

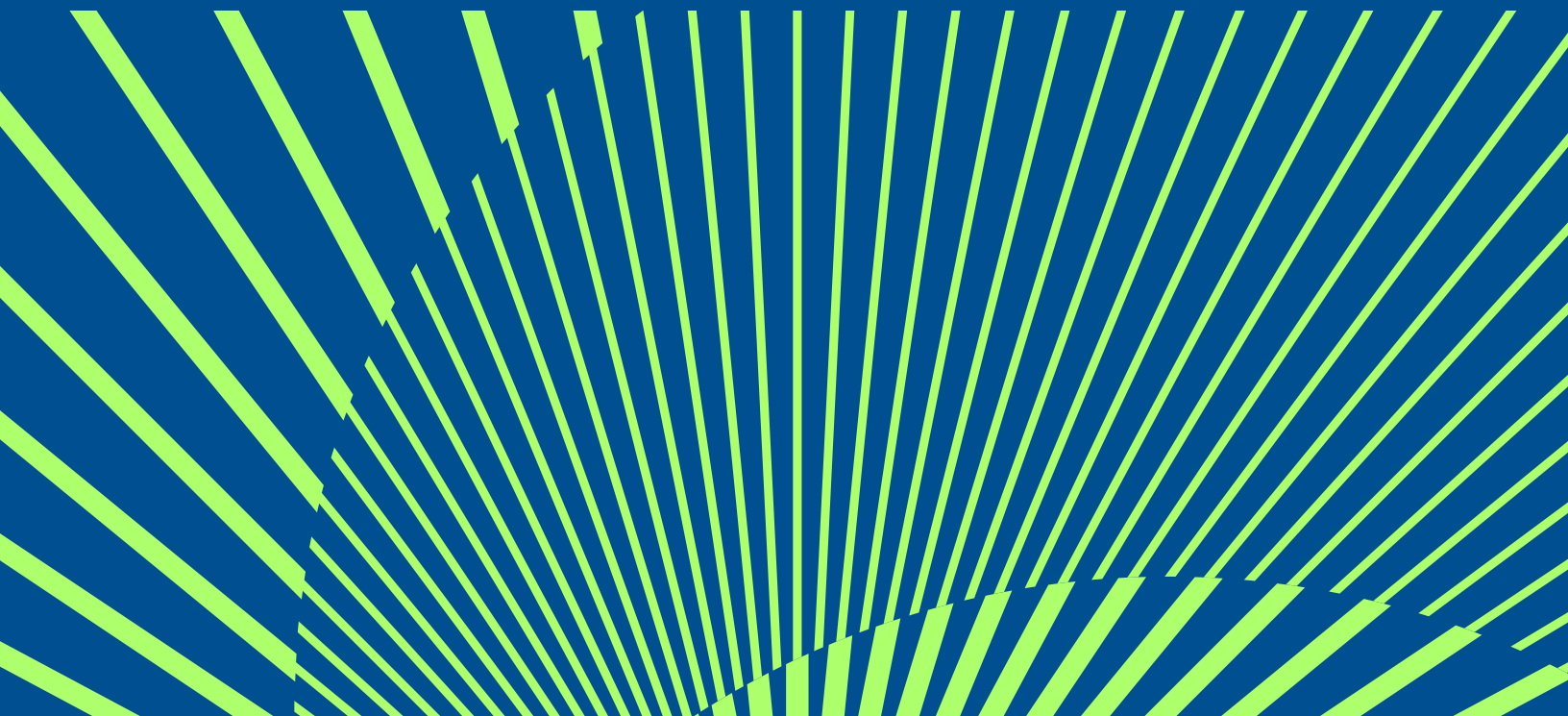


U.S. Chamber of Commerce
Global Innovation
Policy Center

2023 Eleventh Edition

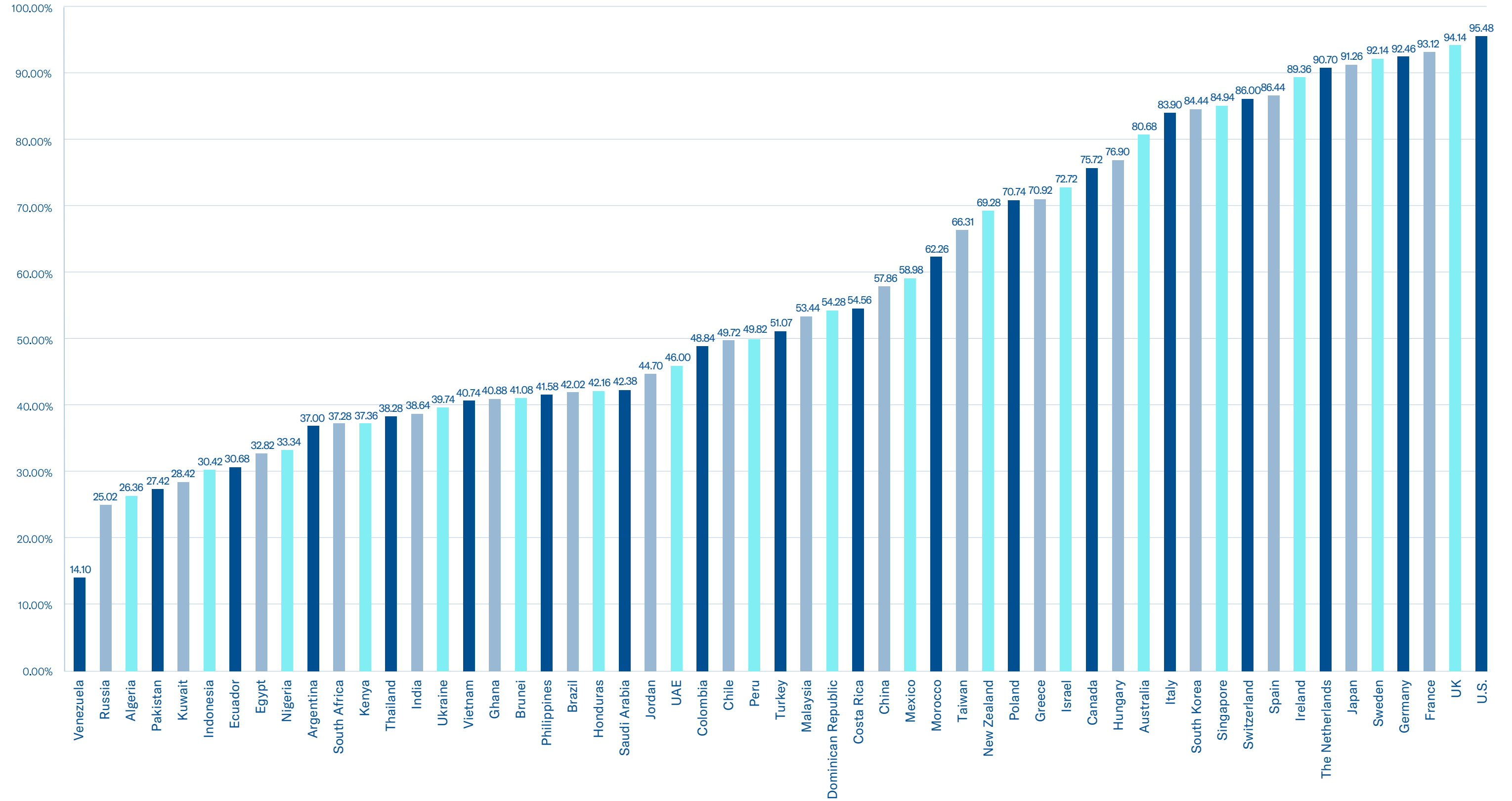
International IP Index

Executive Summary





U.S. Chamber International IP Index 2023, Overall Scores, % Available Score



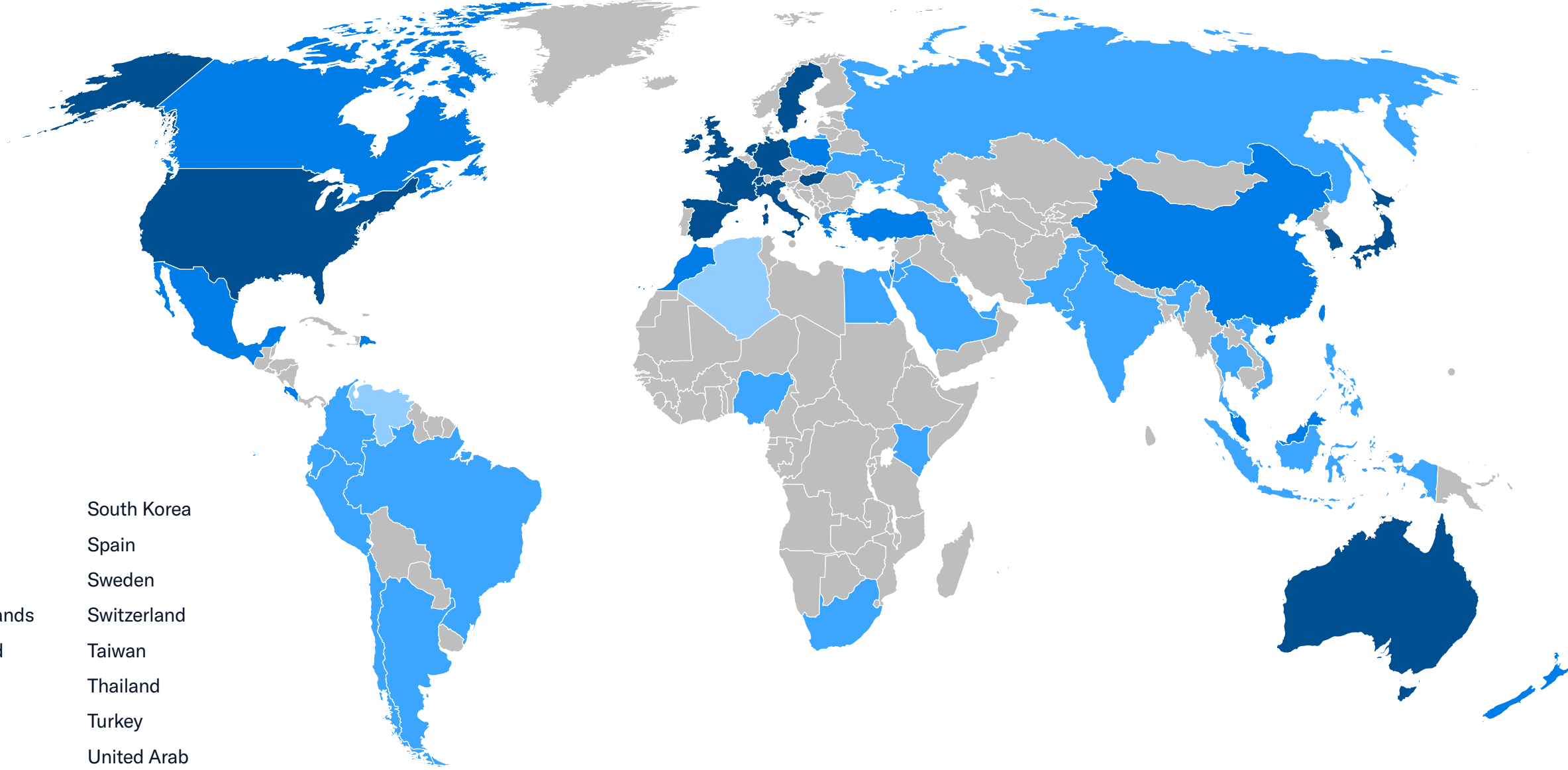


Executive Summary

Now in the eleventh edition, the International IP Index benchmarks the IP framework in 55 global economies across 50 unique indicators. The Index creates a roadmap for economies seeking to strengthen the ecosystem for innovation and creativity through more effective IP standards.

Geographic Coverage

- | | | | |
|--------------------|-----------|-----------------|----------------------|
| Algeria | Germany | Malaysia | South Korea |
| Argentina | Ghana | Mexico | Spain |
| Australia | Greece | Morocco | Sweden |
| Brazil | Honduras | The Netherlands | Switzerland |
| Brunei | Hungary | New Zealand | Taiwan |
| Canada | India | Nigeria | Thailand |
| Chile | Indonesia | Pakistan | Turkey |
| China | Ireland | Peru | United Arab Emirates |
| Colombia | Israel | Philippines | Ukraine |
| Costa Rica | Italy | Poland | United Kingdom |
| Dominican Republic | Japan | Russia | United States |
| Ecuador | Jordan | Saudi Arabia | Venezuela |
| Egypt | Kenya | Singapore | Vietnam |
| France | Kuwait | South Africa | |



Overall Economy Scores



Key Findings



Twenty-eight economies' scores remained unchanged, illustrating that progress to improve global IP protection may be stagnating.



Economies are threatening to weaken the framework for IP-driven innovation through discussions at the multilateral organizations and in capitals.



Mobile technologies like 5G, which helped consumers remain connected during the global pandemic, also generate a significant, positive economic impact.



Building upon the positive momentum on copyright enforcement in the tenth edition of the Index, many economies continued to take steps to address copyright-infringing content online in 2022.

- » However, there was still modest progress to strengthen IP protection in some global markets, with scores improving in 18 economies, while nine took steps backwards.
- » **Morocco, Thailand, and Vietnam** had the largest improvements in their overall score at 2.5%, 2.5%, and 2.02% respectively.
