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PROGRAM PERFORMANCE REPORT FOR 2004

Document prepared by the Secretariat

I. INTRODUCTION

1. This document (hereinafter the “Report”), represents the program performance report, prepared in accordance with WIPO’s results-based programming and budgeting framework, for the year 2004.
2. The Report has been prepared on the basis of the criteria established in the Program and Budget 2004-2005 (document WO/PBC/7/2) approved by the Assemblies of the Member States of WIPO (hereinafter referred to as “WIPO Assemblies”) in September 2003.
3. The Report provides an assessment of the progress in the implementation of WIPO’s programs during the year 2004 towards the biennial objectives and expected results. Part II gives a summary of the progress in 2004 towards WIPO’s strategic objectives, based on achievements at the level of the Main Programs. Part III of the Report is structured by reporting on each of the Main Programs 02 through 13 sequentially, with evaluative narrative assessments of *Results Achieved* at the level of each of the corresponding sub-programs, followed by tables summarizing information on *Performance Indicators*.
4. Annex I to this Report provides a List of Acronyms. Annex II contains an index to this document.

II. SUMMARY OF PROGRESS IN 2004 TOWARDS WIPO STRATEGIC GOALS

5. WIPO's Vision and Strategic Directions (document A/34/3) for the medium term, endorsed by the WIPO Assemblies in September 1999, represent the main guiding principles for the implementation of the work of the Organization in the 2004-2005 biennium.
6. WIPO's strategic goals should be viewed in the larger context of the UN Millennium Development Declaration adopted by the UN General Assembly in September 2000, placing the eight Millennium Development Goals (MDGs) at the heart of the global agenda. WIPO is confident that, in partnership with its Member States and other stakeholders, important contributions can be made towards those Goals as intellectual property (IP) is increasingly recognized as an integral tool for economic and social development, a key underlying condition for the achievement of many of the Goals.
7. Major deliverables and progress achieved in 2004 towards expected biennial outcomes are summarized below, within the framework of the following strategic areas:
 - creation of an IP culture;
 - protection of IP and development of the IP system, and
 - enhancement of the efficiency of the Secretariat.
8. Due to ongoing budgetary constraints in 2004, a number of activities were not carried out as planned, which has delayed progress towards achieving certain expected results.

CREATION OF AN IP CULTURE

9. WIPO's external relations with the UN system and other international organizations developed in scope and intensity. The international community reconfirmed a specific role for WIPO in the UN Working Group on Internet Governance (WGIG), established by the UN Secretary General to prepare the World Summit on the Information Society (WSIS), to be held in Tunis in November 2005. A WIPO On-line Forum on IP in the Information Society will be linked to the WSIS web site.
10. Work on further developing and refining WIPO's outreach activities and joint activities to promote IP awareness within Member States was significantly expanded. On the occasion of World Intellectual Property Day on April 26, more than 60 Member States carried out awareness-raising activities.
11. A major focus of the Intergovernmental Committee on Intellectual Property and Genetic Resources, Traditional Knowledge and Folklore (IGC) in 2004 was the need to further enhance the inclusiveness and accessibility of the IGC process, and for engagement with a wide range of stakeholders. A number of practical steps were taken to enhance the participation of accredited non-governmental organizations (NGOs) representing local and indigenous communities, and to extend outreach and commentary processes.
12. To reach out to small and medium-sized enterprises (SMEs), WIPO and the International Trade Center (ITC) jointly published two practical guides on IP, which provide practical guidance on how to deal with common IP issues encountered by exporters, and

successfully manage and market the IP assets of artisans, craft entrepreneurs and visual artists. Other activities included a workshop organized by WIPO and the World Association for Small and Medium Enterprises (WASME), in May 2004, on the use of IP as a strategic tool for business development. This was the second training program co-organized by WIPO and WASME.

13. In addition, WIPO published a second guide in a series of new WIPO guides on the theme of “Intellectual Property for Business”.

PROTECTION OF IP AND DEVELOPMENT OF THE IP SYSTEM

14. In 2004, 61 instruments of accession to, or ratification of, treaties administered by WIPO were deposited with the Director General of WIPO.

15. In 2004, the Maldives and the Syrian Arab Republic adhered to the WIPO Convention, bringing the total number of WIPO Member States on December 31, 2004 to 181.

Intellectual Property and Genetic Resources, Traditional Knowledge and Folklore

16. The WIPO Intergovernmental Committee on Intellectual Property and Genetic Resources, Traditional Knowledge and Folklore (IGC) met in March and November 2004, following the renewal of its mandate by the WIPO General Assembly in October 2003. The new mandate excludes no outcome for the IGC’s work, and raises the possibility of developing an international instrument or instruments in this field.

17. The IGC agreed on the development of the essential elements for the protection of traditional knowledge (TK) and traditional cultural expressions (TCEs), and reviewed a set of draft provisions outlining policy objectives and core principles for the protection of TK and TCEs against misappropriation and misuse. It also agreed on a process to move forward with its substantive work by establishing an intersessional commentary process on the existing draft proposals to supplement the already extensive commentary and proposed amendments made during the Committee’s meeting. The number of NGOs specially accredited to the IGC rose to more than 100 in 2004. Most of these observers represent indigenous and local communities.

18. Following an invitation from the Conference of Parties to the Convention on Biological Diversity (CBD) for WIPO to further examine questions on disclosure requirements relevant to genetic resources and TK, the General Assembly, in September 2004, agreed on a comprehensive work program for preparing a further contribution to the work of the CBD. WIPO’s contribution would build on proposals by Member States, and would be reviewed at the IGC in June 2005.

19. On November 1, 2004, WIPO and the United Nations Environment Programme (UNEP) launched a study to identify and explore the role of IP rights in the sharing of benefits arising from the use of biological resources and associated TK. The study was presented to the Ministerial Meeting at the Seventh Meeting of the Conference of Parties to the CBD in Kuala Lumpur, in February 2004, and to the IGC in November 2004. This formed part of a series of

background publications and studies, including case studies, general briefing booklets and consolidated analysis of protection of traditional cultural expressions.

Enforcement

20. A meeting of the Advisory Committee on Enforcement (ACE) in Geneva from June 28 to 30, 2004, examined the role of the judiciary, quasi-judicial authorities and the prosecution in enforcement activities; parallels between civil and common law legal systems; administrative procedures in the enforcement of intellectual property rights (IPRs); criminal procedures and sanctions; and, various national experiences. Given the key role of the judiciary in the enforcement of IPRs, the Committee agreed on the global importance of continued judicial training and specialization in the field of IP and on the need to raise awareness of IP enforcement issues at all levels of the judiciary. It was agreed that, at its next session in June 2005, the Committee would cover the issue of education and awareness-building, including training, in all areas of enforcement, with a particular focus on areas of common concern. The WIPO General Assembly in September 2004 reviewed the work of the WIPO Advisory Committee on Enforcement and encouraged it to continue its work.

Alternative Dispute Resolution

21. The WIPO Arbitration and Mediation Center produced and disseminated information on the options for the out-of-court settlement of IP disputes, including a brochure describing the WIPO arbitration process and the contribution that arbitration makes to the effective functioning of IP transactions. It also issued a new edition of its Guide to WIPO Mediation, and contributed to a new United Nations Conference on Trade and Development (UNCTAD) publication on WIPO mediation and arbitration.

Classification

22. In 2004, Armenia and the Syrian Arab Republic adhered to the Nice Agreement Concerning the International Classification of Goods and Services for the Purposes of the Registration of Marks. The total number of Contracting States on December 31, 2004, was 74.

23. In 2004, Armenia adhered to the Vienna Agreement Establishing an International Classification of the Figurative Elements of Marks. The total number of Contracting Parties on December 31, 2004, was 20.

24. In 2004, Belgium adhered to the Locarno Agreement Establishing an International Classification for Industrial Designs. The total number of Contracting States on December 31, 2004, was 44.

25. In 2004, Armenia adhered to the Strasbourg Agreement Concerning the International Patent Classification. The total number of Contracting States on December 31, 2004, was 55.

26. The International Patent Classification (IPC) Committee of Experts, at its two sessions held in February and October 2004, approved a number of amendments recommended by the IPC Revision Working Group as part of the IPC reform. The amendments will be included in the eighth edition of the IPC to be published in 2005.

IP Information

27. The Standards and Documentation Working Group (SDWG) of the Standing Committee on Information Technologies (SCIT), at its meeting in January 2004, adopted revisions to WIPO standards facilitating access to and use of publicly available industrial property information associated with the grant of patents, trademarks and industrial designs. The following WIPO standards were revised: Standard (ST.10/C) regarding the bibliographic data components of patent documents, in particular the presentation of priority application numbers; and, Standard (ST.80) relating to bibliographic data components of industrial designs for the implementation of the 1999 Act of the Hague Agreement Concerning the International Registration of Industrial Designs. Delegates also reviewed progress in the preparation of proposals to revise WIPO Standards relating to Trademarks for the electronic management of the figurative elements of trademarks, and for an eXtensible Markup Language (XML) standard for the electronic external process and exchange of trademark data. A Task Force to renew the *WIPO Handbook on Industrial Property Information and Documentation* was also established.

(a) Global Protection Systems and Services

Patents

28. In 2004, San Marino adhered to the Patent Cooperation Treaty (PCT). The total number of Contracting States on December 31, 2004, was 124, of which 69, or 56 per cent, are developing countries.

29. By the end of 2004, the PCT celebrated the filing of the one millionth PCT application. The growth rate in the filing of PCT applications has been particularly significant during the last eight years. Whereas it took 18 years from the beginning of PCT operations in 1978 to reach 250,000 total applications, it took only four years to reach a total of 500,000 applications, and another four years to reach a total of 1,000,000 applications.

30. In 2004 alone, a record 122,898 international PCT applications were filed, representing an increase of 11.5 per cent compared to 2003. A total of 7,268 international applications originated from the top ten developing countries compared to 5,861, in 2003.

31. Electronic filing of international patent applications became available to all applicants on February 12, 2004. About 14 per cent of PCT applications filed in 2004 were filed in a fully electronic form.

32. The International Bureau's new electronic priority document (E-Pdoc) application system was also launched in 2004, which allows the IB to receive, process and communicate priority documents submitted in electronic form.

33. On January 1, 2004, amendments to the PCT Regulations entered into force, which led to a number of changes to the PCT System, including a new automatic designation system, a new enhanced international search and preliminary examination system, a new time limit for filing the demand, relaxed signature requirements and changes relating to PCT fees.

34. With effect from July 26, 2004, the Canadian Intellectual Property Office started functioning as an International Searching Authority (ISA) and International Preliminary Examining Authority (IPEA). At the end of 2004, some 11 Offices were operating as ISAs and IPEAs.

35. The Assembly of the PCT Union in September 2004, adopted amendments to the PCT Regulations, with effect from April 1, 2005, concerning simplification of the protest procedure in case of non-unity of invention, furnishing of sequence listings for the purposes of search and examination, and corrigenda and consequential amendments further to the amendments already adopted by the PCT Union Assembly in 2002. It also took note of progress in the reform of the PCT, and of the status of the evolution of PCT information systems, particularly in relation to the electronic processing of international applications under the PCT. Member States further reviewed recent WIPO initiatives to improve the collection and publication of industrial property-related statistics with a view to improving the availability and usability of patent statistics.

Trademarks

36. The year 2004 saw an important development in the membership of the Protocol Relating to the Madrid Agreement Concerning the International Registration of Marks ("Madrid Protocol") with the deposit by the Council of the European Union, on July 1, 2004, of the instrument of accession of the European Community to that treaty. In addition, Kyrgyzstan, Namibia and the Syrian Arab Republic adhered to the Madrid Protocol in 2004, bringing the total number of Contracting Parties to the Protocol to 66 on December 31, 2004.

37. The accession of the European Community to the Madrid Protocol took effect on October 1, 2004, and represents the first time that the European Community has signed up to a WIPO-administered treaty, and the first accession by an intergovernmental organization (IGO) to a WIPO treaty. The European Community became the 77th member of the Madrid Union. The consequent link between the international system and the European Community Trademark System (CTM) means that trademark owners from member countries of the Madrid Protocol are able to designate the European Community in their application for international trademark registration. Trademark owners will also be able to use a trademark application filed or registered at the Office for Harmonization in the Internal Market (OHIM) as the basis for an international application under the Madrid Protocol.

38. In 2004, Namibia and the Syrian Arab Republic adhered to the Madrid Agreement Concerning the International Registration of Marks. The total number of Contracting Parties to the Madrid Agreement on December 31, 2004, was 56.

39. Use of the international trademark registration system reached a record level in 2004 with the receipt of 29,482 international trademark applications, representing a 23.5 per cent increase compared to 2003. At the end of 2004, some 424,000 international trademark registrations, belonging to over 138,280 different trademark holders, were in force in the international register. Those international registrations represented the equivalent of some five million national registrations since, on average, each international registration extends its effects to some 12 designated countries.

40. Following the adoption by the Madrid Union Assembly in 2003 of Spanish as a working language of the Madrid Protocol, users of the international trademark system can file applications in Spanish, in addition to English and French, as of April 1, 2004.

Appellations of Origin

41. In 2004, the Democratic People's Republic of Korea and Georgia adhered to the Lisbon Agreement for the Protection of Appellations of Origin and their International Registration. The total number of Contracting Parties on December 31, 2004, was 22.

42. In 2004, five new international applications were received by the International Bureau, bringing the total number of appellations of origin that had been registered under the Lisbon System to 854, of which 781 were still in force.

43. Further progress was also made on the development of an electronic database for appellations of origin registered under the Lisbon Agreement. The database is expected to be available on line ("Lisbon Express") at the beginning of 2005.

Industrial Designs

44. In 2004, Croatia and Niger adhered to the 1960 Hague Act and the Complementary Act of Stockholm. The total number of Contracting Parties (Hague Act) on December 31, 2004, was 31.

45. In 2004, Croatia, Egypt, Hungary, Namibia and Turkey adhered to the 1999 Geneva Act of the Hague Agreement Concerning the International Registration of Industrial Designs. The total number of Contracting Parties on December 31, 2004, was 16. The Act, which entered into force on December 23, 2003, became operational on April 1, 2004.

46. In 2004, a total of 1,376 international industrial design applications, 1,415 registrations and 3,591 renewals were received by the International Bureau, a decrease of 37.0, 42.8 and 3.7 per cent respectively compared to 2003. This declining trend is thought to be a consequence of the entering into operation of the European Community's Registered Design system in April 2003.

47. A two-day International Conference on Design was held in May 2004, in Venice. The conference provided an important opportunity for exchanging views on the strategic importance of the international protection of designs to design-related businesses. It also explored ways to more effectively use the Hague system for the International Protection of Industrial Designs.

Domain Names

48. In 2004, the WIPO Arbitration and Mediation Center received 1,179 domain name cases under the Uniform Domain Name Dispute Resolution Policy (UDRP), representing a 6.6 per cent increase compared to 2003. Most disputes concerned international domains, with .com representing over 80 per cent of names involved. However, in 2004, the Center also dealt with 70 cases involving country code top-level domains (ccTLDs), a 37 percent increase compared to 2003. The Center now provides services for disputes in 43 ccTLDs,

with new additions in 2004, including .ch (Switzerland), .fr (France) and .ir (Iran), to which the Center also rendered advice and assistance in the drafting of dispute resolution policies.

(b) Development of International IP Law

49. In 2004, Andorra and Pakistan adhered to the Paris Convention for the Protection of Industrial Property. The total number of Contracting States on December 31, 2004, was 168.

Patent Law

50. In 2004, Croatia and Denmark adhered to the Patent Law Treaty (PLT). The total number of Contracting States on December 31, 2004, was nine. The Patent Law Treaty entered into force on April 28, 2005.

51. At its tenth session in May 2004, the Standing Committee on the Law of Patents (SCP) continued its discussions on the provisions of the draft Substantive Patent Law Treaty (SPLT) and how to proceed with its work on bringing closer together certain concepts of substantive patent law. While there was broad agreement on the importance of carrying on with the work of the SCP, Member States expressed different views on the details of the work program. During the discussion of this issue at the General Assembly in September 2004, it was decided that the Director General should determine the dates of the next meeting of the SCP following informal consultations.

52. In 2004, Armenia and Tunisia adhered to the Budapest Treaty on the International Recognition of the Deposit of Microorganisms. The total number of Contracting States on December 31, 2004, was 60.

Trademark Law

53. In 2004, the Islamic Republic of Iran adhered to the Madrid Agreement for the Repression of False or Deceptive Indications of Source on Goods. The total number of states on December 31, 2004 was 34.

54. In 2004, Belgium, Germany and Turkey ratified the Trademark Law Treaty (TLT). The total number of Contracting Parties on December 31, 2003, was 33.

55. At the WIPO Assemblies in September 2004, Member States agreed on the convening of a Diplomatic Conference for the Adoption of a Revised Trademark Law Treaty (TLT), which will update the existing treaty, bringing its procedures into line with technological advances. The Diplomatic Conference will be held in March 2006. Two further sessions of the Standing Committee on the Law of Trademarks, Industrial Designs and Geographical Indications (SCT) and one session of a preparatory meeting will be held prior to the Conference to continue work on outstanding issues. The revision of the TLT envisages the inclusion into the treaty of provisions on electronic filing of trademark applications and associated communications, provisions concerning the recording of trademark licenses, relief measures when certain time limits have been missed, and the establishment of an assembly of the contracting parties to enable the updating of administrative provisions regulated under the treaty.

56. Delegates attending the SCT at its meetings in April and October 2004, made significant progress in fine-tuning legal texts for a revised TLT. The SCT reached consensus on a range of articles and rules including the marks to which the treaty applies, questions relating to communications, measures in case of failure to comply with time limits, duration and renewal of registration, questions relating requests for recordal, amendment or cancellation of a license.

57. The SCT also reviewed and discussed a provisional summary of responses from Member States to a questionnaire on national trademark law and practice. The survey questionnaire was circulated to SCT members in August 2003. The final version of the responses will be submitted to the SCT. This document could serve as a basis for future work of the SCT.

58. In relation to geographical indications, the SCT, at its meeting in October 2004, considered the issue of the abusive registration of geographical indications as Internet domain names. Without entering into a substantive discussion, the SCT decided to keep this item on its mid-term agenda.

59. Regarding the protection of state emblems, an "Article 6ter Express" database was launched in 2004, being the latest addition to the WIPO Intellectual Property Digital Library (IPDL). The database offers a free-of-charge on-line search facility of all signs and emblems currently protected under Article 6ter of the Paris Convention for the Protection of Industrial Property. The database contains a total of 1,204 protected signs.

Copyright

60. In 2004, Andorra, Bhutan, Ireland, the Syrian Arab Republic, the United Arab Emirates and Viet Nam adhered to the Berne Convention for the Protection of Literary and Artistic Works. The total number of Contracting States on December 31, 2004, was 157.

61. In 2004, Andorra, Turkey and the United Arab Emirates adhered to the Rome Convention for the Protection of Performers, Producers of Phonograms and Broadcasting Organizations. The total number of Contracting States on December 31, 2004, was 79.

62. In 2004, Armenia, Botswana, Jordan, Kazakhstan, the Republic of Korea and the United Arab Emirates adhered to the WIPO Copyright Treaty (WCT). The total number of Contracting States on December 31, 2004, was 50.

63. In 2004, Armenia, Botswana, Indonesia, Jordan, Kazakhstan and The former Yugoslav Republic of Macedonia adhered to the WIPO Performances and Phonograms Treaty (WPPT). The total number of Contracting States on December 31, 2004, was 48.

