

UN Task Team on the Post 2015 Development Agenda
Working Group B: Identification of emerging development challenges

Contribution of the World Intellectual Property Organization

Vision

We will not be able to feed, clothe, cure and educate our children if we cannot find better, cheaper, smarter ways of producing goods and bringing them to market. We cannot create sustainable jobs or robust economies, capable of withstanding fluctuations in global markets without being able to harness the power of innovation and creativity. And we cannot create fully functional health, education or social systems if the public and private sectors remain in separate silos. What we need to create, now and in the years after 2015, is a genuine partnership, in particular between the public and private sector. This partnership must provide the basis for an innovation ecosystem where a genuine commonality of interest in the shared challenges facing humanity can be addressed, where creativity and innovation is properly rewarded, and where the fruits of that creativity and innovation can be fairly shared by all the peoples of the world. Creativity and innovation are a natural resource in which every country and every community is potentially rich. Intellectual property is the policy tool that enables these intangible resources to be transformed into sustainable development assets through the protection and promotion of creativity and innovation.

Baselines and Evidence for Policy Making

Intellectual property systems, created in the nineteenth century have for more than 150 years provided a predictable framework within which governments can balance the incentive to create and innovate with the need to share the fruits of creativity. Time has moved on. Those systems have evolved and are continuing to evolve to meet the challenges of rapid technological change and a policy environment that has also undergone fundamental changes. The adoption by WIPO's Member States in 2007 of the WIPO Development Agenda reflects this and has led to the mainstreaming and refocusing of development concerns across WIPO's program of work. The Millennium Declaration included important language with respect to science, technology and innovation and the Millennium Development Goals include a target "in cooperation with the private sector [to] make available the benefits of new technologies, especially information and communications technologies." In this respect, the Millennium Project Task Force on Science Technology and Innovation provides an excellent evidence base for policy making. This sets out the contribution that science, technology, and innovation can make to human welfare, energy, health, water and sanitation as well as political stability and global security. The analysis sets out a range of practical steps that could be taken to enhance the contribution of innovation and creativity to these challenges. The Global Innovation Index, which WIPO co-publishes, seeks to build on this by providing the metrics which will enable policymakers to better capture and understand the richness and complexity of the innovation process and as such ensure better informed and evidence-based policy making. In addition there is a growing collection of empirical evidence on the economic contribution that copyright and creative industries can make which offers options to many countries for the diversification of their economies.

Development Challenges: Post 2015

Global growth

One pre-eminent feature of the post 2015 world will be an underperforming global economy. This will adversely affect many underlying factors critical for development, especially in the most fragile states and with particular reference to the specific vulnerabilities of LDCs, LLDCs

and SIDS. Innovation will remain essential in sustaining long-term economic growth and improving human development. Innovation is a central driver of economic growth, development, and better jobs. As laid out in WIPO's World Intellectual Property Report 2011, it is one of the key factors that enable firms to successfully compete in the global marketplace, and the process by which solutions are found to social, environmental and economic challenges. It is the source of improvements to the quality of our everyday lives. In order to increase productive capacity, employment and decent work to eradicate poverty in the context of inclusive, sustainable and equitable economic growth at all levels for addressing development challenges post 2015, there needs to be a significant scaling up in support for innovation and in access to its benefits in a fair manner.

But how can that innovation and creativity be nurtured and encouraged to flourish? Globally, the innovation landscape has been transformed over the past decade. Driven by fast economic growth, new sources of innovation have emerged – especially in Asia – and innovation models have become increasingly open, international, and reliant on markets for knowledge. Trends in economic growth and patterns of investment in education and research and development foster a multi-polar innovation landscape. Furthermore, the rapid evolution in the area of information and communication technology has provided opportunities for developing countries to level the playing field in the area of creative works. New industries are rapidly coming to prominence and changing competitive patterns as well as changing the way knowledge and creative works are accessed by the community at large.

A major challenge for many developing countries seeking to strengthen productive capacity, and to invest in private sector development and competitiveness is the need to strengthen national innovation capacity. Part of the solution to that lies in using the intellectual property (IP) system for protection and promotion of domestic creations, innovations and inventions, for attracting foreign direct investments and, hence, contributing to the transfer of technology, and to support the development of national scientific and technological infrastructure. Additional challenges include an increasing need for a systemic and sustained approach to innovation policy and practice, including the effective distribution and commercialization of new technologies and the need for better dissemination of technologies through the patent system. The global intellectual property system itself faces significant challenges. The continuously increasing reliance on knowledge inputs into production and the greater diversity of the world economy are prompting a steady increase in the demand for IP rights, as evidenced by WIPO's World IP Indicators. Policymakers need to respond to new technological and business developments, such as the emergence of knowledge markets, ensuring that the IP system best serves the needs of societies. Similarly, policymakers in developing countries face the challenge of tailoring IP policy to the needs of their populations and economies, taking into account different resource endowments and different industrial structures. This contribution of the intellectual property system to meet the Development Challenge of Global Growth is also underscored by Article 7 ("Objectives") of the TRIPS Agreement, which provides that:

“(the) protection and enforcement of intellectual property rights should contribute to the promotion of technological innovation and to the transfer and dissemination of technology, to the mutual advantage of producers and users of technological knowledge and in a manner conducive to social and economic welfare, and to a balance of rights and obligations”.