- » Asia had the greatest improvement in the regional average score as a result of score improvements in Malaysia and **Singapore**, in addition to Thailand and Vietnam.
- » **Russia's** score dropped 21.62% as a result of a series of measures taken by Russia targeting international rightsholders.

- » IP was critical to the research & development of innovative vaccines, therapeutics, and diagnostics that underpinned the global response to COVID-19. IP rights facilitated 143 licensing agreements in 31 different countries for COVID-19 therapeutics alone, in turn ensuring that global supply well exceeds demand.
- » Yet, ongoing negotiations within the World Trade Organization (WTO) and World Health Organization (WHO) to waive IP rights will undermine the innovation ecosystem that was pivotal to combatting COVID-19 and threaten the ability to respond effectively to the next major global public health threat.
- » Following the 2021 Executive Order on Promoting Competition in the American Economy and the passage of the Inflation Reduction Act, policymakers in the **United States** are considering changes to the patent framework to address concerns with drug prices that will undermine the U.S. life sciences ecosystem and the many U.S. jobs supported by IP-driven innovation.
- » Likewise, policy proposals under consideration in the **European Union** that condition IP protection, reduce the term of regulatory data protection, and undermine investment in rare disease treatments will jeopardize the EU's long-standing leadership on IP-driven innovation.

- » While the deployment of 5G has already contributed over \$100 billion to U.S. GDP, studies estimate that the 5G standard will contribute \$1.5 trillion to U.S. GDP and create or transform 16 million U.S. jobs by 2025.
- » The continued deployment of 5G and other information and communications technologies (ICT) is dependent upon economies creating an enabling environment through strong IP standards. The Index illustrates how economies with the most effective IP frameworks are more likely to have increased availability of ICT technologies, a stronger digital environment, and greater ability to deploy 5G.
- » However, economies that utilize localization policies, onerous licensing requirements, and forced technology transfer will stymie the development of new ICT and mobile technologies, including 5G.

