new measure that seemingly legitimizes political intervention in IP disputes. This new measure authorizes Chinese government agencies to take countermeasures against and impose restrictions on foreign entities that "use intellectual property disputes as an excuse to contain and suppress China" and also to "take discriminatory restrictive measures against Chinese citizens or organizations." The new measure further prohibits any organization or individual from implementing or assisting in implementing foreign IP enforcement actions deemed "discriminatory restrictive measures," or else be liable for civil damages.

A long-standing concern has been that Chinese courts publish only selected decisions rather than all preliminary injunctions and final decisions. Moreover, the number of verdicts uploaded online has consistently decreased over the past few years, further hampering transparency and making it more difficult for right holders to determine how China protects and enforces foreign IP. In January 2024, the SPC admitted to the decrease in case publications and announced the launch of a National Court Judgments Database. Initial details shared in December 2023 indicated the database would not be available to the public, and the SPC has yet to clarify the extent to which case decisions will be accessible to the general public or foreign firms. Additional concerns include interventions in judicial proceedings by local government officials, party officials, and powerful local interests that undermine the authority of China's judiciary and rule of law. In January 2024, amendments to the *Civil Procedure Law* entered into effect that expanded the jurisdiction of Chinese courts in cases involving foreign parties. A judiciary truly independent from the Communist Party of China is critical to promote rule of law in China and to protect and enforce IP rights. Right holders also expressed concerns about the increased emphasis on administrative enforcement, as authorities often fail to provide right holders with information regarding the process or results of enforcement actions. The transfer of administrative IP cases for criminal enforcement remains uneven, as administrative authorities may be reluctant to transfer cases where they can collect large fines and criminal enforcement authorities reportedly lack the budget for warehousing counterfeits and investigations.

China has taken steps to develop "social credit" systems for IP that punish infringers through the use of social credit penalties, such as addition to a blacklist and potential joint punishment by a

wide range of agencies. These measures lack critical procedural safeguards, such as sufficient notice to the entity targeted for punishment, clear factors for determinations, and opportunities for appeal. The United States continues to object to any use of the "social credit system," including in the field of IP.

*Patent and Related Developments*

In January 2024, the new *Implementing Regulations of the Patent Law* entered into force. CNIPA also issued supporting documents, such as amended *Patent Examination Guidelines*. Right holders continue to express concern about the implementation of patent term extensions for unreasonable marketing approval delays, including the definition of "new" drugs covered by the system, scope of eligible patents, and limits on the type of protection provided.

The large quantities of poor-quality patents that are granted continue to be a concern. Although CNIPA announced in January 2021 the elimination of patent subsidies by 2025, local incentivization mechanisms continue to include subsidies for patent licensing, validity disputes, and litigation that can potentially distort the commercial market for patents.

In November 2024, SAMR released the final version of the *Anti-Monopoly Guidelines in the Field of Standard Essential Patents*. Stakeholders have raised concerns about the potential misuse of anti-monopoly enforcement to favor domestic companies, especially in cases involving complex technologies.

*Industrial Designs*

In 2022, China acceded to the Hague Agreement Concerning the International Registration of Industrial Designs. As a positive development, the *Implementing Regulations of the Patent Law*, which entered into force in January 2024, clarified the connection between international design application procedures and domestic procedures.

*Geographical Indications*

In January 2024, China finalized the *Measures for Protection of Geographical Indication Products*. The new measures fail to require the identification of individual components of multi-component terms that are being considered for GI protection when GI applications that contain multi-component terms are published for opposition. Without this information, interested parties may assume that all individual components of multi-component terms in an application for GI protection will also be protected as GIs, which imposes onerous burdens on parties seeking to oppose such applications. In addition, right holders continue to raise concerns about certain trademark examination cases that involve the use of common names (generic terms). CNIPA released an *Implementation Plan for the Geographical Indication Protection Project* in January 2024 to promote the development of China's GIs. It is critical that China ensure full transparency and due process with respect to the protection of GIs, including safeguards for common names, respect for prior trademark rights, clear procedures to allow for opposition and cancellation, and fair market access for U.S. exports to China that rely on trademarks or the use of common names.

# INDIA

India remains on the Priority Watch List in 2025.

***Ongoing Challenges and Concerns***

Over the past year, India has remained inconsistent in its progress on intellectual property (IP) protection and enforcement. Although India has worked to strengthen its IP regime, including raising public awareness about the importance of IP, and engagement with the United States on IP issues has increased, there continues to be a lack of progress on many long-standing IP concerns raised in prior Special 301 Reports. India remains one of the world's most challenging major economies with respect to protection and enforcement of IP.

Patent issues continue to be of particular concern in India. Among other concerns, the potential threat of patent revocations and the procedural and discretionary invocation of patentability criteria under the *Indian Patents Act* impact companies across different sectors. Moreover, patent applicants generally continue to confront long waiting periods to receive patent grants and excessive reporting requirements. Stakeholders continue to express concerns over vagueness in the interpretation of the *Indian Patents Act*.

Despite India's justifications of limiting IP protections as a way to promote access to technologies, India maintains high customs duties directed to IP-intensive products such as information and communications technology (ICT) products, solar energy equipment, medical devices, pharmaceuticals, and capital goods. Stakeholders also continue to raise concerns as to whether India has an effective system for protecting against the unfair commercial use, and unauthorized disclosure, of undisclosed test or other data generated to obtain marketing approval for pharmaceutical and agricultural chemical products. In the pharmaceutical sector, the United States continues to monitor the restriction on patent-eligible subject matter in Section 3(d) of the *Indian Patents Act* and its impacts. Pharmaceutical stakeholders also express concerns as to whether India has an effective mechanism for the early resolution of potential pharmaceutical patent disputes. In particular, India does not have a system to provide notice to a patent holder or to allow for a patent holder to be notified prior to the marketing of follow-on product, which limits transparency.

While steps to improve IP Office operations and procedures are to be commended, India's overall IP enforcement remains inadequate. During the last year, India has continued to take actions against websites with pirated content. Nonetheless, weak enforcement of IP by law enforcement, a lack of familiarity with IP-specific investigation techniques, the continued absence of coordination among India's many national- and state-level law enforcement agencies, and the lack of meaningful deterrent penalties, continue to hamper enforcement and prosecution efforts. India remains home to several markets that facilitate counterfeiting and piracy, as identified in the *2024 Review of Notorious Markets for Counterfeiting and Piracy* (*Notorious Markets List*). While some of India's state authorities continue to operate dedicated and effective IP crime enforcement units, similar organization are mostly absent in other states. Given the scale and nature of the IP infringement problem in India, the United States continues to encourage the establishment of more state-run dedicated crime enforcement units and adoption of a national-level enforcement task force for IP crimes.



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Overall, the levels of trademark counterfeiting remain problematic. In addition, U.S. brand owners continue to report excessive delays in trademark opposition proceedings and a lack of quality in examination. Initiatives taken by the Department for Promotion of Industry and Internal Trade (DPIIT) reduced trademark application examination to less than 30 days, but right holders remain concerned with trademark examination quality and the trademark opposition proceedings backlog. The United States encourages continued efforts toward resolving the extensive trademark opposition backlog pursuant to the directions of the Delhi High Court. Additionally, it remains unclear whether trademark owners need a prior Indian court or trademark office decision in order to apply for recognition of "well-known" trademark status. The United States continues to urge India to join the Singapore Treaty on the Law of Trademarks.

The Indian government previously facilitated a memorandum of understanding between the Indian Singers Rights Association (ISRA) and music labels, including Indian Music Industry (IMI) member labels, as a step to helping performers receive compensation for broadcasts and other performances. The United States encourages India to take necessary additional steps, including authorizing collective management organizations to collect for the use of sound recordings and performances so that royalties can flow to producers and performers, respectively.

***Developments, Including Progress and Actions Taken***

Over the past year, India made meaningful progress to promote IP protection and enforcement in some areas and took steps to partially address long-standing issues with patent pre-grant opposition proceedings and cumbersome reporting requirements by notifying the *Patents (Amendment) Rules, 2024*. While issues remain, the amendments include provisions that are likely to increase the efficiency of the patent regime and reduce current burdens on patent applicants. The United States will monitor the implementation and encourages India to continue moving forward with these and other reform efforts to reduce patent pendency times and improve the patent system for all users.

In addition, the United States welcomes the establishment of additional Intellectual Property Divisions at the High Courts. In 2024, the Calcutta and Himachal Pradesh High Courts established such Intellectual Property Divisions, joining previously established Intellectual Property Divisions at the Delhi and Madras High Courts. The United States continues to monitor these developments and to encourage allocating resources for training and staffing. The United States is monitoring India's next steps, including any actions taken on the many recommendations in the Department Related Parliamentary Standing Committee on Commerce (DRPSCC) July 2021 report, *Review of the Intellectual Property Rights Regime in India*.

Copyright holders continue to report high levels of piracy, particularly online. In August 2021, the DPIIT issued a notice requesting comments on the recommendation of a Parliamentary committee to extend statutory licensing under Section 31D of the *Indian Copyright Act*, which provides statutory licenses for broadcasting sound recordings and literary and musical works, to "internet or digital broadcasters." In August 2024, DPIIT withdrew the Department of Industrial Policy and Promotion (which was renamed to DPIIT) memo of September 2016 interpreting Section 31D to cover "internet broadcasting," which was a welcome step. However, concerns remain regarding potential amendments to Section 31D to permit statutory licensing of interactive



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transmissions, which would have severe implications for right holders who make their content available online. The United States urges India to ensure consistency with its international obligations. The lack of predictability around Section 31D and overly broad exceptions for certain uses has raised concerns about the strength of copyright protection in India. Despite India's commitment at the United States-India Trade Policy Forums (TPF) in November 2021, January 2023, and January 2024 to comply with the World Intellectual Property Organization (WIPO) Performances and Phonograms Treaty (WPPT) and WIPO Copyright Treaty (WCT), collectively known as the WIPO Internet Treaties, to which India acceded in 2018, amendments to the Indian Copyright Act are still needed to fully implement the WIPO Internet Treaties and bring India's domestic legislation into alignment with international best practices, including with respect to technological protection measures and right management information. Furthermore, stakeholders have reported continuing problems with unauthorized file sharing of video games, signal theft by cable operators, commercial-scale photocopying and unauthorized reprints of academic books, and circumvention of technological protection measures.

