

INTERNATIONAL INTELLECTUAL PROPERTY ALLIANCE

2001 SPECIAL 301 REPORT

INDONESIA

EXECUTIVE SUMMARY¹

Indonesia's huge market remains completely dominated by piracy. Its efforts to respond to this challenge have been hampered by pervasive civil unrest and political upheavals; but even taking these factors into account, the record of the past year is disappointing. Optical media piracy in Indonesia, once fueled solely by imports, is becoming largely home-grown: pirate syndicates fleeing less hospitable jurisdictions now make enough product in Indonesia to supply much of the market, and even to export. Indonesia risks being branded as the next new regional hotbed for optical media piracy. In the face of this challenge, enforcement efforts have been allowed to drift. Sporadic raids, and even tough sentencing of pirates in isolated cases, do not make up for an enforcement system that lacks leadership and coordination and that is consistently undermined by the inaction of prosecutors and courts. Indonesia must put a strong leader in charge of enforcement, and must give that leader an effective new tool in the form of a comprehensive law regulating optical media production. Sentencing guidelines and specially trained corps of prosecutors and judges could offer some short-term relief for court system bottlenecks while more fundamental judicial reform is underway. Simultaneously, Indonesia must dismantle the market access barriers that hamper the inflow of legitimate product, especially in the audio-visual sector. Enactment of copyright law amendments should be expedited, and the legislation should include provisions to combat institutional piracy of business software applications, and to enable Indonesia to ratify and implement the WIPO Performances and Phonograms Treaty (WPPT). To signal U.S. concern about the urgent need for Indonesia to mobilize its resources to tackle these formidable problems, Indonesia should be returned to the Special 301 Priority Watch List for 2001.

Indonesia currently participates in the U.S. Generalized System of Preferences (GSP) Program which allows duty-free imports of certain products into the U.S. from developing countries. In the first 11 months of 2000, some \$1.26 billion of imports from Indonesia entered the U.S. duty-free under this program. In order to qualify for such unilaterally granted trade preferences, USTR must be satisfied that the country meets certain discretionary criteria including whether it provides "adequate and effective protection for intellectual property rights." Indonesia's failure to address effectively the endemic problem of copyright piracy creates serious questions about whether it meets this criterion for continuing favorable treatment under the GSP program.

¹ For more details on Indonesia's Special 301 history, see IIPA's "History" appendix to filing.

ESTIMATED TRADE LOSSES DUE TO PIRACY
(in millions of U.S. dollars)
and LEVELS OF PIRACY: 1995 – 2000

INDUSTRY	2000		1999		1998		1997		1996		1995	
	Loss	Level										
Motion Pictures	25.0	90%	25.0	90%	25.0	90%	19.0	85%	19.0	85%	15.0	98%
Sound Recordings / Musical Compositions	19.6	87%	3.0	20%	3.0	12%	9.0	12%	12.0	15%	2.0	9%
Business Software Applications ²	32.9	87%	33.2	85%	47.3	92%	139.6	93%	170.3	98%	117.3	98%
Entertainment Software ³	NA	99%	80.4	92%	81.7	95%	87.2	89%	86.0	82%	82.6	80%
Books	32.0	NA	32.0	NA	30.0	NA	47.0	NA	47.0	NA	45.0	NA
TOTALS	109.5		173.6		187.0		301.8		334.3		261.9	

OPTICAL MEDIA PIRACY: NEED FOR REVIVED ENFORCEMENT, NEW LEGAL TOOLS, AND JUDICIAL REFORM

Throughout all the political upheavals and sweeping economic changes Indonesia has endured over the past several years, one factor has remained constant: Indonesia is a market awash in copyright piracy, with reported piracy levels for nearly all sectors among the highest of any major market in the world.⁴ Today, that market is dominated almost completely by pirate optical media products: audio CDs, video CDs, and CD-ROMs containing business software applications and/or entertainment software.

Piracy of audio-visual works offers an instructive example. The video compact disc (VCD) is now firmly entrenched as the home video medium of choice in Indonesia, and over nine-tenths of the market consists of pirate product. Price competition among pirates has driven prices down some 20-30% from the very low levels reported last year. Wholesalers of these pirate products openly advertise them in newspapers for prices as low as RP5000 (US\$0.55) apiece; even with a generous mark-up, the retail price of RP7000-12,500 (US\$0.75-1.35) is a small fraction of the price of a legitimate copy. Worse, pirate VCDs appear in Indonesia within days of the theatrical release of the film in the U.S., and long before those titles are available in Indonesian theaters; the more savvy pirates will re-release these titles to coincide with theatrical release in Indonesia and thus maximize sales. VCD piracy thus cripples the theatrical as well as the home video market. The considerable market access barriers faced by U.S. film studios in Indonesia (see discussion below) add costs that pirates evade, and cause delays in legitimate release in both the theatrical and home video markets, thus widening the window of opportunity for pirates. The situation is similarly bleak for other copyright industries.

