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Interactive thematic session

INTELLECTUAL PROPERTY AND DEVELOPMENT

Summary prepared by the Conference secretariat

1. This session was opened by a panel consisting of Mr. Rubens Ricupero, Secretary-General of UNCTAD, and Mr. Roberto Castelo, Deputy Director General, World Intellectual Property Organization (WIPO), the two co-chairpersons, H.E. Mr. Fredo Betsimifira, Minister of Information, Culture and Communications, Madagascar, and H.E. Mr. Ronaldo Sandenberg, Minister of Science and Technology, Brazil.

2. In the context of the knowledge-based economy, LDCs face a particular challenge. Technological developments might further marginalize LDCs. In fact, a retroactive analysis of the past 10 years reveals that LDCs have been marginalized in the globalization process because they have not participated in the process of rapid technological development. To reverse this trend, their special needs must be taken into account, particularly in the development of intellectual property (IP) systems, which should promote the transfer of technology and innovation with a view to resolving development problems. In this regard, small business incubators, venture capital and new patterns of IP should be disseminated worldwide. For this reason, IP systems and rules on IP and access to technology should be geared to innovation, expansion of international trade and international cooperation in science and technology.

3. There is a need to incorporate a development dimension into IP regimes. It is also essential to set aside adequate resources for science, technology and public-private partnerships.

4. LDCs must be further integrated into the world economy. IP integration should focus on the most relevant issues and should be specific. In order to achieve more rapid and effective results, deliverables should address clear-cut and urgent needs of LDCs. Also there is a need for coordinated action, assisted by the efforts of the development partners. To aid this process, WIPO prepared a document on deliverables (WIPO/LDC/2001/1). Together with the Lisbon Declaration, this document served as the basis for this interactive session.

5. In preparation for LDC III, WIPO organized three regional seminars for African LDCs, Arab LDCs and Asian and Pacific LDCs, as well as one national seminar for Haiti. Participants in each of these seminars agreed on a set of conclusions of common concern. Following these seminars, a High-Level Interregional Round Table for LDCs was held in Lisbon, on 1 and 2 February 2001, to discuss "Innovation, the Knowledge Society, Intellectual Property and the Least Developed Countries." During this Round Table, ministers and senior government officials adopted the Lisbon Declaration on Intellectual Property.

6. The session recognized that LDCs face certain constraints, such as a shortage of resources, a weak intellectual property infrastructure, a lack of skilled personnel and inadequate awareness of and information on the various treaties and conventions in the field of intellectual property. Given the enormous structural problems they face in institution building in this field, as identified in the Lisbon Ministerial Declaration, the LDCs require a special programme. In this connection, WIPO identified five major areas of deliverables.

- Transfer of knowledge in favour of the least developed countries (LDCs): investment in selected areas in LDCs is needed to build up knowledge capital in public and private sectors and in the society as a whole.
- The WIPO Worldwide Academy: drawing on the potential of information and communication technology, the WIPO Worldwide Academy could offer IP training designed to meet the individual needs of the LDCs. For example, it could offer: (a) a distance learning programme; (b) training courses for managers and technical staff of IP offices, government agencies and other sectors in LDCs; (c) a policy training programme for policy advisers, decision-makers and diplomats; and (d) diploma courses and degree programmes for the benefit of the LDCs.
- The WIPO Global Information Network (WIPONET): WIPO launched the WIPONET project to develop and establish a global information network that would benefit all Member States. WIPONET services and equipment will be installed in LDCs as part of WIPO's efforts to help build and modernize IP offices in the LDCs.
- Collective Management of Copyright and Related Rights: WIPO has adopted an overall strategy for the LDCs to create a set of national collective management societies for copyright and related rights. Linking national societies via the Internet could make it possible for small societies in the LDCs to operate more cost-effectively and to maximize income.

