



Dear Delegates,

In a couple of months, you will come together to discuss topics surrounding one of the most influential factors in world politics: trade. As part of MITMUNC's World Trade Organization (WTO) committee, your goal will be to facilitate trade negotiations, implement and monitor trade policies, settle trade disputes and help members build trade capacity. Specifically, at this year's conference, we want to focus on two important topics: intellectual property protection and trade policies to combat climate change.

Intellectual property protection rights are a critical part of multilateral trade and have been evolving rapidly in recent years. With the rise of the information age, where ideas carry more value than tangible assets, it is important that our IP laws evolve appropriately to facilitate global trade. The goal of this topic will be to find solutions to issues with global intellectual protection rights such as difficulties enforcing these rights, high cost of implementation, consequences for public health and the rise of bio piracy.

The issue of global warming has been on the front page for over a decade now. But, although there have been significant steps made towards sustainability and carbon footprint reduction on the global level, there remains significant structural changes that need to be made such that nations will be held more accountable and so that the world can make greater strides towards a cleaner future. The goal of this topic will be to craft solutions to incentivize reducing our impact as a global community through trade policies, and perhaps motivating more eco-friendly methods of production and goods produced.

Throughout the conference, we—your committee chairs—will be there to encourage you to create real and sustainable solutions for the topics we have set. Hopefully, we will even be able

to bring a smile to your faces every once in a while. As we will be spending the majority of the conference together, we thought it would be nice to introduce ourselves and give you some insight to our unique cultural and MUN backgrounds.

My name is Brook. I am a senior, majoring in chemical engineering and minoring in economics. I grew up in Addis Ababa, Ethiopia. During high school, I attended three MUN conferences in Ethiopia, Kenya and the USA and served as the Secretary General of my high school's MUN club. One interesting fact about me is that this is my fourth time chairing at MITMUNC.

My name is Melanie. I am a sophomore majoring in computer science and minoring in economics. I'm from Bellevue, a suburb of Seattle. During high school, I led my school's Math Club, Science Club, and DECA Chapter, and am very excited to be hosting MITMUNC with my peers at MIT. One interesting fact about me is that I will be living in Casalmaggiore, Italy for a month this coming January!

We are very excited about working with you and can't wait to see how you will tackle the topics of intellectual property protection and trade policies to combat climate change as the countries you represent. "An education at MIT is like drinking from a fire hose" - there is an incredible intensity in both the people and place. Welcome to our fire hose! We hope you enjoy the buzzing environment you will find yourself in. See you at MITMUNC 2018!

Sincerely,

Brook Eyob & Melanie Chen

Topic A: Trade Policies to Combat Climate Change

Introduction

The United Nations has clearly defined slowing global warming and improving global sustainability as one of its major goals over the past decade. In addition to the annual UN Climate Change Conferences, which have been reoccurring since 2005, the topic of climate change itself has been acknowledged by many nations to be a significant issue since the 1979 World Climate Conference, one of the first international meetings on climate change. More recently, in January of 2016, the 17 Sustainable Development Goals (SDGs) of the 2030 Agenda for Sustainable Development came into force, and several countries signed the Paris Agreement which went into effect in November of 2016. The 17 Sustainable Development Goals were adopted to “end poverty, protect the planet and ensure prosperity for all as part of a new sustainable development agenda. Each goal has specific targets to be achieved over the next 15 years.”¹ Then, the main goal of the Paris Agreement is “to strengthen the global response to the threat of climate change by keeping a global temperature rise this century well below 2 degrees Celsius above pre-industrial levels and to pursue efforts to limit the temperature increase even further to 1.5 degrees Celsius. Additionally, the agreement aims to strengthen the ability of countries to deal with the impacts of climate change.”² These are currently the United Nations’ largest initiatives responding to climate change.

