



Statement by His Excellency Archbishop Silvano Tomasi, Permanent Observer of the Holy See to the United Nations and Other International Organizations in Geneva
at the 48th Series of Meetings of the WIPO General Assemblies
Geneva, 21 September 2010

Mr. President,

The Delegation of the Holy See greatly appreciates that the focus of attention of this High-Level Segment of the 48th Series of Meetings of the WIPO's General Assemblies is directed to the critical issues of innovation, growth and development: enhanced creativity opens new concrete options for all.

The *raison d'être* of the protection system of intellectual property is the promotion of literary, scientific or artistic production and, generally, of inventive activity for the sake of the "common good". Thus, protection officially attests the right of the author or inventor to recognition of the ownership of his work and to a degree of economic reward. At the same time, it serves the cultural and material progress of society as a whole. According to article 27 of the Universal Declaration of Human Rights, "Everyone has the right to the protection of the moral and material interests resulting from any scientific, literary or artistic production of which he is the author". In the end, intellectual property protection recognizes the dignity of man and his work that becomes an expression of, and a contribution to, the growth of the individual personality and to the common good.

Economists recognize several mechanisms through which Intellectual Property Rights (IPRs) may stimulate economic development: these are interdependent so that a broad view of incentives associated with IPRs is appropriate. They devote much attention to this issue, but evidence to date is fragmented and somewhat contradictory, in part because many of the concepts involved have not yet been measured. A stronger system of protection could either enhance or limit economic growth. While strengthening IPRs has potential for enhancing growth and development in the proper circumstances, it might also raise difficult economic and social costs. Indeed, developing economies could experience net welfare losses in the short run because many of the costs of protection could emerge earlier than the dynamic benefits. This situation explains why it is often difficult to organize a convergence of interests in favor of reform of intellectual property in developing countries.

The adoption of stronger IPRs in developing countries is often defended by claims that this reform will attract significant new inflows of technology, a blossoming

of local innovation and cultural industries, and a faster closing of the technology gap between developing and developed countries. It must be recognized, however, that improved IPRs by itself is highly unlikely to produce such benefits.

The increase of benefits deriving to countries from IPRs depends on their ability to absorb and develop technologies and new products. In this context, three issues are critical for development purposes. First, it is clear that the ability to adapt new technologies to local industrial uses is improved if it meets with high levels of education and an adequate qualified human capital. Thus, there are important payoffs in providing access to technical training and secondary or university education. Second, the absorption of foreign technologies to enhance productivity, in a critical way, depends on the Research and Development (R&D) performance of local enterprises. This observation points to the importance of developing an effective technology policy for promoting technical change in domestic enterprises. Such programs could include technology demonstration projects, information sharing through conferences, the encouragement of research, joint ventures, and improved linkages between public research institutes and enterprises.

Third, in many countries a relevant problem is the inability of research institutes to bring their inventions to market in a useful way. Stronger IPRs alone would help in this context, but so also would development contracts between institutes and enterprises with defined ownership shares and increased flexibility for researchers to form new business concerns. Last but not least, it is also important for countries to encourage the development of financial markets in such a way that they become capable of managing the significant risks involved in technology development.

Mr. President,

These few observations want to underline the conviction that the main goal of the international community in developing a fair regime of intellectual property rights should aim toward the good of all, the pursuit of more equitable international relations, especially with regard to poorer and more vulnerable people. Of this goal we are reminded by Pope Benedict's latest Encyclical Letter: *"...in the context of immaterial or cultural causes of development and underdevelopment, we find these same patterns of responsibility reproduced. On the part of rich countries there is excessive zeal for protecting knowledge through an unduly rigid assertion of the right to intellectual property, especially in the field of health care. At the same time, in some poor countries, cultural models and social norms of behaviour persist which hinder the process of development."*¹

¹ Pope Benedict XVI, Encyclical Letter *Caritas in veritate*, n.22