

EU OPPORTUNITIES – ARE WE MISSING OUT?*

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8th July 2005

One of the themes that have characterised the debate in this country prior to the decision on EU membership and even after the decision was made, has been the opportunities that such membership offers. Several, if not most, of these opportunities do not fall on anyone's lap, but have to be searched for actively. Nor they come on some silver platter and would just be there for the taking. We have to compete and use our initiative to exploit them fully. Moreover they do not necessarily come through official channels and are very often multi-country initiatives that may or may not require the participation of state controlled institutions.

Moreover such opportunities may not even be in the form of cash handouts or grants but in the form of legislation that could be applied locally and in turn attract foreign investment. Alternatively they may be contacts that one nurtures and develops into a profitable business partnership. However, it is indeed unfortunate that the general expectation is to wait for a state controlled institution to make the first move, and then all hell is let loose to win a government sponsored contract. What this is indicating is that the entrepreneurial spirit is lacking, and we have not yet come to terms with the fact that our shores and our borders now extend all the way north to Sweden, Scotland and Finland, all the way west to Portugal and all the way east to Cyprus and Poland.

One such opportunity was the so called *CII Directive*, a directive on the patentability of computer implemented inventions. The proposal that was being discussed within the European Union was the promotion of a European patent for inventions in computer driven functions. This is not about the patenting of software or of a computer language. There are copyright laws that provide protection with regard to these two items. Where did Malta feature in this debate? Who took a stand for and against? What were the threats? Where did the opportunities lie?

Malta's ambition to become a leader in the ICT sector in the Mediterranean basin is well known. The efforts that are being made to promote the use of information and communication technologies on the island are not small and a significant element of success has been achieved in particular in the area of e-government. We also have companies in Malta (owned and managed by Maltese) who are seeking to make headway in the international market to provide ICT solutions of various types. These companies have long left behind them their function of distribution and retailing of hardware and software products and are concentrating on developing IT solutions for their clients that are innovative. They are moving up the value chain and providing employment to an ever increasing number of persons.

Embracing this directive could perhaps have helped seal the role we have designed for ourselves. It even perhaps would have helped local small and medium sized enterprises to protect their intellectual property create their own niche in the European scenario. It would most certainly have provided them with a legal platform

for a return on their investment. Banks who provide finance for these companies consider the strength of patent protection a key criterion in their financing decision. We now cannot, at least for the immediate future, know if this would have been the case as the Directive was, rightly or wrongly shot down by Parliament last Wednesday.

But what is certain is that a low cost patenting office would in turn have provided foreign investors with the opportunity to set up shop in Malta, develop their inventions here and register them here. One should also remember the linkages with key sectors of manufacturing industry. We have managed to attract foreign direct investment in a number of areas that make use of computer implemented innovations, such as healthcare, telecommunications engineering and components of transport equipment.

What we need to cater for in the future is a holistic approach to similar issues, with the participation of government, its entities and the private sector. I would dare say that given the size of our country, we would need to adopt such an approach in most of the aspects of our activities within the European Union. The go-it-alone approach and the wait-and-see approach cannot reap the desired results. This is why we need to have a centralised structure similar to MEUSAC, which did its job so very well during our membership negotiations with the European Union.

The European Union never was and never will be a Garden of Eden or a gravy train. It is however a land of opportunities. The private sector prides itself in being capable to exploit these opportunities and criticises government because it sometimes inhibits entrepreneurship. So far I believe we are missing out on the opportunities being presented by the EU; it is only private sector initiative that should help the country to make the best of these opportunities.

**This article featured in 'The Times of Malta', 8th July 2005*