Companies also continue to face uncertainty due to insufficient legal means to protect trade secrets in India. The earlier referenced DRPSCC July 2021 report, *Review of the Intellectual Property Rights Regime in India*, recommended "to consider enacting a separate legislation or a framework" and "to examine the relevant and best practices" for protection of trade secrets. The Law Commission of India subsequently undertook a comprehensive study on the desirability and feasibility of legislation on trade secrets in India, and in March 2024 recommended to the Indian government that a *sui generis* legislation be introduced to protect trade secrets. Currently no civil or criminal laws in India specifically address the protection of trade secrets. Criminal penalties are not expressly available for trade secret misappropriation in India, and civil remedies reportedly are difficult to obtain and do not have a deterrent-level effect. U.S. and Indian companies have identified trade secret protection as a growing concern and expressed interest in India eliminating gaps in its trade secrets regime, such as through the adoption of trade secret legislation that comprehensively addresses these concerns. One particular issue highlighted by stakeholders is the requirement for companies to disclose their source code for telecom equipment undergoing required certification and security testing at designated Indian facilities. The United States encourages India to continue working toward providing adequate and effective protection of trade secrets in India.

Stakeholders are also concerned about new burdensome requirements that only apply to foreign entities contained in the *Biological Diversity Rules, 2024* that came into force in December 2024. These Rules require that any foreign entity seeking IP protection for inventions derived from research or information, including digital sequence information, based on Indian biological resources, obtain prior approval from the National Biodiversity Authority.

The United States intends to continue to engage with India on IP matters, including through the TPF's Intellectual Property Working Group.

# INDONESIA

Indonesia remains on the Priority Watch List in 2025.

***Ongoing Challenges and Concerns***

U.S. right holders continue to face challenges in Indonesia with respect to adequate and effective intellectual property (IP) protection and enforcement, as well as fair and equitable market access. Indonesia lacks effective enforcement against widespread piracy and counterfeiting, including lack of enforcement against counterfeit goods, lack of deterrent-level penalties for IP infringement in physical markets and online, and ineffective border enforcement. As manufacturing has moved from China to Indonesia for goods such as footwear, local manufacturing of counterfeits has increased. Counterfeit sales have shifted online, raising concerns about the adequacy of Indonesia's current legal measures and enforcement efforts. Stakeholders have raised concerns over Indonesia's *Copyright Law*, including with respect to overbroad exceptions to provisions that prohibit the circumvention of technological protection measures, and have urged Indonesia to consider revisions to the *Copyright Law*. Online piracy through piracy devices and applications continues to be widespread. Stakeholders report that Indonesia has one of the highest rates of music piracy in the world and that homegrown piracy sites and services have surged in popularity, with limited enforcement efforts against their operations. Unauthorized camcording and unlicensed use of software remain problematic. Although the Ministry of Finance issued regulations in 2018 clarifying its *ex officio* authority for border enforcement against pirated and counterfeit goods and instituting a recordation system, few foreign right holders are able to benefit from the system because of local domicile requirements and large deposits that are required to cover the value of seizures during enforcement actions, which would be forfeit if the goods are not proven counterfeit. The effectiveness of the Directorate General for Customs and Excise (DGCE) has been limited because its recordation system only contains a small number of trademarks and copyrights, and DGCE has not been able to make full use of its *ex officio* authority to detain infringing goods.

Other concerns include Indonesia's law concerning geographical indications (GIs), which raises questions about the effect of new GI registrations on pre-existing trademark rights and the ability to use common food names. Stakeholders have also expressed concern about the lack of an effective system for protecting against the unfair commercial use, as well as unauthorized disclosure, of undisclosed test or other data generated to obtain marketing approval for pharmaceutical and agricultural chemical products.

In addition, the United States remains concerned about a range of market access barriers in Indonesia, including certain measures related to motion pictures. Specifically, *Ministry of Education and Culture Regulation 34/2019*, which is an implementing regulation for the 2009 *Film Law*, includes screen quotas and a dubbing ban for foreign films. If enforced, this regulation would restrict foreign participation in this sector.



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***Developments, Including Progress and Actions Taken***

Indonesia has made progress in addressing some of these concerns, but significant concerns remain in other areas.

In October 2024, Indonesia enacted a new *Patent Law*, which reflected amendments made through the *Omnibus Law No. 6 on Job Creation.* These amendments modified requirements for patents to be worked in Indonesia so that the requirements can be met by importation or licensing. The new *Patent Law* also broadened the scope of patentable products and technologies and clarified the patentability of computer-implemented inventions. However, the *Patent Law* not only failed to address existing concerns but also raised new concerns about how applicants can comply with disclosure requirements for inventions related to traditional knowledge and genetic resources and what the grounds and procedures are for issuing compulsory licenses. Moreover, the *Patent Law* includes a new requirement for patent holders to make a statement regarding the implementation of their patents at the end of each year. The *Patent Law* lacks clarity about how right holders should meet this requirement and the potential penalties for non-compliance.

U.S. stakeholders continue to note some progress related to Indonesia's efforts to address online piracy, including increased enforcement efforts and cooperation between the Ministry of Communications and Informatics and the Directorate General for Intellectual Property (DGIP).

In 2024, Indonesia continued to improve coordination among members of its IP Enforcement Task Force. The Task Force's activities have included efforts to raise awareness of IP challenges among government agencies and push for increased investigation of IP cases. The United States continues to encourage Indonesia to develop a specialized IP unit under the Indonesia National Police to focus on investigating the Indonesian criminal organizations behind counterfeiting and piracy and to initiate larger and more significant cases. There have been few IP prosecutions relative to the country's population, including reportedly no prosecutions for online piracy in 2024. Indonesia also has imposed excessive and inappropriate penalties on patent holders as an incentive to collect patent maintenance fees. The United States continues to monitor the issue.

The United States also continues to urge Indonesia to fully implement the bilateral Intellectual Property Rights Work Plan and plans continued engagement with Indonesia under the United States-Indonesia Trade and Investment Framework Agreement (TIFA) to address these issues.

# MEXICO

Mexico is placed on the Priority Watch List in 2025.

***Ongoing Challenges and Concerns***

The United States continues to engage with Mexico and expects Mexico to fully implement the United States-Mexico-Canada Agreement (USMCA) and to address long-standing concerns, including with respect to enforcement against counterfeiting and piracy, protection of pharmaceutical-related intellectual property (IP), pre-established damages for copyright infringement and trademark counterfeiting, plant variety protection, and enforcement of IP rights in the digital environment. The United States continues to monitor Mexico's outstanding USMCA commitments, including those with transition periods that ended in 2024 and 2025.

As part of its IP commitments under the USMCA, Mexico undertook significant legislative reforms, with amendments to its *Copyright Law* and *Criminal Code* and the passage of the *2020 Federal Law for the Protection of Industrial Property*. Unfortunately, Mexico still has not issued implementing regulations for the *Copyright Law* amendments or the *Federal Law for the Protection of Industrial Property*, which has created uncertainty for the creative and innovative sectors looking to protect and enforce their IP. In addition, stakeholders continue to report that Mexican authorities are not enforcing certain provisions of the *Copyright Law*.

Mexico continues to suffer from very high rates of copyright piracy, including through online streaming, peer-to-peer file sharing, direct downloads, stream-ripping, illicit streaming devices and apps, circumvention devices for video games and consoles, and physical media. As broadband access increases, online piracy has been increasing, and stakeholders report that Mexico has one of the highest rates of music and video game piracy in the world. A barrier to effective criminal copyright enforcement is the requirement to prove a direct economic benefit to the infringer and the submission of a legitimate physical copy of the pirated content, even if the pirated copies were distributed online. The "direct economic benefit" requirement also prevents effective criminal enforcement against not-for-profit acts of piracy, such as interrupting and distributing cable and satellite signals. According to stakeholders, civil copyright enforcement is difficult and expensive due to the lack of secondary liability for Internet service providers (ISPs), no pre-established damages, no lost profit recovery, no recovery of attorney fees, and lengthy court cases.

Mexico also continues to suffer from widespread importation, manufacture, sales, distribution, re-export, and transshipment of counterfeit goods. The prevalence of counterfeit goods at notorious physical marketplaces remains a significant problem, exacerbated by the fact that Mexico's National Customs Agency (ANAM) does not have *ex officio* authority to seize or destroy infringing products without first notifying the Mexican Institute of Industrial Property (IMPI) or Attorney General's Office (FGR) for a determination that the goods are infringing and also by the involvement of transnational criminal organizations. Although Mexican authorities have conducted some IP enforcement raids against markets across Mexico, the markets of El Santuario, Mercado San Juan De Dios, and Tepito, which are listed in the *2024 Review of Notorious Markets for Counterfeiting and Piracy* (*Notorious Markets List*), continue to flourish. While administrative actions against counterfeiters through IMPI remain effective, they are very limited due to budget



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cuts and staffing reductions. Regarding enforcement at the border, the National Customs Agency's effectiveness is limited due to its inability to make determinations, seize, or destroy the counterfeit goods without an order from IMPI or FGR. Stakeholders also continue to raise ongoing issues pertaining to bad faith trademark filings and registrations.

Historically, Mexico has created investigative and regulatory bodies equipped with the expertise and authority to provide meaningful enforcement against both pirated content and counterfeit goods. However, Mexico currently operates with reduced resources for numerous government agencies. Criminal investigations and prosecutions for trademark counterfeiting and copyright piracy appears to be non-existent, with the FGR failing to report any IP enforcement statistics for the past five years. Right holders report that FGR has imposed an internal ban on seeking search warrants in IP cases, which eliminates an essential tool in IP investigations. To combat growing levels of IP infringement in Mexico, the United States encourages Mexico to restore funding for federal, state, and municipal enforcement, improve coordination among federal and sub-federal officials, prosecute more IP-related cases, and impose deterrent-level penalties against infringers. Right holders also express concern about the length of administrative and judicial IP infringement proceedings and the persistence of continuing infringement while cases remain pending.