² BSA loss numbers for 2000 are preliminary. In IIPA's February 2000 Special 301 submission, BSA's 1999 level figure of N/A was also reported as preliminary. This number was finalized in mid-2000, and is reflected above.

³ IDSA estimates for 2000 are preliminary.

⁴ The sharp increase over 1999 in estimated piracy levels and losses in the recorded music sector is due to a comprehensive market re-assessment as well as deterioration in the legitimate market.

Optical Media Legal Controls are Needed

During 2000, the optical media piracy problem in Indonesia may have reached a critical and troubling tipping point. While, in the past, the country was clearly a net importer of pirate optical media products, it now appears to have developed enough illegal production capacity within its borders to supply much of its vast pirate market, and even to export pirate optical media products to other countries. This unwelcome development focuses attention on the top anti-piracy priorities for Indonesia: to put in place the legal tools to control and suppress the fast-growing pirate optical media production sector, and to summon the political will to carry out vigorous enforcement efforts against the trade in counterfeit CDs, VCDs, and CD-ROMs.

Evidence mounted during 2000 that most of the pirate optical media product in the Indonesian market is domestically produced. A raid conducted on January 18, 2000 on the island of Batam exposed an underground optical media plant that appears (from production records) to have been in active operation for two years. Over 20,000 pirated discs and twenty stampers (master copies) were seized, including audiovisual titles, business software suites, and musical recordings. A haul of similar size (mostly pirate videogames) was seized in a raid on a factory in Jakarta on March 13. Another underground plant on Batam was raided on April 20, netting 74,000 discs and over 150 stampers. A raid in Surabaya in November revealed two illegal lines that had been operating since August; 32 more stampers were seized in this raid, along with pirate VCDs of U.S titles in Chinese language versions, clearly destined for export to Chinese speaking markets. A newly installed underground plant near the Jakarta airport was raided in December. Batam alone is suspected to be the site of at least six illegal optical media production lines, and nationwide the optical media production capacity in Indonesia is estimated at 70-100 lines, far in excess of the capacity needed for any legitimate purpose.

Regional conditions are contributing to the growth of the problem in Indonesia. The evidence strongly indicates that, as Malaysia moves toward effective regulation of the optical media production business, the syndicates which currently operate pirate factories there and in other countries are eyeing Indonesia as an attractive new location from which to supply the Asian regional pirate market. This would explain the attractiveness of Batam – located just 45 minutes by boat from Singapore – and is also consistent with the seizure of pirate CD product, manufactured in Indonesia, that has been exported to markets such as Australia, Fiji and Singapore, as well as to Latin America and Europe.

In the face of this threatened influx of pirate production capacity, Indonesia has been unable to organize an effective response. While, as noted above, there have been a few raids on illegal factories, none of them has resulted in the imposition of any significant penalties on their operators. In the case of the January Batam raid, for example, the seized items were disposed of before copyright owner representatives were able to fully examine them, and the only party prosecuted as a result of the raid received a suspended sentence. So did Tandiono, the proprietor of a huge warehouse in Surabaya where over one million pirate discs were seized in October.

To respond to the burgeoning growth of pirate optical media production capacity within its borders, Indonesia urgently needs to enact and implement a comprehensive licensing and reporting regime for the importation and operation of optical media production facilities and the importation and use of optical grade polycarbonate, the chief raw material involved. As IIPA noted last year, a draft decree requiring registration of all optical media production facilities was under consideration

at the Ministry of Information before it was disbanded in 1999. Unfortunately, there was no measurable progress during 2000 toward reviving this initiative, which is now more sorely needed than ever. The Ministry of Trade and Industry should be encouraged to issue this decree without delay. Additional regulations, or if necessary legislation, should be swiftly adopted to complement the basic decree. The needed regime should: (1) cover the importation of equipment and raw materials for the mastering and replication of all optical media products; (2) provide for the licensing of all production facilities, subject to spot inspections of their facilities and records, including production orders; and (3) require the use of the Secure Identification (SID) code or similar unique markings on all masters and copies of optical media products manufactured in the country. Recent enactments in Hong Kong, Malaysia and elsewhere can provide useful models. Of course, aggressive implementation of the new regime is the key to success. In the meantime, enforcement efforts based on the Copyright Act should continue and intensify, and must be complemented by the imposition of deterrent punishments against the operators of pirate production facilities.