64. Delegates attending the Standing Committee on Copyright and Related Rights (SCCR), in November 2004 made significant progress towards updating international IP standards for broadcasters, by narrowing differences on key issues contained in a Revised Consolidated Text of treaty proposals. Delegates also called for accelerated progress towards conclusion of the Treaty. Regional consultation meetings will be organized by the Secretariat where requested by Member States. A second Revised Version of the Consolidated Text and a working paper will also be prepared by the Chair of the SCCR to address whether and how

protection should extend to webcasters. Consensus is also sought on the scope and duration of rights under the Treaty.

65. The issue of protection of non-original databases was considered by the SCCR at its meeting in June 2004, and it was decided to revisit the matter in the second half of 2005.

66. At the WIPO Assemblies in September 2004, Member States reviewed the status of consultations on outstanding issues relating to the protection of audiovisual performances. A number of countries urged for the early resolution of those issues so that a new treaty could be established. Member States agreed to keep the subject under review at their annual meetings in 2005. Prior to the SCCR in November 2004, an information session on the protection of audiovisual performances was organized. Numerous delegations and representatives of IGOs and NGOs expressed interest in making headway on outstanding issues left over from the Diplomatic Conference on the protection of audiovisual performances in December 2000.

Domain Names

67. In September 2004, Member States attending the WIPO Assemblies were briefed on the follow-up of the recommendations made by Member States, in 2003, with respect to Internet domain names corresponding to identifiers which are the names and acronyms of international intergovernmental organizations (IGOs) and country names. The Internet Corporation for Assigned Names and Numbers (ICANN) was considering the broadening of the scope of the UDRP to provide protection for these identifiers.

(c) Cooperation for Development

68. In September 2004, the WIPO General Assembly agreed to further examine a proposal originally presented by a group of developing countries to enhance the development dimension in all of WIPO's work, at inter-sessional intergovernmental meetings to be organized in 2005. The meetings would also be open to WIPO accredited IGOs and NGOs. A report on these issues would be presented to the General Assembly in 2005 for its consideration.

69. At the WIPO Assemblies in September 2004, the Government of Singapore formally offered to host a WIPO liaison Office.

70. A funds-in-trust arrangement between WIPO and the Korean Intellectual Property Office (KIPO), to enhance cooperation between the two Organizations and strengthen the IP system for developing and least developed countries, was concluded for the 2004-2005 biennium. KIPO has pledged one billion Korean Won (about one million Swiss francs) for these activities. Under the arrangement, KIPO and WIPO will jointly make available, to other Offices that receive international patent applications under the PCT, software that will facilitate the management of PCT applications in both electronic and paper form. The deployment of this PCT-Receiving Office Administration (PCT-ROAD) system is expected in the first half of 2005. Once PCT-ROAD is fully completed, all IPOs will be able to download the free PCT-ROAD system from the web sites of WIPO and KIPO.

71. A memorandum of understanding (MOU) between WIPO and the Spanish Patent and Trademark Office (SPTO) was signed in July 2004. The MOU includes a significant financial contribution for projects in the Ibero-American region, such as: a joint WIPO, SPTO, and European Patent Office (EPO) initiative, known as LATIPAT, to enable the electronic publication of data on patent applications from Latin American countries; and, an initiative to be undertaken in cooperation with WIPO, SPTO, EPO and countries from the Central American Isthmus to harmonize and streamline patent procedures in that region. This is expected to result in a practical manual outlining unified criteria for patent examiners and users of the patent system in order to generate a common understanding of the patent granting process in the countries concerned. Other activities will consist of a training program for judges in the region and promotion of the use of the PCT, and the translation into Spanish of the advanced level of the IPC.

72. A Ministerial Conference was organized on IP and Least Developed Countries (LDCs) with the support of the Government of the Republic of Korea, in October 2004, in Seoul. The Seoul Ministerial Declaration recognized the specific problems faced by LDCs, including shortage of resources and a weak IP infrastructure despite their efforts to build national IP institutions. The Declaration also recognized that the creation, protection, management and use of IP rights would contribute to economic development through facilitating the transfer of technology, increasing employment and creating wealth. The Declaration further reaffirmed the vital importance and desirability of improving the institutional and policy framework for the modernization and development of the IP systems and institutions in LDCs.

73. In line with the Program of Action for the Least Developed Countries for the Decade 2001-2010, adopted by the Third United Nations Conference on the Least Developed Countries in Brussels in May 2001, progress has been made on the deliverables for LDCs. As of December 2004, 48 IPOs in 32 LDCs have benefited from new equipment and Internet connectivity services. In the area of genetic resources, TK and cultural expressions (or folklore), WIPO's assistance has included policy development and capacity building. This has enabled policy- and lawmakers to make crucial decisions on the preservation, protection and promotion of this element of national and community heritage.

74. WIPO and the United Nations University (UNU) signed a memorandum of understanding in July 2004, to work together to increase awareness of IP and to clarify the link between IP and areas such as economic development, international trade and the environment. Areas of cooperation include strengthening research, teaching and training in the field of IP.

75. The development of human resources in developing countries and countries in transition, for the effective implementation and use of the IP system, continued through the activities of the WIPO Worldwide Academy. Work was initiated on the following four new advanced online distance learning courses: plant varieties protection, patents, crafts and visual arts (for SMEs), and IP dispute resolution (the WIPO Arbitration and Mediation Center). In 2004, a total of 5,942 students completed existing online distance learning courses, 84 per cent of which completed the DL-101 General Course on IP. Some 169 officials from developing countries and countries in transition were trained in the Professional Training Program. The organization of high-level events continued to enhance the awareness and capacity of decision-makers, policy-advisors and other senior officials to analyze and implement new IP policy directions.

76. A significant contribution was made towards the strengthening and effective use of IP systems in certain countries in Europe and Asia. As several countries in the region became members of the European Union as of May 1, 2004, and other countries were candidates to accession, WIPO enhanced coordination with the European Union for IP technical assistance.

77. Automation assistance, provision of legal advice and support to copyright collective management organizations in developing countries, LDCs and countries in transition continued in 2004, contributing to: enhanced efficiency of IP organizations and institutions; a better servicing of their members, users and the general public; and, enhanced conformity of national legislation with international norms and standards.

ENHANCEMENT OF THE EFFICIENCY OF THE SECRETARIAT

78. Emphasis continued to be placed on enhancing the efficiency of the Secretariat and reducing overall operational expenditure through cost-cutting measures. To this end, greater use was made of information technology (IT) tools, administrative procedures were further streamlined and cost-savings were realized in the administrative and management support services.

79. Negotiations with airline companies resulted in important reductions in travel expenditure, which decreased by approximately 1.9 million Swiss francs compared to 2003. Fixed-line and mobile telephone telecommunication charges decreased, by 14 per cent compared with 2003, and printing costs were reduced as a result of an improved in-house specialized printing capacity and greater production of material in CD and DVD format.

80. Other important cost-savings were achieved with regard to rented office space. In early 2004, existing rental contracts were reviewed in order to reduce office rental and related maintenance costs. In 2004, rents and associated charges came to 15,278,513 Swiss francs, which represents a reduction of some 11 per cent compared to 2003.

81. With respect to office space, a study was also undertaken, at the request of WIPO, for an alternative version of the new construction project, with a view to providing similar functionality at a lower cost. As a result of this study, the project budget has now been revised to a total of 125.5 million Swiss francs.

82. The year also saw the successful completion of the Administrative Information Management System (AIMS), which has increased the efficiency of WIPO's financial operations. New IT tools, including terminology databases, were also introduced to the Languages Services, resulting in improved overall productivity. Streamlining of human resources administrative systems continued, resulting, *inter alia*, in greater efficiency in meeting the Organization's staffing requirements through re-deployment.

83. Cost containment remained the key focus of WIPO's IT activities in 2004, resulting in important savings. It became clear, however, that such a reduced level of expenditure is unsustainable in the long term as it does not accommodate the replacement of the basic IT infrastructure, which is due to be renewed.

84. In 2004, the last major IT project, AIMS, entered into operation. The majority of WIPO's major IT initiatives over the past six years are thus now operational.

III. MID-BIENNIUM PERFORMANCE REPORT, BY MAIN PROGRAM

MAIN PROGRAM 02 - Direction and Executive Management

85. This Program provides the Director General with information, analysis, and legal and policy advice required for the direction, executive management and implementation of WIPO activities, while meeting the challenges of the knowledge-based economy, in which IP issues are critical to national, regional and international policy-making.

86. Sub-program 2.1 (Office of the Director General) provided close support to the Director General on a daily basis, and Sub-program 2.2 (Policy Advice, Advisory Commissions, Internal Oversight and External Relations) provided an advisory framework by which the Director General received policy information and advice from internal and external sources, including on oversight issues.

87. The monitoring and analysis of IP trends guiding the strategic direction of WIPO, internal policy coordination, budget planning and control, as well as legal advice, continued to be the main focus of Sub-program 2.3 (Strategic Planning, Budget Control and Legal Affairs).

88. The further strengthening of WIPO's contacts, coordination and cooperation with the international IP community, UN system organizations, as well as the European Community institutions, was ensured by Sub-program 2.4 (Liaison Offices and External Coordination).

Sub-program 02.1 - Office of the Director General

OBJECTIVE: To provide administrative support to the Director General.

<p>Expected Result: Effective and efficient operation of the Office of the Director General.</p>

89. Front-office support to the Director General on a day-to-day basis enabled the smooth functioning of the Director General's executive decision-making. Such support included: the preparation of correspondence with Governments of Member States, regional organizations, NGOs, other institutions and individuals; the preparation of speeches, briefing materials and statements; protocol services; the consolidation of substantive contributions from program managers; the coordination of the servicing of the Assemblies and Conferences of Member States; and, assistance and follow-up to the meetings and decisions of the Senior Management Team.

90. In 2004, the Director General undertook four foreign missions and received 210 visits from representatives of Member States, including Ministers, Ambassadors, and Heads of international and national organizations, for which the Protocol Division ensured the formal and logistical arrangements.

Performance Indicator(s)

Feedback from the Director General:

N/A

Total expenditure (000 Swiss francs) for sub-program 02.1 in 2004:

1,483

Sub-program 02.2 - Policy Advice, Advisory Commissions, Internal Oversight and External Relations

OBJECTIVE: To advise the Director General concerning policy directions, external relations and executive management of WIPO.

Expected Result: Timely provision of the most appropriate policy advice to the Director General.

91. Policy advice provided to the Director General consisted of information and analysis with a view to ensure that the overall direction and executive management of WIPO can respond promptly and effectively to the requirements of the IP community and system.

92. Also, areas within WIPO were identified in which greater efficiencies could be obtained, and the Director General was advised accordingly.

Performance Indicator(s)

Feedback from Member States on the results of policy advice in the direction and executive management of the Director General:

Proposals and initiatives on various issues were received positively. Due to their complexity and long-term implications, some of the proposals are still under consideration. Cost containment initiatives, undertaken in the second half of the year with a view to improving the budgetary situation of the Organization, were also recognized and appreciated.

Expected Result: Better reflection of international trends and the needs of the market sector through inputs and advice from the Policy Advisory Commission (PAC) and the Industry Advisory Commission (IAC).

93. Administrative and substantive support was provided by the Secretariat to the Policy Advisory Commission, and contacts were maintained with members of the Commission with a view to develop a future program. Due to financial constraints, no meetings of that Commission took place in 2004.

94. WIPO's contacts with NGOs and industry groups continued during 2004, improving the Organization's lines of communication with representatives of industry and the market sector. These contacts helped shape WIPO's activities in areas of interest to industry, particularly in regards to the patent system and arbitration and mediation services. While the Industry

Advisory Commission (IAC) did not meet in 2004, efforts to strengthen the Organization's relations with various industry groups continued.

Performance Indicator(s)

Number of recommendations made to WIPO resulting in policy or program initiatives:

Key recommendations of the 2003 PAC meeting which were incorporated into WIPO programming included:

- To keep developments in IP policy and legislation in pace with technological developments;
- To continue addressing and strengthening the fight against piracy and counterfeiting;
- To encourage strong and enforceable copyright protection, including efficient collecting societies, and to promulgate the WIPO Copyright Treaty (WCT) and the WIPO Performances and Phonograms Treaty (WPPT);
- To continue to produce and enhance WIPO publications, and further intensify efforts to demystify IP.

Expected Result: Higher media profile for WIPO and IP issues in general and clarity and accuracy of press articles and of the public writings and statements on IP and WIPO.

95. WIPO continued to expand and consolidate its links with the international and Swiss-based press. In 2004, some 49 press communiqués were released and some 2,200 press articles covered issues relating to WIPO and IP. Heightened interest in WIPO's work by civil society groups led to more focus on IP issues outside the specialized press. Media attention, in particular, focused on copyright issues, efforts to reform the international patent system and issues relating to IP and development, TK, folklore and access to genetic resources, as well as alternative dispute resolution related to domain names. Press conferences, briefings and interviews (written press, television and radio) with WIPO officials on a variety of subjects were also arranged, and articles on specific areas of WIPO's work were provided to specialist publications.

96. Fifty-two editions of "Intellectual Property in the News," a weekly compilation of IP-related news clippings, were produced and sent to Geneva-based Permanent Missions.

97. Concerning public affairs activities, 73 groups, including government officials, business people and students, totaling 1,800 people, were briefed on the history, structure, and activities of the Organization. Eighteen art exhibitions, serving to demonstrate the link between creativity and copyright and supported by the Missions of the exhibitors' nationality, were organized and drew some 9,500 visitors. Some 25 new or updated entries on WIPO in various international yearbooks and other publications were provided, along with responses to around 4,000 general inquiries on WIPO and IP.

Performance Indicator(s)

Number of articles relating to WIPO appearing in the world press and accuracy of their content:

Approximately 2,200 articles were tracked by one system only. Accuracy of content varied according to the source of information. The specialized media and business press reported more objectively and accurately on IP issues. NGO-related publications tended to be critical.

Expected Result: Coherent and comprehensive evaluation used as a tool for the management of WIPO's activities.

98. The independent internal evaluation of the WIPOnet Project was completed and the report, containing a number of recommendations relating to WIPO's current and future IT practices and initiatives, was disseminated internally during the first half of 2004.

99. A set of Guidelines for the Preparation and Conduct of Evaluations in WIPO were finalized and published on the Intranet site of the Internal Audit and Oversight Division. The systematic use of the Guidelines, as well as other evaluation tools by program managers, will continue to be actively promoted in 2005.

100. A Program Performance Report and an Implementation Overview, as part of WIPO's Results-based Management framework, was prepared for submission to the WIPO Assemblies.

101. WIPO continued to be an active member of the UN Evaluation group, an inter-agency forum for evaluation professionals.

Performance Indicator(s)

The results of evaluations are used to improve the performance and the design of ongoing and new programs:

From the WIPOnet evaluation exercise, the need for an institutionalized follow-up mechanism to recommendations emanating from evaluations undertaken at WIPO became apparent; an issue which is expected to be addressed in 2005.

Expected Result: Compliance with WIPO's regulations, rules and procedures.

102. A draft Internal Audit Charter was finalized and preliminary approval given by the Director General. The draft, which is based on best practices within the United Nations system organizations and Multilateral Financial Institutions, will be submitted to Member States in 2005, for their review, formal endorsement and approval. Compliance with WIPO's regulations, rules and procedures, the adequacy of internal controls and the economy and efficiency of operations continued to be on the agenda of the Internal Auditor. Ad hoc advice on compliance with rules and cost-effectiveness of operations was provided to senior management and program managers on various issues. However, in view of the workload in the area of evaluation and of the reduction of relevant resources, no formal audits were performed during the period under review.

103. Views and information on audit and other oversight practices and methodologies continued to be exchanged with other UN agencies and multilateral international organizations. In this connection, the Internal Auditor attended the annual meeting of the Representatives of Audit Services (RIAS) and the annual Conference of Investigators of United Nations system organizations and Multilateral Financial Institutions. Moreover, as Head of the Internal Audit and Oversight Division, the Internal Auditor briefed members of the Geneva Group, at their request, on Internal Oversight policies and practices at WIPO.

Performance Indicator(s)

Internal audit reports indicate that the level of non-compliance is minimal:

No formal audit report was issued during the year 2004. It should be noted, however, that the External Auditors' report covering the 2002-2003 biennium was positive and contained a favorable opinion on the accounts of the Organization, stating that operations had been consistent with WIPO's Financial Regulations.

104. The year 2004 was a period of consolidation in the organizational approach taken to external relations, aiming at a better coordination of external activities with relevant sectors within WIPO. WIPO's external relations with the UN system and other international organizations continued to develop in scope and intensity. Within UN system bodies, such as the Chief Executive Board (CEB), WIPO illustrated its contribution to the Millennium Development Goals. The international community also reconfirmed a specific role for WIPO in the UN Working Group on Internet Governance (WGIG), established by the UN Secretary General to prepare the World Summit on the Information Society, to be held in Tunis in November 2005. WGIG recognized the relevance of WIPO's Internet treaties (WIPO Copyright Treaty and WIPO Performances and Phonograms Treaty) and WIPO's contribution to the rules-based dispute resolution system under the UDRP, as well as the work of the WIPO Arbitration and Mediation Center in this regard.

105. WIPO's cooperation with other international organizations in 2004 included:

- A Colloquium for Teachers of IP Law, as well as a regional and two national seminars organized jointly by WIPO and WTO;
- Participation in the World Health Organization (WHO) Commission on Intellectual Property Innovation and Public Health (CIPIH) providing advice to the CIPIH on IP issues;
- Joint publications with UPOV on "Co-existence of Patents and Plant Breeders' Rights in the Promotion of Biotechnological Developments" and "Intellectual Property Rights in Plant Biotechnology" currently under preparation;
- Participation in the preparation of a Draft General Comment on the Covenant on Economic, Social and Cultural Rights, 1966, prepared by the UN Committee on Economic, Social and Cultural Rights. WIPO's approach was reflected in the final draft;
- Contribution to the development of a United Nations Educational, Scientific and Cultural Organization (UNESCO) Convention on the Protection of the Diversity of Cultural Contents and Artistic Expressions and to UNESCO's effort to formulate a universal instrument on bioethics;
- Strengthening of the relationship with the Permanent Forum on Indigenous Issues, an advisory body to the Economic and Social Council of the United Nations (ECOSOC), as WIPO Member States have called upon;
- Preparation of a Preliminary Report on work towards the assessment of patent data relevant to availability and use of certain plant genetic material, at the invitation of the Food and Agriculture Organization of the United Nations (FAO) Commission on Genetic Resources for Food and Agriculture. The Report was welcomed by the Commission as being of significant value to the agricultural community;
- An invitation by the Conference of Parties to the CBD to examine issues related to the interrelation of access to genetic resources and disclosure requirements in IP rights applications. In September 2004, the WIPO General Assembly considered the invitation, decided to respond positively and established a timetable and modalities for addressing

the invitation. Accordingly, WIPO Member States were invited to submit proposals before December 15, 2004, and, on the basis of the proposals received, a draft examination of the issues was prepared and circulated for comments by the end of January 2005;

- Participation in the OECD-Russia Conference on Public-Private Partnerships for Innovation, which recognized a role of IP in innovation activities; and,
- A meeting of the WIPO/International Organization for Standardization (ISO) Task Force in November 2004, at which several areas for continuing collaboration were discussed including: the International Securities Identification Numbering System; filing of a patent during the development of a related standard; and, copyright for ISO standards.

