



KEI intervention: TTIP Stakeholder events Round 10, Brussels (15 July 2015)

10th TTIP Stakeholder Event, Round 10

SESSION 2 Issues related to intellectual property including Geographical Indications and public health

A Positive Agenda for TTIP

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My presentation today will address creating a positive agenda for TTIP focusing on the following six themes

1. Cooperation in funding R&D as a public good
2. Promoting the transparency of drug development costs, revenues, and prices
3. Standards for putting government funded research data and articles into free public archives
4. Implementing the Marrakesh treaty
5. Promoting open standards
6. Addressing tax avoidance for businesses and corporations

Cooperation in funding R&D as a public good

Rather than focus on stronger and stronger intellectual property rights, and higher drug prices, TTIP could focus on other measures that fund R&D. For example, right now the United States alone provides a hefty tax credit to offset the cost of clinical trials for Orphan Drugs, including 9 of the 10 new cancer drugs approved in 2014. The NIH remains the most important funder of medical research, through grants and contracts. Some governments are experimenting with innovation inducement prizes to reward successful R&D efforts. We must recognize the value of these and other approaches to funding R&D, and implement new global agreements to expand R&D funding without raising drug prices. Ultimately, we must fully de-link R&D costs from drug prices, expanding access, improving health outcomes, and saving costs.

Transparency

There are all sorts of areas where transparency is in the general public's interest, but it may be challenging or costly for a national government to create and enforce obligations. Examples of areas where transparency could be seen as a global good would include access to data from clinical trials on drugs and vaccines, as well as reporting of the economics of research development costs, prices, revenues and marketing costs.

Open Access

In some countries, government funded R&D includes an obligation to place published research into open Internet archives, as a global public good. Why not use trade agreements to expand this practice?

Implementing the Marrakesh Treaty

The TTIP should serve as a platform for the EU and the US to agree to ratify and implement the WIPO Marrakesh Treaty for Persons Who Are Blind or Otherwise Disabled, and expand access to works accessible to persons with disabilities.

Other Copyright Exceptions

Parties could also address the need for robust cross-border copyright exceptions relating to uses involving social media, distance education, orphan works and the preservation and archiving of works, as well as the mandatory exceptions for quotations and news of the day, to mention a few areas where global norms are important.

Open Standards and Government Procurement

Trade agreements could facilitate better cooperation in government procurement, not only to obtain better prices, but to change product standards in ways that benefit users. For example, software procurement could require open file formats, and even making the code open source, if not immediately, then within a reasonable amount of time.

Addressing tax avoidance for business and corporations

With the US heading toward new trade deals involving 29 of the 34 OECD countries, it would seem possible to do something about taxing multinational corporations and super wealthy individuals. Today, there is competition among OECD countries to provide lower taxes on corporate profits. But a trade agreement with the right members could reverse this trend, and ensure that companies are not paying ridiculously low tax rates on billions of dollars in profits. One model for this could be the Multi-state Tax Compact, which has operated in the United States since 1967, and which seeks to allocate the basis for profits taxes among U.S. states, according to a three factor formula that includes plant, employees and sales.

Conclusion

Trade policy is too important to be left to trade negotiators who only think about corporate agendas. R&D is not only about ever higher drug prices. Trade policy is not just about cheaper cotton shirts, or selling more consumer electronics. Trade policy is not only about creating massive concentration in the banking sector. It is about building a future where we will live and build communities, enhance development and achieve social justice.

Much of this based upon the longer article, written in the middle of the US debate over fast track trade authority, "[What Would a Good Trade Agreement Look Like?](#)", Huffington Post, June 12, 2015.