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THE PRESIDENT OF THE
REPUBLIC OF BULGARIA



WORLD INTELLECTUAL
PROPERTY ORGANIZATION

**INTERNATIONAL CONFERENCE ON
INTELLECTUAL PROPERTY, THE INTERNET,
ELECTRONIC COMMERCE AND TRADITIONAL KNOWLEDGE**

organized
under the auspices of
His Excellency Mr. Petar Stoyanov, President of the Republic of Bulgaria

by
the World Intellectual Property Organization (WIPO)
in cooperation with
the National Intellectual Property Association of Bulgaria

**Boyana Government Residence
Sofia, May 29 to 31, 2001**

*Message to the Conference
from
His Excellency Mr. Petar Stoyanov, President of the Republic of Bulgaria*

Excellencies,
Ladies and Gentlemen,
Director General of the World Intellectual Property Organization,

I would like first to welcome you to Bulgaria and wish you all fruitful work and an enjoyable stay in my country!

It gives me special pleasure to see so many people from all over the world gathered here, in the capital of Bulgaria, to discuss three subjects that at first glance appear to have little in common – Intellectual Property, Internet and Traditional Knowledge. I must admit that when we first discussed them I wondered if we would succeed to link them in the best possible way so as to make them attractive to the specialists and the business community. Your presence here today proves that the choice was right.

For centuries the Bulgarians have considered knowledge and education the most important human values that should be acquired and developed. Bulgarian parents have always been ready to make sacrifices in order to provide education and knowledge for their children. Respect for the cultural heritage and national traditions has been instrumental in safeguarding the identity of our people and the nation in hard moments of our history.

Today Bulgaria is a part of a new radically changing world that is profoundly different even from the more recent pre-World War II realities. Globalization is a magic word arousing sentiments that range from awe and admiration to total negation!

During the past decade we have seen sufficient evidence of the potential of globalization to address contemporary issues and open up new horizons before humankind, but also to create difficulties that find us unprepared. Meanwhile we have realized that we cannot choose to accept globalization or reject it, for it is a fact which cannot be ignored. Therefore, the need to manage globalization becomes ever more obvious.

Globalization should not be left to unfold spontaneously if we are to contain its negative effects before it gets too late. For it has a tendency of spreading beyond the economy and technology into the sensitive domain of culture, national traditions and customs. This is where it needs to be regulated after a thorough international analysis and an adequate legislation including in the area of protection of intellectual property rights, traditional knowledge and biodiversity.

We have been witnessing not only a global technological revolution, but also an explosion in the flow of information, trade, research and development, cultural exchange. The volume of trade in technology and high-tech goods has grown and gained speed compared to that in raw materials or traditional goods.

Ideas and knowledge are crossing national boundaries without restriction, tourism contributes to cross-cultural exchanges and the development of information technology brings closer together people and nations geographically divided by thousands of kilometers.

Knowledge-based, information-technology-driven industries, such as the software and entertainment industries, have enjoyed spectacular growth. Electronic commerce – an almost unknown phenomenon some five or six years ago – now spans all continents, and has redefined the way we do business, opening up markets and opportunities for both buyers and

sellers. It is estimated that the revenue from e-commerce will reach 500 billion dollars in the next few years.

Today, in the dawn of the new century we can say that it will be the century of knowledge and the intellectual capital.

The classical industrial society is being increasingly replaced by a new knowledge-based economy where ideas and innovation, rather than land or natural resources, have become the main source of economic growth and competitive advantage for companies or nations. However, ideas have no value until they are converted into tangible things. Things do not happen. They are made by humans. In this context intellectual property seems more and more relevant to every aspect of our life.

Many countries have realized that their people are among their most precious assets, with creative and innovative ideas, and governments and policymakers are advised to explore the possibilities of creating a business and economic environment in which such creativity and innovation can flourish and develop.

As intellectual property has become a key tool for wealth creation, its protection has taken on an even greater significance.

The effectiveness of the intellectual property protection system depends on a broad understanding of the system and its advantages. In such an environment, creativity will flourish and the importance and relevance of intellectual property rights in key policy spheres such as trade, health, investment, environment, food safety, biotechnology, scientific and technological advancement, culture and heritage, and folklore, will be fully recognized.

The dynamics of today's technological environment are challenging the intellectual property system on many fronts. On the one hand, the system is responding to the demands made on it by the new economy and on the other, it is actively seeking to address the concerns and needs arising from new and emerging intellectual property issues, such as traditional knowledge, biotechnology, and genetic resources.

In an age when ideas command immense values, it is not surprising that the ownership rights in those ideas have become a matter of intense policy debate and legal argument, and also competitive bidding by the business community.

Many economic studies suggest that strong protection of intellectual property rights is among the most effective means of promoting innovation, knowledge sharing and overall economic growth. But as some experts suggest we cannot ensure higher protection today only by way of raising the standards of protection. There is obviously a limit to this. We should, perhaps, look into other ways and means of generating growth through intellectual property rights. Taking into account the state of affairs today and the fact that the existing system of protection may not be entirely fit for the future, we should encourage not only the vertical development of the system, but also its widening.

