

# WTO TRIPS Council March 2022: UK statement

Chair, before we proceed with the agenda of this TRIPS Council, this delegation needs to speak to a matter of much gravity.

In the World Trade Organization, as an international institute upholding international rules, it's important that we recognise what is currently happening in Ukraine. This delegation expresses full solidarity with Ukraine and its population.

Russia's assault on Ukraine is an unprovoked, premeditated attack against a sovereign democratic state. The UK and our international partners stand united in condemning the Russian government's reprehensible actions, which are an egregious violation of international law and the UN Charter.

As a Permanent Member of the UN Security Council, Russia has a particular responsibility to uphold international peace and security. Instead, it is violating the borders of another country and its actions are causing widespread suffering.

The Russian Government has shown that it was never serious about engaging in diplomacy – it has deliberately worked to mislead the world, in order to mask its carefully planned aggression.

As the UN Secretary-General has said, such unilateral measures conflict directly with the United Nations Charter – the use of force by one country against another is the repudiation of the principles that every country has committed to uphold.

Russia must urgently de-escalate and withdraw its troops. It must be held accountable and stop undermining democracy, global stability, and international law.

Thank you Chair.

Thank you Chair,

As you know, the United Kingdom considers the WTO notification system an essential component in promoting transparency between WTO members.

We have notified members of three recent legislative changes enacted to keep the UK's IP system up to date, to meet international obligations and to reflect the UK's exit from the European Union.

In previous sessions, this delegation has outlined the overall effort as well as spoke to selected individual notifications. We are ready to respond to any questions members may have on notifications submitted to this Council.

We would once again like to thank the Secretariat for the efficiency and ease

of the eTRIPS system. We continue to encourage all members to avail themselves of this system.

Thank you Chair.

Thank you Chair,

The UK takes its commitment to supporting developing countries seriously, including by fulfilling our obligation contained in Article 66.2 of the TRIPS Agreement to incentivise transfer of technology to Least Developed countries. The UK particularly recognises the importance of technology transfer for economic and industrial development of LDCs.

In particular, it is the UK's ambition to strengthen research capacity in developing countries and in LDCs in particular at an individual, institutional, and systemic level. Our programmes aim to ensure greater development impact through the strong involvement of skilled national and regional researchers. An increase in the relevance and applicability of research at a national level will only come if partnerships harness essential local knowledge.

The UK would like to extend our gratitude to delegations who attended and contributed to discussions in the workshops held on 2 and 4 March looking at the implementation of Article 66.2. The sessions were highly useful for sharing experiences on transferring technology to Least Developed Countries. We would also like to thank the WTO for again facilitating such productive engagement between Members. We look forward to contributing to additional sessions in the future to support Least Developed Countries make the most of TRIPS provisions designed to enable technology and knowledge transfer.

Thank you Chair.

Thank you, Chair.

As my delegation expressed its well-known position on this issue on numerous occasions, most recently in detail at the last session of this Council, I will not repeat it. Our participation in this debate has been to ensure the WTO's intellectual property response is both effective and reflects evidence-based decision making, by noting the role IP rights have played in the development and production of Covid-19 goods which are positively contributing to the global pandemic response. This has and will not change. We also acknowledge recent announcements contributing to improved vaccine equity demonstrating why waiving IP rights is not needed.

The rescheduling of MC12 makes clear the importance of working towards a meaningful and comprehensive pandemic response package. Members all recognise and agree the importance of making progress towards achieving this shared objective. The United Kingdom has repeatedly stated its intention to work towards a pragmatic, evidence-based solution and we stand ready to continue our constructive engagement. However, the current process around waiver discussions is not transparent and means this Council is not informed of the substance of discussions. At this point, I would like to support the

delegation of Tanzania, speaking on behalf of African group, in the call for a fuller briefing to this Council. This is needed to fulfil the mandate placed upon Members to engage with each other constructively. Simply put, we cannot be expected to progress towards an outcome on discussions which this Council does not know the details of.