- Traditional Knowledge (TK), Genetic Resources and Folklore: Apart from providing a basis for the protection and conservation of biological diversity and the sharing of its benefits, traditional knowledge of indigenous and local communities has significant economic value in areas such as biotechnology, including medicine and agriculture, entertainment and education. Nevertheless, it is unclear to what extent the tradition-based creativity and innovation of such communities, many of which are located in the LDCs, are recognized and protected under existing IP regimes. As far as the LDCs are concerned, focus should be concentrated on new opportunities for the conservation, protection and dissemination of traditional knowledge assets of the LDCs in the global economy. The process that has started in the recently-established WIPO Intergovernmental Committee on Traditional Knowledge, Genetic Resources and Folklore was welcomed.
- Small and Medium-Sized Enterprises (SMEs): IP protection enables SMEs to fully exploit their innovative capacity and creativity. WIPO is committed to assisting national Governments, SME support institutions and entrepreneurs in LDCs to enhance their productivity and competitiveness through effective use of IP systems. In accordance with paragraph 7 of the Lisbon Declaration, WIPO aims to:
 - Enhance the ability of national Governments to formulate national policies and strategies to meet the IP needs of SMEs;
 - Work with and improve the ability of relevant public, private and civil society institutions to supply IP-related services to SMEs;
 - Provide SME support organizations in the LDCs with web-based assistance on IP issues;
 - Assist in the development of comprehensive and user-friendly promotional information materials and training programmes for LDCs (both in web-based form and through seminars and workshops).

7. In the interactive session, LDCs supported the deliverables proposed in the WIPO report. They also noted with appreciation the establishment of an LDC unit within WIPO.

8. A large number of LDCs shared their national experiences in implementing legislation and creating institutions for the effective implementation of IP instruments. Technical assistance provided by WIPO as well as through bilateral cooperation such as the European Patents Office is essential to overcoming constraints in establishing effective IP institutions. Some LDCs mentioned that such assistance is also important in the context of their accession to the WTO.

9. Several LDCs also shared their experience in developing national collective management societies, which are instrumental in allowing artists in areas such as literature, music and

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other expressions of folklore to receive compensation for their creative arts. In the Caribbean countries significant economic benefits have already been obtained from such systems.

10. Many LDC participants stressed the need for training and human resources development and highlighted the important role of the WIPO Worldwide Academy.

11. Reference was made to the important role of TK in LDC's development process, in particular in areas of traditional agriculture, handicrafts and expressions of folklore. The poorest in LDC societies often depended on TK for their basic needs in terms of medical care and food. The relevant rights of indigenous and local communities needed adequate protection, at both the national and the international levels. Commercialization of TK-based products and services should benefit the original holders. *Sui generis* systems for the protection of their creativity might be needed. Several delegates expressed support for the work of the recently-established WIPO Intergovernmental Committee on Traditional Knowledge, Genetic Resources and Folklore.

12. From an LDC public policy perspective, a main interest is the linking of the IP systems with SMEs in order to allow them to fully explore their innovative capacity. IP regimes might also play a major role in promoting "adaptive" innovations rather than "major" innovations.

13. Some LDCs highlighted the need to promote institutional synergies at the national level, through enhanced coordination between different ministries. There is also a need for public awareness campaigns and education programmes on IP and its role in the development process. National efforts in LDCs should also seek to strengthen private-sector involvement.

14. Several LDCs stressed the need for effective implementation by development partners of article 66.2 of the WTO TRIPS Agreement, which calls on developed countries to provide incentives for the transfer of technologies to LDCs. One development partner requested that suggestions he made regarding incentives to further the effective implementation of this article be discussed in forthcoming meetings of the WTO TRIPS Council.

15. The representative of the European Union said that the WIPO report, the Lisbon Declaration and the interactive session provided a very sound basis for continued dialogue and cooperation between the LDCs and the development partners. The European Union is ready to enhance its technical cooperation with WIPO and other international organizations and is looking forward to specific requests and project proposals.

16. Furthermore, WIPO was requested to continue its efforts to ensure that the Lisbon Ministerial Declaration on Intellectual Property for LDCs is implemented through the formulation of programmes designed to complement the domestic initiatives, programmes and policies of individual LDCs with tangible, measurable and achievable outputs. Cooperation with other relevant organizations such as UNCTAD in assisting LDC needs was encouraged.