- » In Latin America, **Peru's** national IP Office (INDECOPI) and **Brazil's** "Operation 404 against piracy" disabled access to hundreds of websites hosting pirated content.
- » In **Canada**, the Federal Court issued a dynamic injunction order requiring Canadian ISPs to disable access to illegal live streaming of National Hockey League matches online.
- » In the **United States**, a U.S. District Court issued injunctions ordering U.S. ISPs to disable access to copyright-infringing content online. However, the U.S. still lacks a comprehensive, modern statutory framework to combat online commercial piracy.

** The Chamber's Patient Access Report will examine the specific impact price controls and market access barriers have access to innovation in the U.S. and foreign markets. The report will be released in March 2023.*

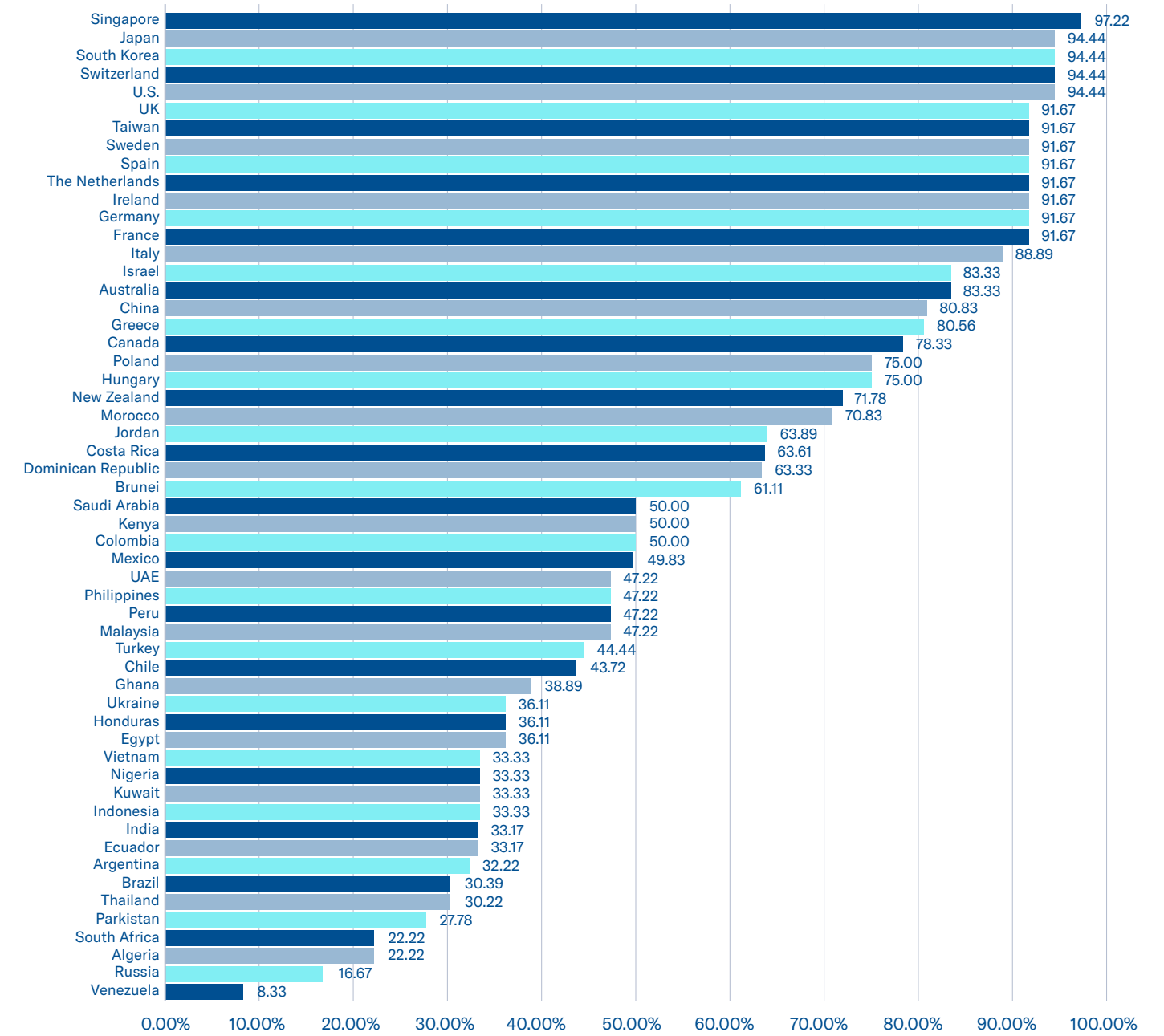


Category-by-Category Patents, Related Rights, and Limitations

Twenty-three economies achieve a score of 70% or more and 30 economies achieve a score of 50% or more in the patent indicators. The average score on the category is 59.31%, which is the fifth highest scoring category on the Index.

- » While **Brazil's** Supreme court declared that a 10-year term of patent exclusivity was unconstitutional in 2021, in a positive development in 2022, a member of the Brazilian Chamber of Deputies introduced draft legislation to provide a period of patent term restoration.
- » **China's** Supreme Court issued the first judgement related to its early resolution mechanism, which provided clarification on the mechanics of the notification process and the responsibilities of follow-on applicants.
- » In **Malaysia**, amendments to the Patent Act created a defined pathway for post-grant opposition proceedings.