Total expenditure (000 Swiss francs) for sub-program 02.2 in 2004:	5,155
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Sub-program 02.3 - Strategic Planning, Budget Control and Legal Affairs

OBJECTIVE: To assist and advise the Director General on strategic planning, budget control and legal affairs.

Expected Result: Increased coherence and integration of WIPO programs.

106. The Director General received assistance and support for the implementation of specific measures aimed at improving communication, consultation and coordination within the Secretariat. The workplans for 2004 served to align program activities and objectives, allotment of resources, and for monitoring and mid-term review. In close contact with Program Managers, matters relating to inter-sectoral and intra-sectoral cohesion were reviewed and areas of overlap and redundancy were identified, with a view to further rationalization and streamlining of certain programs and activities.

107. The Senior Management Team and its Task Force met regularly respectively during the last six months of 2004. Other internal coordination mechanisms enhancing cross-sectoral cooperation were convened in 2004, including the IT Policy Board, the Staff Promotion Advisory Board, the Staff Redeployment Board, and the Contracts Review and Construction Committee. Decisions and recommendations by the Security Policy Board were implemented in response to recently growing concern over the threat to the United Nations system. As a follow up to Member States' request for cost saving and cost containment measures, a review of program implementation strategies, as well as a new direction and approach for the new construction project, was undertaken in consultation with Member States.

Performance Indicator

Feedback from Member States on the relevance of the content and structure of WIPO programs, and more efficient use of resources:

At the last meeting of WIPO Assemblies in September 2004 (document A/40/7), a strong majority of WIPO Member States (including three Regional Group spokespersons) explicitly supported the strategic direction of WIPO.

Expected Result: High quality, results-based budgetary documents and management reports available at required dates.

108. Regarding budgetary issues, the main challenge in 2004 was to address an income shortfall of over 70 million Swiss francs by reducing expenditure in the 2004-2005 biennium without, at the same time, compromising the Organization's ability to meet its strategic objectives. To this end, possible savings, both in personnel and non-personnel expenditures, were identified in consultation with Program Managers. As a result, the deficit for the year 2004 was kept to a minimum.

109. Furthermore, an internal process identifying alternative financial and technical options in respect of the new construction was initiated, for the consideration of Member States. Support was also extended for the exercise launched by the Joint Inspection Unit (JIU) "Review of Management and Administration in WIPO: Budget, Oversight and Related Issues".

Performance Indicator(s)

Approval by Member States of budgetary documents:

The year 2004 was not a budget-approval year, but documents for the informal session of the Program and Budget Committee in February 2005 were prepared and preparations commenced for the Proposed Program and Budget 2006-2007, for submission to the eighth session of the Program and Budget Committee, April 2005. Financial and other relevant information was also provided on a continuous basis to Member States.

Expected Result: Timely quality advice and assistance to Member States, the Director General and other entities on a wide range of legal issues relating to the work of the Organization.

110. Following the WIPO Assemblies adoption of the recommendations of the General Assembly Working Group on Constitutional Reform in September 2003, eight WIPO Member States sent their instruments of acceptance of the adopted amendments in 2004.

111. Furthermore, 61 new instruments of ratification or accession to WIPO-administered conventions and agreements were received and processed, 44 per cent of which came from developing countries, and 35 per cent from countries in transition. A total of 81 notifications of treaty actions were issued and published on the Internet and *via* press releases. The treaties mailing list (*treaties.mail*) reached 6,733 subscribers and the web site (*wipo.int/treaties*) had 1,164,084 page views during 2004. New features were added to the latter, such as a database on contracting parties, members of WIPO bodies, notifications regarding WIPO treaties, and statistical information on adherence to WIPO treaties.

112. Requests were received from one IGO, 18 international and six national NGOs for observer status with WIPO, of which one, nine and three organizations respectively fulfilled all the required criteria. By the end of 2004, some 66 IGO's and 193 NGO's (180 international and 13 national) had been admitted as observers to the meetings of the Assemblies of the Member States.

113. WIPO continued to be actively involved in the meetings of the Legal Advisers of the United Nations System and in the International Law Association's Committee on the Accountability of International Organizations. It also contributed to the Report of the International Law Commission of the United Nations on the topic "Responsibility of International Organizations".

114. Following the Government of Singapore's formal offer to host a WIPO Office during the WIPO Assemblies in September 2004, agreement was reached with the Singapore authorities concerning the legal status of WIPO in Singapore, the privileges and immunities of WIPO and its staff members, and the allocation of space, provision of utilities and other related matters.

115. Legal advice and assistance continued to be provided both within WIPO and outside the Secretariat, including on more than 120 contracts, the interpretation of agreements currently in force, Memoranda of Understanding and Funds in Trust Agreements, authorizations to reproduce WIPO materials, and general legal advice to UN organizations, as well as private and public entities.

116. The Contracts Review Committee, the Investment Advisory Committee and the Construction Committee, also continued to be supported with legal advice provided for the anticipated termination of the construction contract with the Consortium that had been selected as the General Contractor for the new WIPO building. In addition, an important IT related contract was terminated early resulting in considerable cost-savings.

Performance Indicator(s)

Feedback from Member States, the Director General and other entities on the appropriateness and timeliness of the received advice:

No negative feedback was received.

Total expenditure (000 Swiss francs) for sub-program 02.3 in 2004:

4,215

Sub-program 02.4 - Liaison Offices and External Coordination

OBJECTIVE: To enhance WIPO's links with, and to promote a better understanding of WIPO's vision and objectives in, the European Community, national and international organizations and institutions in Washington, and the UN headquarters in New York.

Expected Result: Increased awareness of, and support for WIPO's objectives and work in the field of IP in New York at the UN, in the private sector, media, diplomatic community, and international institutions.

117. During 2004, the New York Coordination Office represented WIPO at several meetings of the United Nations, such as the 59th session of the United Nations General Assembly, ECOSOC, Committee for Programme and Coordination, Commission on Sustainable Development, Commission on International Trade Law, and Permanent Forum on Indigenous Issues. It also represented WIPO in inter-agency meetings such as the High Level Committee

on Programmes and the Inter-Agency Group on Indigenous Issues, as well as meetings between Bretton Woods institutions and ECOSOC.

118. Through its outreach programs targeting the UN diplomatic corps, UN Secretariat staff, civil society, and the private sector, the New York Coordination Office continued to raise awareness and promote WIPO's work in the field of IP, contributing to a better understanding, international coordination and cooperation on IP related issues.

Performance Indicator(s)

Level of coordination and number of joint initiatives with the UN, international institutions and the IP community:

Outreach programs, including joint activities with other organizations, attended by more than 200 participants included:

- A WIPO-United Nations Institute for Training and Research (UNITAR) Workshop on Intellectual Property;
- Briefings for UN regional groups in New York;
- Panel discussion on Science and Technology hosted by the Office of the Special Adviser on Africa;
- Panel on TK and related matters at the Permanent Forum on Indigenous Issues.

Specific outreach activities targeting the private sector, attended by approximately 250 participants, included:

- A workshop on "Trademark Practice and Industrial Design Update: a Global Perspective" co-hosted with the New York Intellectual Property Law Association (NYIPLA);
- A seminar on PCT organized jointly with the International Intellectual Property Society (IIPS);
- A dance performance in the Dag Hammarskjold Auditorium at the UN Secretariat;
- Lectures at several US universities;
- Presentations to professional IP societies and NGOs.

Number of positive references to WIPO in the media in New York:

Several favourable mentions of IP issues in UN media.

Expected Result: Increased awareness of, and support for WIPO's objectives and work in the field of IP among government, private sector, media, diplomatic community, and international institutions such as the World Bank, in Washington D.C.

119. The Washington Office continued to strengthen WIPO's profile by extending contacts with the Government of the United States of America, national industry and consumer groups, and associations. The Office monitored relevant Congressional hearings and participated in conferences hosted by the American Intellectual Property Law Association (AIPLA), the American Bar Association (ABA), the International Intellectual Property Institute (IIPI) and other NGO's, the Organization of American States (OAS) and the World Bank. Other activities included lectures at law schools in the Washington area, the establishment of contacts to broadcast organizations and interested parties relating to a potential broadcast treaty, participation in copyright seminars, TK deliberations, and patent reform discussions in various organizations. Several bar associations and IP related groups in Washington were also addressed.

Performance Indicator(s)

Number of contacts between Liaison Office and government officials:

Contacts between the WIPO Washington Office and government officials averaged approximately 445 per month; contacts with the IP community, NGOs, and other stakeholders averaged approximately 300 per month.

Number of events sponsored for IP community (industry groups, associations):

The Office co-sponsored numerous informational events for the Intellectual Property Caucus of the US House of Representatives and for Congressional Chiefs of Staff, and participated in some 30 events sponsored by groups representing the IP community.

Number of positive references to WIPO in the media in Washington, D.C.:

WIPO is frequently referenced in media reports in Washington and elsewhere in the United States of America due to the higher profile of IP issues in general.

Expected Result: Increased awareness of, and support for WIPO's objectives and work in the field of IP within relevant European Community institutions and organizations.

120. The WIPO Coordination Office in Brussels continued to establish links with relevant decision makers, opinion formers, and other stakeholders in Brussels. A major result in 2004 included increased awareness of WIPO's objectives and work in Directorates-General not directly concerned with IP (for example, DG Research), among members of the European Parliament, regional and national organizations, and think tanks.

121. The installation of a new Commission, and the progressive transformation of the Commission services to include officials from the "new Member States", as well as the election of a new Parliament, will require intensified efforts to reach out to a new constituency.

Performance Indicator(s)

Level of awareness of WIPO's aims and activities among key European decision makers and opinion formers; the reflection of this awareness in IP discussions and decisions:

Level of awareness of WIPO's work increased in European Union (EU) Directorates-General not directly concerned with IP.

Level of understanding of WIPO's objectives and activities among industry associations and NGOs:

Information not yet available.

Number of positive references to WIPO in economic, specialist and mass media based in Brussels:

Articles on IP were published in two journals.

Expected Result: A coherent partnership approach to activities for the development and use of the IP system for economic and social development.

122. The WIPO Coordination Office in Brussels continued to provide information on relevant events at the level of the European Union and its Member States to colleagues at Headquarters. Discussions were initiated with the relevant European Commission units with

a view to the signing, by WIPO, of the Financial and Administrative Framework Agreement (FAFA) governing the conclusion and implementation of cooperation for development projects supported by the European Union.

123. Regarding joint activities, the cooperation with the European Commission in the promotion of IP, particularly in the framework of the Technical Assistance and Information Exchange unit (TAIEX), Directorate-General Enlargement, European Commission, in the Central-European Region, was strengthened in 2004. Cooperation was also initiated with the European Commission in delivering assistance on IP to two developing countries.

Performance Indicator(s)

Consultations and cooperation between WIPO, the UN, the European Commission and other governmental and intergovernmental institutions on relevant activities:

- Participation in numerous meetings, particularly think tanks;
- Speaker at six events;
- Participation, with a stand, in the inventions exhibition "Brussels EUREKA";
- Extensive WIPO participation in the "IP Summit", December 2 and 3, 2004;
- Meeting in Geneva with representatives of Directorate-General Trade of the European Commission.

Number and range of joint or coordinated projects identified and implemented:

- 20 TAIEX seminars to which WIPO contributed;
- Initiation of the process for the signature of the Financial and Administrative Framework Agreement (FAFA).
- Initiation or development of two cooperation projects.

Feedback and evaluation on the impact of these projects:

Information not yet available.

Total expenditure (000 Swiss francs) for sub-program 02.4 in 2004:

3,140

Total expenditure (000 Swiss francs) for Program 02 in 2004:

13,993

MAIN PROGRAM 03 - Patents and the Patent Cooperation Treaty (PCT) System

124. Among the major outcomes of this Program in 2004 were the ratification of two States of the Patent Law Treaty (PLT). The total number of accessions or ratifications to the PLT thus reached nine States at the end of 2004. The tenth accession or ratification will trigger the three-month period for the entry into force of the PLT.¹ Furthermore, the Standing Committee on the Law of Patents (SCP) held one session in 2004, which continued discussing the draft Substantive Patent Law Treaty (SPLT) and the future work of the SCP.

¹ In the meantime, Romania has ratified the PLT on January 28, 2005. The Treaty will thus enter into force on April 28, 2005.

125. The consideration of proposals for reform of the PCT system progressed with the sixth session of the Working Group on Reform of the PCT, held in May, and the adoption of a number of amendments to the PCT Regulations by the PCT Union Assembly in October 2004.

126. With 122,898 international applications received in 2004, the PCT broke a new record, in addition to exceeding the 100,000 mark for the fourth consecutive year. The number of applications received increased by over 10 per cent compared to 2003. The number of Contracting States rose to 124, with the new membership of San Marino. In 2004, the International Bureau continued to take steps to move further towards a more extensive automated system.

Sub-program 03.1 - Development of International Patent Law and Services

OBJECTIVE: To further develop the international patent system, including laws and services, and including reform of the PCT system in accordance with the interests and policies of Member States.

Expected Result: Enhanced international cooperation in the area of patent law and practice.

127. Progress in developing the international patent system in accordance with the interests and policies of Member States, and with a view to enhancing international cooperation in the area of patent law and practice, was made at the SCP in May 2004, at which discussions continued both on the provisions of the draft SPLT and on how to proceed with bringing certain concepts of substantive patent law closer together. While there was wide agreement on the importance of carrying on with this work, Member States expressed divergent views on the SCP's future work program. This issue was also raised during the General Assembly in September 2004, at which it was decided that the Director General should determine the dates of the next meeting of the SCP following informal consultations. Discussions also continued on the provisions of the draft SPLT. Among other issues, the Secretariat submitted, at the request of the SCP, a draft initial study entitled "Enlarged Concept of Novelty: Initial Study Concerning Novelty and the Prior Art Effect of Certain Applications Under Draft Article 8(2) of the SPLT", for information and discussion by SCP members.

Performance Indicator(s)

Feedback and reports on meetings of the SCP regarding the further harmonization of patent law:

- Discussions continued on the provisions of the draft SPLT and agreement was reached on some provisions.
- Submission of a draft initial study on the concept of "enlarged novelty".
- Decision of the General Assembly in respect of informal consultations to be convened by the Director General.

Expected Result: Enhanced international cooperation in the area of the international deposit of microorganisms for the purposes of patent procedure.

128. Exploration within WIPO continued concerning the identification of issues relating to the need and feasibility to revise the Budapest Treaty. Given other priorities, it was decided not to proceed with concrete proposals for a revision during the present biennium. The

administration of the Budapest Treaty nevertheless led to enhanced cooperation among Member States, International Depositary Authorities (IDAs) and WIPO, which is reflected, *inter alia*, by additional accessions to the Treaty during 2004.

Performance Indicator(s)

Decision by Member States to examine the further development, including a possible revision, of the Budapest Treaty:

Investigations on a possible revision of the Budapest Treaty continued within WIPO, but no decision has yet been requested from Member States on this issue.

Expected Result: Increased awareness of the benefits of adherence to the WIPO-administered patent treaties, especially the PLT.

129. The promotion of adherence to, and the implementation of, the WIPO-administered treaties in the field of patents has resulted in a number of accessions to those treaties.

Performance Indicator(s)

Number of adherences or preparations for adherence by Member States:

- Two countries (Croatia and Denmark) joined PLT, and a number of other countries indicated their intention to ratify the PLT in a foreseeable future;
- Two countries (Andorra and Pakistan) joined the Paris Convention;
- Two countries (the Republic of Armenia and the Republic of Tunisia) joined the Budapest Treaty and two new International Depositary Authorities (IDAs) were established.

Expected Result: Improvement of the PCT system, in line with the objectives of PCT reform set out by the PCT Assembly, including simplified and streamlined procedures, reduced costs for users, and enhanced quality of service.

130. Work continued in relation to the improvement of the legal and procedural framework of the PCT, in line with the objectives of PCT reform set out by the PCT Union Assembly, including simplifying and streamlining of procedures, reducing costs for applicants, maintaining balance between workload of PCT Authorities and quality of services provided, aligning PCT provisions with those of the PLT, and ensuring that the system works to the advantage of all Offices, irrespective of their size.

131. At its sixth session held in May, the Working Group on Reform of the PCT further considered proposals for changing the PCT system and approved a number of proposed amendments to the PCT Regulations, with a view to their submission to the PCT Union Assembly. The Working Group felt that further consideration was required with regard to a number of other proposed amendments to the Regulations concerning restoration of the right of priority, rectification of obvious mistakes, missing part requirements, improving the quality of international searches, declaration of the source of genetic resources and TK in patent applications, single request for the recording of changes during the national phase, signature requirements and international publication in multiple languages. The Working Group also

considered certain aspects of copyright and other rights in non-patent literature made available by IPOs and proposals concerning the working methods of the Working Group.

Performance Indicator(s)

The PCT Assembly adopts amendments of the PCT Regulations to give effect to reform:

The PCT Union Assembly at its thirty-third (19th extraordinary) session in September 2004 adopted amendments to the PCT Regulations, with effect from April 1, 2005, concerning simplification of the protest procedure in case of non-unity of invention, furnishing of sequence listings for the purposes of search and examination, and corrigenda and consequential amendments further to the amendments already adopted by the PCT Union Assembly in 2002.

Feedback and reports on meetings regarding PCT reform (the PCT Assembly, and the Committee and Working Group on Reform of the PCT):

Unanimous adoption by the PCT Union Assembly of amendments of PCT Regulations based on preparatory work by the Working Group.

Appreciation expressed by Member States in both Working Group and PCT Union Assembly for the PCT reform related work of the Secretariat.

Expected Result: Enhanced international cooperation in developing the international patent system.

132. Following submission to the WIPO Assemblies in 2003 of four expert studies on the Impact of the International Patent System on Developing Countries, further discussions took place in the SCP and the Working Group on Reform of the PCT, as well as in the WIPO Assemblies, on the effects of proposals relating to the international patent system on Member States, particularly developing and least-developed countries, and on how to enhance international cooperation in developing the international patent system.

Performance Indicator(s)

Number and quality of reports and studies identifying the effects of proposals relating to the international patent system on Member States, particularly developing and least-developed countries:

See above references to the Working Group on Reform of the PCT and the SCP.

Total expenditure (000 Swiss francs) for sub-program 03.1 in 2004:

2,425

Sub-program 03.2 - The PCT System

OBJECTIVE: To provide in a swift, reliable, easy to use, and cost-effective manner the IP protection services entrusted to the International Bureau under the PCT, and to contribute to the further strengthening of the PCT system.

Expected Result: Increase in the productivity of PCT operations in the International Bureau.

133. The productivity of PCT operations in the International Bureau increased significantly in 2004. The amended PCT Regulations, which entered into force on January 1, 2004, required

all new international applications to be processed under the new system, while, under various levels of legally binding transitional arrangements, applications filed before January 1, 2004, had to be processed either entirely or partially under the old system, that being the case until July 2006, by which date there will be no remaining applications to be handled under the old system. As a consequence, all PCT staff have had to process applications with two sets of Regulations and other legal texts, and practices, in parallel. In addition, the number of applications received was 11.5 per cent higher than in 2003, while the total number of PCT staff decreased by five per cent over the same period and the total PCT expenditures decreased by 1.5 per cent.

Performance Indicator(s)

Ratio between the total number of PCT staff and the number of international applications:

The ratio was 387:1, which shows a significant increase (10 per cent) in the productivity gain compared to the 2002-2003 biennium figure, which was 353:1.

