

We have duly noted the LDC group's request for an extension of the transitional period for TRIPS implementation. We recognise that LDCs remain confronted with critical challenges in their economic development. This underscores the importance and roles of trade and innovation. But we also recognise the importance of flexibility and policy space for LDCs' needs. Therefore the EU is willing to consider an extension beyond the current deadline of July 2013.

This is not the first time the TRIPS Council is asked to consider an extension of the TRIPS transition period – indeed, it is the third time during the last decade and a half. Against this background, and before we consider the future, we believe it is not only useful but also necessary for the Membership to look back. To look back at what was done in the past in the TRIPS Council, and to look back at what has happened on the ground in LDCs during the past transition period in particular, in order to help us move forward. It would be irresponsible as members of this body to consider the future if we do not consider what has worked and what has not worked in the past.

In 2005, we extended the transition period for 7.5 years. We also considered enhanced technical cooperation for LDCs, including an assessment that LDCs were to provide of individual priority needs for such technical and financial cooperation. However, the proposal we are discussing today does not mention specific timeframes or cooperation.

Through informal consultations with LDCs we have been able to appreciate the thinking behind this proposal. It has been explained that the proposal uses the same threshold as that of 2005 – that is, graduation from LDC status as the date from which the TRIPS would be implemented. However, this threshold does in our view not speak to the timeframe of the transition period, but speaks to its scope. From the moment an LDC ceases to be an LDC, it could simply not benefit from a privilege that is designed for LDCs and LDCs only. Making that now the criterion for the transition period itself rather than considering it a marker for its scope, is difficult to accept, for it does not consider in any way what and how IP could help LDCs to transition out of LDC status (which should of course be the ultimate aim), nor does it take into consideration the efforts that many countries have made up to now.

In the EU's view, any transition, whatever its nature, should consider two questions: where are we now and where are we going? So we need a sense of where we are on the map and we need a compass, even if it does not provide for nothing more than a broad sense of direction. This is what we would like to discuss further.

Where are we now? A study that considers the progress made by LDCs in introducing IP systems in their jurisdictions is being conducted, financed by one of our Member States and facilitated by the WTO Secretariat. We hope this study, which we have not seen yet but expect soon, could be a valuable starting point for our discussion and for the question of what challenges are outstanding regarding TRIPS implementation. We

would look forward to engaging with LDCs further on this question without, however, wanting to create a reporting or notifying burden for them.

Where are we going? The most important concern the EU has with the proposal we received is that it lacks both a clear and predictable perspective and it remains silent on how IP and the TRIPS Agreement could specifically help LDCs in building a viable technological base. LDCs have repeatedly made their voices heard at the WTO, certainly during the Priority Needs Symposiums, of the importance they attach to intellectual property and innovation as tools for development. Significant work has already been achieved in development of intellectual property systems, for which LDCs should be congratulated and encouraged.

Extensive technical assistance efforts have been made from Members and international organisations like WIPO. The EU has certainly strived to do its part in this regard and we are ready to help LDCs further where they most need it.

But we need space to take into consideration the reality of different situations on the ground, whatever they may be. All members are interested in having a better understanding of the state of play of implementation, and therefore the study is very much appreciated and welcomed. Proper consideration should be given to how technical assistance can be targeted to help LDCs, potentially focusing primarily on areas of most immediate utility, and with realistic timeframes in place.

Therefore we consider that the most appropriate step forward is to examine a sensible and useful extension for LDCs as a group, that takes account of the situation on the ground, and that agreeing a more thought-out process for the future will give us an organised and flexible approach. We hope the chair would be willing to guide informal consultations so that a decision could be arrived at which achieves this.