MEMORANDUM OF UNDERSTANDING OF THE CHINA-SWITZERLAND JOINT COMMISSION ON COMMERCE AND TRADE ON ESTABLISHING A WORKING GROUP ON INTELLECTUAL PROPERTY

On the occasion of the 17th meeting of the China-Switzerland Joint Commission on Commerce and Trade (hereafter Joint Commission), established by Article 6 of the Trade Agreement between the Swiss Confederation and the People's Republic of China of 20 December 1974, on 29 May 2007, the representatives of the Ministry of Commerce of the People's Republic of China and the Swiss State Secretariat for Economic Affairs discuss the establishment of a working group on intellectual property rights and come to a memorandum of understanding as follows:

1. Aware of the high importance of adequate and effective protection of intellectual property rights for bilateral trade and economic cooperation, the Parties hereby establish a bilateral working group on intellectual property (hereafter Working Group). The Working Group shall report its work to the Joint Commission.

2. The Parties reaffirm to each other their rights and obligations under International Agreements in the area of intellectual property rights, in particular the Agreement on Trade related Aspects of Intellectual Property Rights (TRIPS) of the WTO.

3. The Working Group shall discuss questions to try to find satisfactory solutions, advance dialogue and cooperation and exchange information on issues regarding intellectual property protection, in particular in the following areas:

- Institutional aspects of intellectual property rights
- Legislative aspects of intellectual property rights
- Civil, administrative and criminal enforcement of intellectual property rights
- Technical assistance cooperation in intellectual property.

The aforesaid discussions, dialogue and cooperation shall not interfere with pending judicial or administrative enforcement proceedings of intellectual property.

4. The Working Group shall comprise representatives of each Party. The Ministry of Commerce of the People's Republic of China and the Swiss Federal Institute of Intellectual Property are respectively responsible for coordination. A representative at director or director-general level of each Party shall act as the co-chairperson of the Working Group.

Representatives of other governmental organs, and, if necessary, representatives of industry or business associations may participate in the meetings of the Working Group. The members of the delegations will be appointed by the respective co-chairpersons and notified to the other Party one month in advance of the respective meeting of the Working Group.

At the time of the setting of the agenda for a meeting of the Working Group, a Party may request the participation of a specific governmental organ of the other Party in that meeting. The other Party shall give this request active consideration.

5. The Working Group shall meet at least once a year or when considered appropriate by the Parties, the venue alternating between Switzerland and China. Each Party may request issues to

be included in the agenda. The agenda for the Working Group meetings shall be consulted by both Parties, and be agreed two months in advance of the respective meeting. The working group shall also define the necessary steps and the time frame to deal with the different issues.

6. This Memorandum shall enter into force upon signature and shall remain in force unless terminated by either Party with a six months in advance written notice to the other Party. This Memorandum may be modified in written with the consent of both Parties.

IN WITNESS HEREOF, the undersigned have signed this Memorandum of Understanding.

Done at Beijing, on 29 of May 2007, in duplicate, each in Chinese and English which are equally authentic.

Director-General of the Department of Treaty and Law of Ministry of Commerce of the People's Republic of China Head of Bilateral Economic Relations' Division of Swiss State Secretariat for Economic Affairs