Category 1: Patents, Related Rights, and Limitations, % Available Score



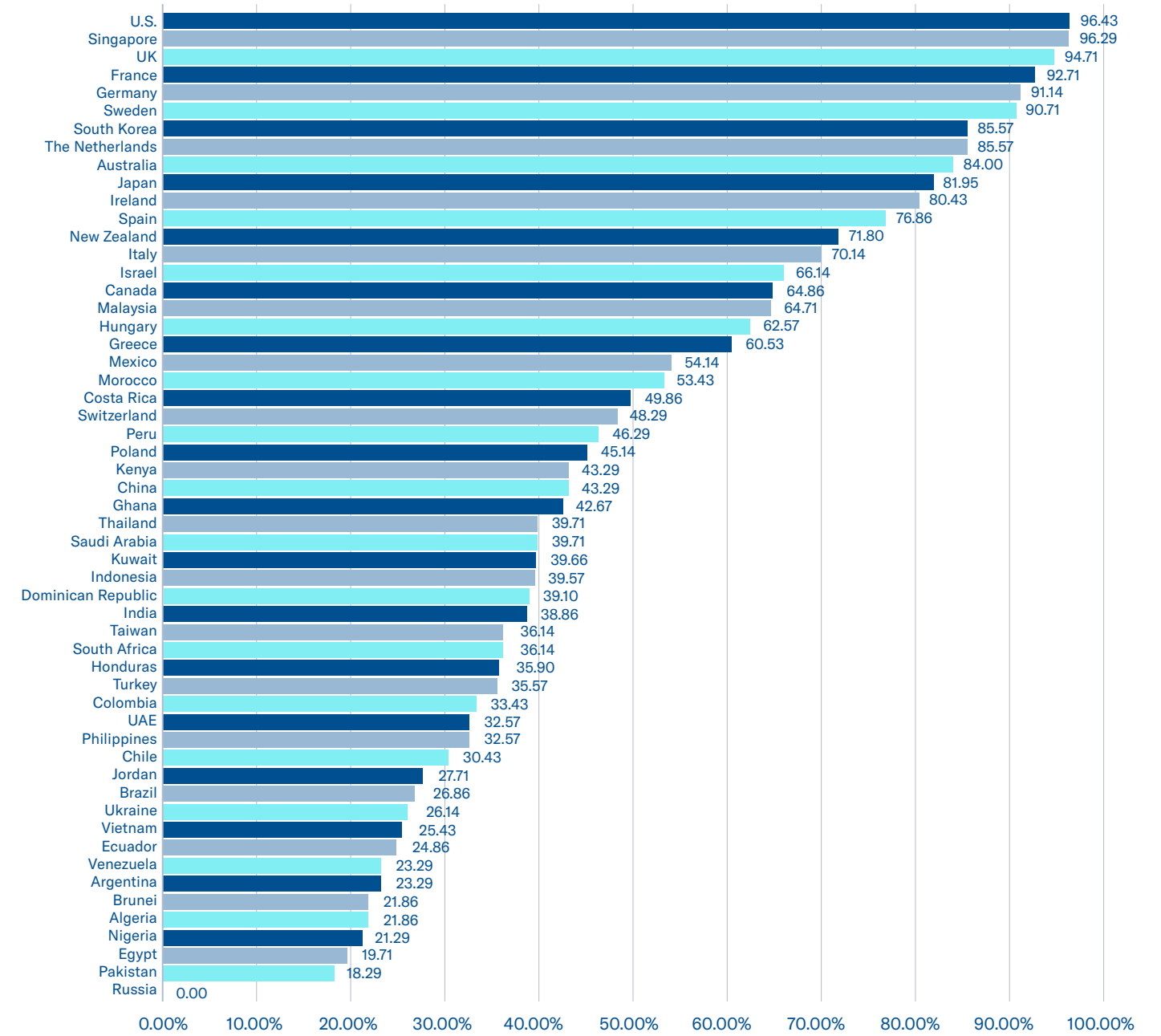


Category-by-Category Copyrights, Related Rights, and Limitations

Thirty economies achieve a score of 50% or more on the copyright indicators. The average score on the category is 49.70%.

- » In **Brazil**, the National Telecommunications Agency and the national Film Agency signed a cooperation agreement to create a new administrative injunctive relief mechanism targeting online piracy.
- » **Thailand** enacted a new Copyright Act that creates a notice-and-takedown system, defines liability for service providers, and creates additional remedies for the circumvention of technological protection measures (TPMs).
- » **Vietnam** amended the Copyright Law to promote cooperative action against online piracy and provide intermediaries with defined responsibilities related to copyright infringement.

Category 2: Copyrights, Related Rights, and Limitations, % Available Score



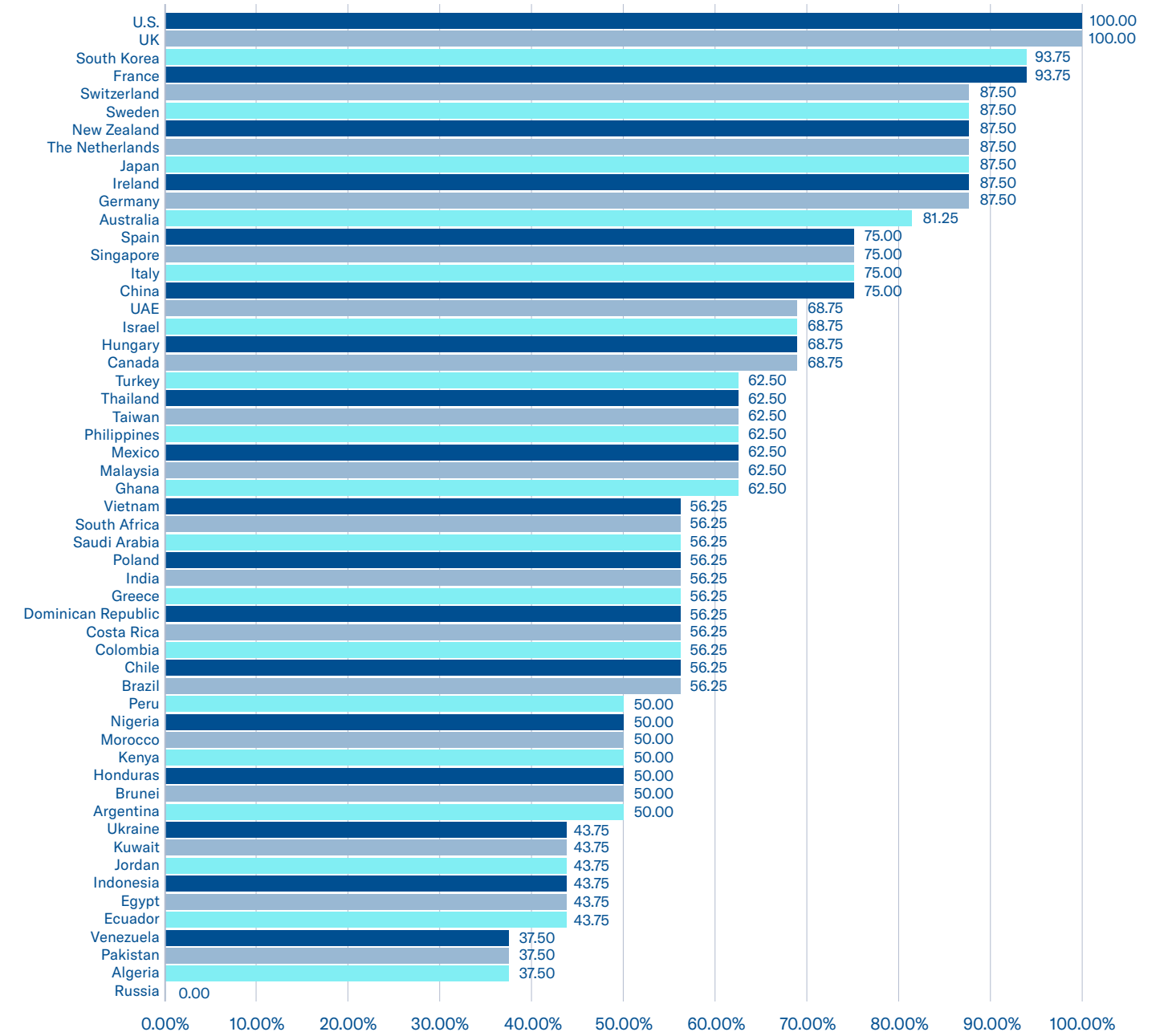


Category-by-Category Trademarks, Related Rights, and Limitations

Only ten of the 55 sampled economies fail to score 50% or more on this category. Overall, the average score on this category was 62.39%.

- » The **Saudi** Authority for Intellectual Property (SAIP) continued to improve its enforcement efforts by disabling access to over 3,000 websites hosting infringing content and conducted over 5,000 physical in-person visits to investigate the sale of IP-infringing goods.
- » In **France**, a 22-month special operation conducted against the online sale of counterfeit toys and children’s articles resulted in the seizure or take down of over 16 million counterfeit goods.
- » In **Thailand**, the Memorandum of Understanding (MOU) between rightsholders, online retailers, and the Thai Government has resulted in increased enforcement efforts against counterfeit goods available online.

