Syllabus subtopic: Important International Institutions, agencies and fora - their Structure, Mandate.

Prelims and Mains focus: about the index and India’s score: its significance; need for reforms in India’s IP regime

News: The International IP Index was released by Global Innovation Policy Center (GIPC) of the US Chambers of Commerce.

India’s performance on the Index

- India has been ranked 40th out of 53 countries even as the country has shown improvement in terms of scores when it comes to the protection of IP and copyright issues.

- India was placed at 36th position among 50 countries in 2019.

- India's score, however, increased from 36.04 per cent (16.22 out of 45) in 2019 to 38.46 per cent (19.23 out of 50) in 2020, a 2.42 per cent jump in an absolute score. However, India’s relative score increased by 6.71 per cent.

- Two new Index economies (Greece and the Dominican Republic) scored ahead of India. The Philippines, and Ukraine leapfrogged India.

What does the score signify?

India’s score on the International IP Index demonstrates the country’s growing investment in IP-driven innovation and creativity. The Index specifically highlights a number of reforms over the last year that strengthen India’s overall IP ecosystem.

Efforts made by India in IP sector

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Since the release of the 2016 National IPR Policy, the government of India has made a focused effort to support investments in innovation and creativity through increasingly robust IP protection and enforcement.

- Since 2016, India has improved the speed of processing for patent and trademark applications, increased awareness of IP rights among Indian innovators and creators, and facilitated the registration and enforcement of those rights.

- In 2019, the Delhi High Court used dynamic injunctions to disable access to copyright-infringing content online, resulting in an increase in India’s score on two of the copyright-related indicators. The use of these injunctions places India alongside global leaders in copyright enforcement, including Singapore and the UK. As a result, India scores ahead of 24 other economies in the copyright indicators.

- The Delhi High Court also issued a series of judgements that provide clarity on existing statutes related to trademark protection online, resulting in a score increase on one of the trademark-related indicators.

- The courts issued two precedential rulings that raised the bar for the damages awarded in IP-infringement cases and may provide a deterrent for future infringement. This resulted in an increase in score on one of the trademark-related indicators.

- India also continues to score well in the Systemic Efficiency indicator, scoring ahead of 28 other economies in these indicators. This is a result of a concerted effort by the Indian government to consult with stakeholders during IP policy formation and create greater awareness about the importance of IP protection. India also remains a leader in the use of targeted incentives and IP assets for small and medium-sized enterprises (SMEs).

- To continue this upward trajectory, much work remains to be done to introduce transformative changes to India’s overall IP framework and take serious steps to consistently implement strong IP standards.
Significance of the index

Indian policymakers seem to recognize this Index as a valuable resource in their efforts to strengthen the country’s promising innovation ecosystem and enhance its competitiveness in an increasingly knowledge-based global economy.

Challenges ahead

GIPC has identified several challenges for India. Prominent among them being:

1. patentability requirements,
2. patent enforcement,
3. compulsory licensing,
4. patent opposition,
5. regulatory data protection,
6. transparency in reporting seizures by customs, and

Need for reforms in India’s IP regime

- No other economy stands to gain more from strong Indian IP than India itself. For example, no industry has been hurt more by copyright violations in India than the country’s own Bollywood industry, which loses almost USD3 billion to piracy each year.

- The number one way the present administration can demonstrate its commitment to the success of the Atal Innovation Mission, Accelerating Growth for New India’s Innovations, Make in India, Digital India, and Startup India is to strengthen its IP framework in ways that promote the legal and regulatory certainty necessary for greater R&D investment, high-value jobs, and greater innovative and creative outputs.

- Strong IP standards can further solidify India's position as the world’s fastest-growing economy, bolstering its reputation as a destination for doing business, foreign businesses’ ability to invest and make in India,
thereby supporting the growth of India’s own innovative and creative industries.