While it is understandably difficult to contemplate the launch of new legal and regulatory initiatives such as this in the current unsettled political environment, inaction will only aggravate the problem. There is a serious risk that optical media pirate syndicates, including those fleeing stepped-up enforcement elsewhere in the region, will become firmly ensconced in Indonesia, and that the influx of new pirate plants will accelerate. Indonesia must act as quickly as possible to forestall this scenario.

Enforcement Must be Sustained and Coordinated, with Leadership from the Highest Levels

Indonesia's efforts to enforce its copyright law against pirates during 2000 can best be described as sporadic. A few high profile actions were taken against notorious pirates, particularly in Jakarta. For example, on May 1, Yoel Setiawan Tendianto was arrested in West Jakarta for possession of one million pirate VCDs. On October 17, he was sentenced to four years' imprisonment and fined RP 20 million (US\$2100) for distributing hundreds of thousands of pirated VCDs, CDs, and computer software.⁵ However, Tendianto was released on bail pending appeal; he has not served any of his sentence yet, and may not do so for many years, if ever.

In many sectors, the level of enforcement has declined from the levels observed in 1999, which were themselves not sufficient to respond to the endemic piracy in a market as vast as Indonesia. For example, the number of raids carried out against business software pirates declined from 23 in 1999 to eight in the first 11 months of 2000, while the number of criminal cases initiated held steady at 11 in both years. MPA participated in about 40 raids against VCD piracy during 2000, but only four of these have resulted in criminal prosecutions. In general, enforcement activities have failed to return to the level experienced prior to the October 1999 elections, although precise comparisons are difficult because of the lack of reliable enforcement data nationwide.

It is indisputable that serious problems of coordination have also plagued enforcement efforts. The leadership role in enforcement played by the Ministry of Information remains unfilled more than a year after that ministry was abolished in the aftermath of the elections. As a result, the

⁵ "Police arrest man, seize one million pirated VCDs," Jakarta Post, May 3, 2000; "Court gets strict on software and CD piracy," IP Asia, Dec. 2000/Jan. 2001, at 7.

numerous ministries and agencies with official responsibilities for enforcement against piracy – including Justice, Police, Finance (Customs), Trade, and the Directorate General of IPR – lack any common plan or strategy. For instance, border enforcement is largely ineffective because implementing regulations for a system of detention and seizure of infringing product have never been put into place. Police tend to act on their own against unimportant retail targets, while authorities fail to pursue more significant figures, such as distributors, that have been identified by right holder groups. The inability or unwillingness of enforcement authorities to move against producers or distributors of pirate product has compromised their efforts to crack down on pirate retailers and undercut public support for anti-piracy efforts.⁶ After raids against retail vendors in the Glodok section of Jakarta in May disintegrated into riots, enforcement actions there virtually ceased. As a result, this open and notorious center for the wholesale and retail trade in pirate optical media products continues to thrive in the center of the nation's capital, just two kilometers from the presidential palace.

In a word, during 2000 the Wahid regime simply allowed anti-piracy efforts to drift. It also failed to tackle, in this sphere at least, the now widely discussed legacy of police and judicial corruption that has handicapped anti-piracy efforts in Indonesia for many years. This official paralysis is even more troubling because of signs that Indonesian civil society is beginning to appreciate the costs that rampant piracy imposes on the Indonesian people. A vocal non-governmental organization, the Indonesian Copyright and Pornography Anti-Piracy Society (MAPPI), has denounced law enforcement officials who protect pirates in cities such as Jakarta, Batam, Surabaya, and Semarang, while citing piracy as evidence of "the loss of values of honesty and a declining morality." As a local newspaper editorial noted, "Rampant copyright infringement is blunting the creativity and inventiveness of Indonesians... The nation's indifference to copyright piracy is killing indigenous talent."⁷ Local songwriters complained to a leading judge about the problem, noting that "many players in the narcotics trade have shifted to the piracy business because, if arrested, they would get light punishment."⁸