In addressing the challenge of growth, productivity and employment, policy makers are looking to create an enabling innovation eco-system where enterprises can be formed, flourish and ultimately expand. SMEs, are prime candidates for rapid creation and expansion. However, much as SMEs are critical for economic growth and stability, they face very high failure rates. Policy intervention is therefore necessary both to create but equally importantly to strengthen and grow the SME base. Similarly, a conducive environment

needs to be put in place to enable creators and creative enterprises to prosper thus making a positive contribution to social, economic and cultural wellbeing of developing countries. While many factors play a role in ensuring the competitiveness of SMEs and creators, evidence shows that effective use of intellectual property is an indicator of success.

Food security

Food security will remain a major challenge after 2015. It is estimated that food production needs to increase by 70% to feed a world population, which is expected to reach nine billion by 2050. More food needs to be produced in a sustainable way. Agricultural productivity needs to be increased with the same level or lower of inputs such as land, water, fertilizer and pesticides. And improved technology and know how need to be developed and made available to farmers in Africa, in particular. Appropriate incentives are required to develop and to introduce suitable agricultural technology, including better-adapted varieties of plants. There is evidence that a balanced and transparent legal and administrative framework of intellectual property protection may provide a key incentive for innovation, investment and knowledge transfer in many different circumstances and in agriculture in particular, for both, the public and the private sectors.

Public health

Achieving public health outcomes cannot be a matter simply of providing a technological fix: public health depends on a host of active interventions and infrastructure needs - educational and preventative programs, safe and reliable utilities, effective and sustained clinical support, sustainable financing and availability of necessary resources, and medical services (clinical and associated services, as well as technical and support services). Public health has long occupied front rank among priorities for global cooperation and will continue to do so as effective international cooperation for public health is an essential foundation for sustainable development. International cooperation for public health assumes many dimensions, but recent years have seen an intensified focus on the role of medical technologies: both the innovation processes that develop new technologies, and the way in which health solutions are disseminated to those most in need. Specifically, access to essential medicines as an aspect of the right to health has been an active concern over the last fifteen years, but the policy focus has broadened to consider health "systems": how to promote necessary innovation; address neglected health needs, and ensure access to vital medical technologies, such as diagnostic tools and modern vaccines. Innovation and access are inevitably intertwined, and the evolving state of the global disease burden (i.e. the challenges of drug resistance, the burden of chronic non-communicable diseases) creates a constant demand for new and adapted technologies. Against this background, WIPO, WHO and WTO Secretariats are cooperating closely on issues such as patterns of innovation and access, legal and policy factors affecting the production and dissemination of medical technologies, and the interplay between international trade rules and the IP system. The IP system, and in particular the patent system, can play a pivotal role in relation to health-related development objectives as an incentive for innovation in the pharmaceutical field and as a policy tool to facilitate technology diffusion and access to essential drugs.

The environment and climate change

A pervasive challenge in the post 2015 world will remain the difficulty in shifting the installed technological base towards a base of environmentally sound technologies in a manner, which supports economic, social and environmental development. This shift to a new technology base requires policies that not only incentivize investments in R&D, but which also support the transfer, adaptation and widespread dissemination of these technologies. A critical component of this new technology base is the need to respond to increased demand

for energy. With expectations of global demand for energy set to double by 2030, replacing existing fossil fuel based sources of energy with renewable technologies, such as wind power, biomass, solar, geothermal and wave, will be the one of the main challenges facing the transformation to a green economy.

Through the UN Conference on Sustainable Development (Rio+20) and the work of the UNFCCC, WIPO will promote the scaling up of efforts to support the transfer of environmentally sound technologies. Four key aspects of this activity, which also apply more broadly to other development challenges, will be:

- (i) Recognizing that a rich body of scientific and technological information exists in the global technology databases managed by WIPO.
- (ii) Supporting successful long term technology partnerships, in particular public-private partnerships.
- (iii) Ramping up human capacity building and technical assistance to support the development of innovation infrastructure and technology management in developing countries.
- (iv) Improving the evidence base on the relationship between policy tools, including IP rights, and the transfer of technologies.

Conclusion

WIPO is assisting developing countries and LDCs in the design, development and implementation of national IP strategies that are both consistent with their national development plans and which: foster innovation and creativity; leverage the potential of IP in all areas, including agriculture, health, trade, and the environment; and improve living conditions in general. These strategies are prepared on the basis of systematic identification and assessment of needs and an inclusive process of national government-led consultation involving relevant government sectors, the private sector as generators, and users of IP, other development actors including IGOs, academia and civil society. Most importantly, the success of these efforts depends upon a global partnership for development that can be delivered to meet the diversity of national circumstances and local needs.