Category 3: Trademarks, Related Rights, and Limitations, % Available Score



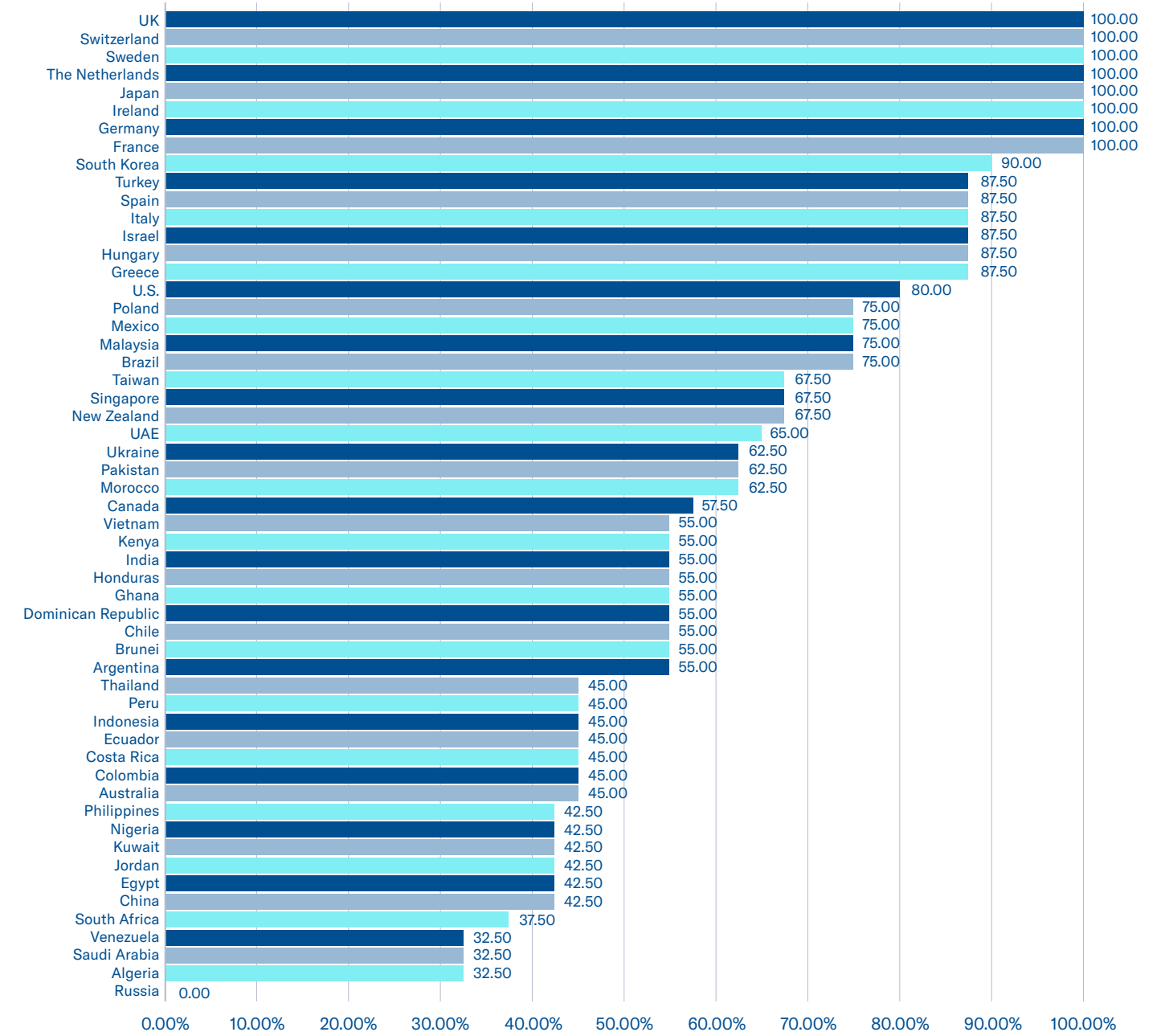


Category-by-Category Design Rights, Related Rights, and Limitations

Most economies included in the Index have in place some form of statutory law defining design rights and a term of protection for registered design rights. The average score on this category this year was 63.77%.

- » **China and Morocco** both became full contracting parties to the Hague Agreement.
- » **Brazil's** Senate and Chamber of Deputies also approved accession to the Hague Agreement, though the accession has not yet been formalized.

Category 4: Design Rights, Related Rights, and Limitations, % Available Score



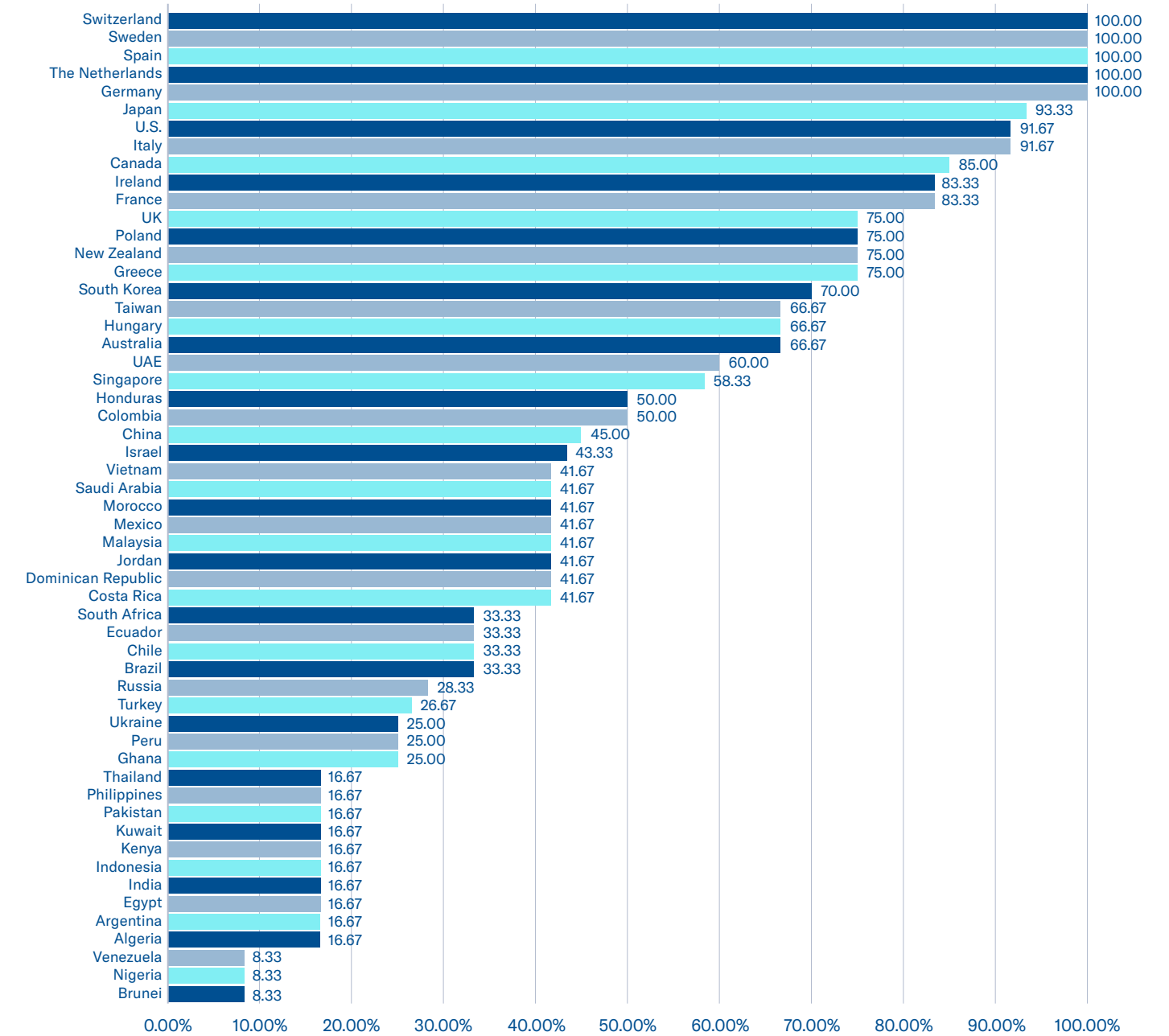


Category-by-Category Trade Secrets and the Protection of Confidential Information

Overall, only 23 of the 55 economies included in the Index achieved a score of 50% or more on this category while 22 economies achieved a score of 33.33% or less. The average score on this category is the weakest on the Index at 48.97%.