To stop this drift, the Indonesian government must put a strong leader in charge of enforcement of the intellectual property laws. A high-level government official should be tasked to chair a national coordinating body, comprised of all relevant enforcement agencies, and should be given the authority to coordinate and to actively direct all enforcement efforts. The agencies involved should include customs officials (both with regard to the continuing flow of pirate imports into Indonesia, and the alarming trend toward pirate exports) and revenue authorities, among others. Such a body, meeting regularly with the private sector, would be responsible for producing a more aggressive and sustained program of enforcement, and for providing the strategic direction for enforcement agencies to move up the chain of distribution and to target the producers and major distributors of pirate product. The national coordinating group could be established quickly, without the need for new legislation, and could, under strong leadership, show quick results in terms of more active and coordinated enforcement activity.

While optical media piracy must be the focus of enforcement efforts, another long-standing problem must also be addressed. Widespread book piracy, especially of English-language textbooks, reference books, and computer-related volumes, remains a serious concern.

⁶ "Pirated VCD Producers Should be Tried. -- Judge," Jakarta Post, May 19, 2000, at 3.

⁷ "A nation of pirates," Jakarta Post, July 19, 2000.

⁸ "Street vendors invited to sell legal products," Jakarta Post, August 10, 2000 at 3.

Commercial pirates operate throughout the country, including some who produce and market unauthorized translations of U.S. books. Copy shops in and around universities are becoming more aggressive and increasing the volume of their unauthorized copying; the authorities rule out enforcement because they fear antagonizing student militants. Systematic or proactive enforcement against book piracy has never been attempted in Indonesia and certainly is not occurring now. It should now be given high priority.

The Judicial Bottleneck Must be Addressed, Especially at the Sentencing Level.

The Indonesian court system has long been a weak link in the nation's copyright enforcement chain. The long-standing problem of judicial corruption, which is now officially acknowledged, combined with a lack of training and insufficient resources, have made the courts the graveyard of many piracy prosecutions. Weaknesses among the corps of prosecutors compound the problem. Most are poorly trained, especially with regard to IPR matters, and their assignments are frequently rotated, virtually foreclosing the possibility of improving the skills base. Evidence is rarely preserved or presented properly, and judicial orders to destroy seized pirate product or production equipment are often ignored. Typically, either extremely light sentences are imposed, even on major commercial pirates, or else the case simply languishes and is never acted upon. As with enforcement generally, the experience of 1998-99 was slightly more positive, with a number of well-publicized convictions of video pirates in particular; but the forward progress has ground to a halt recently, with rare exceptions.

While the problems of Indonesia's judicial system will not be solved easily or quickly, some steps could be taken immediately to help improve the situation. Specialized teams of prosecutors should be dedicated to piracy cases and given the proper training to handle them. Tough sentencing guidelines for IPR cases should be issued to dispel the notion that piracy deserves only nominal punishment. The issuance and implementation of such guidelines should stress the role that the national judiciary must play in fulfilling Indonesia's international obligations, in this case, its TRIPS obligation to impose sentences that are sufficient to deter piracy. In recognition that most Indonesian judges are not well trained to handle cases dealing with intellectual property rights, mechanisms to refer such cases to specialized panels or divisions of existing courts should be explored now.

A longer term solution must look toward the establishment of a specialized IPR court in Indonesia, along the lines of the model that has proven successful in Thailand. The pending copyright legislation, which gives specialized commercial courts jurisdiction over some copyright cases, is a step in the right direction. But it falls far short of a solution, because the commercial courts are only empowered to handle civil litigation (not currently a viable method of enforcement against major piracy in Indonesia), and because no provision has been made for specialized training of the commercial court judges in copyright matters. While creation of a specialized IPR court may require new legislation, an arduous process under current circumstances, planning toward this goal should begin now, without detracting from the steps urgently needed to enable the courts to contribute positively to enforcement efforts in the short run.

MARKET ACCESS BARRIERS FOR U.S. COPYRIGHTED PRODUCTS MUST BE DISMANTLED

For years, Indonesia has enjoyed the dubious distinction as one of the least open markets in the world to U.S. copyrighted products. Despite economic reforms and liberalization in other sectors, the overarching market access barrier affecting the copyright industries remains in place: the blanket prohibition on foreign company participation in, or even investment in, importation, distribution, or retailing in Indonesia.