At the moment, “WTO members are working to eliminate trade barriers in the goods and services that can benefit the environment. Facilitating access to products and services in this area

¹ UN. (n.d.). *Sustainable Development Goals*. Retrieved 25 Nov. 2017, from UN: <http://www.un.org/sustainabledevelopment/sustainable-development-goals/>

² UNFCCC (12 Oct. 2017). *The Paris Agreement*. Retrieved 25 Nov. 2017, from UNFCCC: http://unfccc.int/paris_agreement/items/9485.php

can help improve energy efficiency, reduce greenhouse gas emissions and have a positive impact on air quality, water, soil and natural resources conservation. A successful outcome of the negotiations on environmental goods and services could deliver a triple-win for WTO members: a win for the environment, a win for trade and a win for development.”³ So, the WTO has a history of being involved in negotiating trade deals that benefit the environment as well as nations involved.

Purpose and Activities of the WTO:

“The World Trade Organization--the WTO--is the international organization whose primary purpose is to open trade for the benefit of all.”⁴

“The WTO provides a forum for negotiating agreements aimed at reducing obstacles to international trade and ensuring a level playing field for all, thus contributing to economic growth and development. The WTO also provides a legal and institutional framework for the implementation and monitoring of these agreements, as well as for settling disputes arising from their interpretation and application. The current body of trade agreements comprising the WTO consists of 16 different multilateral agreements (to which all WTO members are parties) and two different plurilateral agreements (to which only some WTO members are parties).”⁴

“The WTO’s main activities are:

- Negotiating the reduction or elimination of obstacles to trade (import tariffs other barriers to trade) and agreeing on rules governing the conduct of international trade (e.g. antidumping, subsidies, product standards, etc.)

³ WTO. (2017). *Activities of the WTO and the challenge of climate change*. Retrieved 25 Nov. 2017, from WTO: https://www.wto.org/english/tratop_e/envir_e/climate_challenge_e.htm

⁴ WTO. (2017). *Overview*. Retrieved 25 Nov. 2017, from WTO: https://www.wto.org/english/thewto_e/whatis_e/wto_dg_stat_e.htm

- administering and monitoring the application of the WTO's agreed rules for trade in goods, trade in services, and trade-related intellectual property rights
- monitoring and reviewing the trade policies of our members, as well as ensuring transparency of regional and bilateral trade agreements
- settling disputes among our members regarding the interpretation and application of the agreements
- building capacity of developing country government officials in international trade matters
- assisting the process of accession of some 30 countries who are not yet members of the organization
- conducting economic research and collecting and disseminating trade data in support of the WTO's other main activities
- explaining to and educating the public about the WTO, its mission and its activities.”⁴

Potential Improvements to Current Agreements:

As we have already mentioned, previous regulations that have been put into place to promote sustainability include the Paris Agreement and the 17 SDGs. The 17 SDGs largely promote a general mindset or perspective to keep in mind when developing and discussing policies within the United Nations member countries. However, the Paris Accords have a few specific rules that the countries who signed have agreed to follow. The rules are:

- “a long-term goal of keeping the increase in global average temperature to **well below 2°C** above pre-industrial levels;
- to aim to limit the increase to **1.5°C**, since this would significantly reduce risks and the impacts of climate change;

- on the need for **global emissions to peak as soon as possible**, recognising that this will take longer for developing countries;
- to undertake **rapid reductions thereafter** in accordance with the best available science.”⁵

Then, given these current regulations, it would be interesting to consider implementing further regulations on international exports, particularly in terms of penalizing goods that are harmful to the environment and perhaps encouraging production and trade of more sustainable goods. It is important to recognize that economic development has been significantly involved with the exponential growth in population, carbon emissions, and unsustainable consumption, hence economic development should also be considered in the solution to these issues.

In the 2005 World Summit on Social Development, economic development was identified as one of the three pillars in the philosophy and social science of sustainable development.