- » While **Vietnam** passed amendments to its Law on Intellectual Property, the amendments did not resolve the lack of clarity on availability of regulatory data protection (RDP).
- » The U.S. State Department's 2022 *Investment Climate Statement* stated that the **Saudi** Food and Drug Authority and SAIP reaffirmed their support for the availability of RDP in the Kingdom.
- » While the **UAE** published new Executive Regulations in 2022, the regulations did not clarify existing uncertainty around the availability of an eight-year RDP term.

Category 5: Trade Secrets and the Protection of Confidential Information, % Available Score



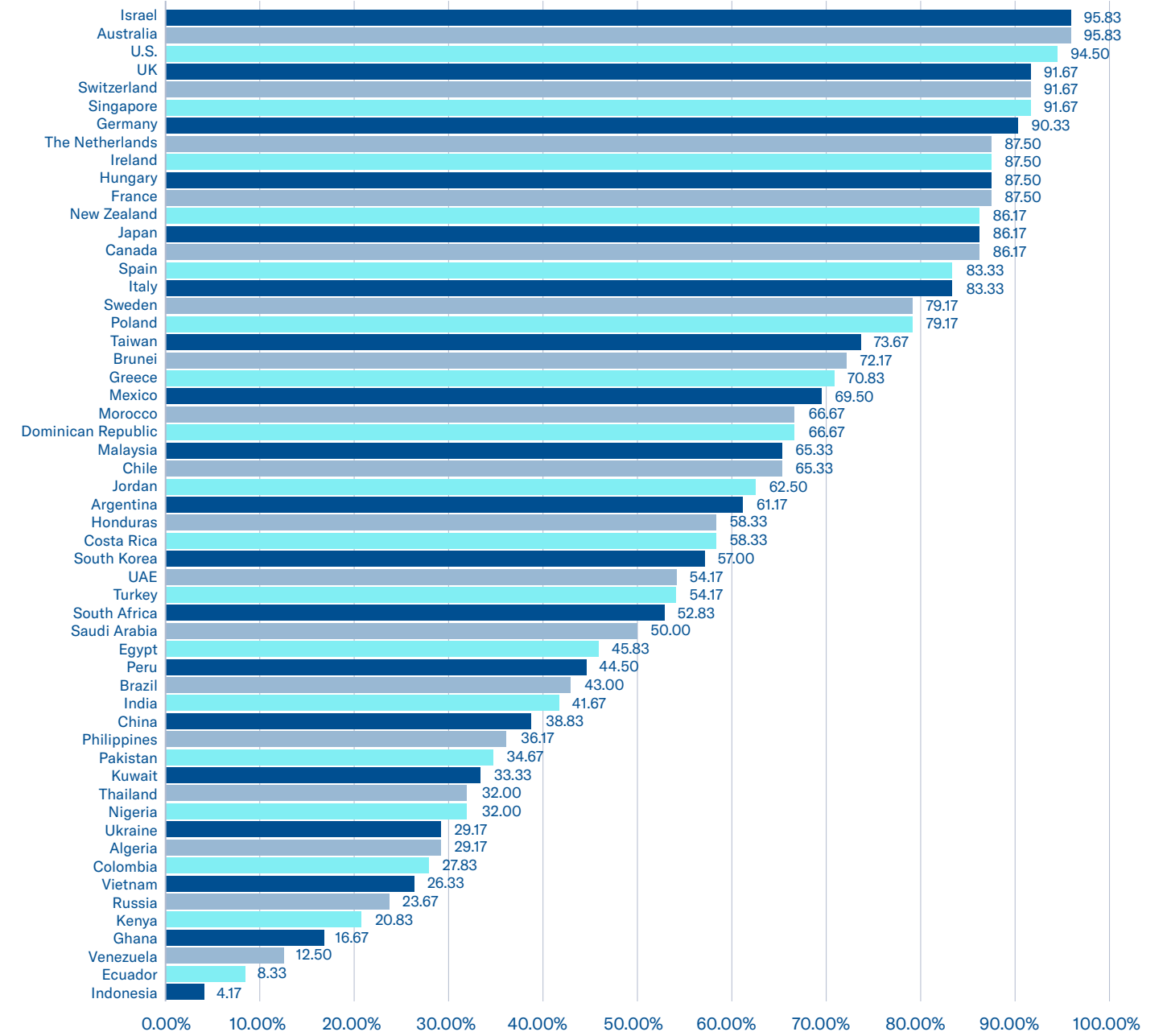


Category-by-Category Commercialization of IP Assets

Twenty economies fail to achieve a score of 50% or more, with a 13 scoring 33.33% or less on the category. The average score on this category was 58.62%.

- » **China's** new Anti-Monopoly Law expands the government's basis for action against anti-competitive behavior and substantially increases fines and penalties including with respect to IP rights.
- » Following the WTO ruling on **Turkey's** discriminatory biopharmaceutical market access and localization policies, the Turkish government committed to implementing the panel's recommendation in a matter consistent with their WTO obligations.
- » New legislation in **Thailand** improved the technology transfer environment by providing IP-based incentives for the commercialization of academic and publicly funded research.