With respect to geographical indications (GIs), the United States urges Mexico to ensure transparency and due process in the protection of GIs and to ensure that the grant of GI protection does not deprive interested parties of the ability to use common names, particularly with respect to protection granted pursuant to trade agreements.

***Developments, Including Progress and Actions Taken***

In 2024, the Mexican Supreme Court upheld the constitutionality of Mexico's USMCA implementing legislation related to copyright, specifically those that concern criminal sanctions for circumvention of technological protection measures (TPMs) and notice-and-takedown procedures. However, there is no indication that Mexican authorities are applying the provisions that criminalize circumvention of TPMs and establish a notice-and-takedown process driven by right holders (i.e., not initiated by IMPI). Moreover, as discussed above, requirements for criminal prosecution, including a showing of "direct economic benefit" and submission of a legitimate physical copy of pirated content, remain significant barriers to enforcement.

In terms of enforcement, IMPI coordinated efforts with federal and local police to seize illegal merchandise and combat piracy across various states in Mexico in a strategy called *Operación Limpieza*. Mexican authorities targeted counterfeit goods originating primarily from China. However, despite these efforts, the presence of pirated and counterfeit goods in markets in Mexico continues to be a concern.

With respect to patents, IMPI is currently implementing two work-sharing agreements with the United States Patent and Trademark Office, resulting in improved patent examination efficiency at IMPI. The first is the Parallel Patent Grant, which was entered into in January 2020. The second is the Accelerated Patent Grant, which was entered into in August 2023.

# RUSSIA

Russia remains on the Priority Watch List in 2025.

***Ongoing Challenges and Concerns***

The overall intellectual property (IP) situation in Russia remains extremely challenging, including due to Russia's adoption of legal and regulatory measures in 2024 to further weaken existing IP protections. Since 2022, Russia has taken measures to target IP rights of foreign right holders from countries designated by Russia as "unfriendly." For example, Russia implemented *Decree 299* in 2022, which allows Russian companies and individuals to avoid paying compensation to right holders for the use of inventions, utility models, and industrial designs under Article 1360 of the *Russian Civil Code*, if the right holder comes from a list of countries designated by Russia as "unfriendly" due to factors including publicly supporting or calling for sanctions against Russia. Another measure, *Decree 322*, restricts the ability of foreign right holders from "unfriendly states" to collect license payments for most types of IP.

Challenges to IP protection and enforcement in Russia include continued copyright infringement, trademark counterfeiting, and the existence of non-transparent procedures governing the operation of collective management organizations (CMOs). In particular, the United States is concerned about stakeholder reports that IP enforcement remains inadequate and that Russian authorities continue to lack sufficient staffing, expertise, and, most importantly, the political will to effectively combat IP violations and criminal enterprises.

The lack of robust enforcement of IP rights is a persistent problem, compounded by burdensome court procedures. For example, the requirement that plaintiffs notify defendants a month in advance of instituting a civil cause of action allows defendants to liquidate their assets and thereby avoid liability for their infringement. Additionally, requiring foreign right holders to abide by strict documentation requirements, such as verification of corporate status, hinders their ability to bring civil actions.

Inadequate and ineffective protection of copyright, including with regard to online piracy, continues to be a significant problem, damaging both the market for legitimate content in Russia as well as in other countries. Although implementation of 2017 anti-piracy legislation has shown some promise, the withdrawal of foreign-based entertainment companies from the Russian market left online content piracy unchecked due to poor enforcement of anti-piracy legislation by the government. Russia remains home to several sites that facilitate online piracy, as identified in the *2024 Review of Notorious Markets for Counterfeiting and Piracy* (*Notorious Markets List*). Stakeholders continue to report significant piracy of video games, music, movies, books, journal articles, and television programming. Mirror sites replicating websites that offer infringing content and smartphone applications that facilitate illicit trade are also major concerns. Russia needs to direct more action against rogue online platforms targeting audiences outside the country. In 2018, right holders and online platforms in Russia signed an anti-piracy memorandum, which was extended until May 2025, to facilitate the removal of links to websites that offer infringing content. Despite expectations from stakeholders that this memorandum would be implemented as legislation covering all works protected by copyright and applying to all Russian platforms and



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search engines, no progress has been made since 2021. Although right holders are able to obtain court-ordered injunctions against websites and smartphone applications that offer infringing content, Russia must take additional steps to target the root of the problem, namely, investigating and prosecuting the owners of the large commercial enterprises distributing pirated material, including software. Moreover, prominent Russian online platforms continue to provide access to thousands of pirated films and television shows. Stakeholders report that third-party operators continue to organize illegal screenings of U.S. films in theaters throughout Russia, with content sourced through online piracy. There is also evidence of recording occurring at these illegal screenings, compounding the harm. While an August 2021 government decree on rules for showing films in theaters allows exhibitors to remove viewers attempting to record films illicitly, the decree does not remedy the existing lack of legal liability under Russian law for unauthorized camcording. Stakeholders also report that, in 2024, Russia remained among the most challenging countries in the world in terms of video game piracy.

Royalty collection and distribution by CMOs in Russia continue to lack transparency and do not correspond to international standards. Reports indicate that right holders are denied detailed accounting reports, making it difficult to verify how much money is being collected and distributed. Also, right holders are excluded from the selection and management of CMOs. The United States encourages Russia to update and modernize its CMO regime and institute practices that are fair, transparent, efficient, and accountable.

Russia remains a thriving market for counterfeit goods sourced from China, and stakeholders report that enforcement appears to have substantially decreased over the past three years.

Stakeholders also report that, in practice, Russia's trade secret regime places an undue burden on right holders in terms of requiring specific prerequisites for protection that do not reflect the commercial realities of most businesses. In terms of trade secret enforcement, stakeholders report that, despite their availability, deterrent-level penalties and preliminary measures are rarely imposed by courts for trade secret misappropriation.

The United States is also concerned about Russia's implementation of its World Trade Organization commitments related to the protection against the unfair commercial use, as well as the unauthorized disclosure, of undisclosed test or other data generated to obtain marketing approval for pharmaceutical products. Stakeholders report that Russia is eroding protections for undisclosed data, and the United States urges Russia to adopt a system that meets international norms of transparency and fairness. Stakeholders also report that Russia lacks an effective mechanism for the early resolution of potential pharmaceutical patent disputes and continue to express concerns regarding certain evidentiary standards applied by the judiciary.

***Developments, Including Progress and Actions Taken***

Over the course of 2024, Russia continued to take steps backward with respect to IP protection and enforcement. Russia continues to implement measures that allow uncompensated use of IP held by right holders based in countries that have sanctioned Russia, including *Decree 430,* which builds upon *Decree 322* from 2022, by introducing additional restrictions on the acquisition of IP rights from "unfriendly" jurisdictions and on license and royalty payments to foreign right holders

from “unfriendly states.” Another new measure, *Decree 422*, establishes the framework to seize any U.S. persons’ assets in Russia, including IP rights owned by U.S. companies or individuals.

Other actions in 2024 continue to weaken IP enforcement in Russia, including amendments to the Criminal Code that increased the threshold for criminal liability for copyright infringement to five times the previous amount, creating a high hurdle for stakeholders to pursue enforcement actions.

The United States urges Russia to develop a more comprehensive, transparent, and effective enforcement strategy to reduce IP infringement, particularly the sale of counterfeit goods and the piracy of copyright-protected works. The United States continues to monitor Russia’s actions on these and other matters through appropriate channels.



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# VENEZUELA

Venezuela remains on the Priority Watch List in 2025.

### *Ongoing Challenges and Concerns*

Recognizing the significant challenges in Venezuela at this time, the United States has several ongoing concerns with respect to the country's lack of adequate and effective intellectual property (IP) protection and enforcement. Venezuela's reinstatement several years ago of its 1955 Industrial Property Law, which falls below international standards and raises concerns about trade agreements and treaties that Venezuela subsequently ratified, has created significant uncertainty and deterred investments related to innovation and IP protection in recent years. Piracy, including online piracy, as well as unauthorized camcording and widespread use of unlicensed software, remains a persistent challenge. Counterfeit goods are also widely available, and IP enforcement remains ineffective.

### *Developments, Including Progress and Actions Taken*

While Venezuela's Autonomous Intellectual Property Service (SAPI) granted new patents and also waived various filing fees for small and medium enterprises to encourage IP system usage in 2021, the country did not make any notable progress toward improving IP protection in 2024.



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# WATCH LIST

## ALGERIA

Algeria remains on the Watch List in 2025. Algeria continues to take steps to improve intellectual property (IP) rights protection and enforcement, including through the establishment of a national interministerial committee that will review Algeria's regulatory framework for IP and recommend updates. However, other initiatives, such as legislative amendments to address outstanding IP concerns, including measures to address counterfeiting, remain pending. Stakeholders continue to report that counterfeiting and digital piracy remain widespread, and that enforcement procedures lack transparency or consistency. As Algeria plans to amend and implement its IP-related laws, the United States encourages Algeria to provide interested stakeholders with meaningful opportunities for input. Algeria needs to increase enforcement efforts against trademark counterfeiting and copyright piracy, particularly online and Internet Protocol television (IPTV) piracy. Algeria also needs to provide adequate judicial remedies in cases of patent infringement. Algeria still lacks an effective mechanism for the early resolution of potential pharmaceutical patent disputes, and Algeria does not provide an effective system for protecting against the unfair commercial use, as well as unauthorized disclosure, of undisclosed test or other data generated to obtain marketing approval for pharmaceutical products. The United States will continue to engage with Algeria to improve Algeria's IP protection and enforcement environment.



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# BARBADOS

Barbados remains on the Watch List in 2025. Barbados acceded to the World Intellectual Property Organization (WIPO) Performances and Phonograms Treaty (WPPT) and WIPO Copyright Treaty (WCT), collectively known as the WIPO Internet Treaties, in 2019. After the introduction of further amendments in 2024, the revised *Copyright Bill* to implement the treaties returned to the Chief Parliamentary Counsel for review. A passage date for the revised bill is still unknown. Insufficient legal resources, staffing shortages, weak enforcement of existing legislation, and long-standing backlogs in the judicial system continue to hamper further progress. In the realm of copyright and related rights, the United States continues to have concerns about the unauthorized retransmission of U.S. broadcasts and cable programming by local cable operators in Barbados, particularly state-owned broadcasters, without adequate compensation to U.S. right holders. Outstanding copyright infringement cases filed by stakeholders against local media operators remained unresolved in 2024. The United States also has continuing concerns about the refusal of Barbadian television and radio broadcasters and cable and satellite operators to pay for public performances of music. The United States urges Barbados to take all actions necessary to address such cases to ensure that all composers and songwriters receive the royalties they are owed for the public performance of their musical works. The United States looks forward to working with Barbados to resolve these and other important issues.