Comparison between the growth in the total PCT expenditures and the growth in the number of international applications:

Compared to 2003, PCT expenditures decreased by 1.5 per cent while the number of PCT applications increased by 11.5 per cent.

Expected Result: Processing in a swift, reliable and cost-effective manner of up to 130,500 international applications in 2004 and 143,000 in 2005 and up to 6,500 international applications in the International Bureau acting as receiving Office in 2004 and 7,000 in 2005; processing up to 121,000 international preliminary reports on patentability (both under Chapter I and Chapter II) and publishing up to 121,000 pamphlets in 2004 and 131,000 in 2005.

134. The number of international applications received in 2004 (122,898) was less than the expected number (130,500), but significantly more than in 2003 (110,277). The number of applications filed with the International Bureau as receiving Office (7,047) was more than foreseen (6,500), even exceeding in 2004 the expected number of applications for 2005 (7,000).

135. On the other hand, no international preliminary reports (Chapter II) on patentability were received and processed in 2004 since the time limit applicable under the new system will cause such reports to start being issued by International Preliminary Examining Authorities in the first half of 2005, and will therefore only be reported on with respect to activities in 2005. There were a number of written opinions issued by International Searching Authorities in 2004 exclusively on applications filed since January 1, 2004, but none of these opinions could be converted into international preliminary reports on patentability (Chapter I) by the International Bureau since the time limit applicable under the new system would cause such reports to start being issued by the International Bureau in the first half of 2005.

136. As in recent years, the total number of pamphlets published continued to rise, exceeding 157,000 in 2004, including about 30 per cent due to late issuance and communication by International Authorities of documents required to be published.

Performance Indicator(s)

Number of international applications and international preliminary reports on patentability received and processed, and number of pamphlets published:

- 122,898 international applications were received in 2004, representing an 11.5 per cent increase compared to 2003;
- 113,756 reports (including 55,778 IPERs issued under the pre-2004 PCT system and 57,978 written opinions issued since January 2004 (under the new system) and due to be converted into international preliminary reports on patentability only in 2005);
- 112,526 pamphlets containing new PCT applications and 44,809 pamphlets containing previously missing information or additional documents, mostly international search reports issued late by certain International Authorities, or a total of 157,335 pamphlets. These represented an overall increase of five per cent compared to 2003;

Timeliness of processing (including publications and reports) of the international applications:

All publications and other documents were distributed in a timely manner. All documents belatedly received from a number of Offices and Authorities, in particular international search reports, were speedily processed in order to publish and communicate them as soon as possible after receipt by the International Bureau.

Number of international applications processed in the International Bureau acting as Receiving Office:

The International Bureau as receiving Office received 7,047 international applications, or an 8.6 per cent increase compared to 2003.

Expected Result: Improved operations of the PCT system, including simplifying and streamlining procedures, reducing costs for users, providing quality service.

137. The operations of the PCT system were improved at the International Bureau following the reinforcement in 2004 of measures, and a new organizational structure that was put in place during the previous biennium. This allowed the increasing number of applications to be adequately processed under both the old and new system with less staff and resources. All amendments to the PCT Regulations and to all other legal texts (the latter were generally the subject of required consultations with interested Offices and Authorities) were promulgated, implemented and reported on to Offices, Authorities and users, as required. Much feedback was received from Offices and users, and tailored responses, comments, and other explanations were provided in a timely manner.

138. A review of procedures to be simplified continued in 2004, in particular, with respect to the receipt and handling of priority documents issued by certain receiving Offices. A new partly automated process was implemented, which allowed the International Bureau to cope, without negatively affecting applicants' rights, with an increasing amount of such documents unexpectedly communicated in large numbers by certain receiving Offices in new formats.

Performance Indicator(s)

Implementation of all PCT reform related amendments of the PCT Regulations adopted by the Assembly:

All amendments were fully implemented in a timely manner.

Promulgation and implementation of modifications to the Administrative Instructions under the PCT:

All required modifications to the Administrative Instructions were promulgated and implemented in a timely manner.

Feedback and reports on meetings regarding non-reform related matters (including the PCT Assembly and the Meeting of International Authorities (MIA) under the PCT):

Feedback was received from Offices, Authorities and users, through consultation processes engaged either via mailed communications, electronic fora or in relation to sessions of the Working Group on PCT Reform and/or the Meeting of International Authorities, at their respective sessions held in 2004.

Expected Result: Increase in knowledge of the PCT system, improved bilateral exchanges between the International Bureau and Industrial Property Offices, and improved exchanges with users.

139. Increased awareness and enhanced knowledge of the operation and benefits of the PCT system among its users, industrial property agents, governments and IGOs was achieved through the PCT seminar and training courses program, the continued establishment of effective channels of communication with more counterparts in an increasing number of Offices, the increased use of the PCT web site, and associated tools to disseminate relevant PCT information in more languages and in various user-friendly formats.

Performance Indicator(s)

Quality, quantity and accessibility of PCT information:

- A new Japanese language page was created on the PCT web site so as to provide more accessible and relevant access to PCT legal and informational data specifically applying to Japanese users;
- In addition to the ongoing weekly updates on the Internet site, the PCT Applicant's Guide was substantially revised, so as to reflect all amendments to the PCT Regulations and other legal texts which entered into force on January 1, 2004;
- The PCT Newsletter continued to be issued on a monthly basis, in both electronic and paper versions;
- 110 seminars, training sessions and presentations on the PCT were given to a total of about 8,700 participants, in 16 countries (Austria, Brazil, Canada, Switzerland, Germany, Denmark, Spain, Finland, France, United Kingdom, Indonesia, Japan, Republic of Korea, Netherlands, Sweden, United States) in seven languages (English, French, Finnish, German, Japanese, Korean, Spanish);
- A forum for diplomats was organized at WIPO headquarters in English, French and Spanish;
- Major users of the PCT system in the United States participated in a roundtable meeting at WIPO headquarters, at which representatives of the US Patent Office and the European Patent Office also participated;
- On the occasion of the 40th series of Meetings of the WIPO Assemblies, specific sessions on the PCT were given to about 40 government representatives and other delegates in English, French and Spanish.
- The national laws of 12 States were analyzed for compliance with the PCT.

Number of Industrial Property Offices and users and users groups with which exchanges of views are established on a regular basis:

Legal advice and information was exchanged with representatives of both Contracting States and non-Contracting States on almost 2,200 occasions. About four per cent of these contacts were with least developed countries, 15 per cent with certain countries in Europe and Asia, 37 per cent with developing countries and 44 per cent with industrialized countries.

Expected Result: Effective and timely resolution of legal problems arising in the administration of the PCT system or in the processing by the International Bureau of PCT applications.

140. The International Bureau provided tailored responses to legal problems arising in connection with the handling of PCT applications by applicants, their agents, receiving

Offices, international authorities and the International Bureau. Almost 12,000 queries were submitted, including a wide range of issues from information on the legal and procedural aspects of a given matter to extremely complex legal interpretation questions. In addition, legal advice and solutions were provided on 1,688 specific PCT applications for which the applicant and his agent, the interested Offices or Authorities, or the staff of the Office of the PCT sought specific advice.

Performance Indicator(s)

Number and quality of solutions proposed:

Legal advice was provided on 1,688 specific PCT applications, to the satisfaction of all parties involved.

Feedback and reports on problems resolved:

In most cases, the applications successfully proceeded to the next steps in the international or national phases. In certain cases where they did not, the PCT procedure, and the International Bureau's assistance in providing specific PCT legal advice, represented a significant advantage for applicants and their agents insofar as they would not have been able to obtain such advice from other Offices or Authorities.

Expected Result: Improved productivity in translation of abstracts and IPERs, and introduction of the translation of international search opinions.

141. The productivity in translation of abstracts and reports increased along with the increase in the number of applications received. In view of the fact that, under the new PCT system, the translation of written opinions issued by the International Searching Authorities is due to start in the first half 2005 only, no data is available for 2004. Reporting on the latter will be included in respect of the activities 2005.

Performance Indicator(s)

Increase in the number of translations in each category:

In 2004, 129,649 translations of abstracts were produced (an increase of 0.3 per cent compared to 2003 (129,280)), 10,755 IPERs were translated (a decrease of 28.8 per cent compared to 2003 (15,106)), and 1,739 international search reports were translated. The number of staff remained the same as in 2003.

Expected Result: Timely and cost-effective implementation of changes to the PCT system, and enhanced efficiency of the services rendered under the PCT, including the assessment of trends in patent applications filed worldwide.

142. All changes to the PCT system, which entered into force on January 1, 2004, were in place on time, through internal procedural changes and training at the International Bureau, in addition to all the legal changes reported above. New internal measuring tools were put in place so as to follow filing trends by applicants and by countries. A new statistical report was created and published on the WIPO web site, starting in the second semester of 2004, with periodical updates.

Performance Indicator(s)

Creation and implementation of appropriate policies, practices, databases and management project systems:

- New administrative policies and practices were put in place in the Office of the PCT. More efficient use of working space was introduced, as well as redeployment of equipment needed by PCT staff. Close follow-up of applicants filing trends caused a number of changes in internal workflows and certain organizational re-structuring;
- A new PCT statistical report is available on the WIPO web site since the second semester of 2004 and is being updated periodically.

Total expenditure (000 Swiss francs) for sub-program 03.2 in 2004:

61,793

Sub-program 03.3 - International Patent Classification (IPC)

OBJECTIVE: To ensure the efficient use of the IPC in the electronic environment and to promote worldwide use of the IPC for classifying and searching of invention and invention-like information as well as for retrieval of patent information.

Expected Result: Increase in the efficiency of the IPC for searching patent documentation resulting from IPC revision.

143. The IPC Revision Working Group continued consideration of IPC revision projects aimed at improving the IPC and taking into account technical developments. Recommendations of the Working Group were reviewed by the IPC Committee of Experts at its two sessions held in February and October 2004. The Committee approved a number of amendments which will be included in the eighth edition of the IPC to be published in 2005.

Performance Indicator(s)

Number of new entries and other amendments introduced into the eighth edition of the IPC:

Over 300 new entries in ten subclasses of the IPC were approved for inclusion in the eighth edition of the IPC.

Expected Result: Accommodation of the IPC to the use in the electronic environment.

144. The IPC Committee of Experts approved several basic documents for IPC reform, namely: "The New Guide to the IPC"; "Guidelines on Classifying Patent Documents"; and, "The Procedure for Revision of the Advanced Level of the IPC". The IPC Revision Working Group continued elaboration of electronic data for the reformed IPC, such as classification definitions and informative references.

Performance Indicator(s)

Completion of the basic period of IPC reform:

Out of 19 tasks relating to the IPC reform, 17 tasks have been completed.

Expected Result: Use of automated classification and translation tools by patent Offices.

145. The development phase of the CLAIMS project, which aimed at providing IT support for the IPC reform, has been completed. Project components related to automated classification tools, computer-assisted translation tools and natural language IPC search tools were implemented and the tools were made available to WIPO staff, Industrial Property Offices and other users. Components related to the new IPC management system RIPCIS, supporting maintenance and revision of the IPC, went into testing and implementation stages.

Performance Indicator(s)

Elaboration of automated tools supporting maintenance and revision of the IPC and creation of classification databases:

The automated tools facilitating classification and search have been made available, namely the classification tool IPCCAT, developed in an online and stand-alone version and operational in English, French, German, Russian and Spanish, and the natural language search system TACSY, providing enhanced IPC search facilities in English and French.

Expected Result: Extension of the PCT minimum documentation for the further improvement of international searches.

146. A study of the non-patent part of the PCT minimum documentation was carried out with regard to its extension to traditional knowledge-related documentation. The study resulted in recommendations to the Meeting of International Authorities under the PCT to include certain traditional knowledge-related periodicals as searchable prior art in the PCT minimum documentation. At its session in September 2004, the Meeting of International Authorities approved inclusion of new periodicals in the PCT minimum documentation.

Performance Indicator(s)

Number of non-patent information sources included in the PCT minimum documentation:

Eleven traditional knowledge-related periodicals have been included in the PCT minimum documentation.

Total expenditure (000 Swiss francs) for sub-program 03.3 in 2004: 1,747

Total expenditure (000 Swiss francs) for Program 03 in 2004: 65,965

MAIN PROGRAM 04 - Trademarks, Industrial Designs and Geographical Indications

147. Activities aimed at improving the availability of adequate legal protection for trademarks, industrial designs and geographical indications at the national and international levels, focused on: (i) the development of international law concerning related IP rights

(sub-program 04.1); (ii) the operation, development and promotion of international registration systems to facilitate the acquisition and maintenance of such rights in different countries (sub-program 04.2); and, (iii) the development and promotion of internationally recognized classification systems to facilitate certain procedures for the acquisition and maintenance of these rights (sub-program 04.3). Major developments in 2004 in the above areas included:

- the decision by the WIPO General Assembly to approve the convening of a Diplomatic Conference for the Adoption of a Revised Trademark Law Treaty (TLT) in March 2006;
- a growth in membership of the TLT;
- a growth in membership of the Madrid, Hague and Lisbon Systems;
- the coming into operation of the 1999 Geneva Act of the Hague Agreement and the entry into force of new Common Regulations under the 1999 Act, the 1960 Act and the 1934 Act;
- the entry into force of amendments to the Common Regulations under the Madrid Agreement and Protocol, providing *inter alia* for the introduction of Spanish as an additional language of the Madrid System;
- a sharp increase in the number of international trademark applications;
- the continued efforts for the promotion of WIPO's international registration systems;
- the increased use of automation in relation to the Madrid, Hague and Lisbon Systems;
- the decrease in expenditures resulting from in-house publication of the paper and CD-ROM versions of the WIPO Gazette of International Marks, as well as the ROMARIN DVDs;
- a continued decrease in the number of international industrial design applications;
- an increase in the membership and use of the Nice, Vienna and Locarno classification systems; and,
- the continued work for improvement of the international classification systems and their publication.

Sub-program 04.1 - Development of International Law and Services

OBJECTIVE: To develop harmonized principles and rules of the law of trademarks, industrial designs and geographical indications and related administrative practices, and to promote a wide recognition and implementation of WIPO-administered treaties and recommendations.

<u>Expected Result:</u> Revised TLT.

148. Work on the revision of the Trademark Law Treaty (TLT) progressed as expected. During the period under consideration, two sessions of the Standing Committee on the Law of Trademarks, Industrial Designs and Geographical Indications (SCT) were held, at which good progress was made on several key elements in the revision process. As a result, the WIPO General Assembly approved the convening of a Diplomatic Conference for the Adoption of a Revised TLT in March 2006.

Performance Indicator(s)

Adoption of the revised TLT by a Diplomatic Conference:

The SCT held two sessions (April and November) at which it discussed and agreed on a number of draft provisions for a revised TLT.

The WIPO General Assembly approved the convening of a Diplomatic Conference for the Adoption of a Revised TLT, to be held in March 2006.

Expected Result: Expanded geographical coverage of the TLT.

149. The geographical coverage of the TLT expanded during the period under consideration, as two new States adhered to the TLT. At the end of 2004, the membership of the TLT was 33 Member States.

Performance Indicator(s)

Number of new contracting parties:

Two new contracting parties in 2004 (Germany and Turkey).

Expected Result: Increasingly harmonized rules or guiding principles on trademark law and related administrative practices.

150. In 2004, work on the harmonization of rules or guiding principles on trademark law and related administrative practices focussed on the evaluation of data collected from Member States via a questionnaire on trademark law and practice. The data received was compiled into a draft summary document, which was circulated to Member States for comments and review. Summarizing the replies received was a difficult task taking into account the need to avoid ambiguous interpretation. However, the feedback received from SCT Members on the draft summary document was overwhelmingly positive. This document will form the basis for discussions on possible future work at the SCT, which may in due course result in recommendations or guidelines on the items covered.

Performance Indicator(s)

Number of recommendations or guidelines under preparation or adopted:

Information as contained in some 22,000 replies, received from Member States, to a questionnaire on trademark law and practice was summarized by the Secretariat and presented to the SCT in document SCT/13/5 Prov.2 with a view to enabling the identification of areas for future work in the SCT on possible recommendations or guidelines on the topics covered.

Expected Result: Better understanding among Member States of principles on geographical indications and industrial designs.

151. Geographical indications and industrial designs are subject to diverse legal approaches at the national level. In order to achieve a better understanding of the principles behind these approaches, activities consisted of making available expertise to Member States' administrations and interested circles through bilateral and multilateral contacts. The continuing demand for support from governments and the private sector is a strong indicator of the relevance of this activity.

Performance Indicator(s)

Feedback from Member States:

Invitation by one Member State (Italy) to host a WIPO worldwide symposium on geographical indications. Invitations from six Member States (Austria, Dominican Republic, Jamaica, Kuwait, Mexico, Saint Lucia) (governments, academia or private sector), two international IGOs (OIV and WTO) and four NGOs (International Wine Law Association (AIDV), European Brands Association (AIM), International Association for the Protection of Intellectual Property (AIPPI) and European Institute of Public Administration (EIPA)) to participate in awareness-raising and training activities.

Expected Result: Enhanced implementation of the joint recommendations on the protection of marks and other industrial property rights.

152. The Joint Recommendations Concerning Provisions on the Protection of Well-known Marks, and Concerning the Protection of Marks, and Other Industrial Property Rights in Signs on the Internet are guidelines addressed to national legislative and judicial authorities. They are applied selectively by the national authorities of Member States, on a case by case basis, either to help substantiate judicial decisions or as a basis to inspire new legislation. During the period under consideration, it became apparent that an evaluation of the degree of implementation of the Joint Recommendations is hampered by the absence of any mechanism for the systematic reporting on or monitoring of the application by Member States of those Joint Recommendations. The question of how to obtain clear and complete information on the degree of acceptance and application of the Joint Recommendations by Member States may need to be put to the SCT for discussion.

Performance Indicator(s)

Number of new countries implementing the provisions of the Joint Recommendations:

It has become clear that in the absence of a mechanism for the systematic reporting on or monitoring of Member States' application of the provisions of the Joint Recommendations, a precise indication of the number of countries having implemented the Joint Recommendations cannot be given.

Total expenditure (000 Swiss francs) for sub-program 04.1 in 2004:

1,794

Sub-program 04.2 - International Registration Systems

OBJECTIVE: To provide in a swift, reliable and cost-effective manner the services entrusted to the International Bureau under the Madrid Agreement and the Madrid Protocol, under the Hague Agreement, and under the Lisbon Agreement, and to promote the development and use of the international registration systems.

<u>Expected Result:</u>	Swift, reliable and cost-effective processing, without any fee increase, of transactions at the following estimated levels:	
	<u>2004</u>	<u>2005</u>
– under the Madrid System:		
International applications	26,000	28,000
Renewals	7,000	7,500
Total: registrations and renewals	33,000	35,500
Subsequent designations	7,800	8,100
Other changes	64,200	66,800
Refusals and related notifications	112,600	118,200
– under the Hague System:		
International applications	4,000	4,000
Renewals	3,900	4,100
Total: deposits and renewals	7,900	8,100
Total number of designs contained in the deposits	20,500	21,500
Changes	4,000	4,200

The Madrid System

153. Following the recent expansion of the Madrid Union membership, a significant increase in the demand for services under the Madrid System has taken place. In 2004, the International Bureau received, indexed and gave entry into the examination phase to 29,482 international applications (an increase of 5,610, or 23.5 per cent, over 2003) and recorded, notified and published 23,382 international registrations (an increase of 1,532, or 7.0 per cent, over 2003). During the same period, the International Bureau also processed (i.e., received, examined, recorded, notified and published) 7,345 renewals (an increase of 708, or 10.6 per cent, over 2003), 9,759 subsequent designations (an increase of 1,016, or 11.6 per cent, over 2003) and 48,150 other changes to existing registrations (6,271, or 11.7 per cent less than in 2003). The International Bureau also processed 124,917 refusals and related notifications received from Offices of Contracting Parties.