Category 6: Commercialization of IP Assets, % Available Score



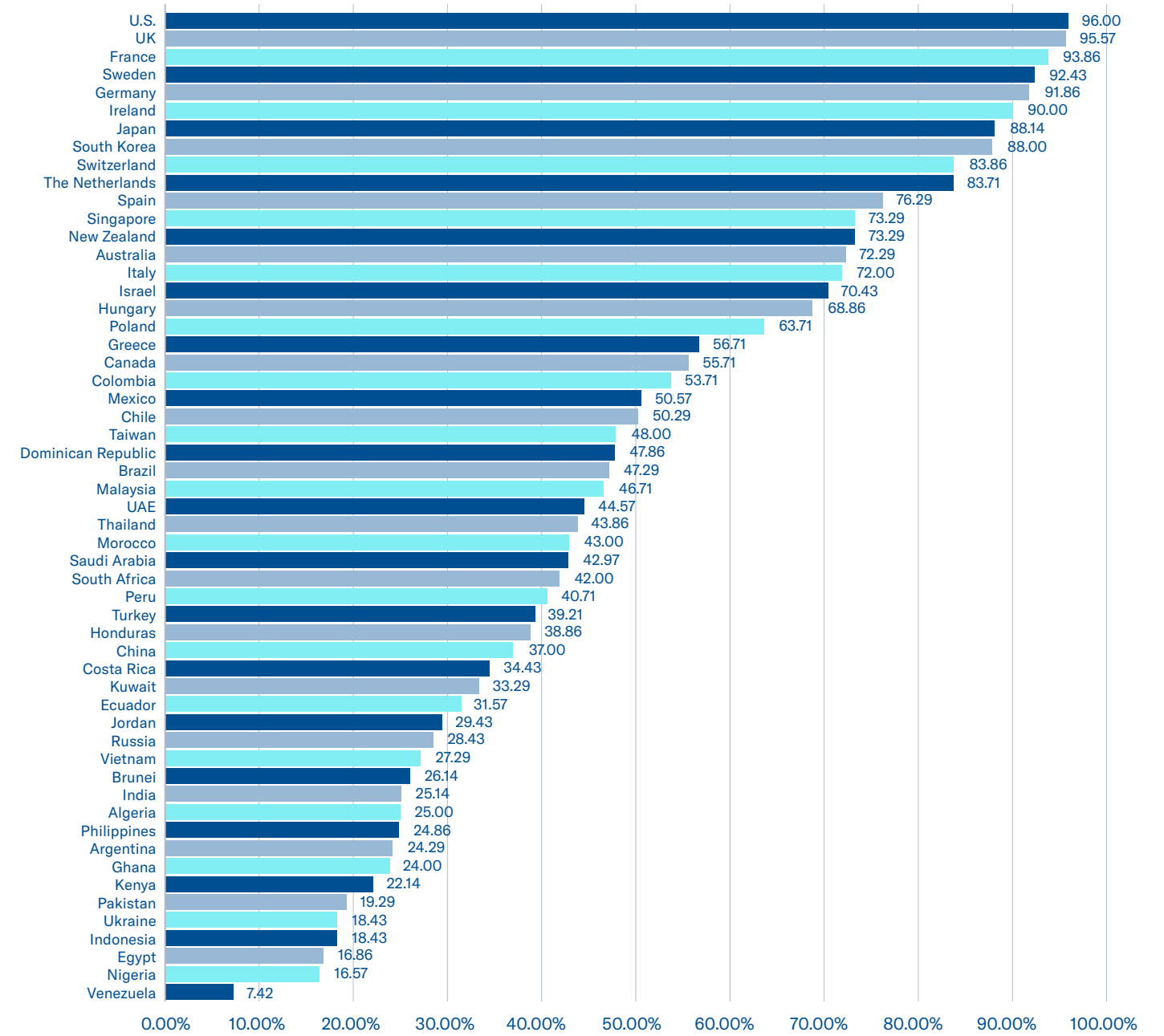


Category-by-Category Enforcement

A majority of the sampled economies in the Index struggle on this category with only 23 Index economies achieving a score of 50% or more. Only 11 economies achieve a score of 75% or more. The average score on this category is 50.10%.

- » In **Malaysia**, the government has taken action in 500 cases of physical sales of set-top boxes and disabled access to over 2,000 websites.
- » A new law in **Chile**, which entered in to force in January 2022, introduced statutory damages for trademark infringement.
- » In **Indonesia**, the government increased inspections of shopping malls and created a program to certify legitimate physical and online places of commerce.

Category 7: Enforcement, % Available Score



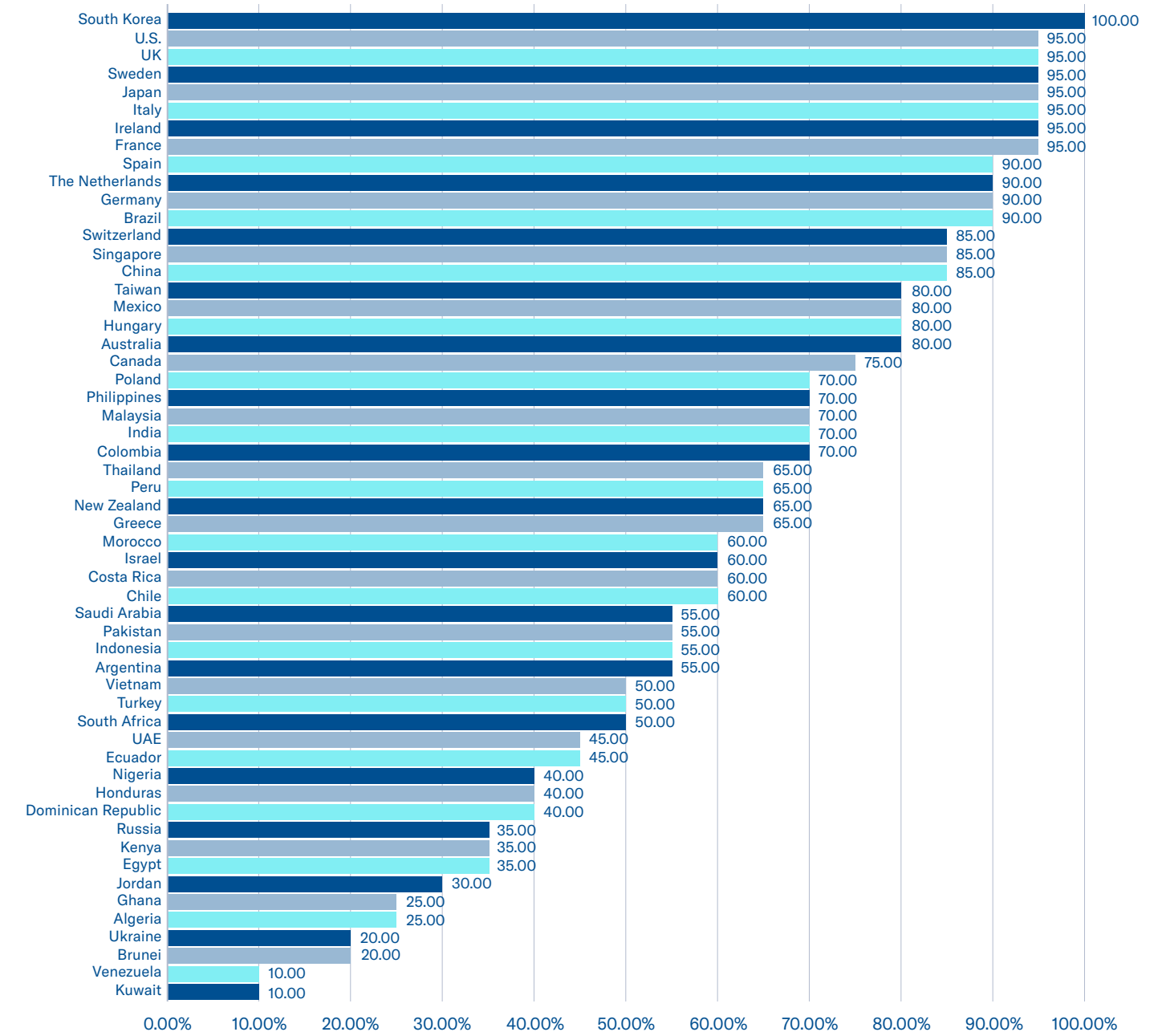


Category-by-Category Systemic Efficiency

Many economies outperform their overall Index scores on this category, with countries such as **Brazil, Colombia, India, and the Philippines** achieving a score 70% or more. Overall, the average score on this category is one of the strongest on the Index, at 62.73%.

- » **Morocco** launched new technical assistance programs for academic researchers, research institutes, and small and medium-sized enterprises (SMEs) on the commercialization of IP assets.
- » The **Korean** Intellectual Property Office provides SMEs with educational and technology assistance programs that has resulted in an increase in patent applications by SMEs.
- » The **UK's** new *IP Counter-Infringement Strategy 2022-2027* seeks to strengthen the UK's already world-class enforcement environment by improving coordination of activities related to IP infringement.