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# BELARUS

Belarus remains on the Watch List in 2025. Belarus was removed from the Watch List in 2016 after demonstrating commitment to improve its laws on intellectual property (IP) protection and enforcement. However, in 2022, Belarus passed a law (*Law No. 241-3*) that legalizes unlicensed use of copyrighted works, including computer programs, broadcasts of a broadcasting organization, audiovisual works, and musical works if the right holder or collective management organization (CMO) is from a government list of foreign states "committing unfriendly actions." Furthermore, the law requires Belarus's National Center of Intellectual Property (NCIP) to collect royalties on this unlicensed use of copyrighted works on behalf of the individuals and entities from "unfriendly" states. While NCIP is instructed to retain this remuneration for three years on behalf of the right holder or CMO, after this period, any royalties not requested by the right holder or CMO will be transferred to Belarus's general budget within three months. In this event, the government of Belarus would directly financially benefit from the unlicensed usage of others' IP. Many U.S. stakeholders have withdrawn from the market since 2022, and U.S. Government engagement with Belarus has been limited. The United States urges Belarus to rescind this law and to ensure that it complies with its international obligations, including with respect to copyright and related rights.



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# BOLIVIA

Bolivia remains on the Watch List in 2025. Challenges continue with respect to adequate and effective intellectual property (IP) protection and enforcement in Bolivia. The IP laws in Bolivia are outdated, and constitutional restrictions limit effective IP protection. For example, Bolivia relies on a century-old industrial privileges law, which does not address important areas such as trade secrets. In addition, Bolivia has not acceded to the World Intellectual Property Organization (WIPO) Performances and Phonograms Treaty (WPPT) and WIPO Copyright Treaty (WCT), collectively known as the WIPO Internet Treaties. While the National Intellectual Property Service (SENAPI) announced in 2022 that they would be drafting an updated national IP law, there has been little movement on this initiative. In 2022, Bolivia established new administrative procedures for filing and processing IP infringement complaints. Stakeholders have reported that firms may now only file claims against counterfeit goods that pass through official border points and that they cannot seek action against counterfeit goods entering illegally through uncontrolled border crossings into Bolivia. Similarly, Bolivian Customs lacks *ex officio* authority necessary to interdict potentially infringing goods without an application from the right holder. Additional capacity building could help the customs authority effectively address shipments containing counterfeit goods at Bolivia's international borders. Significant challenges also persist with respect to adequate and effective IP enforcement and communication between SENAPI and customs. Video, music, literature, and software piracy rates are among the highest in Latin America. In 2024, SENAPI digitized its processes, enabling trademark registration certificates to be issued via email. It also expanded online services for trademark, industrial designs, and patent applications as well as the registration of copyrightable works. However, rampant trademark infringement persists, and counterfeit medicines remain prevalent throughout the country. Bolivian law provides for substantial penalties for IP offenses, but criminal charges and prosecutions remain rare. Bolivian Customs has authority under the *Cinema and Audiovisual Arts Law of 2018* to pursue criminal prosecutions for IP violations of foreign and domestic visual works, but Bolivia has not promulgated implementing regulations that are necessary to exercise this authority.



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# BRAZIL

Brazil remains on the Watch List in 2025. The United States has long-standing concerns about the widespread importation, distribution, sale, and use of counterfeit goods, modified gaming consoles, illicit streaming devices, and other circumvention devices in Brazil, despite some significant intellectual property (IP) enforcement actions taken by authorities in 2024.

Brazil conducted several effective enforcement campaigns against online piracy, some of which were in conjunction with enforcement officials in the United States and other countries. The Ministry of Justice and Public Security's Cybernetic Operations Lab (Ciberlab) and National Council to Combat Piracy and Intellectual Property Crimes (CNCP), the National Film Agency (ANCINE), and the State of São Paulo's Prosecutor's Office (CyberGaeco) have been particularly active in this area this year. In November 2024, civil police forces in multiple municipalities conducted a joint operation to combat online piracy by executing search and seizure warrants and seizing computers, smartphones, and other materials for analysis. Nevertheless, piracy of copyrighted content remains a significant barrier to the adoption of legitimate content distribution channels. The United States encourages Brazil to join, as soon as possible, the World Intellectual Property Organization (WIPO) Performances and Phonograms Treaty (WPPT) and WIPO Copyright Treaty (WCT), collectively known as the WIPO Internet Treaties, which are aimed at preventing unauthorized access to creative works online.

Enforcement of criminal laws and customs regulations to address the importation and trafficking of counterfeit goods remains an area of concern. From October to November 2024, Receita Federal and the Federal Highway Police conducted an operation targeting the Rua 25 de Março area, which was identified in the *2024 Review of Notorious Markets for Counterfeiting and Piracy* (*Notorious Markets List*). The operation seized approximately one million items. However, despite large-scale raids and seizures, the Rua 25 de Março area has remained one of the largest markets for counterfeit goods for decades, in part because the raids are not followed by deterrent-level penalties and long-term disruption of illicit business practices. The port of Santos, which is the busiest container port in Latin America, and the Brazil-Paraguay-Argentina tri-border area also continue to be significant entry points for counterfeit goods. Factors that reduce the effectiveness of enforcement against counterfeit goods include the lack of clear *ex officio* authority for customs officials to seize counterfeit goods upon inspection, the lack of deterrent-level penalties authorized by statute and issued by the courts, insufficient numbers of customs officers posted at border points, and lengthy prosecution times. Right holders also report difficulties in obtaining information about seized counterfeit goods from customs, which prevents effective follow-on investigations into the source and distribution networks of the counterfeits.

Brazil continues to implement the country's first National Strategy on Intellectual Property and the related 2023-2025 Action Plan, which provides specific actions for the National Strategy implementation. As part of the Action Plan, Brazil has been taking concrete steps toward its goal of reducing the average patent pendency to two years by 2026, although the overall average pendency of patent applications remains high, particularly for biopharmaceutical patent applications. The United States is also concerned about the impact of the current average patent application pendency of almost 7 years (and 9.5 years for pharmaceutical patents granted between 2020 and 2024) on the effective patent term. Also, Brazil should provide protection against unfair



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commercial use, as well as unauthorized disclosure, of undisclosed test and other data generated to obtain marketing approval for pharmaceutical products like it does for veterinary and agricultural chemical products.

The United States urges Brazil to ensure transparency and due process in the protection of geographical indications (GIs) and to ensure that the grant of GI protection does not deprive interested parties of the ability to use common names, particularly as Brazil proceeds with the European Union (EU)-MERCOSUR Trade Agreement. The United States is also concerned about the additional market access impact of Brazil's determination of entities that qualified as prior users for certain GIs under the EU-MERCOSUR Trade Agreement.

Strong IP protection, available to both domestic and foreign right holders, provides a critical incentive for businesses to invest in future innovation in Brazil, and the United States will engage constructively with Brazil to build a strong IP environment and to address remaining concerns.

# BULGARIA

Bulgaria remains on the Watch List in 2025. While in 2024 Bulgarian police suspended or otherwise took down more than twice the number of pirate sites than in 2023, and Bulgarian authorities have committed to using a version of evidence sampling as part of relaunched investigations into significant pirate sites, Bulgaria continues to be a safe haven for online piracy. In 2023, Bulgaria took an important step to address deficiencies in its investigation and prosecution of intellectual property (IP) crime by enacting legislation to amend and supplement the Criminal Code to improve the investigation and prosecution of online piracy cases. Among other things, this law makes it a crime to build, maintain, or operate an online piracy site, service, or group and receive material benefit from that activity. However, Bulgaria has not yet prosecuted any individuals under the new law, even though the police have taken down numerous pirate sites, identified the individuals running them, and seized relevant evidence. The United States continues to monitor developments in this area and strongly encourages the prosecutor general to prosecute violations of Bulgaria's IP laws including the new online piracy provisions. Moreover, although Bulgaria raised the maximum sentence for certain IP crimes from five years to six (under Bulgarian law, certain investigative techniques such as subpoenas and search warrants can only be used to investigate crimes with a maximum sentence of six or more years) and also created a new cybercrime department within the National Investigative Service, long-standing IP enforcement concerns remain. These include inadequate prosecution efforts, lengthy and inefficient procedures, and the lack of the imposition of deterrent criminal penalties despite the availability of such penalties. The Bulgarian government has been a willing partner on IP issues, and the United States looks forward to continuing to work with Bulgaria to address these remaining concerns.



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# CANADA

Canada remains on the Watch List in 2025. The lack of intellectual property (IP) enforcement remains a significant concern, particularly at the border and against online piracy. The low number of seizures of counterfeit goods at the border and lack of training for border enforcement officials suggest that Canadian authorities have yet to take full advantage of expanded *ex officio* powers. For counterfeit goods that are seized in Canada, right holders report that enforcement is frustrated by the courts failing to issue consistent deterrent-level penalties against those responsible for the importation, distribution, and sale of the goods. The Pacific Mall in Toronto is listed in the *2024 Review of Notorious Markets for Counterfeiting and Piracy* (*Notorious Markets List*) for selling pirated and counterfeit goods. Levels of online piracy remain very high in Canada, including through direct downloads and streaming. Piracy devices, apps, and subscription services are reportedly sold throughout Canada, both in physical retail locations and through online channels. The United States remains deeply concerned by continued stakeholder reports that broad interpretation of the fair dealing exception for the purpose of education, which was added to the copyright law in 2012, as well as the relevant case law on the subject, has significantly damaged the market for educational authors and publishers. Other concerns with Canada's IP environment include inadequate transparency and due process regarding geographical indications (GIs) protected through free trade agreements. On patent term extensions for unreasonable marketing approval delays, stakeholders have raised concerns on the limited duration, eligibility, and scope of protection in Canada's system. Stakeholders have also expressed concerns that Canada provides patent term extensions for unreasonable patent office delays and patent term extensions for unreasonable marketing approval delays in a concurrent manner.



