

# WIPO



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WORLD INTELLECTUAL PROPERTY ORGANIZATION  
GENEVA

## COMMITTEE ON DEVELOPMENT AND INTELLECTUAL PROPERTY (CDIP)

**Fifth Session**  
**Geneva, April 26 to 30, 2010**

PROJECT ON INTELLECTUAL PROPERTY AND PRODUCT BRANDING  
FOR BUSINESS DEVELOPMENT IN DEVELOPING COUNTRIES AND  
LEAST-DEVELOPED COUNTRIES (LDCS)

*prepared by the Secretariat*

1. At the fourth session of the Committee on Development and Intellectual Property (CDIP), held from November 16 to 20, 2009, while discussing the document CDIP/4/12, related to the proposal by the Republic of Korea on the “Program for Assisting Farmers and Producers in Least-Developed Countries (LDCs) to Produce Brands for their Products”, the Committee requested the Secretariat to prepare a project document on the said proposal, while taking into account the comments made by delegations (see paragraph 9 of the Summary of the Chair).
2. Accordingly, a project on “Intellectual Property and Product Branding for Business Development in Developing Countries and Least-Developed Countries (LDCs)” has been developed and annexed to this document.
3. The estimated cost for the project amounts to 885,000 Swiss francs, of which 660,000 Swiss francs relate to non-personnel costs, and 225,000 Swiss francs to personnel costs pertaining to WIPO staff that will be devoted to the implementation of the project.
4. *The CDIP is invited to consider and approve the Annex to this document.*

[Annex follows]

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## ANNEX

## DEVELOPMENT AGENDA RECOMMENDATION(S) 4 and 10

## PROJECT DOCUMENT

1. SUMMARY	
<u>Project Code:</u>	DA_4_10_01
<u>Title:</u>	IP and Product Branding for Business Development in Developing Countries and Least Developed Countries (LDCs)
<u>Development Agenda Recommendation(s):</u>	<p>Recommendation No. 4: To place particular emphasis on the needs of small and medium-sized enterprises (SMEs) and institutions dealing with scientific research and cultural industries and assist Member States, at their request, in setting up appropriate national strategies in the field of intellectual property.</p> <p>Recommendation No.10: To assist Member States to develop and improve national IP institutional capacity through further development of infrastructure and other facilities with a view to making national IP institutions more efficient and promote fair balance between IP protection and the public interest. This technical assistance should also be extended to sub-regional and regional organizations dealing with IP.</p>
<u>Project Budget:</u>	<p>Non-personnel costs: Sfr.660,000</p> <p>Personnel costs: Sfr.225,000</p>
<u>Project Duration:</u>	36 months
<u>Key WIPO Sectors Involved and Links to WIPO Programs:</u>	<p>Cooperation for Development (CFD) Sector and Trademarks, Industrial Design and Geographical Indications Sector</p> <p>Links to WIPO Programs 2, 4, 8, 9, 30</p>
<u>Brief Description of Project:</u>	<p>The project aims primarily at supporting small and medium-sized enterprises (SMEs), especially those resulting from the association of local groups of farmers and producers in developing and least developed countries (LDCs), in the design and implementation of strategies for the appropriate use of IP in product branding. In this way, the project will help to promote the development of local communities and strengthen capacities, both at the community and institutional levels, by focusing on the promotion and the strategic use of IP, particularly geographical indications, and trademarks.</p> <p>The project is based on a proposal presented by the Republic of Korea at the 3<sup>rd</sup> session of CDIP (document CDIP/3/7), and approved, for stage one, during the 4<sup>th</sup> session of the CDIP. All the elements of the original proposal are addressed by this project document, which presents, however, a tighter structure to monitor the attainment of expected results.</p>

	<p>Although branding is one of the most powerful tools to strengthen the marketing power of products, farmers and producers in developing countries – especially least developed countries (LDCs) – seldom have the ability to brand their products. The appropriate use of intellectual property rights, in particular geographical indications and trademarks, can help add value to their products, increase export income and alleviate poverty. Most importantly, traditional production methods, coupled with innovative procedures and the commitment of local communities, can be instrumental to set new standards of social, economic and environmental development. Institutional capacities for the effective use of IP, appropriate infrastructure and facilities will also be developed as part of the project.</p> <p>By offering a practical tool for local business development, the project interprets the spirit of the Development Agenda, orienting WIPO’s cooperation activities in the framework of national development priorities.</p>
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## 2. PROJECT DESCRIPTION