While we recognise the urgency of taking forward discussion on the wider pandemic response, the United Kingdom will not accept an outcome when we have not been consulted or given sufficient prior notice to assess what is being proposed in writing. This is because getting it wrong could make both short and long-term pandemic preparedness worse. Members of this Council are entitled to digest, scrutinise, and discuss any outcome of these negotiations before we can reach consensus. As was made clear ahead of November's expected MC12, this process needs to happen before Ministers can agree an outcome.

Thank you, Chair.

Thank you Chair,

The UK is pleased to co-sponsor this agenda item and would like to thank co-sponsors and in particular to Canada for bringing forward this paper on a topic important to so many entrepreneurs around the globe. In particular, the UK would like to respond to the paper's question asking, "What specific financing needs or considerations pertain to innovative and/or IP-based MSMEs?"

There were 5.3 million micro-businesses (those with fewer than 10 employees) in the UK in 2021. Micro-businesses account for 95% of all UK businesses. Even though most businesses in the UK employ fewer than 10 people, micro-businesses account for only 21% of employment and 14% of turnover.

Bank lending is often the most viable route to finance for more established businesses. Smaller early-stage businesses may, however, be overlooked by investors, and IP-intensive businesses with substantial intangible assets can often find it difficult to access debt finance.

The UK Intellectual Property Office (IPO) and British Business Bank (BBB) conducted several roundtables, the results of which were published in 2018. These roundtables concluded that the main obstacles to using IP as collateral for loans were banking regulations, legal enforceability, valuation, and liquidity. I will now briefly set out these four issues:

- Banking regulations Banks are required to hold a minimum ratio of capital in relation to the risk-weighted assets (loans) that they hold. This is called the capital adequacy ratio, the standards for the calculation of the capital adequacy ratio are based on the international rules set out in Basel III. These standards define the eligibility criteria for inclusion as capital. Intangible assets are specifically excluded from eligibility as capital for capital adequacy. This results in IP-intensive firms finding it more challenging to obtain bank loans than firms with tangible assets such as buildings.

- Legal enforceability IP and other intangible assets are often difficult to separate from the firm that developed them. This might make it difficult for lenders to exercise claims on those assets or take possession of the IP in the event of a default. The lender would not then be able to sell the IP to recover its losses.
- Valuation IP and other intangible assets may be difficult to value, particularly if they are innovative and therefore unique. There is no single agreed methodology for valuing IP. Without a consensus approach, it is difficult to verify independently the value attributed to a piece of IP.
- Liquidity Transactions involving intangible assets are infrequent and not publicly recorded. The limited frequency of intangible asset transactions may in part be due to a lack of mature supporting infrastructure such as valuers, agents and value logs.

The UK government is working towards future-proofing the UK finance market so that intangible assets such as IP are considered fully as part of lending decisions. Several UK actions are outlined in the response to the next question below.

Chair, the UK would also like to respond to the question “What are some best practices or options in terms of IP-backed financing for MSMEs and/or otherwise for the financing innovative or IP-based MSMEs?” The UK government published its Innovation Strategy in July 2021 that included several key actions related to finance and a commitment to “ensure innovators can access the right private finance at the right stage and provide targeted public support where there are gaps in private markets”.

The UK Government is committed to making private markets function as effectively as possible. The UK benefits from a diverse finance ecosystem for innovative start-ups, including angel investors, equity crowdfunding platforms, and venture capital funds. Where private capital alone is insufficient to enable innovative companies to start, grow and scale up the UK government co-invests alongside private investors.

The British Business Bank is an important delivery partner in UK Government efforts to make finance markets work more effectively for smaller businesses. Up to the end of 2020, the Bank had supported the provision of £42 billion worth of finance to 170,000 small and medium-sized businesses across the UK, excluding COVID-19 debt and equity finance schemes.

The steps on the innovation finance journey typically involve progressing from the founder’s own resources through grant funding, seed finance and later venture/institutional capital and ultimately, once a business has demonstrated it is able to generate sufficient cashflows, debt finance.

The UK has an array of public interventions which, alongside private capital markets are designed to enhance the funding ecosystem, UK government has continued to strengthen its support offer for innovative businesses. with Innovate UK and the British Business Bank playing a key role. This means that the UK is a good place for businesses of all sizes to access the funding they

need for innovation.

