

Advisory Committee on Enforcement

Seventeenth Session
Geneva, February 4 to 6, 2025

THE IMPACT OF COUNTERFEITING ON THE BIOTECHNOLOGY SECTOR

Proposal prepared by the Group of Latin America and Caribbean Countries (GRULAC)

1. In view of the discussions that took place during the sixteenth session of the Advisory Committee on Enforcement (ACE), held from January 31 to February 2, 2024, on the Committee's pivotal role in promoting and protecting intellectual property (IP) rights worldwide and in fostering innovation, creativity and economic development in the face of global issues such as climate change, loss of biodiversity, sustainable development and social inclusion; and in line with document WIPO/ACE/16/19 (Summary by the Chair), GRULAC submits the key elements for an event proposal for the eighteenth session of the ACE, to be included under the second of the four agreed-upon work program items for discussion at the Committee's seventeenth session.

I. PURPOSE

2. To hold a discussion during the eighteenth session of the ACE, at WIPO headquarters, with an international panel comprising representatives from government, civil society, academia and business on the socioeconomic impact of counterfeiting on the biotechnology sector.

II. OBJECTIVES

3. The objectives of the discussion are to

- (a) raise awareness of the impact of counterfeiting on the biotechnology sector;
- (b) identify policymaking tools and collaborative strategies to promote legal access to bio-inputs essential for biotechnology innovation;

- (c) address the adverse effects of counterfeiting on innovation, economic growth and biodiversity preservation in the biotechnology sector;
- (d) share case studies, experiences and policy approaches among Member States; and
- (e) promote balanced discussions within WIPO and its activities.

4. Format

- (a) a seminar, roundtable or dialogue included in the Committee's agenda.
- (b) Speakers and participating countries will be selected in consultation with regional groups, ensuring balanced representation among Member States and stakeholders.

III. JUSTIFICATION

5. GRULAC proposes this discussion to reinforce the commitment of WIPO Member States to combating all forms of IP infringement. Like all forms of crimes against IP related to the bioeconomy, counterfeiting in the biotechnology sector also violates the economic rights of the owners of patents, trademarks, industrial designs, plant varieties and geographical indications, affecting legal certainty, increasing transaction costs and reducing incentives for innovation.

6. Counterfeiting in the biotechnology sector poses significant challenges to mega biodiverse countries, undermining their economic and ecological interests. It not only infringes upon innovators' IP rights but also facilitates the misappropriation of genetic resources and traditional knowledge critical to those countries, thereby contributing to economic losses, discouraging innovation and impeding the achievement of the Sustainable Development Goals (SDGs).

7. Brazil, for instance, estimates annual losses arising from counterfeiting in bioeconomy-related sectors at 2.4 billion United States dollars. The biotechnology sector, a cornerstone of the bioeconomy, depends on secure and ethical access to genetic resources and traditional knowledge. Misappropriation through counterfeiting activities benefits criminal networks involved in illicit trade and damages the socioeconomic fabric of Indigenous Peoples and Local Communities (IPLCs).

8. The impact of counterfeiting extends to downstream bio-inputs critical for biotechnological advancements, such as agricultural inputs, pharmaceuticals and environmental technologies. Addressing those issues requires international cooperation to ensure that the IP system promotes innovation and aligns with the SDGs.

9. The proposed discussion is consistent with Recommendation 45 of the WIPO Development Agenda, which emphasizes that:

"The protection and enforcement of intellectual property rights should contribute to the promotion of technological innovation and to the transfer and dissemination of technology, to the mutual advantage of producers and users of technological knowledge and in a manner conducive to social and economic welfare."

10. The Committee's mandate, as per document WO/GA/28/7, is to address global enforcement issues relating to industrial property and copyright while coordinating efforts with organizations and the private sector to combat counterfeiting and piracy.

11. Given the transformative potential of the bioeconomy and its critical dependence on biotechnology, WIPO must address counterfeiting in this sector to maintain a balanced IP regime that observes the legal provisions concerning biodiversity, genetic resources and associated traditional knowledge.

IV. EXPECTED OUTCOMES

12. The expected outcomes of the discussion are

- (a) enhanced awareness of the socioeconomic and ecological impact of counterfeiting on the biotechnology sector; and
- (b) a strengthened international commitment to combating counterfeiting in the biotechnology sector while observing legal provisions concerning access to genetic resources and associated traditional knowledge.

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