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# COLOMBIA

Colombia remains on the Watch List in 2025. In 2024, Colombia made minimal progress on the outstanding provisions related to its obligations under Chapter 16 of the United States-Colombia Trade Promotion Agreement (CTPA), including on provisions regarding enforcement against online copyright infringement. In addition, Colombia's accession to the 1991 Act of the International Union for the Protection of New Varieties of Plants Convention (UPOV 1991) remains outstanding. With respect to concerns raised about Article 72 of the *2014 National Development Plan*, passed as a law in 2015, Colombia issued *Decree 433* in March 2018 and *Decree 710* of April 2018 to clarify that Colombia would not condition regulatory approvals on factors other than the safety and efficacy of the underlying compound. Due to a legal action challenging one of the decrees, the Council of State provisionally suspended *Decree 710* in September 2019. Colombia is still considering how it will resolve the uncertainty remaining from the suspended decree. Innovative pharmaceutical manufacturer stakeholders have also raised concerns regarding transparency and due process with the issuance of compulsory licensing for pharmaceuticals.

Colombia's success in combating counterfeiting and other intellectual property (IP) violations remains limited. High levels of digital piracy persist, and Colombia has not curtailed the number of free-to-air devices, community antennas, and unlicensed Internet Protocol television (IPTV) services that permit the retransmission of otherwise-licensed content to a large number of non-subscribers. Stakeholders also report that piracy of licensed content through mobile apps continues to be a growing concern in Colombia. Colombia continues to face a large number of pirated and counterfeit goods crossing the border or sold at markets, on the street, and at other distribution hubs around the country, and stakeholders report that the number of seizures and criminal raids remains low. The "San Andresitos" physical markets, a collection of over 600 shopping centers across Colombia selling counterfeit goods, such as clothing, shoes, handbags, perfumes, and cell phone accessories, were identified as notorious markets in the *2024 Review of Notorious Markets for Counterfeiting and Piracy* (*Notorious Markets List*) after several years of not being on the list. The United States recommends that Colombia increase efforts to address online and mobile piracy and focus on disrupting organized trafficking in illicit goods, including at the border and in free trade zones. The United States encourages Colombia to provide key agencies with the requisite authority and resources to investigate and seize counterfeit goods, such as expanding the jurisdiction of the customs police.

The United States looks forward to continuing to work with Colombia to address outstanding issues, particularly with respect to full implementation of the CTPA, in 2025.

# ECUADOR

Ecuador remains on the Watch List in 2025. While Ecuador has made some efforts to improve intellectual property (IP) enforcement in 2024, particularly in the area of border enforcement coordination between Ecuador's intellectual property agency (SENADI) and Ecuadorian Customs Service (SENAE), Ecuador continues to lack effective laws and regulations covering IP protection and enforcement. Ecuador's *Organic Code on Social Economy of Knowledge, Creativity, and Innovation* (*Ingenuity Code*) adopted in 2016 governs the protection, exercise, and enforcement of IP rights. The *Ingenuity Code*'s implementing regulations, issued in December 2020, do not address concerns raised by the U.S. Government and various stakeholders on issues related to overly broad or vaguely defined copyright exceptions and limitations, patentable subject matter, and geographical indications (GIs), including opposition procedures for proposed GIs, the treatment of common food names, and the protection of prior trademark rights. Little tangible progress was made in 2024 with respect to additional revisions to the *Ingenuity Code*. The United States remains open to any engagement on this process.

Enforcement of IP rights against widespread counterfeiting and piracy remains weak, including online and in physical marketplaces. Stakeholders report that Ecuador is also a source of unauthorized camcording. Despite some increased enforcement activity, Ecuador needs to take additional steps to address continued concerns regarding online piracy. For example, even though the National Assembly reformed Ecuador's *Penal Code* in 2023 and established a regulatory framework for undercover agents to investigate digital actions online, Ecuador has not approved implementing regulations for this reform. In addition, Ecuador has only one specialized cybercrimes prosecutor.

The United States urges Ecuador to continue to improve its IP enforcement efforts and to provide for customs enforcement on an *ex officio* basis, including actions against goods in transit. The United States also encourages Ecuador to ensure that all government ministries use licensed software. The United States will continue working with Ecuador to address these and other issues.

# EGYPT

Although Egypt has taken several positive steps in intellectual property (IP) protection and enforcement, the country remains on the Watch List in 2025. Following the establishment of the Egyptian Agency for Intellectual Property (EAIP) in 2023, a chairman was appointed in 2024 to lead the agency in implementing Egypt's National IP Strategy. Stakeholders also report some positive developments in enforcement, including strong working relationships with enforcement authorities, and the establishment of the Customs Notifications System, which allows right holders to notify Egyptian customs officials to interdict suspected counterfeit shipments for inspection. Egypt has also made some successful efforts to combat online piracy by coordinating with stakeholders to take down several popular piracy sites.

Despite these steps, stakeholders report that the overall enforcement environment lacks effective and transparent procedures, and remains a priority issue for Egypt to address. Egyptian customs officials still lack *ex officio* authority to suspend the release of goods without a right holder's request for action, and seizures of counterfeit goods remain relatively rare. Stakeholders also report that court procedures remain slow and cumbersome, and prosecutors and judges do not effectively pursue deterrent-level measures for IP violations. The United States encourages Egypt to join and fully implement the World Intellectual Property Organization (WIPO) Performances and Phonograms Treaty (WPPT) and WIPO Copyright Treaty (WCT), collectively known as the WIPO Internet Treaties, to align its laws, regulations, and enforcement regime with international best practices. Additionally, Egypt does not have an effective system for the early resolution of potential patent disputes. Finally, Egypt published patent examination guidelines for biotechnology in 2022, but patent examination guidelines covering other sectors, as well as trademark examination guidelines, remain pending. Egypt should finalize and publish all patent and trademark examination guidelines to ensure a consistent and transparent review and appeals procedure. The United States looks forward to continuing engagement with Egypt to address these and other issues.



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# GUATEMALA

Guatemala remains on the Watch List in 2025. Despite a generally strong legal framework in place, resource constraints, inconsistent enforcement actions against counterfeiting of apparel and other products, as well as a lack of coordination among law enforcement agencies continue to result in insufficient intellectual property (IP) enforcement. The United States urges Guatemala to strengthen enforcement, including criminal prosecution, administrative and border measures, and intergovernmental coordination to address widespread copyright piracy and commercial-scale sales of counterfeit goods. The sale of counterfeit goods such as clothing, sports footwear, and accessories continued to occur openly, extensively, and with little interference by Guatemalan law enforcement throughout 2024. Some limited progress occurred in 2024 regarding a moderate decline in government use of unlicensed software, but signal piracy continues to be a concern, with online piracy through Internet Protocol television (IPTV) services increasing again in 2024. The production and sale of counterfeit apparel and pharmaceuticals in Guatemala remains a concern, and stakeholders report that the government, while aware of such activity, lacks capacity to effectively curtail the activity. Although previous delays in notifications of alleged counterfeit cases reportedly improved in 2024, stakeholders report that significant delays in the patent registration process remain, and that the judiciary continues to lack specialization and knowledge to hear and adjudicate IP issues. The United States continues to urge Guatemala to take effective actions in 2025 to improve the protection and enforcement of IP in Guatemala.



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# PAKISTAN

Pakistan remains on the Watch List in 2025. Pakistan has made limited substantive progress on intellectual property (IP) protection and enforcement efforts. In 2024, the Intellectual Property Organization (IPO) launched an initiative to develop a five-year National Intellectual Property Strategy to improve coordination and enforcement of IP laws, and update and strengthen IP legislation. The Pakistan Electronic Media Regulatory Authority (PEMRA) has proven responsive to industry complaints, and the Competition Commission of Pakistan's Office of Fair Trade has also undertaken some enforcement actions at the behest of stakeholders. In 2024, the Pakistani Federal Investigation Agency registered 235 cases against IP rights infringers and Pakistani Customs made 97 seizures for IP violations at the border.

However, these efforts have yet to result in significant improvements, and serious concerns remain in the area of IP enforcement. Counterfeiting and piracy remain widespread, including with respect to pharmaceuticals, printed works, digital content, and software. Stakeholders report an increase in domestic manufacturing of counterfeit goods and Pakistan playing a major role in regional distribution of counterfeits. There are also reports of numerous cable operators providing pirated content.

Pakistan's establishment of IP tribunals in three cities in 2016, expansion to two additional cities in 2023, and approval for three more cities in the future are encouraging developments. However, litigants with experience in these tribunals have raised concerns over inconsistency of rulings, nominal fines, general lack of expertise among tribunal judges, confusion over the standards by which courts review tribunal decisions, and the extensive backlog of cases due to lack of resources and high judicial turnover rates. In addition, judicial bodies in Pakistan have limited jurisdiction to adjudicate criminal complaints for IP violations.

Regarding other issues, effective trademark enforcement also continues to be a challenge due to the lack of *ex officio* authority to commence criminal enforcement actions without a right holder's complaint. Pakistan also does not provide an effective system for protection against unfair commercial use, as well as unauthorized disclosure, of undisclosed test or other data generated to obtain marketing approval for pharmaceutical products. Pakistan must address the lack of deterrent-level penalties and focus on judicial consistency and efficiency in order to improve overall IP enforcement. A strong and effective IPO will support Pakistan's reform efforts, yet the United States notes that the IPO continues to face challenges in coordinating enforcement among different government agencies and suffers from resource constraints.

The United States encourages Pakistan to continue to work bilaterally, including through Trade and Investment Framework Agreement (TIFA) meetings, and to make further progress on IP reforms, with a particular focus on aligning its IP laws, regulations, and enforcement regime with international best practices. As Pakistan continues to amend its IP laws, the United States encourages Pakistan to undertake a transparent process that provides stakeholders with sufficient opportunity to comment on draft laws. The United States also welcomes Pakistan's interest in joining international treaties, such as the World Intellectual Property Organization (WIPO) Performances and Phonograms Treaty (WPPT) and WIPO Copyright Treaty (WCT), collectively known as the WIPO Internet Treaties, and the Patent Cooperation Treaty (PCT).



