

**Regional Conference on Intellectual Property and Economic Development:  
Challenges and Opportunities**

16-17 February 2011, ISEAS, Singapore

**Summary**

The Regional Conference on Intellectual Property and Economic Development: Challenges and Opportunities jointly organised by the World Intellectual Property Organisation (WIPO) and the ASEAN Studies Centre (ASC), Institute of Southeast Asian Studies (ISEAS), was held at ISEAS in Singapore over the course of two days (16 & 17 February 2011). The aim of the conference was to allow participants and speakers to share knowledge and experience of Intellectual Property (IP) in a variety of contexts and countries.

The conference was opened by Ambassador K Kesavapany, Director of ISEAS who acknowledged the late S Tiwari of ISEAS who was instrumental in the collaboration between ISEAS and WIPO. Ambassador Kesavapany expressed the hope that the ASEAN and IP frameworks can work together seamlessly while acknowledging that this will take time. The positive benefits of such a collaboration would allow for clear policies to make it easier for multinational companies to set-up in ASEAN member countries, creating opportunities for research and development (R&D), jobs, foreign direct investment (FDI) and in so doing raise the stature and profile of ASEAN member countries. On the flipside, however, Ambassador Kesavapany also addressed the ramifications of a strong Intellectual Property Rights (IPR) policy citing pharmaceutical drugs as an example, where in having IPRs, this raises the cost of medicines, which could potentially make it difficult for the poor to afford them. In essence, it is like 'walking a tightrope' when developing an IPR policy, particularly in developing nations, however, WIPO is a repository of information and it is hoped that collaboration will make it easier.

Mr Pushpendra Rai, Acting Director, Head, WIPO Office in Singapore, in his welcome address, also acknowledged the late S Tiwari and his gratitude to the ASC for the assistance in organising the conference. He said that in October 2008, Dr. Francis Gurry, the Director General of WIPO had launched a Strategic Realignment Program in order to

build a responsive and efficient Organization, equipped to achieve its strategic goals and to provide global leadership on intellectual property issues. It was acknowledged that the three main challenges before the global IP community were:

- The pressures on patent and copyright systems as a result of rapid technological changes and globalization;
- Reducing the knowledge gap between developed and developing countries; and
- Ensuring that the IP system continued to serve its fundamental purpose of encouraging creativity and innovation in all countries.

Therefore, the organization had set as its mission the promotion of innovation and creativity for the economic, social and cultural development of all countries, through a balanced and effective IP system. The program structure was aligned to nine strategic goals which reflected the major concerns of the global IP community, as expressed by the member states of WIPO, and other stakeholders of the IP system. Referring to the strengthening of the WIPO office in Singapore in 2009, he hoped that it would help to build WIPO's presence in the region and improve the delivery of its services and programs in the member states.

The two-day conference comprised 10 sessions on a variety of subjects, with speakers from WIPO, the Confederation of Societies of Authors and Composers (CISAC), government officials, think tanks, academics, industry, the ASEAN Secretariat and the legal profession.

**Session 1: Intellectual Property (IP) and Economic Development - Mr Pushpendra Rai, WIPO Office in Singapore:**

- The new focus was on the strategic use of IP for development, moving from the basic legal and infrastructural requirements to the identification and leveraging of assets for enhancing competitiveness.
- With the recent spurt in economic studies based on empirical analysis, there was a better understanding of the interface between IP and economic development.
- Protection of IP assets should be viewed as an investment not a cost.

- The IP community was looking at solutions to deal with the ever increasing burden on patent offices.
- It is essential to strike a balance between creativity/inventiveness, and the public interest to ensure development.

**Session 2: Current Issues and Public Policy in the Field of Copyright and Related Rights** – Mr Candra N Darusman, Deputy Director, WIPO Office in Singapore and Mr Ang Kwee Tiang, Regional Director, International Confederation of Societies of Authors and Composers (CISAC).

Mr Darusman:

- How to utilize the copyright system as an instrument of public policy to encourage creativity and ‘mapping’ the policy landscape in the legal, sociocultural, technological and institutional sectors, and how new technologies have made consumers’ lives easier at the expense of making the creators’ lives ‘uneasy’.
- Again the emphasis on balance/equilibrium – to provide more protection for the creative and more access for the public.
- Copyright can be used as an instrument of policy to encourage creativity via incentives in the form of bestowing legal rights and protecting them while at the same time benefiting society.