154. During the period under review, the processing of international applications became more complex as a result of new features of the international procedure, which came into operation in late 2003 or in 2004. These features include the declaration of intent of use in applications designating the United States of America (as from November 2003), seniority claims and language requirements under the European Community Trade Mark in applications designating the European Community (as from October 2004) and the use of Spanish as an additional language of the Madrid Protocol (as from April 2004). As a result of greater complexity of the procedures, the workload of the International Bureau increased. Additional examination work was required, IT support programs had to be adjusted and the volume of translation work to be undertaken increased considerably, as expected.

155. The additional workload resulting from the above was partly met by the Madrid Registry through staff redeployment from other areas of the International Bureau and, in particular,

from the Hague Registry where there was a decrease in demand. In addition, a thorough review of existing internal working procedures under the Madrid System was undertaken with a view to their streamlining. In this connection, a number of measures were taken that resulted in efficiency and productivity gains in 2004. Additional measures concerning work organization and automation of the international procedures under the Madrid System are expected to have a positive impact on efficiency and productivity as from 2005.

156. In accordance with the amended Common Regulations, which entered into force on April 1, 2004, the first trilingual issue (English, French and Spanish) of the *WIPO Gazette of International Marks* was published on May 20, 2004 (Gazette No. 8/2004). At the same time, the paper version of the Gazette began to be published on a weekly basis (instead of every two weeks). As from No. 5/2004, the Gazette was fully printed in-house at WIPO.

157. A new, more user-friendly version of the ROMARIN database issued on DVD, containing information on all international registrations in force within the Madrid Registry, was introduced in November 2004 (as from disc No. 10/2004). This new version of ROMARIN also became available on line. The new on-line version is updated daily.

158. Offices of Contracting Parties were encouraged to communicate with the International Bureau by electronic means. By the end of 2004, the Offices of six Contracting Parties (two more than in 2003) were regularly transmitting international applications and other communications electronically to the International Bureau. Some 20 per cent of the applications filed in 2004 were sent to the International Bureau electronically. By the end of 2004, the Offices of 32 Contracting Parties (four more than in 2003) were receiving official notifications from the International Bureau in electronic form.

159. In November 2004, the regular yearly meeting of the Users of the Madrid Electronic CommunicAtions (MECA) system took place and allowed for the usual exchange of information and discussion of problems and solutions experienced in the use of IT in connection with the procedures under the Madrid System.

The Hague System

160. On April 1, 2004, the 1999 Geneva Act of the Hague Agreement came into operation. However, the number of international applications under the Hague System continued to decrease. This trend was already apparent in the 2002-2003 biennium and appears to be related to the coming into operation, in April 2003, of the European Community's Registered Design system.

161. At the end of 2004, the number of international applications of industrial designs received by the International Bureau was 1,376 (a decrease of 37.0 per cent compared to 2003), while the number of registrations was 1,415 (a decrease of 42.8 per cent compared to 2003). As regards renewals of international registrations, the total was 3,591 (an increase of 3.7 per cent compared to 2003).

162. The global decrease in registration activity under the Hague System allowed a reorganization of the International Industrial Designs Registry and a redeployment of staff from the Hague team to the Madrid team. This was achieved despite the fact that the coming into operation of a new Act of the Hague Agreement, and of a new set of Common

Regulations, in April 2004, made the examination procedure under the Hague System more complex and required adaptation of IT support systems.

163. As provided for under the Common Regulations, the *International Designs Bulletin* began to be published on the web site of WIPO, starting with issue No. 4/2004, dated May 28, 2004.

The Lisbon System

164. During 2004, five new international applications were received by the International Bureau. By the end of 2004, 854 appellations of origin had been registered under the Lisbon System, of which 781 were still in force; up from 779 in 2003.

165. The International Bureau made further progress in the development of an electronic database of appellations of origin registered under the Lisbon Agreement. The database is expected to be available on line ("Lisbon Express") at the beginning of 2005.

Performance Indicator(s)

Number of deposits, renewals and other entries in the International Registers of marks and industrial designs:

- under the Madrid System	
International applications:	29,482
International registrations:	23,382
Renewals:	7,345
Total (registrations and renewals):	30,727
Subsequent designations:	9,759
Other changes:	48,150
Refusals and related notifications:	124,917
- under the Hague System	
International applications:	1,376
International registrations:	1,415
Renewals:	3,591
Total (registrations and renewals):	5,006
Total number of designs contained in applications:	8,931
Changes:	2,541

Timeliness of international registrations and other recordings:

Under the Madrid System, the average time required for the processing of an international application, containing no irregularities, up to the recording of the corresponding registration was approximately two months (59 days). The average processing time for the recording of a subsequent designation was 37 days. The average processing time for the recording of other changes to existing registrations was 36 days.

Under the Hague system, the average processing time for the recording of an international registration was 19 days and for the recording of changes to existing registrations 10 days.

Comparison between the growth of registration activity and the expenditure related to the growth of registration activity:

Under the Madrid System, the number of international registrations in 2004 increased by seven per cent compared to 2003, while the time spent by relevant staff for the required examination and translation of the international applications (excluding Spanish, which was not yet a working language in 2003) increased by two per cent.

As regards modifications to international registrations, the International Bureau recorded, in 2004, 10.6 per cent more renewals, 11.6 per cent more subsequent designations and 11.7 per cent less other changes, compared to 2003. The time spent by the relevant team of staff for the required examination

increased by 3.1 per cent.

The number of refusals recorded in the International Register in 2004 decreased by 7.5 per cent compared to 2003, while the time spent by the relevant team of staff in the International Bureau for the required examination decreased by 12.2 per cent.

Under the Hague System, in 2004, the International Bureau recorded 42.8 per cent less international registrations, 30.8 per cent less modifications to international registrations and 3.7 per cent more renewals.

The number of relevant staff in the International Bureau for the required examination decreased by 39.2 per cent.

In 2004, non-staff expenditures related to the International Registrations Systems decreased by some 600,000 Swiss francs compared to 2003. This decrease was mainly due to the in-house publication, as from 2004, of the paper and CD-ROM versions of the WIPO Gazette of International Marks, as well as the ROMARIN DVDs.

Expected Result: Increased international coverage of the Madrid and Hague Systems.

166. In 2004, the membership of the Madrid Union expanded from 74 to 77 Contracting Parties and the accumulated number of Contracting Parties to the three Acts of the Hague Agreement increased from 36 to 39. This resulted in the following geographical distribution:

- Madrid Union: 43 members in Europe, 19 in Asia and the Pacific, 12 in Africa and three in the Americas;
- Hague Agreement: 23 members in Europe, nine in Africa, five in Asia and the Pacific, and two in the Americas.

167. During the period under review, the International Bureau undertook activities to promote awareness and expand knowledge of the Madrid and Hague systems and their effective use, in particular by organizing seminars and training programs aimed at trademark practitioners and national Offices and by participating in seminars, training courses, workshops and meetings organized by WIPO in cooperation with national Industrial Property Offices or by IGO's, NGO's or other entities. The objective of these promotion activities is three-fold, namely: to further improve the use of the Madrid and Hague systems by trademark and industrial design applicants and holders from Contracting Parties; to have Contracting Parties of the Madrid Agreement accede to the Madrid Protocol and to have Contracting Parties of the Hague Agreement accede to its 1999 Geneva Act; and, to have new Contracting Parties join the Madrid and Hague Systems.

168. During 2004, WIPO organized several seminars to explain the procedures of the Madrid system to the private sector (trademark owners and IP agents) and national industrial property Offices, and brief them on recent developments. Three such seminars, two in English and one in French, were held at WIPO Headquarters and one seminar was held in Spanish in Madrid.

169. In addition, advisory missions and other meetings were organized for the benefit of users and potential users of the Madrid System in Azerbaijan, Brazil, China, Cuba, Cyprus, the European Community, Iran (Islamic Republic of), Japan, Jordan, Kenya, Latvia, Namibia, Pakistan, Peru, Sweden, Syria, Thailand, the United Kingdom, the United States of America and Viet Nam; and, for the benefit of users and potential users of the Hague System in Azerbaijan, Brazil, the European Community, Georgia, Iran (Islamic Republic of), Japan, Jordan, Kyrgyzstan, Latvia, Moldova, Norway, Ukraine, the United States of America and Viet Nam.

170. WIPO also participated in seminars and conferences organized by IGOs, NGOs or private sector organizations. In connection with the Madrid System, such events took place in Argentina, Belgium, Italy, Jordan, Portugal, Spain, the United Kingdom, the United States of America, and the European Community (Office of Alicante). In connection with the Hague System, events took place in the European Community and in the United States of America.

171. The Madrid-related pages on the WIPO web site, available in English, French and Spanish, were revised in order to make them more dynamic and user-friendly in terms of content, access and display of documents. The web site is constantly updated with news about the Madrid System. The Madrid Newsletter, a new feature, was introduced in the fall of 2004.

Performance Indicator(s)

Number of new Contracting Parties in the Madrid Protocol and in the most recent acts of the Hague Agreement (Geneva Act and 1960 Act):

Three States (Kyrgyzstan, Namibia and the Syrian Arab Republic) and one IGO (European Community), adhered to the Madrid Protocol in 2004. The European Community was the first IGO ever to join the Protocol. By the end of 2004, the Madrid Protocol had 66 Contracting Parties. Of the 77 members of the Madrid Union (76 States and one IGO), 45 were bound by both the Agreement and the Protocol, 11 were bound by the Agreement only and 21 were bound by the Protocol only.

Four States (Croatia, Egypt, Hungary and Namibia) became party to the Geneva Act of the Hague Agreement in 2004. In addition, Turkey deposited its instrument of accession to this treaty in 2004, with effect from January 1, 2005. By that date, the Geneva Act had 16 Contracting Parties. Two States (Croatia and Niger) joined the 1960 Act of the Hague Agreement in 2004. By January 1, 2005, the 1960 Act had 31 Contracting Parties. Hungary denounced the 1934 Act, a denunciation taking effect on February 1, 2005, with a consequential decrease in the membership of the 1934 Act to 15 Contracting Parties.

Expected Result: Improved legal framework for obtaining protection for trademarks under the Madrid System and for industrial designs under the Hague System.

172. The international registration systems must evolve and adapt to new situations and in response to the evolving needs of users. In 2004, several amendments to the Common Regulations under the Madrid Agreement and Protocol came into force, and the 1999 Geneva Act of the Hague Agreement became operational.

Performance Indicator(s)

Adoption and implementation of new or amended procedures for the Madrid and Hague Systems:

On April 1, 2004, a set of amendments to the Common Regulations under the Madrid Agreement and Protocol entered into force, which resulted in the inclusion of Spanish as an additional language of the Madrid System and enabled the accession of the European Community to the Madrid Protocol to become operational.

A number of changes were also introduced to the Administrative Instructions, concerning the availability of official and unofficial forms to be used for procedures under the Madrid System. These amendments entered into force in January 1, 2005.

On April 1, 2004, Common Regulations under the 1999 Act, the 1960 Act and the 1934 Act of the Hague Agreement came into force, which replaced the Regulations under the 1960 and 1934 Acts and implemented the 1999 Geneva Act.

The *Guide to the International Registration of Marks under the Madrid Agreement and the Madrid Protocol* (WIPO publication No. 455) was updated to make it simpler and more user-friendly and to include the amendments to the Common Regulations and the Administrative Instructions. The first edition of the Guide in Spanish was published in November 2004. Similarly, the *Guide to the International Registration of Industrial Designs under the Hague Agreement* (WIPO publication No. 857) was completely revised in 2004, on the occasion of the entry into force of the Geneva Act, the Common Regulations under the 1999 Act, the 1960 Act and the 1934 Act and the Administrative Instructions.

Total expenditure (000 Swiss francs) for sub-program 04.2 in 2004:

16,637

Sub-program 04.3 - International Classifications in the Fields of Trademarks and Industrial Designs

OBJECTIVE: To provide industrial property Offices and other users with effective tools for the classification of trademarks and industrial designs for the administration and search of trademark and industrial design rights.

Expected Result: Improved and updated international classifications.

173. The work on the revision of the Nice Classification continued in 2004 with a view to issuing a new (ninth) edition of the Classification in 2006, which will reflect, in particular, changes and progress in technology and commercial practices.

174. Updated classification tools were disseminated as planned, in order to meet the needs of Industrial Property Offices and other users of trademarks and industrial designs classification.

Performance Indicator(s)

Number of new entries and other amendments introduced or prepared for introduction in the Nice, Vienna and Locarno classifications:

A Preparatory Working Group of the Committee of Experts of the Nice Union adopted 43 new entries and changes to the eighth edition of the Nice Classification.

Entry into force on January 1, 2004, of a new (eighth) edition of the Locarno Classification, in English and French, published on the Internet in both languages.

Publication in January 2004, of version 1.4 of the NIVILO:CLASS CD-ROM with the inclusion of the new (eighth) edition of the Locarno Classification, in English and French.

Circulation to the members of the Nice Union and observers in the Committee of Experts and Preparatory Working Group of the Nice Union of two new Recommendations (Nos. 16 and 17), which were also made available on the WIPO Internet web site. They relate to five new indications of goods and/or services not yet appearing in the alphabetical list of the Nice Classification.

Expected Result: Wider acceptance and more effective use of the international classifications.

175. General information and advice on the proper application of the international classifications continued to be provided through meetings, correspondence, classification

reports, publication of recommendations, organization of training programs and presentations to Industrial Property Offices and the general public.

Performance Indicator(s)

Number of industrial property Offices using the international classifications:

Two States became bound by the Nice Agreement (Armenia and the Syrian Arab Republic). By the end of 2004, the Nice Agreement had 74 Contracting Parties and the Industrial Property Offices of 152 States and three organizations were using the Nice Classification.

One State (Armenia) became bound by the Vienna Agreement. By the end of 2004, the Vienna Agreement had 20 Contracting Parties and the Industrial Property Offices of 50 States and three organizations were using the Vienna Classification.

One State (Belgium) became bound by the Locarno Agreement. By the end of 2004, the Locarno Agreement had 44 Contracting Parties and the Industrial Property Offices of 56 States and four organizations were using the Locarno Classification.

In the framework of the WIPO Classification Service for Marks, some 145 reports giving advice on the correct classification of indications of goods and/or services were provided to industrial property Offices, upon request.

Number of people trained in the use of international classifications and evaluation feedback on the effectiveness of the training:

Training on the Nice Classification of staff of the National Industrial Property Offices of Bhutan and Sri Lanka, and on the Vienna Classification of staff Office of Cambodia, were successfully carried out.

Organization of a meeting for officials of the national Industrial Property Offices of Georgia, Kyrgyzstan, the Republic of Moldova and Ukraine (on the Locarno Classification), and of the Republic of Korea (on the Vienna Classification), in Geneva.

Organization of a meeting for representatives of the national Industrial Property Office of Burundi (on the three international classifications), in Geneva.

Presentation of the international classifications to the participants in the Postgraduate Specialization Course on Intellectual Property at the WIPO Worldwide Academy, in Geneva.

General information and advice on the Locarno Classification to representatives of an NGO in Paris.

Total expenditure (000 Swiss francs) for sub-program 04.3 in 2004:

485

Total expenditure (000 Swiss francs) for Program 04 in 2004:

18,916

MAIN PROGRAM 05 - Copyright and Related Rights

176. In 2004, this Program focussed on the strengthening of the international copyright and related rights system through more effective management of literary and artistic works and other objects of protection. All interested parties, creators, governments, industry, civil society and consumers, were encouraged to play active roles in partnership with WIPO.

177. At the request of various Member States, WIPO assisted developing countries in maximizing their use of the copyright and related rights system for economic development. Major activities included: WIPO's participation in a working group on the preparation of a new version of the Model Copyright Law for CIS countries, St. Petersburg, September 2004; a joint training course for the Asia-Pacific Region on Creating Value from Copyright Works and Related Rights in the Music Industry, Singapore, August 2004; the compilation of a

“Guide on the Licensing of Copyright and Related Rights” in which renowned authors give an overview of the general business and legal principles involved in the licensing of copyright and related rights and their collective management; and, advisory assistance to countries with respect to the legal provisions of the Berne and Rome Conventions.

178. While legal and normative activities remain crucial to WIPO’s work in the copyright area, WIPO also assisted Member States to adapt to the digital environment with other means. WIPO thus continued to examine certain economic and technological issues relating to copyright-based industries and businesses, such as digital rights management technologies and their effects on exceptions and limitations to copyright and related rights, as well as alternative licensing models such as open source software. In 2004, dialogue was also expanded with the private sector, including consumers and civil society representatives.

Sub-program 05.1 - Development of International Copyright Law

OBJECTIVE: To improve protection of copyright and related rights, and facilitate consensus-building on international copyright law and developments.

Expected Result: Better understanding, wider adherence and implementation of the WCT and WPPT.

179. The promotion of, and the provision of legal advice on, the WIPO Copyright Treaty (WCT) and the WIPO Performances and Phonograms Treaty (WPPT), continued in 2004 and membership of the two treaties increased.

180. Regular contact was maintained with government officials of Member States, IGOs and NGOs, including private sector bodies and universities. Issues such as policy, technology, access and enforcement were discussed with user, creative and business communities. The contribution of copyright protection to wealth creation and its use as a tool for cultural management was highlighted on these occasions.

Performance Indicator(s)

Number of countries adhering to and implementing the WCT and WPPT:

Six new Contracting Parties to the WCT (Armenia, Botswana, Jordan, Kazakhstan, Republic of Korea, and United Arab Emirates) bringing the total number of Contracting Parties to 50.

Six new Contracting Parties to the WPPT (Hashemite Kingdom of Jordan, Republic of Armenia, Republic of Botswana, Republic of Indonesia, Republic of Kazakhstan, the former Yugoslav Republic of Macedonia) bringing the total number of Contracting Parties to 48.

Number of countries seeking and receiving advice on implementing the two treaties:

Nine countries received advice on implementing the two treaties.

Meetings and missions on substantive copyright issues organized by WIPO:

48 staff missions were carried out in connection with 18 international and 14 regional, sub-regional and national seminars, conferences and consultations, in a total of 41 countries. Governmental and semi-governmental authorities, universities, non-governmental bodies and the private sector organized these events.

One study visit from a representative of a developing country.

Expected Result: A possible draft treaty on the protection of audiovisual performances.

181. In 2004, the WIPO Assemblies reviewed the status of consultations on outstanding issues relating to the protection of audiovisual performances and decided on future action. A number of countries urged the early resolution of outstanding issues to enable a new treaty to be established. Member States agreed to keep the topic under review at their annual meetings in 2005. During 2004, meetings also took place with relevant key players, both in the public and private sectors. In this regard, WIPO held an Information Meeting on the Protection of Audiovisual Performances at WIPO, November 2004. At that meeting, a “Study on Transfer of the Rights of Performers to Producers of Audiovisual Fixations: Conclusion”,² was presented for the consideration of all delegations.

Performance Indicator(s)

Progress towards the reconvening of the Diplomatic Conference for the protection of audiovisual performances:

Information Meeting on the Protection of Audiovisual Performances in November 2004.