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# PARAGUAY

Paraguay remains on the Watch List in 2025. In 2022, the United States and Paraguay agreed on an Intellectual Property (IP) Work Plan that serves as a roadmap to address issues on the protection and enforcement of IP rights in Paraguay. Paraguay has recently focused on improving IP enforcement, including through the Interagency Coordination Center (CODEPI), and right holders report an increase in IP enforcement efforts, particularly by the National Directorate for Intellectual Property (DINAPI). However, the scale of the IP enforcement challenges, particularly challenges with effective and consistent prosecutions and judicial actions, overshadow these efforts. In fact, in 2024, the number of IP-related criminal convictions decreased despite the increase in enforcement actions. Ciudad del Este, which is listed in the *2024 Review of Notorious Markets for Counterfeiting and Piracy* (*Notorious Markets List*), serves as one of the main distribution and sales hubs for counterfeit goods in the region and has reportedly become a home to manufacturing and "finishing" facilities for counterfeit goods. The United States urges Paraguay to ensure transparency and due process in the protection of geographical indications (GIs) and to ensure that the grant of GI protection does not deprive interested parties of the ability to use common names, particularly as Paraguay proceeds with the European Union-MERCOSUR Trade Agreement. The United States looks forward to continuing to work with Paraguay to address outstanding IP issues through bilateral engagement, including through the IP Work Plan.



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# PERU

Peru remains on the Watch List in 2025. The primary reasons are the long-standing implementation issues with the intellectual property (IP) provisions of the United States-Peru Trade Promotion Agreement (PTPA), particularly with respect to Articles 16.11.8 and 16.11.29(b)(ix). The United States urges Peru to implement fully its PTPA obligations and recognizes the steps that Peru has taken toward establishing statutory damages. Provisions regarding statutory damages for copyright and trademark infringement are included in a draft decree that is currently under consideration. With respect to IP enforcement, Peru took a number of positive steps in 2024. Stakeholders have noted that Peru's National Institute for the Defense of Competition and the Protection of Intellectual Property (INDECOPI) serves as a model for strong IP enforcement practices in the Andean region. INDECOPI has increasingly taken action to fine individuals and legal entities that violate Peru's copyright laws. However, stakeholders have raised concerns regarding *Proyecto de Ley 878/2021-CR*, known as the *General Internet Bill*, arguing that this draft legislation needs amendments to require Internet service providers (ISPs) to expeditiously take down infringing content and to provide adequate legal incentives for ISPs to work in conjunction with right holders to take down infringing content. The United States recognizes Peru's efforts to increase the number of prosecutions against piracy and counterfeiting, particularly its efforts with respect to the sale of counterfeit medicines. The United States urges Peru to continue these efforts and to expand the imposition of deterrent-level fines and penalties for counterfeiting and piracy more broadly. In 2024, Peru issued *Decree No. 1649*, amending Article 217 of the Penal Code to criminalize the unauthorized camcording or reproduction of motion picture audiovisual works in cinemas or similar venues without requiring proof of commercial intent. The United States welcomes this positive step and will monitor enforcement efforts. Furthermore, the United States encourages Peru to continue its public awareness activities about the importance of IP protection and enforcement. The United States also continues to encourage Peru to enhance its border enforcement measures and to continue to build the technical IP-related capacity of its agencies, law enforcement officials, prosecutors, and judges. The United States looks forward to continuing to work with Peru to address outstanding issues, particularly with respect to full implementation of the PTPA, in 2025.



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# THAILAND

Thailand remains on the Watch List in 2025. Thailand continues to make significant progress on improving intellectual property (IP) protection and enforcement. In December 2024, Thailand published a new draft of amendments to the *Patent Act*. Thailand remains in the process of amending its *Patent Act* to streamline the patent registration process, to reduce patent backlog and pendency, and to help prepare for accession to the Hague Agreement Concerning the International Registration of Industrial Designs. In April 2024, Thailand proposed draft *Copyright Act* amendments to the Cabinet for approval in principle, which are intended to facilitate accession to the WIPO Performances and Phonograms Treaty (WPPT). The United States continues to urge Thailand to complete the amendment process and accede to the WPPT. Right holders have reported continued improvements in IP enforcement, including good working relationships with Thai police and Thai Customs, increased efficiency in seizures by Thai Customs, and positive impressions of the Thai Customs IPR Recordation System established in 2022. The Department of Intellectual Property (DIP) and Thai police are implementing an action plan for high-priority enforcement actions against counterfeit and pirated goods, including raids against warehouses and the termination of rental agreements for tenants arrested on charges of IP violations at the MBK Center, which is listed in the *2024 Review of Notorious Markets for Counterfeiting and Piracy* (*Notorious Markets List*). Starting in 2025, collective management organizations (CMOs) that demonstrate compliance with a voluntary code of conduct are entitled to use a new certification mark authorized by DIP.

While Thailand is making progress in these areas, concerns remain. While some enforcement actions have focused on warehouses and distribution centers, counterfeit and pirated goods are still readily available, particularly online, and right holders express concerns that enforcement authorities focus on small operator offenses instead of targeting high-level distributors and manufacturing operations. The United States urges Thailand to improve on its provision of effective and deterrent enforcement measures and to increase enforcement actions, including criminal enforcement, especially against upstream suppliers. Although some right holders have reported positive results from reporting listings for IP-infringing products to e-commerce platforms for takedown under Thailand's 2021 memorandum of understanding (MOU) with e-commerce platforms, other right holders have reported little practical impact against growing online sales of counterfeit and pirated goods. Right holders also report insufficient enforcement and deterrence against growing online piracy by devices and applications that allow users to stream and download unauthorized content. Furthermore, stakeholders remain concerned that criminal proceedings against online piracy are lengthy and, even if there are ultimately convictions, the penalties are insufficient to deter future infringing behavior. In addition, the United States urges Thailand to consider additional amendments to its *Copyright Act* to address concerns, including regarding procedural obstacles to enforcement against unauthorized camcording, unauthorized CMOs, and overly broad exceptions to provisions that prohibit the circumvention of technological protection measures. Thailand should also address the backlog in pending patent examinations, particularly in the pharmaceutical sector.

In December 2023, Thailand published draft amendments to the *Geographical Indication Protection Act*. The United States urges Thailand to ensure transparency and due process in the protection of geographical indications (GIs) and to ensure that the grant of GI protection does not



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deprive interested parties of the ability to use common names. Other U.S. concerns include continued use of unlicensed software in the private sector, lengthy civil IP enforcement proceedings, and low civil damages. U.S. right holders have also expressed concerns regarding the *Motion Picture and Video Act* that allows for content quota restrictions for films and urge Thailand to finalize draft amendments to a new *Film Law* published in September 2024 that would remove the quotas. Stakeholders also continue to encourage Thailand to provide an effective system for protecting against the unfair commercial use, as well as unauthorized disclosure, of undisclosed test or other data generated to obtain marketing approval for pharmaceutical and agricultural chemical products.

The United States looks forward to continuing to work with Thailand to address these and other issues through the United States-Thailand Trade and Investment Framework Agreement (TIFA) and other bilateral engagements.



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# TRINIDAD AND TOBAGO

Trinidad and Tobago remains on the Watch List in 2025. In 2024, the Telecommunications Authority of Trinidad and Tobago (TATT) continued to conduct audits of compliance with the concessions agreement it requires of domestic broadcasters, which mandates respect for intellectual property (IP). The concessions agreement prohibits broadcasters from transmitting any program, information, or other material without first obtaining all required permissions from relevant IP right holders. Although major subscription television providers were reportedly generally compliant, TATT has yet to take any enforcement action against the remaining non-compliant broadcasters. Specifically, the United States remains concerned about the lack of enforcement action or other resolution of the long-running violation of the agreement by state-owned telecommunications facilities, which continue to profit from the unlicensed use of U.S. over-the-air signal content through commercial television subscription packages. While Trinidad and Tobago made some effort to address this concern in 2024, there have been no meaningful enforcement actions. Trinidad and Tobago is also currently in the process of amending the *Telecommunications Act* Chapter 47:31 to allow for greater enforcement powers in relation to intellectual property rights breaches by broadcasters and telecommunications providers.



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# TÜRKIYE

Türkiye remains on the Watch List in 2025. Over the last few years, Türkiye has continued to focus on intellectual property (IP) enforcement by, and training of, Turkish Customs and the Turkish National Police against the trade in counterfeit goods, including counterfeit pharmaceuticals. However, right holders continue to have concerns regarding overall IP protection and enforcement in Türkiye. Despite its focus on enforcement activities against counterfeit goods, Türkiye remains a significant source of, and transshipment point for, counterfeit and pirated goods across sectors and is one of the world's largest sources of counterfeit medicines and apparel. Stakeholders continue to report high levels of counterfeit goods production and purchasing, as well as high levels of online piracy. Greater coordination and communication and improved training among Turkish enforcement agencies, particularly among the Turkish National Police, Ministry of Trade, and Turkish Customs, will be necessary to effectively tackle the high levels of IP infringement. Effective criminal enforcement is limited by lax penalties and inadequate procedures under current law. While Türkiye has specialized IP courts in five major cities, stakeholders note that a lack of judicial expertise in IP and burdensome evidence requirements to obtain search warrants continue to hamper enforcement efforts. The Turkish National Police should be given *ex officio* authority over trademark violations to help enhance IP enforcement capabilities. The United States encourages Türkiye to fully implement its obligations under the World Intellectual Property Organization (WIPO) Performances and Phonograms Treaty (WPPT) and WIPO Copyright Treaty (WCT), collectively known as the WIPO Internet Treaties, and to develop effective mechanisms to address online piracy. The United States continues to encourage Türkiye to require that collective management organizations adhere to fair, transparent, and non-discriminatory procedures. U.S. companies also report that Türkiye's national pricing and reimbursement policies for pharmaceutical products continue to suffer from a lack of transparency and due process. Stakeholders also continue to raise concerns that Türkiye does not adequately protect against the unfair commercial use, as well as unauthorized disclosure, of undisclosed test or other data generated to obtain marketing approval for pharmaceutical products and has not done enough to reduce regulatory and administrative delays in granting marketing approvals for products. Furthermore, the United States urges Türkiye to establish an effective mechanism for the early resolution of potential pharmaceutical patent disputes. The United States will seek to engage with Türkiye to address these and other issues.