“[Economic development] is the issue that proves the most problematic as most people disagree on political ideology what is and is not economically sound, and how it will affect businesses and by extension, jobs and employability (2, p4). It is also about providing incentives for businesses and other organisations to adhere to sustainability guidelines beyond their normal legislative requirements. Also, to encourage and foster incentives for the average person to do their bit where and when they can; one person can rarely achieve much, but taken as a group, effects in some areas are cumulative. The supply and demand market is consumerist in nature and modern life requires a lot of resources every single day (6); for the sake of the environment, getting what we consume under control is the paramount issue. Economic development is about

⁵ European Commission (27 Nov. 2017). *Paris Agreement*. Retrieved 27 Nov 2017, from EC: https://ec.europa.eu/clima/policies/international/negotiations/paris_en

giving people what they want without compromising quality of life, especially in the developing world, and reducing the financial burden and “red tape” of doing the right thing.”⁶

Trade Agreements:

One of the responsibilities of the World Trade Organization is to mediate negotiations of regional and preferential trade agreements.⁷ There is a publicly available database of all current trade agreements on the WTO website (<http://rtais.wto.org/UI/PublicAllRTAList.aspx>) but essentially many have suggested trade agreements between the EU and the ASEAN countries to promote sustainable development, suggesting implementations of policies similar to those already present for the countries within the EU. For example, article 3 of the Treaty on the European Union states that:

“The Union shall work for the sustainable development of Europe based on balanced economic growth and price stability, a highly competitive social market economy, aiming at full employment and social progress, and a high level of protection and improvement of the quality of the environment.”⁸

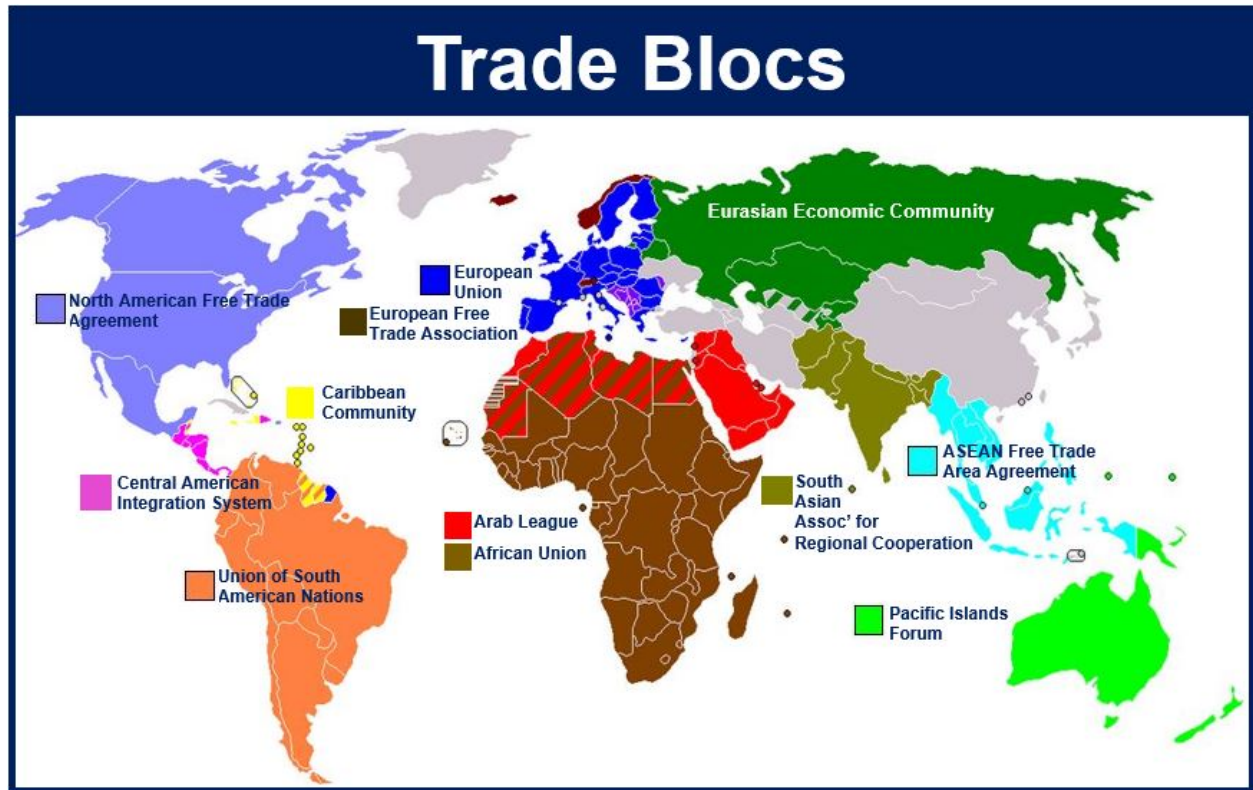
There are currently several other trade blocs that exist, so implementing other new trade policies, new trade agreements, or developing trade blocs for the sole purpose of sustainable development would be interesting.