Expected Result: A possible draft treaty on the protection of broadcasting organizations.

182. In 2004, the Standing Committee on Copyright and Related Rights (SCCR) continued to work towards the development of a treaty on the protection of broadcasting organizations, in response to the impact of digital and other new technologies, and the growing use of the Internet. In September 2004, the WIPO Assemblies directed the SCCR to accelerate progress towards the conclusion of a broadcasting treaty. A revised consolidated treaty text was prepared for the SCCR twelfth session in November 2004, based on proposals subsequently submitted by 16 WIPO Member States and the European Commission and its Member States to further promote consensus and to facilitate the deliberations of the SCCR. The SCCR Chairperson’s conclusions provided that regional consultation meetings would be organized where requested by Member States.

Performance Indicator(s)

Progress towards the convening of a Diplomatic Conference on the protection of broadcasting organizations:

At the SCCR in November 2004, the broadcasting treaty was the main item on the agenda. A revised consolidated text was prepared to facilitate the SCCR’s deliberations.

Expected Result: Substantive discussions on the protection of non-original databases.

183. The SCCR continued to consider international protection of non-original databases, which would recognize and protect the substantial investment in the creation and maintenance of such databases, while striving to maintain affordable access to scientific and technical

² Document AVP/IM/03/4 Add.

journals or other sources of information in the public domain. The Committee decided to revisit the matter in 2005.

Performance Indicator(s)

Progress towards a recommendation on future work on the protection of non-original databases:

Continued discussions by the SCCR on protecting the investment involved in creating and maintaining non-original databases. More consideration to be accorded to this issue during meetings in 2005.

Expected Result: Fruitful discussions and exchange of experiences on some or all of the following issues: applicable law in international copyright matters, collective management, exceptions and limitations, technological protection, digital rights management, resale rights, ownership of multimedia works, recordation systems, copyright protection of folklore, responsibility of Internet Service providers.

184. The SCCR agreed to place on the agenda of its next session an item concerning exceptions and limitations to rights for the purposes of education, libraries and disabled people.

185. In November 2004, WIPO participated in a meeting convened by Microsoft's Accessible Technology Group (ATG) and the Digital Accessible Information System Consortium (the Daisy Consortium), United States of America, to discuss the impact on the blind and visually impaired community of the recent technology announcements and future technology innovations.

Performance Indicator(s)

Number of new issues examined by the SCCR:

The proposal to examine exceptions and limitations to rights for education, libraries and disabled persons.
Preparatory work undertaken by the Secretariat on the review of emerging issues:

Participants in the Microsoft meeting included international leaders from agencies serving the reading needs of people with print disabilities from more than twenty developed and developing countries, the international publishing community, the W3C Web Accessibility Initiative, and international bodies including WHO and WIPO.

Total expenditure (000 Swiss francs) for sub-program 05.1 in 2004:

2,652

Sub-program 05.2 - Copyright-Based Business and Culture Development

OBJECTIVE: To facilitate the development of copyright-based business and culture development, enhance knowledge and foster dialogue concerning models and tools for management of copyright and related rights and promotion of public awareness.

Expected Result: Improved international cooperation and use by Member States of information on business management, models and practices involving copyright works, including e-commerce.

186. WIPO initiated a study aimed at examining two specific cases in which Digital Rights Management (DRM) could serve as an effective means to implement exceptions and limitations in the digital environment. Two groups of beneficiaries are considered in the study, namely the educational community involved in digital distance learning and visually impaired persons. The study will be completed in 2005.

Performance Indicator(s)

Number of participants in an international conference on copyright in the digital environment:

The largest number of participants in an international conference attended in 2004 was the Wizards of OS : Te Future of the Digital Commons, held in Berlin.

Number of participants in meetings and seminars on copyright in the Internet environment and e-commerce:

The average number of participants in meetings and seminars on copyright and the digital environment was 150 in 2004.

Information products developed by WIPO on the subject, including on digital rights management:

Study on the use of Digital Rights Management tools to implement copyright limitations and exceptions to be completed in 2005.

Expected Result: Better information on licensing arrangements for the various categories of copyright products.

187. WIPO published a Guide on the Licensing of Copyright and Related Rights, which provides a practical overview of licensing of copyright and related rights in a global marketplace, for works such as literary, musical, graphic and pictorial works, motion pictures, multimedia entertainment, education products and computer software. Internationally renowned authors are addressing each industry in turn, and giving an overview of the general business and legal principles involved in the licensing of copyright and related rights, and their collective management.

Performance Indicator(s)

Information products on licensing developed by WIPO for the different categories of users:

Guide on the Licensing of Copyright and Related Rights.

Expected Result: Improved information on existing copyright management systems, practices and issues.

188. WIPO cooperated with the United Nations Commission on International Trade Law (UNCITRAL) on the IP issues raised in UNCITRAL's development of a legislative guide on security transactions. The legislative guide is designed to propose simple harmonized rules for security interests that would apply to the broadest possible categories of assets, including IP rights, thereby maximizing the ability of rights holders to use their IP as assets in securing cost-effective finance.

Performance Indicator(s)

Materials developed on copyright management systems, practices, and issues:

Contribution to UNICITRAL's legislative guide proposing simple harmonized rules for security interests.

Expected Result: Increased awareness of the economic role of copyright among leaders and policy-makers.

189. The awareness of various stakeholders continued to be raised about technological, legal and policy developments underlying digital rights management technologies, and assistance provided to assess their implications and potential uses in promoting respect for IP rights and to manage IP in a digital environment. To that end, WIPO participated in fora such as the International Conference on Copyright for Creativity in the Enlarged European Union, organized by the European Commission and the Irish Presidency of the EU Council, in Dublin, and the Digital Media Project Workshop on Analogue Legacies in the Digital Age, in Barcelona.

Performance Indicator(s)

Number of national public awareness activities organized by Member States:

Many Member States organized activities for World IP Day on April 26, which included awareness raising activities on copyright and related rights.

Policy discussions with governments and business leaders on the economic importance of copyright:

WIPO participated in an international conference organized by the European Commission and the Presidency of the EU Council.

Expected Result: Higher profile of WIPO as the central international forum for policy debate and development concerning copyright.

190. Dialogue with the private sector was expanded, including consumers and civil society, at preparatory meetings for the World Summit on the Information Society (WSIS), to take place in Tunis in 2005, and in connection with the Trans-Atlantic Consumer Dialogue.

191. In the field of open source software, WIPO gathered information, monitored international developments, and participated in international seminars and conferences, to raise awareness of the role of IP in supporting open source licensing models. WIPO also organized training workshops on open source developments.

Performance Indicator(s)

Documents prepared for the World Summit on Information Society:

WIPO attended two World Summit on Information Society (WSIS) discussion meetings.

Contributions to major international conferences on copyright issues:

WIPO attended a meeting of the Trans-Atlantic Consumer Dialogue.

Training programs developed or attended by WIPO:

Four training workshops were held by WIPO concerning open source developments: Training Workshop on Intellectual Property Training for Diplomats, Cairo, December 2004; Asia-Pacific Regional Symposium on Emerging Issues in Copyright Protection in the Digital Environment, New Delhi, October 2004; Ministerial roundtable in Dar Es Salaam, August 2004; and, in connection with a Regional Meeting of Directors of Industrial Property and Copyright Offices in Latin America, Mexico, March 2004.

Expected Result: Better understanding by Member States of the competitive advantages of the copyright-based industries.

192. Jointly with the Economic Development Sector, a training course for the Asia-Pacific Region on Creating Value from Copyright Works and Related Rights in the Music Industry was organized, Singapore, August 2004.

Performance Indicator(s)

Number of national surveys on the economic contribution of the copyright-based industries, assisted by WIPO:

Training course held in Singapore for the Asia and Pacific region on creating value from Copyright and Related Rights in the music industry.

Expected Result: Better assessment of the value of copyright assets.

193. Relationships with key beneficiaries of copyright exceptions and limitations were strengthened, including the visually impaired community and library and archives institutions. WIPO took part in various meetings and seminars aimed at discussing the best ways to exercise such exceptions while ensuring copyright protection.

Performance Indicator(s)

Information products and practical tools developed by WIPO:

The IFLA World Library and Information Congress, August 2004, and the Microsoft Libraries for the Blind and Print-disabled meeting, November 2004, allowed for the exchange of information between WIPO and other participants.

Expected Result: Enhanced supporting infrastructure for creators and copyright-based industries in Member States.

194. In the field of the digital content industries, such as music and online publishing, WIPO cooperated with the OECD in preparing its reports on the digital broadband content industries, in particular the music industry.

Performance Indicator(s)

Institution development assistance to creative communities:

Assistance given to OECD in reporting on the digital broadband content industries.

Expected Result: Better knowledge of copyright among creators and the public.

195. WIPO published a Guide to the Copyright and Related Rights Treaties Administered by WIPO and Glossary of Copyright and Related Rights Terms, which clarifies and explains the legal principles enshrined in the Copyright and Related Rights Treaties administered by WIPO, and their relationship with policy, economic, cultural and technological considerations.

Performance Indicator(s)

Training activities and information materials produced by WIPO:

A Copyright and Related Rights guide to the treaties and a glossary of terms were published.

Total expenditure (000 Swiss francs) for sub-program 05.2 in 2004:

529

Total expenditure (000 Swiss francs) for Program 05 in 2004:

3,181

MAIN PROGRAM 06 - Arbitration and Mediation Center

196. The WIPO Arbitration and Mediation Center is a resource center as well as a provider of arbitration and mediation services for commercial disputes with IP components. In 2004, in addition to producing new materials designed to enhance awareness of the alternative options that parties can use to resolve IP disputes, the Center also registered a number of new arbitration and mediation cases. In the specific area of Internet domain name disputes, the Center's case administration contributed to the protection of trademark rights. Most cases in this category were received under the Uniform Domain Name Dispute Resolution Policy (UDRP). Related developments included the designation of the Center as a dispute resolution provider by a further seven country code top-level domain (ccTLD) registration authorities, and the milestone of 12,500 domain names covered by WIPO UDRP cases. The Center continued to add to the user facilities available through its web site, which in 2004 ranked among the most-visited WIPO web pages.

Sub-Program 06.1 – Arbitration and Mediation Services

OBJECTIVE: To enhance the protection of IP through the resolution of IP disputes by arbitration and mediation.

Expected Result: Increased conventional arbitration and mediation caseload.

197. Because they require neutral, time and cost efficient dispute solutions, especially in an international context, licensing agreements and other IP transactions lend themselves well to the inclusion of alternative dispute resolution clauses. The Center registered seven mediation and arbitration cases. A WIPO-appointed mediator with relevant legal and technical expertise helped two major international electronics manufacturers reach an understanding in a patent

infringement dispute. Other mediation and arbitration cases filed with the Center included disputes involving patent, trademark and copyright licenses, an employment dispute involving patent attorneys, and a financing contract relating to a cultural event. The amounts disputed in cases administered by the Center to date have varied from 20,000 Euros to several hundred million US dollars.

198. In addition to case administration, the Center produced and disseminated information on the options for the out-of-court settlement of IP disputes. This activity included the organization of three workshops on WIPO mediation and arbitration. The Center produced a brochure that describes the WIPO arbitration process and the contribution that this dispute resolution method can make to the effective functioning of IP transactions. It also issued a new edition of its *Guide to WIPO Mediation*, updated to include WIPO case examples, and contributed to a new UNCTAD-published volume on WIPO mediation and arbitration. With the continuous addition of new content, the Center's web site drew a significant number of visits. In addition, some 3,000 information requests were received and handled mostly online.

Performance Indicator(s)

Number of cases under WIPO Rules:

Seven non-domain name arbitration and mediation cases.

Number of requests for appointment of WIPO arbitrators and mediators:

Three requests for referrals of WIPO arbitrators and mediators in other cases were handled.

Total expenditure (000 Swiss francs) for Program 06.1 in 2004:

1,746

Sub-Program 06.2 – Domain Name Policies and Procedures

OBJECTIVE: To enhance and give effect to the legal framework for the protection of IP in the Internet Domain Name System.

Expected Result: Effective IP protection in the gTLDs.

199. As the principal domain name dispute resolution service provider, the Center registered 1,179 domain name cases in the reporting period, an increase of some seven per cent over the number of the previous year. The number of languages in which the Center has administered cases since the UDRP took effect in December 1999 grew to 12, with parties coming from 124 countries. The UDRP mechanism principally applies to generic top-level domains (gTLDs) such as .com, .net and .org, but increasingly ccTLD registries are also adopting the UDRP or localized adaptations thereof.

200. To facilitate the filing and processing of domain name cases, the Center maintains an extensive online administrative and legal infrastructure, which continued to expand in 2004. The Center also organized two meetings of domain name panelists as well as a domain name dispute resolution workshop. All of the Center's 2004 events attracted a total of 230 participants from 45 countries.

201. As part of its policy work, the Center represented WIPO in its discussions with ICANN and its various constituencies on IP aspects of the domain name system. This concerned, in particular, further follow-up on the recommendations made by WIPO Member States in the context of the Second WIPO Internet Domain Name Process discussed during meetings of the SCT and the WIPO General Assembly. The Center also represented WIPO in its capacity as observer to the Working Group on Internet Governance that was established in November 2004 by the Secretary General of the United Nations “to investigate and make proposals for action, as appropriate, on the governance of Internet by 2005”.

Performance Indicator(s)

Implementation of the recommendations and decisions by the WIPO General Assembly with respect to issues including those raised by the WIPO Internet Domain Name Processes:

Second Process General Assembly decisions continue to be under consideration by ICANN.

Number of gTLD-only cases resolved: 1,109.

Expected Result: Effective IP protection in the ccTLDs.

202. In addition to 14 domain name cases processed under arbitration and mediation rules, the Center dealt with 70 ccTLD-involving cases under UDRP-based policies. The WIPO case share represented by these cases grew by 37 per cent compared to the previous year. The Center also assisted in the creation of dispute policies for a number of ccTLD registries that called upon the Center for policy and drafting advice. The seven registries that designated the Center as dispute resolution provider in 2004 brought the total of such domains to 43.

Performance Indicator(s)

Number of improvements to the design or administration of IP protection mechanisms, including dispute resolution procedures, within ccTLD administrations:

The Center assisted in the implementation of online dispute resolution mechanisms for seven additional ccTLDs.

Number of ccTLD-involving cases resolved:

70.

Total expenditure (000 Swiss francs) for Program 06.2 in 2004:

728

Total expenditure (000 Swiss francs) for Program 06 in 2004:

2,474

MAIN PROGRAM 07 - Selected Issues of Intellectual Property

203. This program deals with interrelated IP issues at the forefront of international debate, namely: IP protection of TK and traditional cultural expressions (or folklore), IP aspects of genetic resources, IP in the life sciences and IP enforcement.

204. The WIPO Intergovernmental Committee on Intellectual Property and Genetic Resources, Traditional Knowledge and Folklore (IGC) progressed a range of practical initiatives for capacity building, legal and policy guidance and defensive protection against illegitimate patenting of TK, and agreed on the development of the fundamental elements for the protection of TK and expressions of folklore. It commissioned and reviewed a set of draft provisions outlining policy objectives and core principles for the protection of TK and TCEs against misappropriation and misuse. The need for inclusiveness continued to be a main focus in the IGC's work, with the list of NGOs specially accredited to the IGC growing to over 100 in 2004.

205. WIPO continued its work in supporting and informing international policy discussion in the field of life sciences, and contributing to a practical understanding of these issues. In 2004, the focus was on providing neutral and informative input into other international processes where WIPO's input was actively sought. Technical input and expert consultation was also provided on a range of policy processes and discussions relating to IP, such as agricultural biotechnology, public health, and bioethics.

206. With respect to IP enforcement issues and strategies, an understanding of principles and implementation of IP enforcement obligations were actively promoted. Cooperation with IGOs and NGOs on their specific IP enforcement related programs also continued. In September, the WIPO General Assembly reviewed the work of the WIPO Advisory Committee on Enforcement (ACE) and encouraged it to continue its work. Given the key role of the judiciary in the enforcement of IPRs, in 2004, the ACE agreed on the global importance of continued judicial training and specialization in the field of IP and on the need to raise awareness of IP enforcement issues at all levels of the judiciary.

Sub-program 07.1 - Genetic Resources, Traditional Knowledge and Folklore

OBJECTIVE: To enable TK holders and custodians of traditional cultures to derive tangible benefits from the legal protection of their TK, traditional culture expressions (TCEs)/folklore and associated genetic resources.

<p><u>Expected Result:</u> Strengthened international policy dialogue on how TK and TCEs can be legally protected and valorized as assets of indigenous and local communities; identification and articulation of the elements of an international consensus on the IP protection of TK and TCEs and on IP aspects of genetic resources.</p>

207. The IGC, at its sixth and seventh sessions, made solid progress towards a clearer and stronger international framework, and progressed a range of practical initiatives for capacity building, legal and policy guidance, and defensive protection against illegitimate patenting of TK. The IGC agreed to develop concrete outcomes in the form of two sets of draft overviews of the policy objectives and core principles for the protection of TK and TCEs. These provisions distilled and captured the essence of the extensive past policy debate and legal analysis undertaken by the IGC. Draft provisions were accepted as a basis for the work by the IGC, which adopted a specific consultation and commentary process leading into 2005. The provisions are to be supplemented by outlines of the policy options and legal mechanisms that

are being used in practice to give effect to these objectives and principles. This work helped move towards a consensus on the context and substance of protection for the benefit of holders of TK and TCEs, while potentially promoting convergence on the appropriate vehicle or vehicles for articulating and giving effect to these principles.

208. Major developments in the IGC which form a platform for continuing international policy and legal development, included:

- Established drafts of policy objectives and core principles that would help define the policy and legal space for protection of folklore/TCEs and TK;
- Definitive analyses and surveys of national experiences and legal and policy options for the protection of folklore/TCEs and TK;
- Systematic legislative and policy information resources on the protection of TK and TCEs, for the use of policymakers and representatives of traditional communities;
- Development of analytical tables and texts of legislation to promote understanding and coordination of *sui generis* forms of protection;
- The elaboration of a database on approaches taken to managing IP in the context of access and benefit-sharing of genetic resources and related TK, and the development of draft information on practical IP questions that arise in concluding mutually agreed terms for use of genetic resources;
- A strengthened basis for defensive protection of TK and genetic resources, including the creation of an on-line portal to facilitate greater recognition of TK during patent examination procedures, and technical amendments of the international patent system. This work catalyzed developments in other WIPO forums, in particular the PCT system and the IPC Union;
- A detailed study, commissioned by the Conference of Parties to the CBD on the options and legal bases for disclosure requirements in patent applications on inventions relating to genetic resources and TK was received with appreciation by the Conference of Parties, and led to a further invitation for follow-up work by WIPO on this key issue.

209. Coordinated with the work of the IGC, continued capacity-building and policy information was provided for TK holders, national authorities and regional bodies, including: advice on *sui generis* protection options for several regional bodies and national authorities; practical support and technical input to regional and international fora initiated and hosted by a number of developing countries; a series of introductory booklets, publications, studies, surveys, legal information, and publications in external journals, with increasing reference to and use of WIPO materials in civil society and academic literature; participation in civil society, expert and academic discourse on TK and TCEs; and, support for numerous training programs and seminars conducted by NGOs, partner UN agencies, the WIPO Academy, and other educational and training institutions.