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# VIETNAM

Vietnam remains on the Watch List in 2025. In 2024, Vietnam took some steps to improve intellectual property (IP) protection and enforcement, notably in criminal enforcement and border measures. In 2024, prosecutors obtained the first-ever criminal convictions in Vietnam for online piracy. A court in Hanoi convicted the operator of BestBuyIPTV, one of the most popular illegal IPTV services in the world, and a court in Quang Binh Province convicted three administrators of several illegal streaming websites. Moreover, in July and August 2024, Vietnam's enforcement authorities collaborated with U.S. enforcement authorities and stakeholders to shut down Fmovies and associated piracy sites, which together formed one of the largest copyright infringement operations in the world. Subsequently, the two main leaders of the Fmovies piracy ring confessed to criminal copyright infringement. In addition, some right holders have reported an increase in the frequency and volume of seizures of counterfeit goods by Vietnam Customs, particularly at the northern border.

However, there has been little or no progress on the range of serious concerns that remain regarding other IP protection and enforcement issues. For example, even with recent law enforcement actions, Vietnam remains a leading source of online piracy and continues to host some of the most popular English-language copyright infringement sites and services in the world, targeting a global audience. The operators of these sites and services are believed to operate from Vietnam in part because of the perception that the country is a haven for online piracy. Stakeholders report that Vietnam has the highest incidence of online piracy in the Asia-Pacific region, has one of the highest levels of music piracy in the world, and is ranked seventh in the world for participation in piracy of certain video games. Although right holders welcomed landmark criminal convictions in the two cases against online piracy last year and the Fmovies case this year, all of the defendants received suspended sentences and were only ordered to pay relatively low financial penalties. In order to have a deterrent effect, Vietnam enforcement authorities should bring more criminal cases against significant piracy sites and consider seeking prison sentences, monetary fines, and other criminal penalties at the higher levels that are available under Vietnamese law, in order to reflect the immense damage caused to copyright holders by these copyright infringement operations.

As more brands have shifted production from China to Vietnam, stakeholders report that Vietnam has become a key manufacturer of counterfeit products. While stakeholders note some positive experiences with enforcement authorities, counterfeit goods remain widely available in physical markets, and high volumes of pirated and counterfeit goods are sold through e-commerce platforms and through the use of livestream videos. Vietnam's continued reliance on administrative enforcement actions has consistently failed to address widespread counterfeiting, particularly in the absence of deterrent-level civil remedies and criminal penalties. Stakeholders also report mixed experiences with Vietnam Customs, with some brands noting minimal seizures for consumer goods and personal care products. In 2025, Vietnam underwent a significant reorganization of its government, which included restructuring of the Market Surveillance Agency (MSA). Most enforcement work by the MSA has been placed on hold, and stakeholders raise concerns that the results of this reorganization will make it harder to conduct raids against counterfeit manufacturing facilities. Stakeholders also urge Vietnam to address online counterfeit sales by finalizing a reported draft law on e-commerce.

According to right holders, weak IP enforcement in Vietnam is due to poor coordination among ministries and agencies responsible for enforcement, delays in investigations and court proceedings, and the lack of familiarity with IP law among police, prosecutors, and judges. The United States is closely engaging with Vietnam on the implementation of amendments to the 2015 Penal Code with respect to criminal enforcement of IP violations and efforts to set up a specialized IP court. Work on the specialized IP court progressed in June 2024 with the National Assembly's approval of the Law on Organization of People's Courts.

Other concerns include overly broad exceptions to copyright and the need for effective implementation of the World Intellectual Property Organization (WIPO) Performances and Phonograms Treaty (WPPT) and WIPO Copyright Treaty (WCT), collectively known as the WIPO Internet Treaties, including protections against circumvention of technological protection measures and certain acts affecting rights management information. In addition, right holders have raised concerns about trademark application backlogs and about bad faith trademark registrations by counterfeiters who exploit delays in trademark examination. Furthermore, Vietnam's system for protecting against the unfair commercial use, as well as the unauthorized disclosure, of undisclosed test or other data generated to obtain marketing approval for pharmaceutical products needs clarification.

The United States is also monitoring the implementation of IP provisions pursuant to Vietnam's commitments under trade agreements with third parties. The European Union-Vietnam Free Trade Agreement (EVFTA) grandfathered prior users of certain cheese terms from the restrictions in the geographical indications (GIs) provisions of the EVFTA, and it is important that Vietnam ensures market access for prior users of those terms who were in the Vietnamese market before the grandfathering date of January 1, 2017.

Vietnam needs to make progress on the full range of IP concerns, and the United States will closely monitor developments. The United States will continue to engage with Vietnam through the United States-Vietnam Trade and Investment Framework Agreement (TIFA) and other bilateral engagement.

# ANNEX 1: Special 301 Statutory Basis

Pursuant to Section 182 of the Trade Act of 1974, as amended by the Omnibus Trade and Competitiveness Act of 1988, the Uruguay Round Agreements Act of 1994, and the Trade Facilitation and Trade Enforcement Act of 2015 (19 U.S.C. § 2242), the Office of the United States Trade Representative (USTR) is required to identify "those foreign countries that deny adequate and effective protection of intellectual property rights, or deny fair and equitable market access to United States persons that rely upon intellectual property protection."

The United States Trade Representative shall only designate as Priority Foreign Countries those countries that have the most onerous or egregious acts, policies, or practices and whose acts, policies, or practices have the greatest adverse impact (actual or potential) on the relevant U.S. products. Priority Foreign Countries are subject to an investigation under the Section 301 provisions of the Trade Act of 1974. The United States Trade Representative may not designate a country as a Priority Foreign Country if it is entering into good faith negotiations or making significant progress in bilateral or multilateral negotiations to provide adequate and effective protection of intellectual property (IP). The United States Trade Representative is required to decide whether to identify countries within 30 days after issuance of the annual *National Trade Estimate Report*. In addition, USTR may identify a trading partner as a Priority Foreign Country or re-designate the trading partner whenever the available facts indicate that such action is appropriate.

To aid in the administration of the statute, USTR created a Priority Watch List and Watch List under the Special 301 provisions. Placement of a trading partner on the Priority Watch List or Watch List indicates that particular problems exist in that country with respect to IP protection, enforcement, or market access for persons relying on IP rights. Countries placed on the Priority Watch List are the focus of increased bilateral attention concerning the specific problem areas.

The Trade Facilitation and Trade Enforcement Act of 2015 requires USTR to develop "action plans" for each foreign country that USTR has identified for placement on the Priority Watch List and that has remained on the list for at least one year. The action plans shall include benchmarks to assist the foreign country to achieve, or make significant progress toward achieving, adequate and effective IP protection and fair and equitable market access for U.S. persons relying on IP protection. USTR must provide to the Senate Finance Committee and to the House Ways and Means Committee a description of the action plans developed for Priority Watch List countries and any actions taken by foreign countries under such plans. For those Priority Watch List countries for which an action plan has been developed, the President may take appropriate action if the country has not substantially complied with the benchmarks set forth in the action plan.

Section 306 of the Trade Act of 1974 requires USTR to monitor a trading partner's compliance with measures that are the basis for resolving an investigation under Section 301. USTR may take trade action if a country fails to implement such measures satisfactorily.

The Trade Policy Staff Committee, in particular the Special 301 Subcommittee, in advising the USTR on the implementation of Special 301, obtains information from and holds consultations

with the private sector, civil society and academia, U.S. embassies, foreign governments, and the U.S. Congress, among other sources.



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# ANNEX 2: U.S. Government-Sponsored Technical Assistance and Capacity Building

In addition to identifying intellectual property (IP) concerns, this Report also highlights opportunities for the U.S. Government to work closely with trading partners to address those concerns. The U.S. Government collaborates with various trading partners on IP-related training and capacity building around the world. Domestically and abroad, bilaterally and in regional groupings, the U.S. Government remains engaged in building stronger, more streamlined, and more effective systems for the protection and enforcement of IP.

The Office of Policy and International Affairs (OPIA) of the U.S. Patent and Trademark Office (USPTO) conducts programs through its Global Intellectual Property Academy (GIPA) in the United States, around the world, and through distance learning to provide education, training, and capacity building on IP protection, commercialization, and enforcement. The USPTO advances an America First foreign assistance policy by ensuring that IP training and capacity-building efforts directly benefit American businesses, innovators, and workers. In addition to fulfilling United States objectives in IP, including those set out in 19 USC § 3581(2)-(5), and supporting World Trade Organization (WTO) Trade-Related Aspects of Intellectual Property Rights (TRIPS) obligations, these activities are codified in 35 USC § 2, which enumerates the powers and duties of the United States Patent and Trademark Office Director. Strong protection and enforcement of IP rights helps to: encourage innovation, protect investments, guarantee product quality and safety, promote public health and safety, protect revenue, attract investment, and support job creation. The USPTO's technical IP assistance also reinforces America's leadership in IP protection, ensuring that global IP policies and enforcement standards support U.S. industry, job growth, economic security, and America's competitive advantage in the global marketplace. The primary goal of GIPA programs is to improve the IP systems of other countries to ensure U.S. businesses have predictable, transparent, and fair systems to obtain and enforce their IP rights. Program participants include patent, trademark, and copyright officials, judges and prosecutors, police and customs officials, foreign policy makers, and U.S. right holders. OPIA-designed GIPA programs are frequently conducted in collaboration with Intellectual Property Attachés and other U.S. Government agencies.

Other U.S. Government agencies bring foreign government and private sector representatives to the United States on study tours to meet with IP professionals and to visit the institutions and businesses responsible for developing, protecting, and promoting IP in the United States. One such program is the Department of State's International Visitor Leadership Program, which brings groups from around the world to cities across the United States to learn about IP and related trade and business issues.