Mr Ang:

- The digital environment while providing access for the public has also raised the following issues, namely, online piracy, devaluation of copyright, increase in processing costs, cross border transactions and identification of ownership.
- It behoves governments and policy makers to continually update copyright laws to keep pace with digital technology advances at both national and international levels due to the ‘borderless’ nature of the digital world.

**Session 3: IP and Climate Change** – Mr Ian Fletcher, Director-General Department of Employment, Economic Development and Innovation, Brisbane, Australia and Professor

S K Chou, Executive Director, Energy Studies Institute (ESI), National University of Singapore (NUS).

Mr Fletcher:

- IP is a way of stimulating innovation and new technology which is important in the context of climate change to find alternative energy solutions with lower emission technologies.
- Patents are the main form of IP for climate change purposes and for elements of design, trademarks may also be used.
- Climate change is a multi-faceted problem requiring multiple solutions.
- Positive participation allows for greater respect and contributions to the global response to climate change not to mention the financial gains from providing solutions to climate change.

Professor Chou:

- Climate change is a “buzzword” and like it or not, must be dealt with as it impacts everyone on an individual, community, national and international levels.
- IPRs help technological development and transfer.
- Collaboration is key to tackling climate change and stakeholders need to be ‘protected’ to motivate them to participate.

**Session 4: The Strategic Use of IP to Enhance Competitiveness – Professor Albert Hu,**  
Lecturer, NUS, Singapore:

- The economic justification of IP is due to the fact that innovation is hard to specify ex-ante, there is an information asymmetry between government and private inventors, IP is proportional to the size of invention and in the case of patents, monopoly power is exchanged for public disclosure.
- This is not to say that IP is not ‘abused’ through strategic patenting which in the long run does not benefit the commons.

- Technological change is the ultimate driver of economic change and development and IP is designed to encourage invention.
- The recent WIPO-ASEAN survey's main findings concerned the 'significant heterogeneity in the use of IP across countries and industries, sorted by the level of economic development', the trademark is perceived as the most useful form of IP.

**Session 5: Protection of Traditional Knowledge and Traditional Cultural Expressions; Access to Genetic Resources and Benefit Sharing** – Mrs Edy Sediawati, Professor & Lecturer, University of Indonesia, Jakarta:

- Traditional knowledge includes the arts, belief systems, systems of healing, preparation on food, practice of agriculture and fishery. It is different to “folklore which can often have negative connotations associated with it”. It is also not limited to word-of-mouth.
- Case studies included sculpture in Bali and woodcarving in Jepara and the concept of “sharing versus monopolising”, specifically whether there are forms of respect/acknowledgement through sharing and if that is enough.
- Indonesia is in the process of drafting an act to protect traditional knowledge however this becomes more complicated when there are shared cultures/traditional knowledge such as the Ramayana, Javanese dance with Indonesia and Malaysia cited as examples.

**Session 6: IP and New Technologies** – Mr Ian Fletcher and Mr Suresh Sachi, General Counsel, Agency for Science, Technology and Research, A\*STAR Legal.

Mr Fletcher:

- The connection between IP and the IP framework is “not where it ought to be”, complicated by limitations on time, time consuming, the fees to maintain them, national limitations e.g. a US patent gives no protection elsewhere, not everything is patentable and nothing is “immune to challenge”.
- This matters as the significance of transferring “ideas into money” cannot be underestimated and it is therefore essential to make the IP system work. This can be achieved through investment in education at every level, social networks – learning

best practice from personal encounters and the ability to commercialise these ideas not just transfer technologies.

- IP is a system not a solution.

Mr Sachi:

- It is not enough to focus only on patents, it is essential to look at the commercialisation of technologies (COT).
- Training and education in commercialisation cannot be stressed enough – A\*STAR conducts monthly training courses in this area.
- Government procurement is a big issue in Singapore – “justice hurried is justice buried”.
- Creators/inventors must understand the difference between price and value – what is your market prepared to pay? Important not to be greedy and be reasonable.