210. The need for the IGC process to be inclusive and accessible was a major focus. Practical steps were taken to enhance the participation of the increasing number of accredited NGOs representing local and indigenous communities. More than 100 NGOs were specifically accredited to the IGC; a dedicated web site was established to present NGO perspectives on the IGC's work; and, the IGC commissioned the development of a specific proposal to establish a voluntary fund aimed at financing the participation of local and indigenous communities to the IGC.

Performance Indicator(s)

Feedback from participants in policy forums and consultations, especially representatives of indigenous and local communities and other TK holders, with respect to their ability to legally protect and benefit from TK, TCEs and genetic resources.

Feedback from participants in policy forums and consultations:

- Increased active participation of a diverse array of NGOs in the work of the IGC, with numbers of NGOs specially accredited to that process growing to over 100;
- Acceptance of draft sets of objectives and principles of protection as the substantive basis for work towards concrete international outcomes;
- Increased level of requests for consultations and workshops at the national and regional level, as well as specific requests for other fora aimed at developing focused input for the Committee.

Feedback from Member States on substantial issues:

- Concerning the WIPO Technical Study on patent disclosure requirements relating to genetic resources and TK, the CBD COP noted the study with appreciation and considered its contents “to be helpful in consideration of IP-related aspects of user measures”;
- In response to the CBD COP’s encouragement to accelerate the IGC’s work on this project, the IGC continued to consider guidelines on the IP aspects of mutually-acceptable terms in agreements that concern access to genetic resources and equitable sharing of benefits from the use of accessed resources.

Specific outcomes from international policy processes convened by WIPO:

- The work of the IGC during its sixth and seventh sessions shifted from surveys, exchange of practical experience and general policy discussion towards the development of specific outcomes to guide initiatives to protect TK and TCEs. This pronounced qualitative shift led to the development and tabling of the two sets of draft provisions, one for the protection of TCEs and one for the protection of TK.
- IGC initiated the development of a voluntary fund aiming at financing the participation of local and indigenous communities to the IGC.

Expected Result: Implementation of specific policy and practical tools in Member States to support the IP protection of TK and TCEs, to enhance practical capacity to benefit from legal protection, and to manage the IP aspects of genetic resources, for the benefit of the owners of TK/TCEs and custodians of genetic resources.

211. Despite substantial budgetary constraints, numerous legal-technical assistance and capacity building activities in the field of IP and associated genetic resources, TK and TCEs continued to be developed and implemented, at the request of stakeholders. Comments and background information on the protection of expressions of folklore, TK and associated genetic resources were also provided to a range of countries and IGOs requesting this information.

212. The topics of TK and TCEs were increasingly incorporated in WIPO training and capacity building activities. Capacity-building and policy information were provided for TK holders, national authorities and regional bodies, including the publication of articles and studies, as well as support for numerous training programs and seminars conducted by NGOs, partner UN agencies, the WIPO Worldwide Academy, and other educational and training institutions. WIPO also contributed to a range of capacity building and cooperative activities, such as the Indigenous Fellow Program in Geneva, June 10, 2004, and supported direct south-south cooperation on questions concerning the protection and appropriate safeguarding of TK.

213. The development of practical tools continued, through dialogue with key stakeholders, such as a Practical Guide on Traditional Cultural Expressions and Folklore and on a draft toolkit for use by TK holders, to ensure that their interests are protected and maintained during any documentation of their TK. Outreach activities were supplemented by the publication of two booklets on TK and TCEs for a general audience, as well as a suite of more specialized briefing papers and studies.

214. The dialogue between the WIPO Secretariat and other UN fora, especially between WIPO and the CBD, the FAO and UNESCO, intensified under the guidance of the Member States. Consequently, IP and respect and acknowledgement of TK, TCEs and associated genetic resources are progressively becoming an integral part of a more global development agenda. This will help to develop current or new instruments, which can serve the specific needs of developing countries, taking account of a balanced relationship between IP and other issues.

Performance Indicator(s)

Number of policy and practical tools applied in practice:

- Work between WIPO and UNEP/CBD has reached a new level of collaboration after reception by the Seventh Meeting of the Conference of Parties to the CBD, in February 2004, of a technical study on access and benefit-sharing as related to genetic resources transmitted by the Secretariat as requested by the IGC. Following an invitation by the Seventh Meeting of the Conference of Parties to the CBD, a schedule of work was adopted by the WIPO General Assembly on options of model provisions, practices and incentive measures, *inter alia*, related to issues regarding the interrelation of access to genetic resources and disclosure requirements in IP rights applications.
- Participation of WIPO in the Interagency Group on Indigenous Issues has been enhanced since 2003, with participation in meetings in New York, May 2004, and the substantial contribution made at the Working Group on Indigenous Populations, Geneva, July 2004. As a result, the UN Under-Secretary General of Economic and Social Affairs asked the WIPO Secretariat to bring the attention of WIPO Members States, during the seventh IGC session, to some recommendations derived from the Millennium Goals and Indigenous people issues that are relevant for WIPO.
- UNEP and WIPO together launched a joint study on IP aspects of access and benefit-sharing relating to genetic resources and TK, which provided extensive analysis of the costs and benefits of various approaches, based on three case studies from India, Mali, and Nigeria.

Evidence of specific benefits arising from the use of IP tools by holders of TK/TCEs and custodians of genetic resources:

Better awareness of the benefits arising from the use of IP tools is partially reflected by the growing number of requests made by TK/TCE holders and custodians of genetic resources for training, comments, advice; by the qualitative steps made by the IGC in its work; and, also by the growing number of occurrences where WIPO activities in the fields of TK, TCEs and associated genetic resources have drawn the attention of other UN and non-UN fora.

Expected Result: More effective legal mechanisms for the protection of TK, TCEs and IP aspects of genetic resources.

215. It is through international policy dialogue that more effective legal mechanisms for protection of TK, TCEs and IP aspects of genetic resources can be created. Also, technical assistance activities can help developing countries to make better use of existing instruments

and stronger coordination inside the UN could serve the effectiveness of existing or new instruments.

216. In the past, WIPO has developed a body of policy-based analysis and surveys and analysis of use of existing laws and legal mechanisms, and proposed and model legislation, strengthening the awareness of Member States and of holders of TK and TCEs, while leaving options open for further consideration and exploration. This initial phase helped sift and focus the core concepts and issues relating to protection of TK and TCEs. The IGC's work and the Secretariat activities that derive from the IGC guidance moved this year to a more practical phase, focusing on concrete and specific provisions and actions. This transition can be seen also as the result of the preparatory studies made by the WIPO Secretariat and draft sets of policy objectives and core principles that were the subject of a focussed commentary and drafting process.

Performance Indicator(s)

Feedback from Member States and other stakeholders on usefulness of WIPO generated analyses and reviews of proposed and model legislation, and workshops on legal and technical aspects of legal protection:

The work of the IGC has been widely cited and directly used in an increasing number of policy and legislative processes, academic and NGO studies and proposals, and has helped form and define productive partnerships with cooperating agencies and processes at the international level.

Meetings held by other UN or non UN organizations where TK, TCEs and associated genetic resources have been the primary focus, include:

- Center-Commissioned External Review of Work on Policy and Legal Aspects of Genetic Resources of the International Plant Genetic Resources Institute, March 2004;
- WTO Regional Workshop on Certain Topical Issues related to IP, Kuala Lumpur, April 2004;
- International Seed Federation: Seminar on the Protection of Intellectual Property and Access to Plant Genetic Resources, Berlin, May 2004;
- WTO Regional Workshop for African Countries, South Africa, June 2004;
- Contribution to an EPO/WIPO Seminar on International IP Agreements & Negotiations: Chances and Risks of Implementation;
- UNESCO Intergovernmental Meeting of Experts, Paris, September 2004;
- The TransAtlantic Consumer Dialogue (TACD) Workshop: The Future of WIPO, Geneva, September 2004.

Total expenditure (000 Swiss francs) for sub-program 07.1 in 2004:

1,578

Sub-program 07.2 - Intellectual Property and Life Sciences

OBJECTIVE: To support and enhance informed debate and policy making on intellectual property issues related to life sciences.

Expected Result: Enhanced international debates and national policy developments concerning life sciences and IP issues.

217. The Program and Budget 2004–2005 introduced a new sub-program on Intellectual Property and Life Sciences as a means for coordinating WIPO's continuing work in supporting and informing international policy discussion in this area. The rapid advances in the life sciences have provoked an extensive international debate on the appropriate role and

actual impact of IP rights on life science technologies, and their ethical, developmental and health policy implications. In 2004, WIPO enhanced its support for international policy discussions and contributed to practical understanding of these issues. The focus was on establishing a suitable framework of practical information as the basis for neutral and informative input into other international processes, where WIPO's input was actively sought by its international partners.

218. Preparatory steps were undertaken towards creating a suite of background information materials, surveys of current issues, and case studies, as the basis for a practically-oriented and factual contribution to critical contemporary debates on IP and life sciences issues. Technical advice, practical information, specialist training and expert briefings were provided within the context of a range of WIPO activities. WIPO also engaged in a range of international processes in areas of current policy concern relating to IP, such as agricultural biotechnology, public health, and bioethics.

Performance Indicator(s)

Scope of issues addressed and quality of substantive input to debates:

An enhanced base of practical and factual information is being developed to help inform policy choices on IP-related questions arising in this public policy area. The groundwork was laid for a suite of issues papers and empirical studies to assist policy makers in assessing policy options and formulating recommendations at the national level while ensuring full understanding of the range of implications and policy flexibilities available within the international framework.

Extent of engagement with international debates on IP and life-science issues:

Contributions to the work of other UN agencies: the U.N. Interagency Committee on Bioethics; meetings of UNESCO on a Draft Declaration on Bioethics; a series of regional consultations on current IP issues convened by the WTO; Forum 8 of the Global Forum for Health Research; and, the work of the WHO Commission on Intellectual Property, Innovation and Public Health (CIPIH). The input to Forum 8 and the CIPIH considered the means of broadening and shortening the drug development pipeline, including through alternative innovation pathways focused on creating appropriate new treatments for hitherto neglected disease burdens, and through a range of means such as new innovation structures, public-private partnerships, and appropriate uses of traditional medical knowledge that validate and respect customary laws and practices.

Expected Result: Strengthened capacity at the national level to promote beneficial public policy outcomes through strategic IP management in relation to the life sciences.

219. Activities requested by Member States included presentations on policy issues related to IP management of government funded innovations in health technologies; factual explanations of issues surrounding patenting material such as proteins, DNA, and living organisms; and, presentations on current biotechnology patenting issues to representatives of technology incubators.

Performance Indicator(s)

Range of activities and nature of feedback on policy developments in Member States concerning life sciences and IP issues:

Feedback from this preliminary work has been positive and the focus on practical, factual materials that do not pre-judge policy questions has been particularly welcomed by dialogue partners.

Quality and impact of information materials developed:

Issues papers and empirical studies are currently being developed. Their quality and impact, therefore, cannot yet be ascertained.

Total expenditure (000 Swiss francs) for sub-program 07.2 in 2004:

382

Sub-program 07.3 - Intellectual Property Enforcement Issues and Special Projects

OBJECTIVE: To address the needs of Member States in developing and strengthening their systems and infrastructure for the enforcement of IPRs and to support discussions in the Advisory Committee on Enforcement.

Expected Result: Strengthened capacities in national and regional systems for the enforcement of IPRs, including improved understanding of enforcement issues and strategies.

220. WIPO assistance pertaining to enforcement was coordinated in response to requests by Member States and activities carried out jointly with, or independently by, other IGOs and NGOs. A number of Member State delegations were received, as well as members of the judiciary from China and Romania, to discuss and analyze enforcement issues in administrative procedures and IP litigation. WIPO actively promoted an understanding of principles and implementation of enforcement obligations through participation and lectures in a series of training activities in all regions, organized by other WIPO sectors, for judges, prosecutors and law enforcement officials. It also provided advice on national strategies to government officials from the respective law enforcement agencies.

Performance Indicator(s)

Evaluation feedback on the impact of capacity building activities in the area of enforcement:

Government officials including police and customs officers as well as prosecutors gained confidence in the handling of IP counterfeiting and piracy cases. Judges increased their skills in dealing with IP litigation.

Strategies initiated and/or systems introduced in Member States in the area of enforcement of IPRs:

Improved basis for informed decisions on IP enforcement strategies and on the formation of specialized judges including, where appropriate, the establishment of specialized IP courts.

Expected Result: Enhanced public awareness in the fight against counterfeiting and piracy.

221. Public interest in IP enforcement matters was enhanced by including in every national and regional training activity a component on: consumer health and safety risks; the dangers of counterfeit products (e.g. food, medicines, spare parts, etc.); and, the economic and cultural implications of counterfeiting and piracy.

Performance Indicator(s)

Number of projects and information materials developed at the national level to enhance public awareness in these areas:

The launch of the enforcement web site, with links to consumer surveys and studies on other web sites, has initiated the development of information material at the national level.

Quarterly enforcement newsletters on global enforcement events published on the web site also aim at increasing public awareness.

Expected Result: Greater awareness among Member States and other stakeholders of the importance of enforcement of IPRs and exchange of national and regional experiences in the area of enforcement.

222. The Secretariat convened and supported the second session of the Advisory Committee on Enforcement (ACE). Following the approval by the ACE of the suggested thematic approach, presentations were made by senior judges and high-level government officials from different regions, and discussions were held on the role of the judiciary, quasi-judicial authorities and the prosecution in enforcement activities. The ACE decided that its next meeting would address the issue of education and awareness-building, including training, with a particular focus on enforcement areas of common concern to Member States.

223. To enhance effective enforcement, national and regional training activities dealing with law enforcement agencies focussed on cooperation at both the national and international levels, as well as between the public and private sectors.

Performance Indicator(s)

Information exchange in the Electronic Forum on Intellectual Property Enforcement Issues and Strategies (IPEIS):

Information exchange mainly took place in various meetings, organized either by WIPO or by other IGOs and NGOs.

Expected Result: Coordination and cooperation with other relevant organizations and the private sector.

224. WIPO closely cooperated with a number of IGOs and NGOs and their specific IP enforcement related programs. Major activities included the preparation for, and participation in, the first Global Congress on Combating Counterfeiting, organized by the World Customs Organization (WCO) and Interpol with the support of WIPO, and its follow-up activities in Rome and Shanghai; participation in the WHO Satellite Workshop on Counterfeit Medicines; participation in two sessions discussing the draft Hague Convention on Exclusive Choice of Court Agreements; and, participation in the IP Crime Day during the Interpol International Conference on Financial Crime. In the framework of its ongoing cooperation with the European Commission, the Division provided assistance in the implementation of, and compliance with, legal obligations in four training and education events on the enforcement of IP rights under its TAIEX program, as well as in the Community Assistance for Reconstruction, Development and Stabilisation (CARDS) regional projects of the European Commission for IP protection in the Western Balkans.

Performance Indicator(s)

Number of joint activities with other relevant organizations and the private sector:

17.

Total expenditure (000 Swiss francs) for sub-program 07.3 in 2004:	1,126
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Total expenditure (000 Swiss francs) for Program 07 in 2004:	3,086
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MAIN PROGRAM 08 - Cooperation with Developing Countries

225. In 2004, a strategic shift took place with respect to the priorities and direction of WIPO's development activities. While retaining traditional institutional, human resources and legal support activities, greater emphasis was placed on closely cooperating with beneficiary governments to better derive tangible advantages from IP assets contributing to national development objectives. To this end, activities focussed on technology acquisition, IP assets creation and income and employment generation, and emphasized the integration of IP strategies into sustainable development goals, while balancing economic goals with social objectives. Activities were carried out within the broader context of the United Nations Millennium Development Goals and particular attention was given to the specific needs of LDCs.

226. The guiding principles of WIPO's Cooperation for Development program included: responsiveness to the expressed wishes and needs of Member States and groups of Member States, as well as to other actors and stakeholders; responsiveness to the changing environment and evolving circumstances and situations in the Member States; Member State-driven activities from the initial design to implementation; and, the use, where possible, of local and regional experts.

227. The period under review was a critical phase in the evolution of the IP system, marked by discussions on IP in WIPO, WTO, WHO and the CBD, as well as other international fora. In addition to Member States, activities were also carried out in close cooperation with IGOs and NGOs.

228. Some 98 national and 54 regional activities were organized in 2004, including legal advice, technical and automation assistance, and advice regarding enforcement and collective management of copyright and related rights. Some 124 countries benefited from these activities, in which 12,000 persons participated. About 300 missions and 49 study visits were organized, 19 copyright collecting societies were set up or assisted by WIPO, and equipment and software was provided to 39 countries. Five nationally-focused and one regionally focused action plans were implemented. Some 44 developing countries received legal advice from WIPO in the form of, *inter alia*, 45 draft laws, 33 comments, and eight consultations. Concerning human resources development, 87 per cent of participants in WIPO's distance learning programs were from developing countries and countries in economic transition. IP officials from 83 developing countries received specific training on IP. A specific policy development program offered nine sessions to about 800 government officials, university professors and judges from 38 countries.

Sub-program 08.1 – Empowerment for Development

OBJECTIVE: To empower Member States to develop, protect, enforce, manage, and commercially exploit IP as a tool for economic, social and cultural development.

Expected Result : Propagation of IP as a tool for economic development.

229. Activities led to an improved understanding of the economic importance of IP and the potential contribution of the IP system to social and economic development. Activities included meetings at the national and regional levels, advisory missions, preparation of studies and other promotion material and teaching modules. Practical advice was given to various creators and users of the IP system on the opportunities for creating economic value from their rights, to enable them to participate in national and foreign markets.

230. Another important field of activity was the upgrading of institutional capacities to administer IP systems through modern IT systems, new IP rights administration and management tools, and new means for the provision of value-added services through technological information on and marketing of IP assets. Support to IP Offices for streamlining administrative and other functions using IT, and developing professional and administrative skills and capacities, was provided through workshops, expert advisory missions, on-the-job training, study visits, and supply of equipment. As a result, many IP Offices benefited from WIPO's technical assistance to improve efficiency and effectiveness, and provide value-added services in addition to traditional registration activities. Improved administration and other services has enabled IP Offices to meet increasing demands of IP users, especially business associations and Research & Development (R&D) institutions, thereby providing a catalyst for local innovation and enterprise creation.

Performance Indicator(s)

Number and nature of initiatives undertaken at the national level:

Africa

- Workshops were organized on the following topics: IP and Economic, Social and Cultural Development; Management of IPRs in Universities and R&D Institutions; and, Valorization of Research Results.
- A WIPO/*Organisation Africaine de la Propriété Intellectuelle* (OAPI) Sub-regional Workshop on IP was organized, as well as regional workshops on IP enforcement, various aspects of copyright enforcement, and corporate governance for Heads of Collective Management Organizations with the aim of promoting best practices in the proper use of IP in development.
- Participation in an Advisory Board on Reform of the Science, Technology and Innovation System in Nigeria.

Arab States

- Three national seminars on IP were organized (of which one was held for Diplomats);
- Two advisory missions were undertaken concerning the protection of pharmaceutical products and IP aspects in trade agreements.

Asia and Pacific

- Three national seminars were organized on the following topics: Promoting the Utilization of the Industrial Property System (Vientiane); Copyright and Collective Management (Phnom Penh); and, Technology Information as a Tool for Development (Tehran);
- One Regional Training Course on Creating Value from Copyright Works and Related Rights in the Music Industry was held in Singapore;
- 10 advisory missions were conducted by 16 WIPO experts: seven on the industrial property system

- and three on bilateral consultations;
- Activities aimed at improving IP awareness included the translation of WIPO treaties and publications in Cambodia, Pakistan, Sri Lanka, Thailand and Viet Nam.

