

Annex IV: Examples of royalty rates in compulsory licensing & related cases

Country	Case	Royalty rate/Remuneration
United States	Rocket engine patents (World War II era)	US\$ 1 million - 0.01%
United States	Microsoft protocols	0.05-1%; maximum of 5% total for use of 100 protocols
Canada	Medicine exports under WTO waiver of Article 31(f)	0.02-4%
Indonesia	Certain HIV/AIDS drugs	0.5%
United States	AIDS test kit (infringement case)	1%
United States	Geostationary orbit technology for satellites	1%
Mozambique	Certain HIV/AIDS drugs	2%
Philippines	Cimetidine/Tagamet (ulcer drug)	2.5%
Philippines	Various medicines, licenses issued in 1980s	2.5%, with some variation; statute capped royalties on voluntary licences at 5% and compulsory licences at 3%
Zambia	Certain HIV/AIDS drugs	2.5%
Malaysia	Technology transfer agreements between Malaysian firms and foreign parties	Capped by statute at 3%
Japan	Cimetidine/Tagamet (ulcer drug) (infringement case)	3.5%
Canada	Medicines - more than 600 cases from 1969-1992	4% standard
Malaysia	Certain HIV/AIDS drugs	4%
United States	Eye-care related laser (infringement case)	5%
Singapore	Various medicines	5%
United States	Lathe	US\$ 150 000 + 5% on each lathe
United States	Camouflage screens	17%
United States	Surface chemistry patent (infringement case)	40%
United Kingdom	Cimetidine/Tagamet (ulcer drug)	45%
United States	Aircraft patents (date: 1917)	US\$ 200 per plane, total compensation capped at US\$ 2 million

Table 1: Love, WHO Health Economics and Drugs TCM Series No. 18 (2005)