

5 April 2018

(18-2064) Page: 1/1

Original: English

## CHINA – CERTAIN MEASURES CONCERNING THE PROTECTION OF INTELLECTUAL PROPERTY RIGHTS

## REQUEST TO JOIN CONSULTATIONS

Communication from the European Union

The following communication, dated 4 April 2018, from the delegation of the European Union to the delegation of China, the delegation of the United States and to the Chairperson of the Dispute Settlement Body, is circulated in accordance with Article 4.11 of the DSU.

Pursuant to Article 4.11 of the Understanding on Rules and Procedures Governing the Settlement of Disputes (DSU), the European Union (EU) hereby notifies the Government of the People's Republic of China (China), the Government of the United States, and the Dispute Settlement Body that, in the light of its substantial trade interest, it desires to be joined in the consultations requested by the United States in a communication circulated to WTO Members on 26 March 2018 (WT/DS542/1, IP/D/38), entitled "China — Certain Measures Concerning the Protection of Intellectual Property Rights".

The EU notes that the request for consultations relates to the apparent discriminatory treatment of foreign entities importing their technology into China, and foreign entities transferring technology as part of their investments in joint ventures within China, with regard to the protection of the intellectual property rights on their technologies.

According to recent data, EU exports of high-tech products and high-tech knowledge intensive services, for which the protection of intellectual property rights is of fundamental importance, is estimated at a value of EUR 680 billion annually. EU exports of high-tech to China are worth over EUR 30 billion annually. At the same time, the EU is a large investor in China with an aggregated value of direct investments of currently 180 billion EUR.

Much of the investments are concluded under joint-venture requirements and are thus potentially affected by the measures as regards which the United States requested consultations. The EU has therefore a substantial trade interest in these consultations.