This restriction is particularly onerous in its impact on the audio-visual industry. Although government-sanctioned oligopolies have been dissolved, allowing Indonesian companies to compete freely for film or video import licenses, this privilege has not been extended to foreign entities. It remains the case today, as it has for many years, that only 100% Indonesian-owned companies may either import or distribute films and videos, and no company may perform both functions. Thus, U.S. audio-visual products can reach Indonesian viewers only after passing through two separate, unnecessary bottlenecks.

The audio-visual sector also suffers under a flat ban on foreign investment in all media businesses, including cinema construction or operation, video distribution, or broadcast services. President Habibie issued a decree in July 1998, reaffirming the ban, but there was some hope that the Wahid regime would moderate this approach. These hopes were dashed by issuance of two presidential decrees in July and August 2000, which retained all sectors of the audio-visual industry on the "Negative List" for foreign investment. (The first decree accorded similar treatment to foreign investment in multimedia ventures, but the second apparently relaxed this ban.)

Indonesian officials point to provisions of the Film Law, adopted in 1992, as justification for maintaining the audio-visual sector on the "Negative List." An amendment to the Film Law that would allow importers to engage in distribution and permit foreign entities to take minority stakes in the film industry has been pending before Parliament since 1999, without any action. Meanwhile, the US audio-visual industries remain largely fenced out of direct participation in this huge market.

The investment ban and the barriers to a foreign role in distribution are wholly inconsistent with the steps the regime has taken to reduce barriers to the Indonesian market generally and to respond to calls from the international community for market liberalization. They also violate Indonesia's bilateral pledge to the United States in 1992 that direct distribution of audio-visual product will be permitted as soon as the market is opened to the direct distribution of any other foreign goods. Today, in a number of sectors, foreign companies have taken advantage of a 1998 presidential decree that allows 100 percent foreign ownership of distribution entities so long as there is a contractual arrangement (which need not include equity participation) with an Indonesian small or medium-sized business. To say that Indonesia's bilateral pledge is not yet operative because direct distribution wholly by foreign entities has not yet been formally approved elevates form over substance. The Indonesian government is bound by its predecessor's promise to the U.S. Now is the time to make good on it.

Onerous import levies also constrict the market for foreign copyrighted materials, and, by unjustifiably increasing their cost to Indonesians, provide an additional incentive for piracy and smuggling. Duties and other tariffs (including a 20% "luxury tax") are assessed against

videocassettes, VCDs and DVDs at an exorbitant aggregate rate of 57%, and range as high as 100% for some videogame products. The aggregate rate of duties and taxes payable upon import for films imported for theatrical exhibition exceeds 23%, averaging about RP4 million (US\$425) per print, with an additional 20% luxury tax charged on certain accessories, such as sound discs. Other levies and "government royalty" charges, including a "National Film Development" charge, add to this already excessive sum. As a participant in the Information Technology Agreement (ITA), Indonesia was required to eliminate tariffs on a range of products, including most computer software, by January 1, 2000. This tariff elimination program should be extended to all products embodying copyrighted materials, both for market access liberalization reasons, and to reduce the competitive advantage now enjoyed by pirates who pay none of these duties.

COPYRIGHT LAW REFORM SHOULD GET BACK ON TRACK

Since a flurry of activity in May 1997, when Indonesia extensively amended its copyright law, joined the Berne Convention, and became the first nation in the world to ratify the WIPO Copyright Treaty (WCT), copyright law reform in Indonesia has been at a standstill. In view of the political turmoil afflicting the country, this hiatus is understandable. It is regrettable, however, that the January 1, 2000 deadline for full Indonesian compliance with its TRIPS obligations was allowed to pass without correction of the significant remaining deficiencies in its copyright law. Most of Indonesia's TRIPS shortcomings relate to enforcement, which the current law deals with in only sketchy terms. Problem areas include:

- The inability of a copyright owner to enforce against a party "not trading in" copyrighted goods could present a major enforcement impediment, especially with regard to end-user piracy of business software. In Indonesia, as in other countries, the most economically damaging form of business software piracy occurs when a company or other institution makes numerous unauthorized copies of a single legitimate copy it has acquired. In order to fulfill its TRIPS Article 61 obligation to provide criminal remedies against all types of copyright piracy on a commercial scale, Indonesia should spell out in its law that the commercial use of unauthorized copies of computer programs is a criminal offense as well. Criminal liability should also be imposed for violations of the neighboring rights of a sound recording producer.
- TRIPS Article 50 requires that provisional measures such as *ex parte* seizures — a crucial enforcement tool in software piracy cases especially — must be available in civil cases; the current Indonesian law does not clearly provide this.
- The requirement to pay compensation in order to obtain a civil seizure of pirate goods must also be clarified in order to comply with TRIPS Article 46.
- Judicial authority to order payment of fully compensatory damages and the right holder's expenses, and to dispose of materials and implements predominantly used to make infringing goods, must be spelled out in order to comply with TRIPS Articles 45 and 46.
- Deterrent criminal penalties must be provided, to fulfill TRIPS Articles 41 and 61. This point is particularly significant in light of the historic inability of the Indonesian courts to impose deterrent sentences even in flagrant cases of massive commercial piracy of computer software and books. Not only should maximum penalty levels be reviewed, but minimum penalties should also be enacted for commercially significant cases.

While draft amendments to the Indonesian copyright law which IIPA reviewed in July 1999 made virtually no progress toward resolving these TRIPS deficiencies, a much improved version was presented to the Parliament in May 2000. An unofficial translation which IIPA reviewed indicated that enactment of the amendment's enforcement provisions would bring Indonesia much closer to full compliance with its obligations under the WTO TRIPS Agreement. For instance, the draft amendment provides more detail on civil enforcement procedures (including interlocutory injunctions), improves remedies for violations of neighboring rights, and gives the courts clear authorization to order the destruction of seized pirate goods. Provisions in the amendment extending the term of copyright protection reflect Indonesia's efforts to modernize its law in line with international trends. Finally, in several ways the amendment would seek to implement the WIPO Copyright Treaty (WCT), which Indonesia ratified in 1997.

However, the draft amendment falls short in some critical respects in the effort to bring Indonesian law into compliance with TRIPS, to implement the WCT, and to update other aspects of the law. These problems include:

1. Business/institutional piracy: To combat commercial piracy of computer programs and other works that take place within the operations of a business, public agency, or other institution, Article 58 of the copyright law should be amended to make it clear that, for instance, a business owner who knowingly uses pirate copies of software in his business operations is an infringer of copyright. Similarly, Article 74 should be amended to make such piracy a criminal offense, as required by TRIPS.

2. Remedies for infringement: To fulfill Indonesia's TRIPS obligations, Articles 57 and 75 must be amended so that the court may order equipment or raw materials used to produce pirate product (in addition to the product itself) to be seized and destroyed. Article 57 should be amended to ensure that monetary damages that infringers are required to pay will be enough to deter further infringements, as TRIPS requires.

3. Protection of phonograms: Producers of phonograms should have the legal right to control "publication" of their recordings over the Internet. This would make it much easier for Indonesia to ratify and implement the WIPO Performances and Phonograms Treaty (WPPT). Phonogram producers should also have the right to control rental of their products, and all their rights should last for at least 70 years.

4. Rights management information and technological protection measures: It is commendable that the draft amendment includes provisions to outlaw tampering with information used to identify the owners of rights in a work or phonogram, and to prohibit pirates from breaking through technologies that right holders use to control who may access or copy their products (for example, by stealing passwords or access codes). However, these provisions need to be more detailed and specific in order to comply fully with the requirements of the WCT and WPPT.

5. Other changes: Indonesia should take this opportunity to clarify and correct other aspects of its current law, and some provisions of the draft amendment. These include: (1) definitions of the "publication right" and of "work"; (2) treatment of moral rights and of employed or commissioned authors; (3) restrictions on licensing; (4) point of attachment for protecting foreign phonograms and works; and (5) protection of pre-existing works and phonograms for a full term. Indonesia should also further narrow, or eliminate, the compulsory licenses for broadcasting, translation, or reprinting of certain works.

Unfortunately, over the past eight months, the legislature has taken little substantive action on these amendments, which were placed in a queue behind a number of other IPR-related measures. Now that most of these other bills have been disposed of, Indonesia should promptly perfect the most recent draft amendments to its copyright law, as outlined above, and enact them.

Finally, while Indonesia's prompt ratification of the WIPO Copyright Treaty (WCT) set an excellent example for its neighbors, its failure to ratify the companion WIPO Performances and Phonograms Treaty (WPPT) is cause for concern. Indonesia should move as quickly as possible during 2001 to cure this anomaly by ratifying the WPPT. This action should no longer be delayed by consideration of the mechanisms for joining the Rome Convention, since Rome adherence is in no way a prerequisite to WPPT ratification.