⁶ Mason, Matthew. (2017). *What is Sustainability and Why Is It Important?*. Retrieved 27 Nov. 2017, from Environmental Science.org: <https://www.environmentalscience.org/sustainability>

⁷ WTO. (2017). *Regional Trade Agreements and Preferential Trade Agreements*. Retrieved 27 Nov. 2017, from World Trade Organization: https://www.wto.org/english/tratop_e/region_e/rta_pta_e.htm

⁸ FMENCBNS. (2017). *European Sustainable Development Policy*. Retrieved 27 Nov. 2017, from bmub.bund.de: <http://www.bmub.bund.de/en/topics/sustainability-international/europe-and-environment/eu-strategy-for-sustainable-development/>

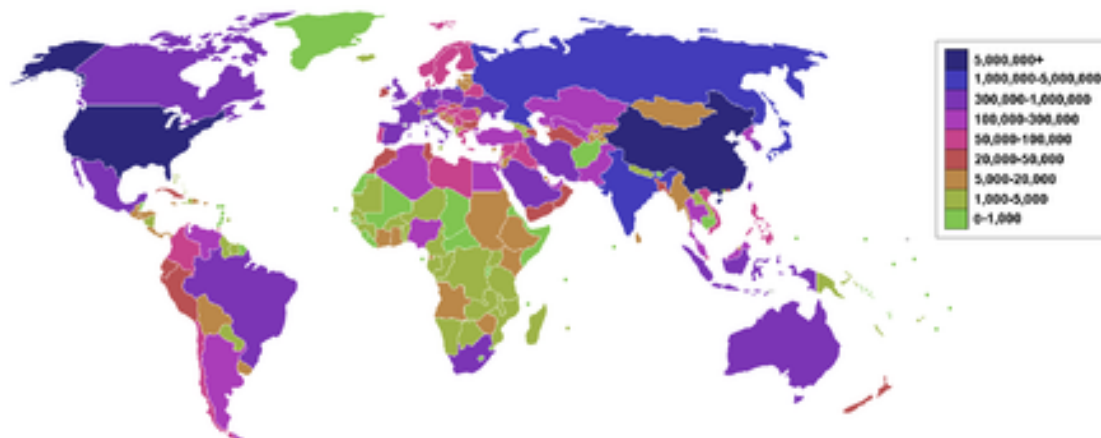
Country Blocs:



<http://marketbusinessnews.com/wp-content/uploads/2015/08/Trade-Blocs.jpg>

There are currently several different trade blocs that are illustrated in the diagram above, some of which already have trade agreements regarding a move towards sustainable development.

However, there are notably a few nations that are not members of any of the trade blocs who are significant contributors to carbon emissions. In comparison, we see with the diagram below that certain countries such as the U.S. and China dominate carbon emissions based on data collected as of 2015.