Thank you Chair.

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## [OSCE meeting on Russia's ongoing aggression against Ukraine: UK statement, 10 March 2022](#)

Thank you Mr Chairman.

Your Excellencies, I am grateful for the opportunity to speak on behalf of the United Kingdom today. And in doing so talk about Russia's flagrant disregard for their commitments to the OSCE and its principles.

The unprovoked, premeditated and illegal invasion of Ukraine is, simply put, a disgrace.

In particular, I would like to focus on the people affected by President Putin's war. His war of choice.

Mr Chairman, we have been following, all of us, with growing horror, the news from Mariupol. The airstrike by Russia on a maternity hospital was abhorrent. It was reckless. It was appalling. It underscores the terrible toll this war is exacting on Ukrainian families. While Russia's representatives spout fiction about threats from Ukraine, it is UNICEF that has reported that at least 37 children have been killed 50 injured.

This follows evidence of Russian forces targeting evacuation corridors earlier this week, with whole families cut down as they attempted to run for safety.

Russia's use of indiscriminate force against innocent civilians, against children, is clear for all to see. It is right that it must, it must be investigated and those responsible must be held to account.

And that is why the [UK joined 37 other countries in referring these atrocities to the International Criminal Court](#).

It is also why [we joined 44 other countries in launching the Moscow Mechanism](#) to investigate Russia's human rights violations and violations of international humanitarian law in Ukraine.

And as we've just heard from Martin Griffiths, as he's outlined today, the conflict is having a terrible humanitarian impact.

Many towns and cities in Ukraine have faced over a week of persistent

shelling. Thousands upon thousands of people are without water, heat or electricity. There are critical shortages of food, shortages of medicine. The World Health Organisation has reported 18 attacks on healthcare providers. This must stop.

Two million people have fled Ukraine so far. Hundreds of thousands more are displaced within the country.

Russia's actions have a massive human cost, and I am grateful to Liliana Palihovici, for rightly drawing attention to this.

Sadly, we can expect a disproportionately severe impact on women, girls and the most vulnerable and excluded.

We must protect them from sexual violence and other forms of exploitation, as a central requirement of international humanitarian law.

The United Kingdom is committed to supporting Ukrainian women and girls, recognising the critical contribution women are making on the frontline and in communities affected directly by Russia's aggression.

The determination shown by Ukrainians in the face of such adversity is, simply put, incredible. From the inspirational leadership of President Zelenskyy and his ministerial team, to the courage of the Ukrainian Armed Forces and others defending their homeland in any way they can, and of course to the unity, the unity of Ukrainian society rallying to support those in need.

Their bravery, in the face of Russia's relentless onslaught, is quite humbling. They fight to defend the values, the very values we all share.

Mr Chairman, we also commend the bravery of those Russian people demonstrating against President Putin's appalling war. And to those people in Russia I would say, we know that this is not done in your name.

We are deeply concerned at the arrest of thousands of peaceful protesters and the crackdown on the independent media as Mr Putin tries to hide the reality of his actions from his people.

We know too that many people in Belarus do not support Mr Lukashenko's complicity in this illegal war.

We condemn Belarus' facilitation of the Russian invasion by hosting Russian military forces and assets and providing access through its territory.

And today, on this day, I would like to draw the Russian Ambassador's attention to the opening words of the [UN Charter](#):

"We the peoples of the United Nations, determine to save succeeding generations from the scourge of war, which twice in our lifetime has brought untold sorrow to mankind... to reaffirm faith in fundamental human rights, in the dignity and worth of the human person, in the equal rights of men and women and of nations large and small... and to establish conditions under which

justice and respect for...treaties and... international law can be maintained”.

I understand that not so long ago these were the very words he expressed Russia’s commitment to that Charter in this very hall.

May I suggest he might draw the attention of his government to it once again.

Its principles have inspired millions around the world. Even now in Minsk and Moscow, people gather to demonstrate their support for Ukraine and their opposition to this war.

141 countries from all over the globe voted in favour of a UN resolution condemning the Russian government’s actions.

