

4.4. The role of Sovereign Patent Funds

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1. A small number of countries have set up government funds to acquire and license patents. However, there is a large amount of heterogeneity in terms of the structure and operations of these funds. The same heterogeneity also exists in terms of the type / level of government involvement.
2. In theory, there is the possibility that a sovereign patent fund could undertake behavior that results in greater protectionism and/or reduces overall welfare. At present, it is unclear to what extent these funds are actually behaving in ways that are troublesome. Many of these funds are too new for us to have clear insights yet about their impact.
3. The present trade rules do not necessarily allow us to address potential problematic issues, should they arise. However, additional research is needed to determine the exact nature of what form of additional rules are necessary.