Project CDIP/5/7
IP and Socio-Economic Development

Economics & Statistics Division
Background

Development Agenda Recommendations:

#35: “To request WIPO to undertake, upon request of Member States, new studies to assess the economic, social and cultural impact of the use of intellectual property systems in these States.”

#37: “Upon request and as directed by Member States, WIPO may conduct studies on the protection of intellectual property, to identify the possible links and impacts between IP and development.”

Country Studies Project CDIP/5/7 approved at Fifth Session of CDIP in April 2010

6 country studies:
Brazil, Chile, China, Egypt, Thailand and Uruguay

Project completed in December 2013.
Motivation

- Economist argue against “one-fits-all-approach” to the design and implementation of an IP system
- Policymakers in developing countries lack capacity for evidence-based decision-making
- State of evidence as of 2010: cross-country econometric evidence of limited credibility, anecdotal evidence
Project approach

- **Institutional:**
  - Open to any request from Member States
  - Extensive consultations on analytical needs with governments
  - Collaboration with international experts and local researchers
  - Workshops & peer review

- **Methodological:**
  - Develop new micro-databases on IP use
  - Mobilize other micro-databases (e.g., innovation surveys, pharmaceutical market structure)
  - Case studies
## Summary of outputs

<table>
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<th>Country</th>
<th>Outputs</th>
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| BR      | • Use of IP (CDIP/11/INF/3)  
          | • IP and Export Performance of Brazilian Firms (CDIP/14/INF/5)  
          | • Creation of IP statistical database (CDIP/14/INF/6) |
| CL      | • Use of IP (CDIP/11/INF 4)  
          | • Trademark Squatting (CDIP/14/INF/3)  
          | • Foreign pharmaceutical patenting |
| CN      | • Role of Patents in Business Strategies (CDIP/13/INF/8)  
          | • International Patenting Strategies of Residents (CDIP/13/INF/9) |
| EG      | • Role of IP on the Information Technology Sector (CDIP/13/INF/7) |
| TH      | • Use of Utility Models (CDIP/12/INF/6)  
          | • Economic impact of Utility Model use (CDIP/14/INF/4) |
| UY      | • Role of IP in the Forestry Sector (CDIP/11/INF/2)  
          | • IP and Pharmaceutical Industry (CDIP/13/INF/5) |
Mapping IP use with micro-data sources

- Using existing micro-data
  - Innovation and industrial surveys: Brazil

- Creation of IP statistics database from IP unit-record data
  - Brazil, Chile, China, Thailand and Uruguay

- Expanded with microeconomic data
  - Chile, China, Thailand and Uruguay
Value of an approach by industries

Dedicated studies

- IP in the IT Sector Egypt (CDIP/13/INF/7)
- IP in the Forestry Chain in Uruguay (CDIP/11/INF 2)
- IP in Pharmaceutical Industry in Uruguay (CDIP/13/INF/5)

Results from broader studies

- Intensive use of patents by Brazilian services (CDIP/11/INF/3)
- Higher use of patent by Chilean mining sector (CDIP/11/INF 4)
- Higher use of UM by Thai food industry (CDIP/12/INF/6)
- Intensive use of TM by Uruguayan pharmaceuticals (CDIP/13/INF/5)
- In China, ICT sector is the most foreign-oriented patent filer (CDIP/13/INF/9)
IP-economic performance link

Without establishing causality, we do find significant correlation:

- Brazilian firms using IP observe better performance than non-users (CDIP/11/INF/3)
- Brazilian exporters use patents more intensively (CDIP/14/INF/5)
- Thai companies observe better performance after using UM (CDIP/14/INF/4)
Microeconomic IP behavior

Microeconomic IP behavior is shaped by policy and environment

- In Brazil, IP users collaborate more to achieve innovation (CDIP/11/INF/3)
- In Chile, TM filing behavior changes after squatting (CDIP/14/INF/3)
- In Thailand, UM introduced new users to the IP system (CDIP/12/INF/6)
- In Uruguay, IP reform triggered a technological shift of patent filings (CDIP/13/INF/5)
Conclusions

- Project generated new empirical insights, especially on micro-patterns of IP use and socio-economic performance.
- Project generated new datasets, contributed to the creation of research capacity and national appropriation of the outcomes.
- We need to remain humble: fundamental challenge of convincingly establishing causality; many new questions raised.
- Beneficiaries expressed interest in continuing the study work.
- Several governments expressed interest in participating in a future project.