Category 8: Systemic Efficiency, % Available Score



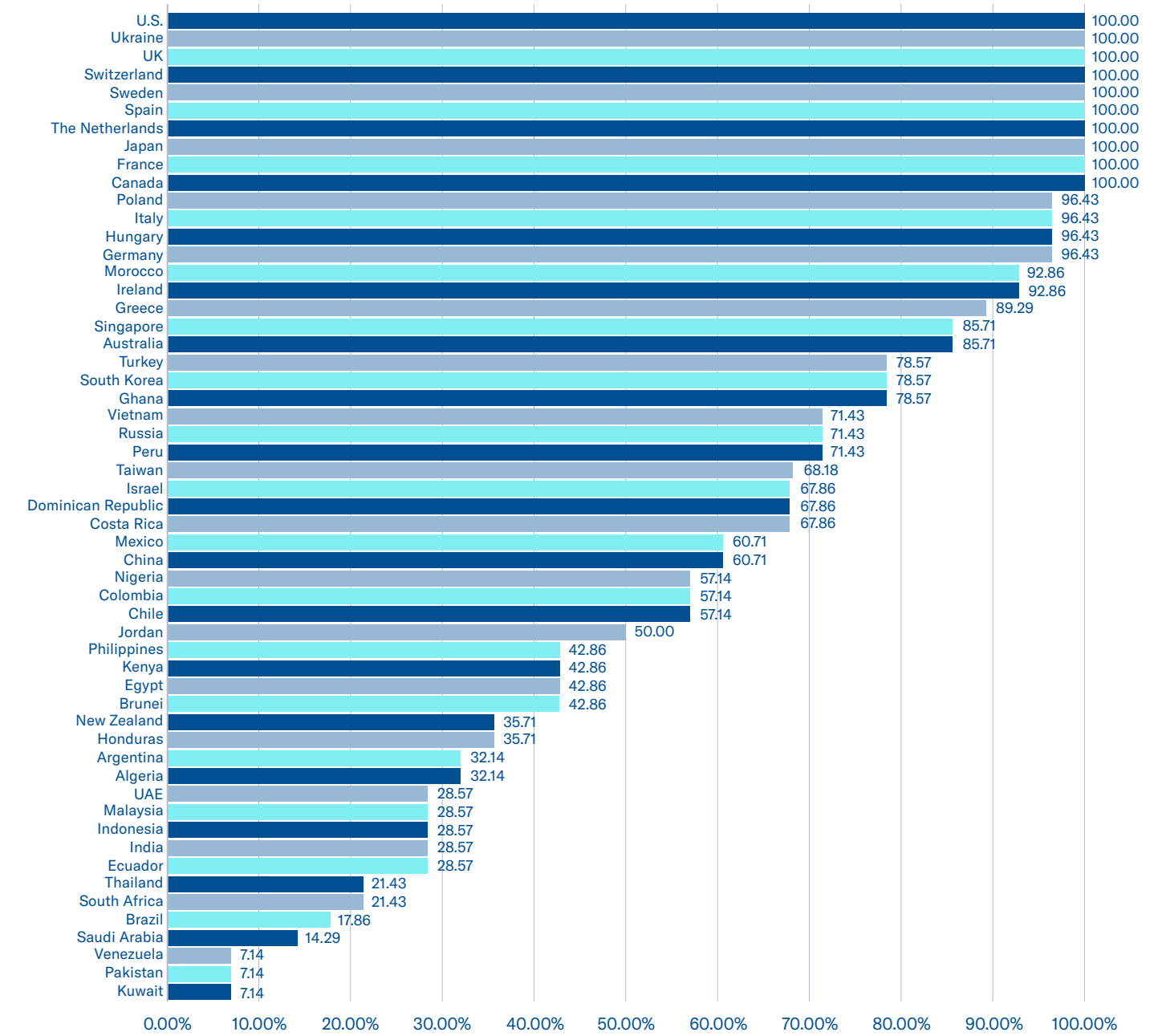


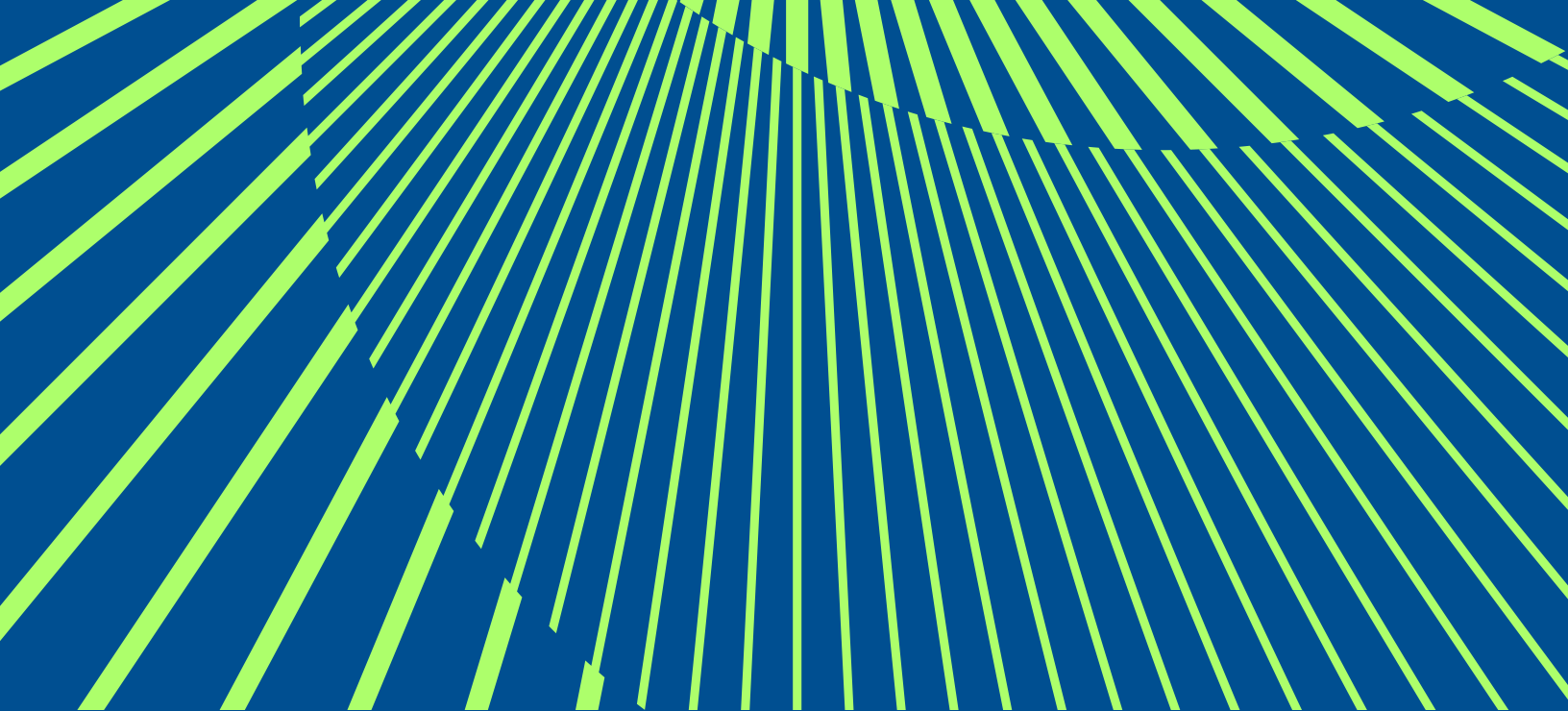
Category-by-Category Membership and Ratification of International Treaties

Many economies achieve a high score on this category with 22 economies achieving score of 75% or more and 14 economies achieving a score of over 96%. This category remains one of the stronger overall categories on the Index achieving an average score of 62.70%.

- » **Vietnam** and **Thailand** both acceded to parts of the WIPO Internet Treaties in 2022.
- » **Morocco** acceded to the Singapore Treaty and is now a full member of each of the two trademark-related treaties included in the Index.
- » **Chile** acceded to the Protocol Relating to the Madrid Agreement Concerning the International Registration of Marks.
- » **Nigeria** became a full contracting party to the Convention on Cybercrime with the treaty entering into force in November 2022.

Category 9: Membership and Ratification of International Treaties, % Available Score





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