



INTELLECTUAL PROPERTY DIVISION
MINISTRY OF ECONOMIC AFFAIRS
ROYAL GOVERNMENT OF BHUTAN

NATIONAL IP INSTITUTION IN LDCs: *The experience of Bhutan*

WIPO Regional Workshop for LDCs of Asia and the Pacific Region on the use of IP for Technological Capacity Building, Economic Competitiveness and Development
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- **LDCs and IP Institution**
- **Experience of Bhutan**
- **Structure of IP Institution in Bhutan**
- **Key issues and challenges**
- **Conclusion**



LDCs and IP Institution

- 48 LDCs (33 Africa, 14 Asia-Pacific, 1 America)
- Landlocked, small and remote
- Massive economic development challenges
- Rapid technological progress and policy liberalization
- New technology, innovation and creativity
- Advancement in science and technology, capital flow (FDI) and Intellectual Property (IP)



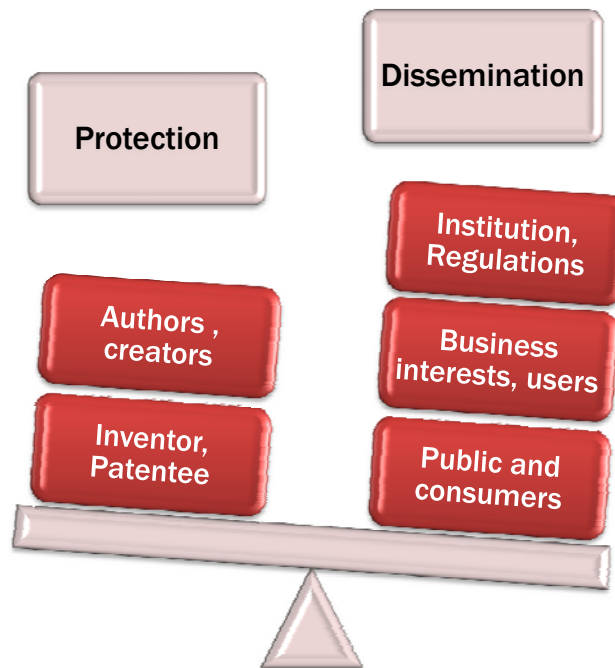
LDCs and IP Institution

- Industrialized countries are behind such changes
- LDCs as part of global economy are directly affected
- IP institutions are not well-known in LDCs
- Oldest institution and highly researched subject matter in Developed Countries
- A general approach is missing in LDCs



LDCs and IP Institution

— IP System



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LDCs and IP Institution

— Institution

- Rules, enforcement mechanism, networks, partnerships and organization
- Written laws and rules codified
- IP is multi-sectoral
- Institution building is a collective process
- Socio-economic and political context
- National development goals



Bhutan's Experience

- Bhutan is a LDC and also landlocked
- Economy is based on agricultural farming, forestry, tourism and sale of hydropower
- Agriculture main livelihood, 79%
- Opened to modern development in 1960s
- Increasing economy activity