**Session 7: ASEAN Economic Community and Intellectual Property** – Ms Thitapha Wattanapruttipaisan, Head, Competition, Consumer Protection and IPR Division, Market Integration Directorate, ASEAN Economic Community Department, ASEAN Secretariat, Jakarta:

- Up to the mid-1990s, economic cooperation had largely been on a sectoral level however, the need for change arose due to increasingly dynamic/interdependent and competitive global community.
- ASEAN is among the world’s fastest growing and dynamic regions and a major player in several world markets via its exports with some regional economies becoming new sources of FDI in their own right.
- The number of USPTO invention patents granted to ASEAN has risen from 576 in the period 1963 to 1994, to 1,240 in one single year period 2008-2009 with the principal sources of patenting being Singapore and Malaysia, the former with 58% and the latter with 70% in ICT-related microelectronics.
- ASEAN has 15.8% of the world’s exports of ICT products and is therefore a global player.

- The future prospects centre on “Creative ASEAN” as illustrated by Thailand’s “Creative Economy” which has seen a shift away from commonplace, mass-produced, standard design to sophisticated niches and speciality markets such as lifestyle and artisan products related to indigenous handicrafts boosting rural employment.
- Development dimensions of IP were clearly included in the ASEAN IPR Action Plan 2004-2010 involving training of some 7,000 participants in this period.

**Session 8: Managing and Financing of IP Assets** – Ms Audrey Yap, Chair, Asia Pacific Committee Licensing Executive Society International (LESI)/National Secretary LES Singapore, Managing Partner Yu Sarn Audrey & Partners:

- IP has to form a critical part of any governance – it is something you cannot touch or feel but has a very real value – IP represents intangibles.
- There are also many different perceptions of intangible assets ranging from the accounting perspective (book value) to business valuation (fair market value) to value to the owner and value to the buyer.
- Knowledge assets need to be recognised in order for IP to be effectively managed and needs the force of law to manage the commercialisation of ideas/inventions. An IP management strategy helps in value extraction, research and development, revenue enhancement and image building and reputation.
- Valuing IP is difficult however, as there are no “standard” or agreed valuation methodologies.

**Session 9: Building Respect for IP in ASEAN Countries: Challenges and Policy Recommendations** – Dr Robert Ian McEwin, Visiting Professor of Law, NUS

- IPRs and Innovation – knowledge has two important features, non-rival which means it can be used by others without affecting the creator’s use (but reduced value to the creator) and non-excludable – it can often be copied. IPRs help the creators of new knowledge to appropriate the returns of their innovation by

establishing a property right over the new knowledge. By giving a property right, the IPR holder can exclude others from using the knowledge without permission.

- Econometric evidence shows technology in Asia mainly comes from imported capital equipment (FDI).
- There is a need to develop respect for IP rights in ASEAN – “You are not going to get people to respect IPRs until it is in their interests to do so”. Creators need to know they will be protected and this will stimulate research and development, creativity and inventiveness. If things can be copied/counterfeited easily, there is no incentive.

**Session 10: IP and Access to Health** – Panel Discussion led by Mr Muhammad Haroon Qasim, Chairman, Pakistan Pharmaceutical Manufacturers Association, Islamabad:

- There are currently 688 pharmaceutical companies in Pakistan – 405 are registered pharmaceutical manufacturing units including 28 MNCs. Each unit employs 100 – 2000 people and indirect employment amounts to two million people.
- There are two product types – research brands (MNCs) and generic brands (local/national companies). The latter tripled in size in 2007. Pakistan’s pharmaceutical industry meets 90% of demand and medicines are affordable to patients as they are produced locally. They also export to more than 25 countries.
- The IPR system must achieve “equilibrium” between public interest and private benefits and take into account “local ground reality”.

**Closing Remarks:**

Ambassador Rodolfo Severino, Head, ASEAN Studies Centre (ASC) remarked that each session deserves a standalone workshop though the underlying theme is that of a balanced approach to IPR.

Mr Candra Darusman concluded that the title of the conference speaks for itself – the challenges and the opportunities of IPR- “IP is like the wind – one can realise its effect but cannot see it”.