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| Description | 一般講演要旨 |

“Japan’s FTA Strategy and its Contribution to Asian Innovation”

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Japan has recognized the importance of establishing closer economic relationships with its trading partners, and has pursued an aggressive RTA (Regional Trade Agreement) strategy in recent years, signing economic partnership agreements (EPA) with eight nations, mostly within the Asia region. Such agreements have given Japan an opportunity to ensure that Japanese exports have preferential access to foreign markets while also supporting the economic growth of signatory countries. Globally, there are close to 400 RTAs now in place, and these agreements account for over 60% of world trade.¹

With the gradual transformation of the global economy from a “production-based” economy to a “knowledge-based” economy, the field of intellectual property has become increasingly important. And thus, the intellectual property provisions in recently concluded RTAs have begun to receive attention. In regards to Japan, a review of the intellectual property (IP) provisions in the EPAs it has concluded will show that enhanced intellectual property rights (IPR) have been actively facilitated. An examination of the past “Strategic Intellectual Property Program” reports published by the “Intellectual Property Strategic Headquarters” will also identify a trend towards the creation of an enhanced Asian IPR framework, culminating with the recently released preliminary report on the 2008 “Strategic Intellectual Property Program.” The 2008 report highlights a new directive for Japan’s intellectual property strategy towards Asia, including the intent to make all Asian countries participants in the Madrid Trademark Agreement through the use of Japanese RTA with signatory countries (in Asia).

The recent developments in Japan’s IPR strategy, and the implementation of enhanced IPR provisions in Japanese EPA, have an important implication for Asian countries. Innovation is key for the economic development of developing nations, and the nurture of an environment conducive to such domestic innovation is essential. Through the pursuit of enhanced IPR protection in the nations signatory to Japanese EPA, such an environment

¹ WTO (2008), http://www.wto.org/english/tratop_e/region_e/region_e.htm, BERR (2008), <http://www.berr.gov.uk/europeandtrade/regional-trade/tradeagreements-wto-rules/page27097.html>

is actively facilitated. An enhanced IPR framework is likely to increase the innovation potential of the domestic economy, as it increases the incentive for such technological development by domestic creators, while also supporting increased technological transfer from technologically advanced nations by ensuring adequate IPR protection. For example, Brazil achieved a 750% growth in inward FDI (Foreign Direct Investment) levels from US\$4.4 billion to US\$32.8 billion in the five years after it revised its industrial property law in 1996, compared with less than a US\$5 billion increase in the previous five years.² Brazil has now become a leader of the so-called “BRICS” nations, and the technology spillover resulting from the dramatic increase in FDI can be expected to be significant. While it can be argued that Brazil is a special case because of its abundant natural resources, countries in the Asia region often also have attractive natural resources, and the general observation that increased IPR protection may lead to increased FDI and resulting technology transfer can be validated.

While the inherent contention between developed and developing nations in regards to enhanced IPR, sometimes referred to as the “North–South divide,” has often been noted, Japan and Asia can develop a regionally beneficial IPR framework. Japan’s trade in technology with the Asian region has increased by more than 300% over the last ten years, and the current account balance (the difference between technology exports and technology imports) with the Asian region was a surplus of 715.7 billion yen in 2007.³ This data demonstrates the importance of the Asian region for the Japanese economy, and the significant contributions made by the trade in technology and intellectual property within it. And as apprehension towards Japan’s IPR promotion efforts in the Asian region can only have a detrimental effect, it is evident that Japan cannot pursue enhanced IPR solely for its own benefit. In this way, Japan’s IPR strategy and the IPR provisions reflected in its EPA with Asian nations is likely to produce a pareto-optimal outcome for both developing Asian nations, and the Asian region as a whole.

² Idris, Kamil (2003). “Intellectual Property A Power Tool for Economic Growth,” WIPO Publication No 888.1, Second Edition, p4 & “FDI in brief: Brazil,” United Nations Conference on Trade and Development,” (2004)

³ Kobori, Kiyoshi (2008). “The Largest Technology Trade Surplus to Date,” *Quarterly Asian Report*, Vol 42, Bank of Kyoto, p7