FREE SOFTWARE FOUNDATION EUROPE (FSFE) STATEMENT TO THE 3rd SESSION OF THE

COMMITTEE ON DEVELOPMENT AND INTELLECTUAL PROPERTY (CDIP/3)

(Geneva, 27 April – 1 May 2009)

Mr Chairman,

On behalf of the <u>Free Software Foundation Europe</u> please allow me to congratulate you for having been reaffirmed as the chair of this <u>CDIP</u>. Our congratulations also go to the secretariat for their work on the implementation of the <u>Development Agenda</u>, which clearly is being pursued with constructive engagement.

We followed the deliberations of Member States with great interest, and would like to submit substantive input on issues that were raised with regards to Small and Medium Enterprises (SMEs) empowerment, innovation, competition and provide some references regarding successful deployment of IT technology by <u>WIPO</u>.

As highlighted in the <u>UNCTAD</u> <u>Information Economy Report 2007-2008</u>, Information and Communication Technologies (ICT) are a facilitator for economic growth and innovation across many sectors of society. The report provides evidence on how the indirect benefits through such enabled growth and innovation outweigh even the substantial innovative and economic growth in the ICT sector itself. The report also highlights how Open Innovation Models empower SMEs and demonstrates the importance of Free Software for this sector of economy.

<u>Free Software</u>, <u>also known as Open Source</u>, is defined by a unique level of control for the user. This enables wide use of democratic innovation models, which were found to be the primary source of disruptive, non-linear innovation by <u>Professor Eric von Hippel</u>, Head of the Innovation and Entrepreneurship Group at the MIT Sloan School of Management.

Both the enabling nature of ICT in general and the specific innovative benefits of Free Software in particular provide the backdrop against which we need to understand numbers such as the recent "Australian Open Source Industry & Community Census 2007" by Waugh Partners, which found the Australian Free Software economy to generate \$500 million per year. This is consistent with the recent publication of Red Hat's Open Source Activity Map, which lists Australia as one of the most active countries in Free Software, alongside countries such as France, Spain, Germany, Finland, Norway, the United Kingdom and the United States.

The mapping is based on research by the Georgia Institute of Technology which assigned a score for each country based on its policies, practices, and other data in the fields of Government, Industry, and Community. With Free Software companies such as Red Hat, Free Software enabled superchampions such as Google and increasing investment into Free Software and Open Standards by traditional ICT companies, such as IBM, Intel, Oracle and others. The United States occupies one of the top ranks on this map, just before Brazil and China.

Developed countries already reap considerable innovative and economic benefits from the deployment of Free Software, and a balanced approach for WIPO Technical Assistance should make this competency available to all Member States. It is therefore a good start that the Thematic Projects listed in document CDIP/3/4 foresee some first, tender steps to build Free Software competency.

Considering that the Free Software model was defined over 20 years ago, has meanwhile become the basis of a multi-billion dollar industry, and will be pervasively used by all companies before the end

of the year according to a <u>recent study by the Gartner Group</u>, we believe that classification as an emerging trend may no longer be appropriate, and that it might be time to consider more decisive action.

Secondly we would like to identify a gap for the project to address recommendations 7, 23 and 32 regarding the interface between exclusive rights and competition. As <u>discussed</u> throughout the last <u>Standing Committee on the Law of Patents</u> (<u>SCP/13</u>), exclusive rights and competition are strongly linked in the area of standards and Open Standards for Information Technologies, in particular.

We believe that it would be useful for this project to be connected with the work of the SCP, and take into account the work of competition authorities in this field, inter alia the European Commission's findings on abusive behaviour pertaining to <u>standards</u> in the <u>Workgroup Server market</u> and the ongoing <u>investigation regarding abuse of Web standards</u>.

Independent of the merits of a project based approach we believe it is important that implementation of the WIPO Development Agenda is not limited to projects that will terminate after a certain period, but is also reflected in ongoing activities at WIPO. As highlighted by WIPO's Director General, Mr Francis Gurry, in his opening remarks for this meeting, the WIPO Strategic Realignment Program is complementary to the work of the CDIP, and would therefore be the right umbrella within which to approach the restructuring and establishment of such activities.

Especially cross-cutting issues would appear to qualify for such an approach, such as the build-up of necessary competency in the areas of Free Software, Open Standards and Open Innovation Models for other activities and programmes of the organisation to draw upon.

This would be beneficial not only for the Technical Assistance programmes, which could supply more balanced strategic innovation policy advice, as requested by several Member States, or provide state of the art Free Software solutions to common problems, such as the issues of <u>software translation</u> raised by the honourable delegation of Thailand. It would also ensure that deployment of IT systems and databases by WIPO would adequately meet today's strategic approaches to these issues.

The European Commission's Interoperable Delivery of European eGovernment Services to public Administrations, Businesses and Citizens (IDABC) provides valuable reference in this field, in particular the European Interoperability Framework (EIF), but WIPO should also take note of the experiences of the German Federal Foreign Office and its use of Free Software, making it the most cost effective IT department of all German ministries. The UK government recently published a government action plan for Open Source, Open Standards and Re—Use that could provide a good starting point for WIPO's strategy, and the city of Munich in Germany additionally provides valuable insights into strategic reasons to adopt a policy based on Free Software and Open Standards.

We believe that the expected deployment of technologies, such as the one described in document <u>CDIP/3/INF/2</u>, would greatly benefit from such strategic consideration in order to secure sustainable success for all projects.

Thank you, Mr Chair.

--- Statement by <u>Georg C.F. Greve</u> <<u>greve@fsfeurope.org</u>> Free Software Foundation Europe, President

A digital version with links to references studies and information is available upon request, all <u>FSFE</u> statements also available at http://fsfeurope.org/projects/wipo/.