Bhutan's Experience

— *Historical Background on IP Division*



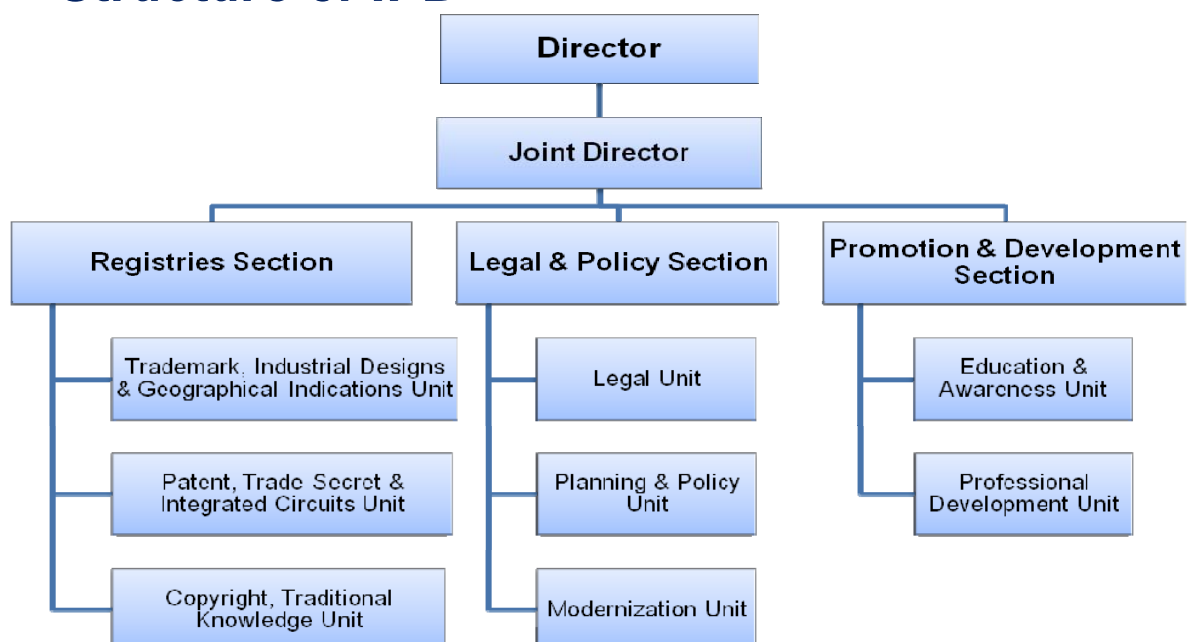
Bhutan's Experience

- In the 8th Five Year Plan, IP sector was completely new (1997 - 2002)
- There were no separate programs and activities
- Not a part of national legal system
- Lack of skilled manpower and expertise
- Nascent stages

