



# Policy Implications: International Competition Dimension at Stake

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**Presentation in the South Centre Seventh South Innovation Perspectives Series Seminar on the topic:  
Development at Stake:**

**Addressing the Anti-Competitive Effect of IPRs in Standardization**

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# Challenges: A Global one

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IPRs in ICT standardization: hold-up and royalty stacking

- Disclosure:
  - one standard, thousands of patents
  - patent search does not help much
- Licensing:
  - RAND is to be interpreted by patent holders
  - Injunction gives patent holders more advantage
  - Stacking has not been well addressed by courts



# Concerns: Developed countries

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- Fair competition in developed countries such as US, EU, Japan
  - Mandatory disclosure of the IP information and licensing terms
  - A contract, fraud, unclean hand, no support to patent claims.
  - Misuses of patent rights if too high royalty? EFD?
  - Compulsory licensing such as Microsoft case
- US: IPR protection is a priority
- EU: Neelie Kroes's speech on open standards

<http://europa.eu/rapid/pressReleasesAction.do?reference=SPEECH/08/317&format=HTML&aged=0&language=EN&guiLanguage=en>online

- Japan: government research and standardization



# Concerns: Developing countries

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- Manufacturers go bankrupt:
- Custom enforcement according to TRIPs
- Large amount of profits go for royalty
- Sustainable innovation
- High price for ICT products
- ICT infrastructure, online education, healthcare, etc.



# Concerns: Information society

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- Open standards, open IP in small but advanced countries such as Denmark, Netherlands, and city government such as Munich, Bristol...
  - Interoperability for e-Government
  - High cost of information facilities
  - Information security and traceability
  - national security



## Actions to be taken

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- UN/WSIS:UN/IGF
- WTO: Chinese submission on IPRs  
Issues in Standardization  
(G/TBT/W/251,G/TBT/W/251/Add.1)
- WIPO: Report on International Patent  
System (SCP/12/3)
- SOUTH CENTRE: this seminar



# Actions by GOVERNMENTS

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- Awareness
- Confidence and promising envision of digital welfare
- Competition law
- Open standard policy: government procurement
- Legitimate requests in international policies
- Priority in international aid programs
- Aimed at both information industries themselves and education, health care facilitated by information technology



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· Thank you for your attention!

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