[https://upload.wikimedia.org/wikipedia/commons/thumb/d/d1/Countries_by_carbon_dioxide_emissions_world_map_deobfuscated.png/440px-](https://upload.wikimedia.org/wikipedia/commons/thumb/d/d1/Countries_by_carbon_dioxide_emissions_world_map_deobfuscated.png/440px-Countries_by_carbon_dioxide_emissions_world_map_deobfuscated.png)

Countries_by_carbon_dioxide_emissions_world_map_deobfuscated.png

Conclusion:

The main focus of this topic will be the analysis of the effectiveness of international trade agreements to increase sustainable development, as well as increasing economic motivation for preventing climate change and working towards sustainability. It is important to consider the ethical, economic, and political implications of these various trade agreements. The WTO's main objective is to generally aid trade in all nations for the benefit of all, but to keep in mind the moral responsibility to encourage sustainability. The focus will be on developing trade agreements of policies to work towards sustainable development and to generally incentivize all nations, or perhaps to enable nations without the means to produce or consume sustainably, to move towards a greener system of international trade.

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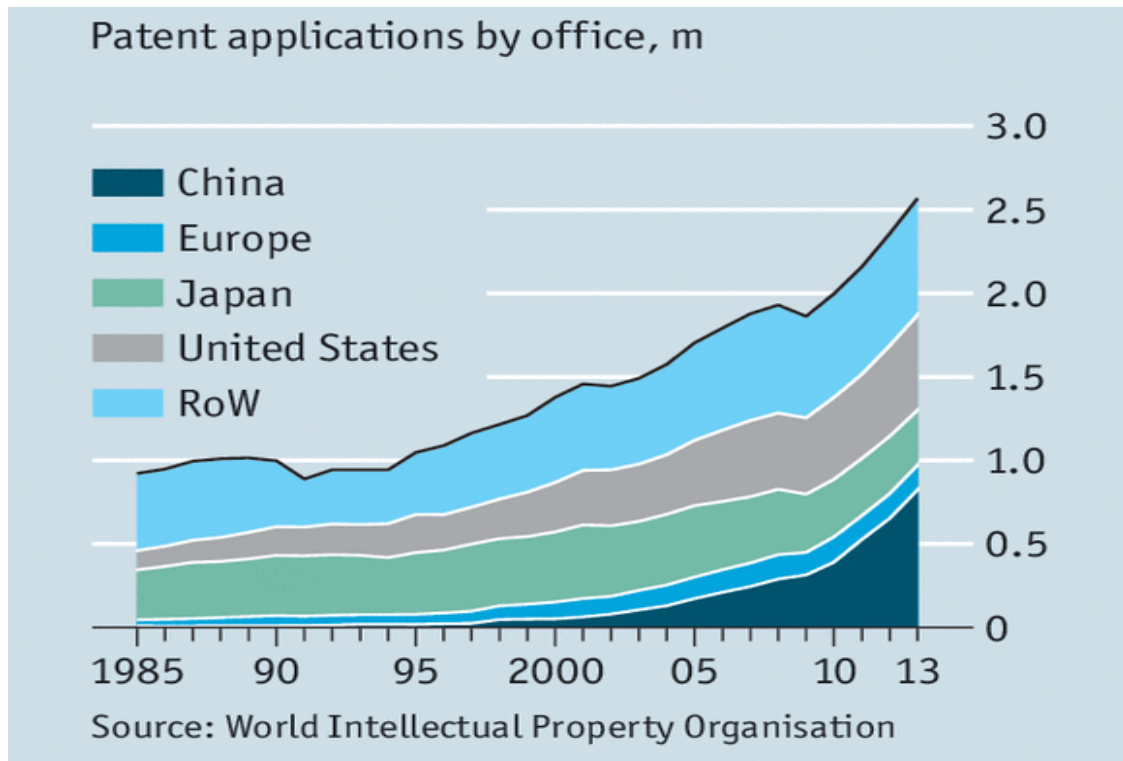
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Topic B: Role of the WTO to Facilitate Equitable Intellectual Property