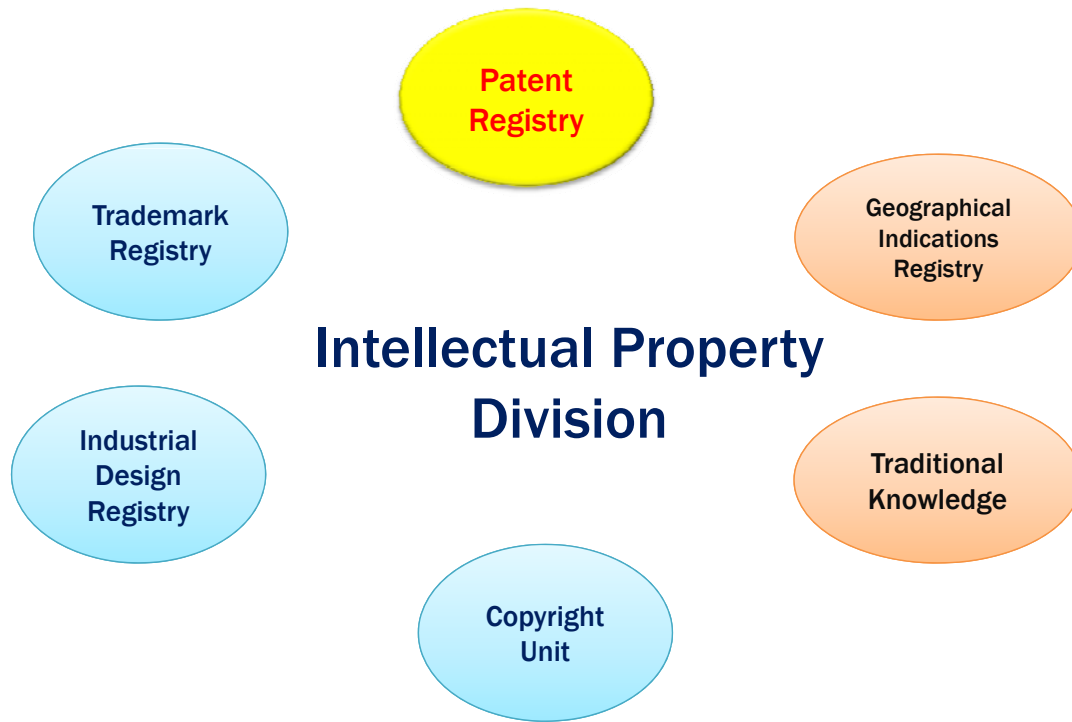


Bhutan's Experience

— Structure of IPD



Functional Registries

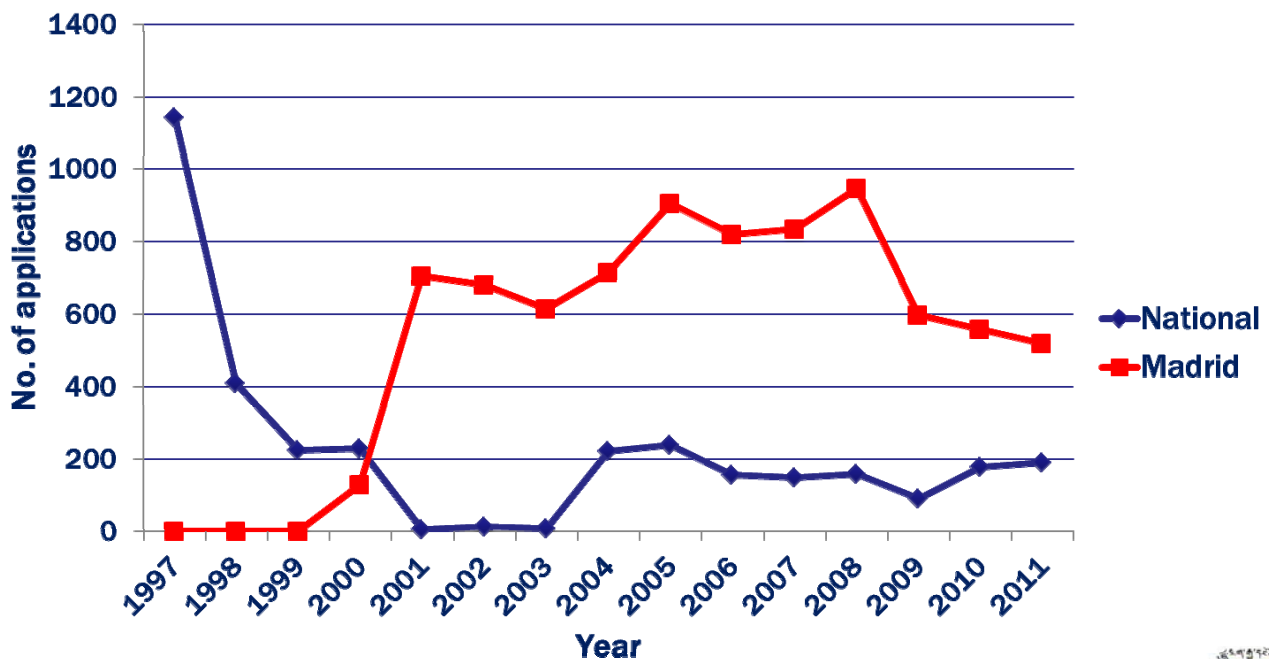


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Bhutan's Experience

Trademark application trend from 1997 - 2011



Source: Trademark Registry, IPD

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Bhutan's Experience

— Trademark

- Most active Registry
- Registration was commenced in May 1997
- Protects trademark, service mark and collective marks
- Applications are filed through national and Madrid System
- 99 % of the applications are filed through Madrid System



Bhutan's Experience

— Industrial Designs

- Registration was commenced in May 2009
- 3 national applications already registered
- Starting to receive application from overseas

— Patents

- At an advanced stage
- Schedule of Forms and Fees developed
- IPD has already received an application for patent



Bhutan's Experience

— Copyright

- Functional
- On-going activities with the private sector such as the film and music industry, education, enforcement agencies
- Awareness and Outreach activities
- No Collecting Society
- Voluntary Deposit and Registration System (VDRS)
 - At an advanced stage