Taking into account that growth in many countries is related to the dynamic development of the small and medium-sized enterprises, as a backbone of their economies, the Intellectual Property system should be made more accessible for SMEs and some activities could be undertaken to this end.

In my opinion it is beyond any doubt that intellectual property issues and those relating to the ongoing and future technological and computer revolution, will increasingly become topical for all of us during the next century.

The global technological and information revolution and the advancement of the intellectual creativity to a first rate productive power offers countries like Bulgaria a unique chance to shorten the distance between them and the most advanced countries.

I have to admit that, in the last 50-60 years, despite Bulgaria's well known talent and gifts, intellectual property protection was somewhat neglected. In recent years, however, all serious institutions and politicians have been aware that in countries such as Bulgaria, with its considerable scientific and technical potential, and a youth known for its adaptability to the contemporary aspects of the computer revolution, intellectual property protection may become an important prerequisite for Bulgaria's success. The intellectual energy of the young Bulgarians should be channeled into publicly useful lawful activities, which will benefit both the authors of ideas and society as a whole; the benefit will also go to the whole world and all our friends, who have recognized that, in the past few years, Bulgaria, as a country, has managed to cope with a problem that is becoming increasingly important.

Astute minds have realized early enough that ideas are more valuable than money. Yet, the road leading from ideas to money often involves quite complicated transformations and, to ensure that such a transition is brought about successfully, the ideas have to be protected in one way or another. It is quite clear that creating awareness of the significance of intellectual property issues, and a protection of intellectual property rights should become the priority of any society expecting dividends and benefits from the scientific, technical and high-tech revolution. In this context I regard intellectual property issues as a potential source of immediate benefits.

During the last few years we have laid the foundation of a comprehensive intellectual property legislation: new laws have been promulgated in all fields of intellectual property, the Patents Act, the Copyright and Related Rights Law and before that the Patent Law, the Law on the Topology of Integrated Circuits, the Law on Industrial Design and the Law on Trademarks and Appellations of Origin.

Bulgaria has been a member of the World Intellectual Property Organization and its predecessor since 1921. Today it has joined the WIPO Performances and Phonograms Treaty and the WIPO Copyright Treaty, known as the Internet Treaty. The Bulgarian Parliament has also ratified, in one of its last sessions, the Protocol to the Madrid Agreement for the International Registration of Marks.

We have had an excellent cooperation with the World Intellectual Property Organization and I am pleased that Sofia was selected as the venue of its International Conference that will discuss issues of vital importance for the intellectual property system and challenges that will have to be addressed as early as possible if we wish to keep abreast of the dynamic developments.

Before concluding, I would like to share with you some thoughts from a slightly different perspective. A perspective from which not just the modern technologies but also the modern perceptions of the world and its future should be influencing the policy-making process. This point of view acquires special relevance within the context of the political developments we have been witnessing west of here.

Today there are still people who base their national ideal on criteria such as national territory, the abundance of raw materials, the size of the population and the strength of the armed forces. All wars were focussed mainly on these aims: to expand the national territory, to conquer territories richer in raw materials and to build up a powerful army which, in turn, would allow the gains to be repeated and increased.

However after the Second World War and especially today, in the dawn of the new century, we can reassess conventional values. Things have been changing since the intellectual product and the idea have been given prime importance. The human individual is no doubt in the focus of contemporary politics. Today, self-esteem and even the sense of national pride is no longer determined by the size of the national territory, or the country's resources, or the strength of its armed forces. The national self-confidence today depends on the standard and quality of life, the unique chance to have access to new ideas circulating around the world, the possibility to move around and seek employment where one feels best. Had the old national ideal, based on territory, natural resources and army been still valid, then just 15 years ago the citizens of the former Soviet Union should have ranked first in terms of national pride. For they certainly lived in the largest country, the richest in natural resources and with the biggest army. By the same token the citizens of Luxembourg, Belgium, or Singapore should have suffered from a chronic deficiency of national pride. Nothing of the sort: all of us, the citizens of the former Soviet Union and the other communist bloc countries suffered from the lack of democratic rights, a decent standard of living, and the impossibility to participate fully in a globalizing world, deprived, as we were, of access to the ideas and knowledge circulating in it. All this was despite the remarkable human resource of our countries!

We clearly need to redefine the notion of national ideal and get rid of the nostalgic spell we have been captives of for so long. Loving our countries no less than before, guarding our national identity and culture, we should raise our awareness of our citizens' new needs, the new conditions created by the processes of globalization, and finally, the new challenges the world is facing.

Ladies and gentlemen,

I do not wish to be seen as lecturing to you. I am sure you are all better prepared than me to discuss all the aspects of intellectual property, Internet, E-commerce and traditional knowledge. Once again, I wish you a warmest welcome, fruitful deliberations and important decisions! My special thanks and greetings to our foreign guests, to all those who did not spare time and effort to prepare this Conference and guide your discussion towards satisfactory results.

I am glad that your deliberations will be transmitted live over the Internet. Congratulations for this idea to use the modern technology for spreading information and knowledge worldwide! I take this opportunity to greet also those who are following the Conference over the Internet and to invite them to visit Bulgaria.

Once again – a successful conference and a pleasant stay in our country to our foreign guests!