Protection Rights

Introduction

Non-tangible assets are becoming a more important part of the global economy and are playing a larger role in trade. Many of these assets maintain a significant portion of their value due to the information, creativity and identity they contain rather than their physical components. This makes it very simple to make copies of these assets with limited effort, which in many cases reduces their value to the original owner. Intellectual Property (IP) laws in the form of trademarks, copyrights, patents and trade secrets provide their owners with exclusive rights to creations that protect their hard work. The number of patents being filed has grown exponentially over the past few decades, as can be seen in Figure 1.



Economist.com

Figure 1: Number of patent application between 1995-2013 [8]

Different types of IP rights apply to different creations. Patents give owners the rights to their inventions for a period of time if they publicly disclose their invention, which allows them to exclude others from making, using, selling and importing their invention. Copyrights provide exclusive rights to creators of original works including, but not limited to intellectual, creative and artistic works. A trademark is a unique word, symbol, or phrase that distinguishes a particular manufacturer or seller's products from other similar products. [1] A trade secret is information used by a business to gain competitive advantage over its competitors such as formula, pattern, compilation, program, device, method, technique or process. [2] All these rights provide their owners with the ability to do as they wish with their products and prevent copycats from reducing the value of their product. This has a profound effect on society since it can encourage individuals to create without the fear of others unfairly appropriating their hard work.

Although IP laws are an essential part of the global economy, there are many issues with their implementation, which are exacerbated by foreign trade. IP laws in many countries are drastically different from one another and in many cases contradict each other. This makes it difficult to trade non-tangible assets globally since creators are not always assured the same rights.

WTO's Role

The World Trade Organization (WTO) is the “only global international organization dealing with the rules of trade between nations” [3]. It succeeds the General Agreement on Tariffs and Trade (GATT), which was established after the Second World War as a multilateral trading system. The WTO came into existence in 1995 after numerous trade negotiations that ended with the 1986-1994 Uruguay Rounds. The WTO's main tasks are to facilitate trade negotiations, implement and monitor trade policies, settle trade disputes and help members build trade capacity. The WTO exists to reduce discrimination, promote open trade, ensure predictable and transparent policies and increase competition. To remove barriers to trade associated with IP, the Trade-Related Aspects of Intellectual Property Rights (TRIPS) were implemented in 1994 by the GATT. This system provided a framework for maintaining intellectual property rules during multilateral trade. As part of its mission, the WTO manages the TRIPS Council, which monitors the TRIPS agreement and resolves any issues brought up by member nations. [3] Although the TRIPS agreement has gone a long way to improve IP protection among the WTO's members, a number of issues have still not been resolved. Issues that still arise include the persistent difficulty to enforce these rights in certain countries, cost of implementing rules in certain low and middle-income nations, consequences for public health and the rise of biopiracy.

Difficulty of Enforcing and Implementing

Although the TRIPS agreement provides minimum standards and a framework for protecting the intellectual property rights of its members during multilateral trade, it does not create a single universal patent system. The TRIPS agreement sets forth a list of rules describing the protections that countries must provide as part of their individual intellectual property rights. IP owners generally have to seek protections separately at each country's IP offices and expect protections under the countries unique IP law. This process is very cumbersome and often difficult to navigate. However, it allows countries to customize their IP laws to fit their unique needs and serve relevant industries. Balancing the flexibility to customize IP laws that TRIPS offers with the ease of navigation through the system is key to ensuring appropriate protection of IP. [4]