Bhutan's Experience

— Enforcement

- Closer association with stakeholders
- Enforcement agencies – Judiciary, Police, Customs
- Border measures
- Private Sector involvement, such as Motion Picture Association
- VDRS to further assist in infringement cases



Bhutan's Experience

— Awareness Building Program

- Crucial for growth of IP culture
- Special importance
- Seminars, workshops and meetings
- Celebration of the World IP Day
- Distribution of brochures, pamphlets, books
- Awareness to schools and institutions



Bhutan's Experience

— International Activities

- Closer international and regional association especially WIPO
- Technical Assistance and Capacity Building Program
- Nationally Focused Plan of Action (NFPA)
- Update on international treaties and laws
- Infrastructure development
- IT and automation



Bhutan's Experience

– Bhutan's Membership to Treaties on IP

— World Intellectual Property Organization	16 March 1994
— The Paris Convention for the Protection of Industrial Property	4 August 2000
— The Madrid Agreement Concerning the International Registration of Marks	4 August 2000
— The Protocol Relating to the Madrid Agreement Concerning the International Registration of Marks	4 August 2000
— Berne Convention for the Protection of Literary and Artistic Works	25 November 2004



Challenges

- Building IP institution requires setting up framework tuned to social, economic and cultural context
- IP is multi-sectoral, role and contribution to national development goals as a holistic approach
- Identify government ministries and institution, public and private
- In Bhutan, IPD and National Bio-diversity Centre (NBC)
- No IP Professionals eg. Patent and Trademark Attorney



Challenges

- Low industrial base activity, private sector and SMEs
- For IPD, lack of technically skilled manpower
- Extensive experience, right qualification, technical expertise
- Level of awareness is a another major hurdle
- Low level among the public, private and the general public
- Subsequent effect on enforcement



Challenges

- ***Internet landscape***
 - Flow of information at unimaginable cost and time
 - Wide-ranging access to knowledge
 - Misuse of the knowledge
 - The current trend of internet based activities, Web 2.0
 - Knowledge process rather than passive download
 - Online communities like Myspace, Youtube, Wikipedia, Facebook, Flickr
 - Constant technological progress, newer innovations



Challenges

- Draft National Intellectual Property Policy
- University, Schools and Institutions, no IP policies
- Subsequent benefit sharing through use of IP is missing
- Effective use of IP system by business and industry sector for competitive advantage
- Encourage further creativity and innovation
- At the international front, membership to additional treaties to facilitate promotion and growth of IP



Challenges

- *Membership to be considered of additional treaties on IP*

Sl. No	Treaty
1.	The Rome Convention for the Protection of Performers, Producers of Phonograms and Broadcasting Organizations
2.	WIPO Performances and Phonograms Treaty (WPPT)
3.	WIPO Copyright Treaty (WCT)
4.	The Hague Agreement Concerning the International Deposit of Industrial Designs
5.	Patent Cooperation Treaty (PCT)



Private Sector

- Private Sector involvement a key factor
- Small and contributes less than 50% GDP
- Manufacturing industries
- Trading sector – wholesale and retail
- Small service sector
- Hardly any instances of IP in the Private Sector
- R&D is not a factor
- Sharp increase in small and service industry
- Increase in the number of private firms
- IP culture, however, is weak

Source: National Statistical Bureau, Bhutan

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Conclusion

- Setting up of comprehensive and balanced IP regime
- Enabling environment for investment and transfer of technology
- Balance of interest, authors vs. societal
- Strong National IP Institution
- Both Industrial Property and Copyright under one umbrella agency
- Ensures synergy and coherence
- In-house capacity to deal IP issues

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Conclusion

—*Cornerstones of IP institutions:*

- appropriate legal and regulatory framework
- enforcement and safe-guarding the public interest
- efficient organization to oversee the system including streamlined agencies and building networks with public and private sector
- trained work-force with technical IP expertise
- proper infrastructure

Source: WIPO

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THANK YOU AND

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