### 2.1. Introduction to the issue/concern

Products from different regions of the world are increasingly enjoying prestige and international recognition due to the characteristics linked to their territory of origin and methods of production which yield unique product qualities. The development and commercialization of such products benefits from the strategic use of IP rights, such as geographical indications, trademarks, certification marks and collective marks. An appropriate branding strategy which makes use, for example, of a geographical indication, a trademark and a fair trade label, adds value to the product, helps raise its market demand and increase economic return for its producers. Such strategy can be a key feature of local/rural development due to the benefits it can generate to a large number of producers or farmers who have formed a strategic marketing alliance. With a view to assisting local communities, and especially their SMEs of farmers and producers, to design and implement a successful branding strategy, the project will consist of three main components, as follows:

a. Research and IP Strategy development: this phase will start with the mapping and identification of products, or clusters of products, with unique characteristics linked to a particular community or region, where producers have already formed an association, or have shown an interest in forming an alliance, to brand and commercialize their products (1). For each identified product, the project will then assist the local communities and their SMEs to develop and implement a branding strategy, focusing on the use of IP, particularly geographical indications, trademarks and distinctive signs, as well as other certification options, i.e. the fair trade or organic labels. The strategy will indicate the actions to be undertaken and the instruments to be used in each case in order to develop the product variety, protect it and commercialize it.

b. Capacity Building: this phase will include a series of training programs, aimed at producers and farmers’ associations, as well as government officials and staff in IP Offices, focusing on technical IP issues, branding and commercialization options, and on raising awareness of a range of stakeholders.

c. Awareness raising: this phase will aim at showcasing the experiences and the strategic approaches documented during the project at a Conference to be convened on the theme of “Promoting Business Development Through Product Branding” (2). The Conference, addressed at policy makers, representatives of local communities, NGOs and IGOs, will also be used as a forum to present the methodologies used for product branding, for the benefit of local communities.

- (1) In the framework of this project, regions and products will be identified in countries where a legal framework for the protection of geographical indications and distinctive signs already exists.
- (2) The proposal to hold a Conference on this theme was included in the original submission of the Republic of Korea at CDIP 3 and was approved for Stage One during CDPI 4. However, in the present project document, the Conference is scheduled to take place at the end of the project cycle, since it would be used more effectively as a forum to share experiences and lessons learned from the project, after its actual implementation.

## 2.2. Objectives

Addressing Development Agenda recommendations 4 and 10, the project aims to achieve the following objectives:

- To contribute to the business development of local communities by developing strategic alliances of producers/farmers associations, SMEs and public institutions, to build product brands through the strategic use of IP rights.
- To improve the capacities of national institutions, including IP Offices, to handle efficiently the procedures for registration and examination of trademarks and geographical indications
- To raise awareness on the impact of product branding on the business development of local communities and local SMEs, in the framework of sustainable development priorities.

## 2.3. Delivery Strategy

The project will be implemented in three countries, each one located in a different region, with a view to develop a distinct product brand for two products, in each country. Wherever possible, the project will consider practical options to extend the national experience to the sub-regional level. Countries will be selected on the basis of criteria which include: the existence of a legal framework for the protection of geographical indications and distinctive signs; political support and commitment toward local community development; existing mechanisms for the association of local farmers and producers; specific products, or clusters of products, with well-defined characteristics and with the potential to be protected by IP rights or branded.

The three project components (see part 2.1 above) will build on each other for effectiveness and sustainability. In particular, the following tasks and activities will be carried out to achieve the above project objectives:

- a. the business development objective will be achieved through research and through the development of appropriate branding strategies for selected products. Research, in close consultation with pertinent authorities and local communities, will allow to identify, in each country, at least two products with strong branding potential in connection with their unique qualities and which enjoy sufficient support from local producers'/ farmers' associations and from local authorities to embark in the development a branding strategy. Such strategy will then be developed in line with key elements, i.e. specific characteristics and requirements of the place of origin/production, organization of producers' groups, legal and regulatory frameworks in force, internal and/or export market potential.
- b. the capacity building objective will be met through a series of workshops and seminars aimed at local communities, producers', farmers' and SME's associations, IP Offices and government authorities, for the purpose of strengthening their knowledge of the IP system, and their capacity to use it effectively, for product branding and marketing.