Internationally, the U.S. Government is also active in partnering to provide training, technical assistance, capacity building, exchanges of best practices, and other collaborative activities to improve IP protection and enforcement. The following are examples of these programs:



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- In Fiscal Year (FY) 2024, USPTO developed and delivered capacity-building programs that addressed a full range of IP protection and enforcement matters, including enforcement of IP rights at national borders, online piracy, express mail shipments, trade secrets, copyright policy, and patent and trademark examination. During FY 2024, USPTO provided 134 programs serving over 7,866 individuals, including over 3,873 government officials representing 119 countries and intergovernmental organizations. More information is available at www.uspto.gov/GIPA.

- In addition, the USPTO's OPIA provides capacity building in countries around the world and has formed partnerships with 31 national, regional, and international IP organizations, such as the Japan Patent Office, the European Patent Office, the German Patent and Trademark Office, government agencies of China, the Mexican Institute of Industrial Property, the Korean Intellectual Property Office, the Association of Southeast Asian Nations (ASEAN), the Oceania Customs Organisation (OCO), the African Regional Intellectual Property Organization (ARIPO), the African Intellectual Property Organization (OAPI), and the World Intellectual Property Organization (WIPO). These partnerships help establish a framework for joint development of informational and educational IP content, technical cooperation, and classification activities.

- The Department of Commerce's International Trade Administration (ITA) Office of Standards and Intellectual Property (OSIP) leads and manages the United States government interagency STOPfakes program, which helps U.S. companies navigate IP processes globally. STOPfakes presents roadshows across the country with over 10 U.S. Government partner agencies. These roadshows are day-long, in-depth seminars for U.S. companies focused on guidance regarding protecting IP at home and abroad. U.S. companies can also find specific IP information on the STOPfakes.gov website, including valuable resources on how to protect patents, copyright, trademarks, and trade secrets, as well as targeted information about protecting IP in more than 80 global markets. The website also includes IP highlights on industry- and policy-specific IP topics. Businesses can also find webinars focused on best practices to protect and enforce IP in China. In addition to STOPfakes, ITA develops and shares small business tools to help domestic and foreign businesses understand IP and initiate protective strategies. Under the auspices of the Transatlantic Intellectual Property Rights Working Group, ITA collaborates with the European Union's Directorate-General for Trade to identify areas of cooperation to help protect IP in third countries, as well as in the United States and the EU. ITA also manages the STOPfakes X (formerly known as Twitter) account, @STOPfakesGov, which publicizes the release of new resources, live-tweets the STOPfakes roadshows, and supports IP social media posts from other agencies.

- IP protection is a priority of the government-to-government technical assistance provided by the Department of Commerce's Commercial Law Development Program (CLDP). CLDP programs address numerous areas related to IP, including legislative reform, enforcement, adjudication of disputes, IP protection and its impact on the economy, and IP curricula in universities and law schools, as well as public awareness campaigns and continuing legal education for lawyers. CLDP supports capacity building in creating and maintaining an innovation ecosystem, including technology commercialization, as well as

in patent, trademark, and copyright examination and management in many countries worldwide. CLDP also works with the judiciary in various trading partners to improve the skills to effectively adjudicate IP cases and conducts interagency coordination programs to highlight the value of a whole-of-government approach to IP protection and enforcement.

- In FY 2024, CLDP, in conjunction with USPTO, U.S. Customs and Border Protection (CBP), and other Federal agencies, conducted capacity-building and development programs in Armenia, Azerbaijan, Bosnia and Herzegovina, Georgia, Moldova, Sri Lanka, and Ukraine, as well as with officials from Kazakhstan, the Kyrgyz Republic, Tajikistan, Turkmenistan, and Uzbekistan through the United States-Central Asia Intellectual Property Working Group.

- In 2024, the Department of Homeland Security (DHS) and its agencies provided trainings, technical legal assistance, and capacity building to law enforcement agencies around the world. In 2024, the Homeland Security Investigations (HSI)-led National Intellectual Property Rights Coordination Center (IPR Center), with support from CBP and the Department of State's Bureau of International Narcotics and Law Enforcement Affairs, participated in IP-related international training programs sponsored by the USPTO and the Department of Justice (DOJ) International Computer Hacking and Intellectual Property Advisors (ICHIPs) for audiences from Algeria, Argentina, Bhutan, Brazil, Brunei, Bulgaria, Colombia, Costa Rica, Dominican Republic, Ghana, Hungary, India, Kazakhstan, Kenya, Kosovo, the Kyrgyz Republic, Mauritius, Moldova, Mongolia, Morocco, Panama, Philippines, Romania, Seychelles, Solomon Islands, South Africa, South Korea, Tanzania, Thailand, Türkiye, Tunisia, Ukraine, Uzbekistan, and Vietnam.

- In FY 2024, with the support of the Department of State's Bureau of International Narcotics and Law Enforcement Affairs, the IPR Center expanded its support of the U.S. Transnational and High-Tech Crime Global Law Enforcement Network by adding an additional Temporary Duty Assignment (TDY) ICHIP Agent to cover the Eastern European and Caucasus regions. Additionally, the IPR Center re-deployed the TDY ICHIP Agent to Bangkok, Thailand. Both are tasked with regional responsibilities to assist foreign law enforcement counterparts and support activities conducted by the IP-focused ICHIP Attorney Advisors. Throughout 2024, the ICHIP Agents provided practical technical training and case-based mentoring focused on efforts to effectively interdict, investigate, and prosecute IP crime and related cybercrime. Activities included helping foreign partners identify and seize counterfeit goods and gain a better understanding of illicit supply chains, as well as providing training on how to leverage trade and financial data to further IP-focused investigations. These efforts help protect U.S. national and economic security from transnational organized crime threats.

- During FY 2024, the IPR Center hosted foreign government officials with an interest in IP enforcement, including representatives from The Gambia, Ukraine, and Europol. The IPR Center also engaged with foreign counterparts in meetings and various outreach and training efforts throughout the world. Among these were representatives from Algeria, Argentina, Bangladesh, Botswana, Brazil, Bulgaria, Chile, Colombia, Costa Rica, Ghana, Hungary, India, Indonesia, Ivory Coast, Kazakhstan, Kenya, Kosovo, Laos, Malaysia,

Maldives, Malta, Mauritius, Mongolia, Morocco, Panama, Philippines, Tanzania, Thailand, Ukraine, the Seychelles, South Africa, Republic of South Korea, Sri Lanka, Tunisia, Türkiye, Ukraine, the United Arab Emirates, Uzbekistan, and Vietnam.

- CBP officials routinely provide technical legal assistance and capacity building to customs administrations around the world through bilateral engagements, participation in multilateral organization meetings and workshops, such as the Asia-Pacific Economic Cooperation (APEC), EUROPOL, the International Criminal Police Organization (INTERPOL), WIPO, the World Customs Organization (WCO), and the ASEAN Secretariat, and in partnership with other U.S. Government agencies involved in IP enforcement. In FY 2024, CBP provided capacity-building assistance in IP border enforcement to the customs administrations of 60 nations and participated in 8 multilateral organization meetings concerning IP border enforcement such as the Organisation for Economic Co-operation and Development (OECD) Working Party on Countering Illicit Trade.

- DOJ, with funding from and in cooperation with the Department of State's Bureau of International Narcotics and Law Enforcement Affairs and other U.S. Government agencies, provides technical assistance and training on IP enforcement issues to thousands of foreign officials around the globe. As noted above, much of this occurs through the ICHIP programs, which includes a dozen prosecutors, two agents, and two digital forensic examiners who are stationed around the globe. In recent years, ICHIP attorneys and other personnel conducted hundreds of IP enforcement trainings, while also providing numerous individual consultations and supporting other U.S. Government programs. Topics covered in training programs include: investigating and prosecuting IP cases under various criminal law and criminal procedure statutes; disrupting and dismantling organized crime networks involved in trafficking in pirated and counterfeit goods; fighting the distribution of infringing goods that represent a threat to public health and safety; combating online piracy; improving officials' capacity to detain, seize, and destroy illegal items at the border and elsewhere; increasing intra-governmental and international cooperation and information sharing; working with right holders on IP enforcement; and obtaining and using electronic evidence. Major ongoing initiatives include programs in Africa, the Americas, Asia, and Central and Eastern Europe.

- The Department of State provides foreign assistance anti-crime funds each year to U.S. Government agencies that provide cybercrime and IP enforcement training and technical assistance to foreign governments. The agencies that provide such training include the DOJ, USPTO, CBP, and Immigration and Customs Enforcement (ICE). The U.S. Government works collaboratively on many of these training programs with the private sector and with various international entities, such as WIPO and INTERPOL. Department programs feature deployment of a global network of ICHIPs, who are experienced DOJ attorneys dedicated to building international cooperation and delivering training. Additionally, the State Department leads the U.S. delegation to the OECD's Working Party on Countering Illicit Trade, working to establish best practices in free trade zones and addressing the challenges that illicit trade poses.

- The U.S. Copyright Office hosts international visitors, including foreign government officials, to discuss and exchange information on the U.S. copyright system, including law, policy, and registration and recordation functions, as well as various international copyright issues. The Copyright Office also implements a full program of outreach and communications activities, many of which are available to global audiences, in a wide range of formats and media, including live presentations, video tutorials, social media, and through our participation in programs hosted by outside organizations. These programs, newly expanded to include a popular signature public webinar series on Copyright Essentials, educate the public regarding copyright protection and provide important updates about recent changes to U.S. law, such as the Music Modernization Act and the creation of the Copyright Claims Board, as well as initiatives on issues such as Artificial Intelligence.

The United States reports to the World Trade Organization (WTO) on its IP capacity building efforts, including most recently in October 2024 (see Technical Cooperation Activities: Information from Members-United States of America, IP/C/R/TTI/USA/5 at https://docs.wto.org/dol2fe/Pages/FE_Search/FE_S_S006.aspx?FullTextHash=1&MetaCollection=WTO&SymbolList=%22IP/C/R/TTI/USA/5%22&languageUIChanged=true#). The United States also reports annually on international IP capacity building and training in the annual report issued by the U.S. Intellectual Property Enforcement Coordinator pursuant to Section 304 of the PRO IP Act of 2008 (15 U.S.C. § 8114), issued most recently as the *Annual Intellectual Property Report to Congress* in January 2025. The report is available at https://bidenwhitehouse.archives.gov/briefing-room/statements-releases/2025/01/13/ipec-annual-intellectual-property-report-to-congress-4/.