The demands are simple – Mr Putin, stop the attacks on civilians. Stop this war of choice. Stop this war now. Pull out your troops from Ukraine and respect international law.

And, Mr Chairman, he would be wise to listen. President Putin has badly misjudged the strength, the unity, the resilience of the Ukrainian people.

By continuing his so-called “special operation” all President Putin achieves is more bloodshed and more suffering – not only amongst Ukrainians, but also amongst the Russian people.

For our part, the United Kingdom will continue providing humanitarian aid and defensive military equipment. We are ratcheting up our sanctions to tighten the economic vice and cut funding to Mr Putin’s war machine.

We will continue to call out Russia’s actions in every multilateral forum. We, the United Kingdom, will stand by Ukraine, in the determined support of their sovereignty, will stand with Ukraine for their unity, will stand with Ukraine for their independence and territorial integrity, today, tomorrow, and for as long as it takes.

Thank you Mr Chair and I ask that this statement be attached to the journal of the day.

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## **COVID-19 Inquiry Terms of Reference**

Press release

The government has published draft terms of reference for the forthcoming public inquiry into the COVID-19 pandemic.



Today (Thursday 10 March) the government has published [draft terms of reference for the forthcoming public inquiry into the COVID-19 pandemic](#).

This follows consultation with the Inquiry Chair, Baroness Hallett, and close work with ministers in the devolved administrations.

The terms of reference intend to cover:

- preparedness
- the public health response
- the response in the health and care sector
- our economic response

The inquiry will play a key role in learning the lessons from the pandemic and informing the government's preparations for the future.

Following work with the devolved administrations the terms allow for an inquiry which is UK-wide, but which respects and does not duplicate any inquiry established on a devolved basis. It also reflects the importance of understanding the experiences of those most affected by the pandemic – including bereaved families – as well as looking at any disparities evident in the impact of the pandemic and the government's response.

There will now be a period of public engagement and consultation. This process is expected to last for four weeks and will be led by Baroness Hallett to inform further changes to the terms of reference before they are finalised.

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## [Chelsea FC granted licence to continue operating](#)

- Chelsea FC owner's assets frozen as part of tough action against Putin regime



- Under a new licence the club can continue to operate to fulfil its fixtures
- Government wants to protect football pyramid, fans and other clubs

The licence will allow the club to run a number of football-related activities meaning its fixtures to be fulfilled, its staff and the running costs of its ground can be paid, and so existing ticket holders for Chelsea games can attend matches.

The licence is a safety net to protect the sport, the Premier League, the wider football pyramid down to the grassroots game, loyal fans and other clubs. It will deprive Mr Abramovich of benefiting from his ownership of the club and mean he cannot circumvent UK sanctions.

The Government will keep the licence under constant review and it will work closely with the relevant football authorities and the club to protect it from irreparable damage that would prevent it from competing.

Abramovich had assets frozen this morning as part of a raft of further [sanctions](#) against individuals linked to the Russian regime. Freezing his assets means he cannot benefit from his ownership and make any money from Chelsea.

Culture Secretary Nadine Dorries said:

Putin's attack on Ukraine continues and we are witnessing new levels of evil by the hour. We are now turning the screw on influential oligarchs enabling his regime.

The important measures announced today will clearly have a direct impact on Chelsea FC and its fans but we are working hard to make sure the club and the national game are not unnecessarily harmed.

We have granted the club a licence so it can fulfil its fixtures, pay its staff and existing ticket holders can attend matches. We know football clubs are cultural assets and we are committed to protecting them.

The Treasury, through the Office of Financial Sanctions Implementation (OFSI), issued the [general licence](#) which sets out what activities are permitted to continue. It has been introduced to permit the club to continue necessary operations and can be modified if necessary. As with other sanctions, the licence was not discussed with those impacted before a designation was made.

OFSI is responsible for enforcing the conditions of the licence and it is a criminal offence to fail to comply with the requirements and prohibitions set out.

As well as allowing costs for players and staff to travel to away fixtures, the licence permits the club to host scheduled fixtures at its home stadium

alongside other required activity such as catering and security, for the club and training ground to be maintained, and for rates and taxes to be paid.