- c. the awareness raising objective will be met through the documentation of the experiences gathered during the project implementation, and through the sharing of experiences at a Conference of stakeholders interested in supporting local development through product branding.

International and local experts will be engaged as consultants under the coordination of the Cooperation for Development Sector to carry out the delivery strategy. The project will count upon the support of the appropriate government authorities, in each country, including the national IP Offices.

### 3. REVIEW AND EVALUATION

#### 3.1. Project Review Schedule

Each stage of the project, as outlined under 2.1 above, will be constantly monitored for progress. In particular, during the first year it is envisaged to implement phase (a) of the project. In the second year, implementation will start of phase (b), which will continue during the third year, together with phase (c). The third year will culminate with the convening of the Conference.

#### 3.2. Project Self-Evaluation

*[In addition to the project self-evaluation, some projects would also be the object of independent evaluations]*

Project Outputs	Indicators of Successful Completion (Output Indicators)
Reached agreement among local producers/farmers communities and pertinent authorities on the potential for branding of selected products	In 3 countries, two products identified in each country in connection with their unique qualities, presenting high branding potential
Beginning of consultative process on strategic choices and procedures for product branding, according to proposed guidelines	In each country, written guidelines to be used by SMEs, local communities and producers'/farmers associations to design and use a product brand; consultations started with stakeholders - Established procedures and rules for the use, administration and management of IP rights (GI and trademarks); - Standards and procedures established for product quality certification and control
Enhanced awareness, capacities and infrastructure to enable the strategic use of IP and other marketing options for product branding;	For each identified product, one series of capacity building workshops held on product branding, involving local communities, IP and other pertinent authorities
Convening a Conference on "Supporting local community development through product branding" to share experiences and lessons learned	Case studies documented and presented at the Conference and project experiences published in conference documentation

<u>Project Objective(s)</u>	<u>Indicator(s) of Success in Achieving Project Objective (Outcome Indicators)</u>
<p>To contribute local business development by assisting SMEs, farmers and producers' associations in developing countries and LDCs to build product brands through the strategic use of IP</p> <p>- To promote strategic alliances of producers/farmers, Small and Medium-sized enterprises (SMEs) and public institutions to build product brands through the use of IP</p> <p>- To train representatives of local communities, NGOs and national institutions, including IP Offices, to handle efficiently the procedures for registration and examination of trademarks and geographical indications</p>	<p>Monitoring and controlling system set up to evaluate impact of collective branding strategies and actions on local resources and sustainability; system allows for comparing results before and after the adoption of the strategy, and for using mechanisms to correct negative impact, if any.</p> <p>Coordination structures set up and joint collective initiatives undertaken to maintain product quality, marketing and promotion; system set up to show the increased benefits and reduced costs of the branding strategy.</p> <p>Number of people trained in local communities, IP Offices and government authorities on appropriate legal tools for protection and branding;</p> <p>- IP Office staff trained to implement procedures for GI registrations;</p> <p>- up to 6 filings for trademarks and/or GI registration, in connection with the products selected</p>



## 5. BUDGET

### 5.1. Project Budget for the 2010/2011 Biennium

	2010 [0030/09.1]	2011 [0030/09.1]	[Program / Budget Unit]	[Program / Budget Unit]	
<i>Travel and Fellowships</i>					
Staff Missions	15,000	40,000			
Third-party Travel		80,000			
Fellowships					
<i>Contractual services</i>					
Conferences		10,000			
Experts' Honoraria		5,000			
Publishing					
Others (SSA)	105,000	285,000			
<i>Equipment and Supplies</i>					
Equipment					
Supplies and Materials					
<b>TOTAL</b>	<b>120,000</b>	<b>420,000</b>	<b>-</b>	<b>-</b>	<b>540,000</b>

### 5.2. Project Budget Beyond 2012/13 Biennium

	2012 [Program / Budget Unit]	[Program / Budget Unit]	[Program / Budget Unit]	[Program / Budget Unit]	
<i>Travel and Fellowships</i>					
Staff Missions					
Third-party Travel	48'000				
Fellowships					
<i>Contractual services</i>					
Conferences	7'000				
Experts' Honoraria	5'000				
Publishing	10'000				
Others (SSA)	50'000				
<i>Equipment and Supplies</i>					
Equipment					
Supplies and Materials					
<b>TOTAL</b>	<b>120'000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>120'000</b>

[End of Annex and of document]