The TRIPS agreement has resulted in heavy costs for many developing nations to bring their legal enforcement and protections of IP rights up to the minimum standard of the agreement. The laws protecting IP vary greatly and many of these differences stem from differences in economic development. While many low-income nations have small IP offices with a handful of examiners at best and not much else, larger countries have a much larger pool of resources. For instance, the US has a strong trademark and patent office with \$3.6 billion in funding, 8,300 patent examiners and over 600,000 patent applications in 2016. This disparity puts huge pressure on developing nations to strengthen their IP offices to the same standard as developed nations, which has significant costs. In many cases these nations are not mature enough to have industries that need the same level of IP protections as many developed nations and the economic burden of setting up the high level IP standards required by the TRIPS

agreement may not be worth it. These factors prevent countries from fully complying with the TRIPS agreement, which has caused disputes between nations. [4]

Public Health

Another area of concern with the TRIPS agreement is that it impedes measures to protect public health. Patents on pharmaceutical products can reduce competition from generics, which can impact their price and availability. For many developing countries this can make procurement of medicine difficult, especially in emergency situations, turning the situation into a public health issue, while for countries with large generic industries like China and India, this can put pressure on a large portion of the sector of the economy. TRIPS currently permits the use of compulsory licenses that allow for the use of a patented technology without the permission of the owner. These licenses can be issued by government authorities or courts under the patent laws of the country and do not necessarily need to be used only in an emergency. [3] In the case of public health, TRIPS also allows parallel importation to provide access to necessary drugs. Although these policies can help avert public health issues, they have not been used to their full potential.

With the rise of drug resistance, alternative antiretroviral (ARV) for HIV/AIDS are becoming more necessary. In many developing nations, access to these alternative is expensive or limited. Programs in Brazil and Thailand have been able to effectively use policies such as compulsory licenses to locally produce generic versions of ARV to fight AIDS. However, developing countries have faced pressure from developed nations and large multinational pharmaceutical corporations when trying to use the provisions of the TRIPS agreement. For example, Brazil had a law that allowed it to issue a compulsory license if the owner of the patent

did not manufacture its product in Brazil. This law led to a large generics industry that produced a significant portion of the ARVs used in Brazil. Later the US filed a complaint to the WTO against Brazil about this law. Brazil successfully stood up to the US since it was acting within the rights of the TRIPS agreement, but it is possible that other countries would not have been as successful. Although compulsory licenses are permitted through TRIPS, many developing nations do not have the manufacturing capacity to produce the drugs they need. Many of the importation laws are prohibitively difficult to navigate which further reduce the benefits of these laws. [6]

Biopiracy

TRIPS also does not go far enough to protect against the misappropriation of traditional resources. For example, natural medicines that have been used locally for centuries can be patented and used by large corporations without compensating the original owners. This appropriation of natural resources is referred to as 'Biopiracy'. In many cases, the original owners do not possess the knowledge or funds to appropriately patent their technology. It is difficult for patent examiners to know of these traditional sources. Creating a system that can deal with these claims is necessary to ensure that traditional knowledge is not exploited. A growing number of countries are implementing laws to deal with the issue of Biopiracy. Costa Rica, for example, is preventing the patent of genes, while others are requiring patent applicants to disclose where they obtained their plant varieties to ensure that they were not misappropriated. [7]

Country Blocs

The issues regarding the TRIPS agreement are very divisive. There are generally three main players. Developed nations like the US and Japan own large amounts of IP and their economies are reliant on them. They support higher standards for IP protection. Developing nations see TRIPS and excessive IP protection as prohibitive to growth since it prevents them from effectively fighting public health issues and makes products more expensive. For many of these countries the cost of bringing their IP system up to the standards of developed nations is not economically beneficial since they do not possess mature industries that can take advantage of them. The emerging markets have shown tremendous economic growth in recent years. For many of these countries like India, China and Brazil, the high standards of TRIPS may have been prohibitive to economic development but as their manufacturing sectors mature it is becoming more necessary to protect these industries.

Conclusion

The focus of this committee will be to come up with policy that provides a framework that allows for equitable enforcement of IP rights. These policies should provide a framework to reduce inconsistencies between the IP laws in different countries. Provisions should be made to improve public health outcome, biodiversity and technology transfer while reducing technological misappropriation.

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