The following conditions are set out under the licence:

#### Sale of the club

While the current licence does not permit the sale of the club at this time, the Government is open to a sale of the club and would consider an application for a new licence to allow for a sale. Proceeds from any sale could not go to the sanctioned individual while he is subject to sanctions.

#### Transfers

Under the current licence the transfer or loan of players in and out of the club is not permitted. This applies to all of Chelsea's teams. Transfers are also not possible at this time in the season anyway because the transfer window is closed.

#### Matchday tickets

Fans who have already purchased a ticket for a future fixture or have a club season ticket can use their existing tickets or resell them within the boundaries of the law. Under the current licence no new or additional tickets can be purchased. This includes tickets for home matches and tickets bought from the club for away matches.

#### Matchday catering

The licence permits home ground 'hosting transactions' including stewarding, catering and security but none of the proceeds can go to the designated individual.

#### Merchandise

The licence does not allow the club to undertake any new revenue raising activity including selling merchandise. The club's physical and online store cannot operate. This restriction does not apply to the sale of existing stock held by third parties such as high street sports retailers.

#### Champions League and FA Cup

The purpose of the licence is to permit the club to continue with the necessary activity to ensure that it is able to fulfil its upcoming fixtures. As such the licence allows footballing activity and travel to continue which would permit the club to play European fixtures and the FA Cup.

#### Notes to editors

- Asset freeze: an asset freeze prevents any UK citizen, or any business in the UK, from dealing with any funds or economic resources which are owned, held or controlled by the designated person and which are held in

the UK. It will also prevent funds or economic resources being provided to or for the benefit of the designated person.

- The government welcomed the recommendations of the [Fan-led Review](#) and will be providing its full response as soon as possible. As the Culture Secretary set out last week, the response will include a consideration of a revised Owners' and Directors' Test.

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## [Beach shored up to strengthen Norfolk flood protection](#)

The project involves moving 14,000 tonnes of sand and shingle from Snettisham Scalp, where it's been deposited by the tidal movement of the sea.

The aggregate is taken north to Heacham and South Hunstanton to restore the shingle ridge along a 5 kilometre stretch of coastline. This is known as beach recycling.

The shingle ridge is a natural flood defence protecting more than 800 properties and 4,000 caravans. The recycling has been completed in time for ground nesting birds and tourists to arrive.

To move thousands of tonnes of material, the Environment Agency used 3 30-tonne dumper trucks, 2 bulldozers and an excavator.

The recent storms left some very minor damage to the defences. As machinery was already on site, officers were able to begin repair work immediately.

These additional works have added a week onto the length of the project.

One of the vehicles moving the sand.

Stephen Green, Environment Agency flood and coastal risk advisor for Norfolk, said:

Beach recycling helps protect this section of the county's coastline in a sustainable, cost-effective way. It's a simple idea but one that can make a big difference in protecting the communities living along it.

We've invested £2.6 billion in the past 6 years to better protect the country from flooding and coastal erosion, including from the sea. Another £5.2 billion will be spent in the next 6 years,

helping protect hundreds of thousands of properties.

People should know their flood risk and sign up for free flood warnings by going to <https://www.gov.uk/check-flood-risk> or by calling Floodline on 0345 988 1188. You can also follow [@EnvAgencyAnglia](#) on Twitter for the latest flood updates.

Both Natural England and the RSPB are consulted on the beach recycling to preserve the coastline's environmental importance.

The work is funded by the East Wash Coastal Management Community Interest Company which raises funds from the local community, caravan park owners and landowners. Anglian Water and the Borough Council of Kings Lynn & West Norfolk also contribute to the project.

Councillor Paul Kunes, cabinet member for the environment at the Borough Council of Kings Lynn & West Norfolk said:

Restoring the shingle ridges between Hunstanton and Snettisham helps to protect people and wildlife living on the coast in west Norfolk.

We're proud that we support the annual beach recycling programme, which is an effective means of undertaking important flood defence work to maintain the defences along the Snettisham to Hunstanton coastline.