Latin America and the Caribbean

- Two regional seminars on IP were organized (addressing IPO officials and judges and prosecutors respectively);
- Three sub-regional seminars were held on patents and examination techniques and on trademark applications;
- Five national and sub-regional seminars were held on enforcement of IPRs (eight countries);
- Nine programming missions took place to plan cooperation activities with national IPOs, including a cooperation for Latin American and Caribbean Countries with Spain and the EPO;
- Four missions were undertaken to participate in activities organized by IPOs, including participating as a speaker (on trademarks, general IP concepts, enforcement);
- Activities concerning automation of IP systems, included: 14 missions to national IPOs (11 countries); development of an automated system for a national Copyright Office; subscription of Internet connection for one IPO; purchase of office equipment for one IPO; and, shipping of computers to nine IP Offices in LAC countries.
- Two missions were undertaken on enforcement of IPRs;
- Two study visits took place by two IPO officials to other IPOs of the region;
- Compilation, classification and digitalization of trademarks at a national IPO;
- Signature and implementation of a Memorandum of Understanding between WIPO and the Spanish Patent and Trademark Office (OEPM), aiming at the promotion of industrial property as a tool for economic development in Latin America.
- Identification of common elements in the practice of trademark applications among Andean IP Offices for the possible adoption of a Harmonized Procedures Practices.

Expected Result: Developing countries' policy-makers are enabled to formulate policies, particularly in response to emerging IP issues.

231. IP policy development and strategy formulation assistance remained a priority. A series of national and regional events were organized to promote a better understanding of the policy implications of IP issues and to enable policy-makers to formulate proactive IP policies and strategies in line with national development objectives. As a result, an increasing number of developing countries have initiated a process of IP policy and strategy formulation to stimulate local innovation, indigenous technology development and the creation and use of IP assets. In addition, some countries are also endeavoring to incorporate IP policy issues in national development plans. Support was also provided to governments on IP policy related issues in the context of negotiating bilateral trade agreements, and their subsequent national implementation. Progress was made in assisting policy-makers to formulate modern IP legislation and implement effective enforcement policies. In this connection, discussions on critical policy issues related to the implementation of the Agreement on Trade-Related Aspects of Intellectual Property Rights (TRIPS) were organized, particularly concerning the need for formulating appropriate IP legislation and the use of IP as a public policy tool for economic and social development.

Performance Indicator(s)

Number of fora for policy-makers at the national, regional and international levels and feedback on policy formulation:

Africa

- Two High-Level Round Tables on IP and Public Policy and Topical IP Issues were organized;
- Briefing of African Ambassadors and Permanent Representatives to the UN in New York on WIPO's activities in Africa in support of the New Partnership for Africa's Development (NEPAD) and the role of IP in economic development;
- Advisory missions to 16 countries during which discussions took place with, *inter alia*, Ministers in charge of health, commerce and industry, law, culture and science and technology;
- Participation in the following meetings: a Finance Ministers' Meeting; OAPI Ministers' Meeting on Public Health; a Round Table for Lusophone Countries on Promotion of IP and Copyright Protection and Cultural Industries; meetings of the African Union (AU), UN Economic Commission for Africa (ECA) and NEPAD to integrate IP in Africa regional development strategies.

Arab States

- One mission was undertaken to provide advice on issues associated with the protection of pharmaceuticals products;
- Two sub-regional seminars were organized on the Enforcement of IPRs for the Gulf Cooperation Council Countries and on Trademarks and the Madrid System;
- National seminars were organized on the following issues: IP and WIPO Treaties for Government Officials; Copyright and Related Rights; IP and the TRIPS Agreement, organized jointly with the WTO.
- Two Roving Seminars on Copyright Protection and Piracy.

Asia and Pacific

- Several discussions took place with, *inter alia*, Ministers in charge of health, commerce and industry, law, culture and science and technology;
- A national workshop on the TRIPS Agreement was organized in Yangon;
- A regional seminar on IP and Genetic Resources, TK and Folklore took place in Daeduk;
- Regional Symposia were organized on copyright in education institutions and libraries (Hong Kong), and emerging issues of copyright protection in the digital environment (New Delhi).

Latin America and the Caribbean

- A regional seminar took place for Heads of IP and copyright Offices of Latin American countries;
- A WIPO-European Commission for Latin America and the Caribbean (ECLAC) regional High-Level Course on Negotiation Aspects and Techniques of IP was implemented;
- A national seminar was organized on technology transfer, IPRs and business policies;
- Missions were undertaken with the following aims: signature and implementation of the WIPO/ECLAC Agreement; addressing representatives of Latin American and Caribbean countries in New York; advising national Governments on IP strategies, modernization of IP systems, and copyright legislation; representing WIPO or participating as speaker in national seminars not organized by WIPO; participation in the working group on the WIPO/Caribbean Cooperation for Development Project; and, participation in the 30th session of ECLAC.
- Cooperation with Caribbean Countries in the framework of the Caribbean Cooperation for Development Project signed in 2003.

Expected Result: IPOs cooperate with federations of industries, chambers of commerce, academic and research institutions, including universities, and SMEs to develop linkages and programs directed to a sustained use of the IP system for economic growth.

232. Through facilitating the establishment of links between IP enforcement authorities and IP Offices WIPO contributed to an improved level of IP protection at the national level. Also, critical links and cooperation mechanisms were forged among the various players in the economy – IPOs, academia, research institutions, SMEs, chambers of commerce and

industries, as well as the creative community, in order to enable rightholders to better identify, develop, protect and manage the knowledge they create, own or have access to being crucial to their business success.

Performance Indicator(s)

Number of linkages and programs with the objective of developing and supporting national IP asset development, protection and management:

Africa

- A pilot project was initiated in four African countries to demonstrate the utilization of geographical indications for promoting agricultural products and crafts. A cooperation plan on the implementation of this project was signed by WIPO, OAPI, and the National Industrial Property Institute (INPI) of France. The French Ministry of Agriculture, Food, Fisheries and Rural Affairs recently joined the project which is expected to be extended to other countries.
- Research networks on IP: A project for supporting Central African researchers in creating, owning and exploiting health research and results, was developed in cooperation with the Geneva International Academic Network (GIAN), OAPI and the Central African Economic and Monetary Community (CEMAC). One of the objectives of the project is to establish a linkage between institutions dealing with IP and others dealing with science, technology and research. Approximately 14 Central African R&D institutions are involved in the project.
- An IP policy paper of Moi University (Kenya) was launched in 2004. The objective of this initiative was to create a linkage between the Kenya Industrial Property Institute (KIPI) and Moi University.
- National workshops were organized on Licensing of IP Assets, Promoting Filing of Patent Applications, and Competitiveness of SMEs.

Arab States

- Missions were undertaken to attend the Conference on the Legal Aspects of the WTO Agreements and on Developing Countries, and to the Institute for Diplomatic Studies.
- A Regional Seminar on Intellectual Property: A Power Tool for Economic Growth was organized.
- National seminars were organized on the following topics: IP for Law Students and Faculty Members of University; the Importance of IPRs in Enhancing the Competitiveness of Industrial Enterprises; IP for Journalists and Members of the Media organized with a national Government and University; and, Industrial Property for Entrepreneurial, Commercial and Research and Development Purposes.

Asia and Pacific

- A National Seminar on SMEs was organized in Colombo.
- Regional workshops were organized on Information Technology and Automation of IP Offices (Makati) and on IP for Managers of SMEs and SMEs Support Institutions (Shanghai).
- One study-visit on various aspects of IP administration, including automation, benefited two delegates from Thailand.
- 10 advisory missions on automation and establishment of an IP Office were undertaken by 14 WIPO experts.
- 12 national studies were completed including: six studies on universities conducted by national and international experts in China, India, Philippines, Republic of Korea, Singapore and Thailand; three studies to collect information on SMEs in the South Asian Association for Regional Cooperation (SAARC) region conducted by three national experts in Bangladesh, Maldives and Pakistan; and, three studies on business development for the Association of Southeast Asian Nations (ASEAN) conducted by national experts in Indonesia, Philippines and Singapore.
- Development of a Guide on IP Valuation.
- Procurement of 25 computer hardware/software and other office equipment for the South Pacific Forum and nine countries, namely Bhutan, Cambodia, Democratic People's Republic of Korea, India, Indonesia, Myanmar, Laos, Sri Lanka, and Thailand.

Latin America and the Caribbean

- Five national meetings were organized on the following topics: collective management of copyright and performers' IPRs; IP and the economy of the audio-visual sector; geographical indications; IP and SMEs; and, the use of patent documentation for technological development.
- The following missions were undertaken: to plan cooperation activities between an IP Office and collective management societies; to participate in three national events (broadcasting and copyright,

geographical indications, IP for artisans); to participate in a regional meeting organized by the Inter-American Association of Industrial Property (ASIPI); to participate as speakers in events not organized by WIPO (on copyright, on general concepts of IP addressed to universities, and on technological inventions).

- Elaboration of seven national studies on SMEs by local experts.
- Further implementation of the Regionally-Focussed Action Plan (RFAP) on Collective Management of Copyright and Related Rights for Central American Countries, and in particular the implantation of the software *Sistema de Gestión de Sociedades* (SGS) developed by the *Sociedad General de Autores y Editores* (SGAE) for the management of their operations, which is regulated under a WIPO/SGAE Agreement.

Expected Result: Enhanced knowledge by policy makers, academics, inventors, research institutions, cultural institutions, and private enterprises of how to manage intellectual assets for economic benefit.

233. The development of human resources remained a priority, given the need for adequate capacity if IP rights and enforcement mechanisms are to be implemented effectively and IP assets are to be developed, protected and managed efficiently.

Performance Indicator(s)

Number of human resource development and capacity building programs and effectiveness of such programs:

Africa

- WIPO funded the participation of 162 officials in different meetings organized on various IP issues attended by a total of 1,523 officials.
- 10 study visits were organized for 19 officials of copyright and industrial property Offices.
- A project on assessing the benefits of the IP system was implemented, consisting of examining current IP policies, practices and strategies for the development, management and commercialization of IPRs with a view to generating empirical data which can serve as a strategic tool for making informed IP decisions. This project aims at making a diagnosis of the economic, social, cultural and technological situation in each country. It will allow WIPO to assess the use of the "intellectual property" tool for developing and promoting economic, social, cultural and technological growth. The results of each of these assessments will lead to building, in cooperation with the country concerned, a plan aimed at strengthening the contribution of IP in the key sectors of the economy. The program has already been started in five countries and will be extended to the member countries of the Common Market for Eastern and Southern Africa (COMESA) and the Central African Economic and Monetary Community (CEMAC).

Arab States

- One Regional Conference on the Teaching of IP Law was organized.
- National seminars were organized on the following topics: IP for Parliamentarians and Journalists; enforcement of IPRs for Judges, Prosecutors and Customs Officials; and, the Paris and Berne Conventions;
- Seven study-visits for judges and one study-visit to an Industrial Property Office took place.

Asia and Pacific

- National workshops were organized on the following topics: Enforcement (Hanoi and Ho Chi Minh City); Madrid System (Tehran); IP for professors of faculties of laws (Tehran); Enforcement of Copyright and Related Rights (Colombo).
- One Regional Workshop on the Economic Benefits of the Protection of Trademarks (Bangkok) and one Sub-Regional Workshop on the Economic Importance of Trademarks and the Madrid System (Islamabad) were organized.
- An International Patent Licensing Seminar took place in Tokyo.
- Training Courses were organized on the following topics: Industrial Property Administration, IP Enforcement, Information Technology, IP Examination, Enforcement of Copyright and Related Rights (all

- in Tokyo); and, Copyright and Related Rights organized jointly with CISAC (Kuala Lumpur).
- Financial support was provided for the participation of three WIPO speakers in a National Workshop on Classification of Trademarks (Tangerang), a National Seminar on Geographical Indications, (Jakarta and Bandung) and a Meeting on Science and Technology, Islamabad.
- 18 delegates from Asia and the Pacific benefited from three study visits on collective management.
- Two long-term fellowships were granted for six months in Japan.
- Seven advisory missions were conducted by 12 WIPO experts: four on patent and trademark examination and three on collective management and enforcement of copyright and related rights.

Latin America and the Caribbean

- Workshops were organized on the following topics: patents and performers' IPRs (two events at the regional level); copyright and related rights, commercialization of inventions, and IP and new technology information (six events at the national level).
- Three coordination missions were undertaken concerning cooperation with Spain and NGOs in the field of copyright and collective management, and one mission was undertaken on evaluation of IP assets.
- Participation as speaker in three events not organized by WIPO on general IP and copyright concepts.

Total expenditure (000 Swiss francs) for sub-program 08.1 in 2004:

12,961

Sub-program 08.2 - Special Support Areas

OBJECTIVE: To facilitate, through special support areas, the attainment of IP goals and development objectives of developing countries and LDC Member States.

Expected Result: Information on IP legislation made available by WIPO is widely accessible.

234. Information and documentation available in the Collection of Laws for Electronic Access (CLEA), the electronic database of IP legislation, continued to be widened. In 2004, technological modification further enhanced certain features of the database. As a result of this modification, reliable user statistics for 2004 will not be available until 2005.

Performance Indicator(s)

Rate of utilization of WIPO-serviced collections and publications of IP law:

The CLEA database recorded 3,348 bibliographic entries and 2,476 full text documents relating to the laws of 92 countries and the European Community, and the Andean Community, as well as of Treaties and Conventions administered and non-administered by WIPO. The structure and interface of CLEA was improved and the new application offers more user-friendly document search and retrieval functions allowing quicker and easier document access.

Expected Result: National legislation of developing countries and LDCs is in consonance with international standards and norms.

235. Legal advice was provided to LDCs and developing countries, in particular, on existing flexibilities with regard to compulsory licensing provisions, limitations and exceptions in copyright, patentability, the implementation of the Doha Declaration, and parallel importation.

Performance Indicator(s)

Number of draft laws and regulations, comments, advice on compatibility and other legal advice provided by WIPO:

44 developing countries received legal advice from WIPO in the form of 45 draft laws, 33 comments, eight consultations and other forms of legal advice. WIPO's legal-technical assistance focused mainly on implementation of the TRIPS Agreement, especially in a number of LDCs in Africa and Asia, which has implied frequent and thorough discussions on how developing countries, even if adhering to international standards, can make those standards more user-friendly, taking national concerns such as industrial policy and economic and social development fully into account. This approach has been successfully followed-up by developing innovative legal solutions in close consultation with the countries in question.

Expected Result: Information technology is used as a tool to enhance the efficacy of IP Offices.

236. Activities included advice on all aspects of modernizing business and administration processes at IP Offices and Collective Management Organizations, including workflow simplification, the introduction and/or enhancement of customized automation systems and national IP databases development. Activities also included identifying and analyzing automation needs and automation maintenance by undertaking, in particular, a business procedure review and a human and financial resources assessment. Complementary activities included staff training, technical knowledge transfer and ownership from WIPO to the respective Office, ongoing technical support and periodic sustainability assessments.

Performance Indicator(s)

Number of IPOs introducing new, or upgrading existing, automation systems:

Automation software was deployed and became operational in IPOs in 24 countries: Asia and the Pacific (two); Africa (six); Latin America (10); Arab region (three); certain countries in Europe and Asia (three).

Automation needs assessments and/or advisory visits were carried out in IPOs in 21 countries: Asia and the Pacific (six); Africa (four); Latin America (five); Arab region (four); certain countries in Europe and Asia (two).

Automation follow-up visits/post deployment evaluations and actions were carried out at IPOs in 16 countries: Africa (four); Latin America (six); Arab region (four); certain countries in Europe and Asia (two).

Expected Result: Enhanced awareness of LDCs' policy-makers and users' groups of the importance of IP issues and strengthened capacity of LDCs to benefit from the IP system.

237. WIPO assistance to LDCs consisted, *inter alia*, of facilitating a dialogue between IP professionals and key actors, such as government ministers and other senior government officials from developed, developing countries and LDCs, and IGOs and civil society, with a view to assisting better articulation of LDCs' IP development issues and the best way to address them.

238. In this context, the Ministerial Conference on Intellectual Property for Least Developed Countries was held in October 2004, in cooperation with the Government of the Republic of Korea, to discuss the integration of IP into LDC national development policies. The

Conference focused on enhancing strategic partnerships and public-private sector cooperation for using IP for development, and the role of governments and the private sector. Topics covered included: IP economics; brand recognition and marketing of LDCs' products; the role of trademarks and geographical indications; IP and public policy; and, the application of flexibility in the international IP and trading system. The Ministerial Conference adopted the Seoul Ministerial Declaration requesting WIPO to further strengthen its technical assistance to LDCs in the field of IP.

239. The Training and Advisory Program on Intellectual Property for Least Developed Countries, Stockholm, provided another important forum for LDCs to exchange ideas and experiences on the contribution of IP to economic growth and development. It also enabled senior IP officials from LDCs to become more familiar with the legislative, enforcement and managerial aspects of IP, both on the national and international levels. This program has a follow-up mechanism, which includes monitoring, evaluation and a future meeting in 2005.

240. In line with the Program of Action for the Least Developed Countries for the Decade 2001-2010, adopted by the Third United Nations Conference on the Least Developed Countries in Brussels in May 2001, WIPO has been implementing deliverables for LDCs in five important agreed-upon areas, namely: human resources development; IT; genetic resources; TK and folklore; SMEs; and, the establishment of collective management societies. In this context, to empower LDCs to reap greater benefits from global information resources, WIPO has assisted IPOs to modernize their IT infrastructure. As of December 2004, 48 IPOs in 32 LDCs have benefited from new equipment and Internet connectivity services. In the area of genetic resources, TK and cultural expressions (or folklore), WIPO's assistance has included policy development and capacity building. This has enabled policy- and lawmakers to make crucial decisions on the preservation, protection and promotion of this vital element of national and community heritage. To this end, a study was launched in Senegal in the area of traditional and cultural expressions to assist with the formulation of appropriate national IP strategies in this area.

241. A number of national events were organized for LDCs in cooperation with WTO, ITC and UNCTAD, as well as the African Regional Industrial Property Organization (ARIPO) and OAPI. In cooperation with the SMEs Program and ITC, a new training manual on negotiating technology licenses was published. This manual provides practical guidance to individuals and enterprises in LDCs involved with technology matters.

Performance Indicator(s)

Number and nature of initiatives at the national level:

Following progress was made towards the implementation of the WIPO Deliverables for LDCs:

- IT equipment and Internet connectivity were installed in 48 IPOs in 32 LDCs;
- Professional training was provided for a number of LDCs on industrial property, copyright and related rights;
- LDCs participated in several seminars/workshops on the establishment of copyright collective management societies and established copyright societies were strengthened;
- In the area of TK, folklore and genetic resources, the specific interests of LDCs were explored in national, regional, and interregional meetings, including the IGC. Country specific studies were initiated for LDCs;
- Relevant information was made available to assist SMEs in LDCs in their inventive and innovative activities.

A Second Annual Forum on Intellectual Property, Sudan, was organized by WIPO in cooperation with the University of Khartoum and the Sudan Judiciary and Employers Association. Senior officials, including Ministers and Vice Ministers, university professors and customs officials participated in the Forum.

Number of guidelines, policy papers, country profiles and other reference materials were prepared on intellectual property issues for LDCs:

- Specific issues notes were prepared upon request from LDCs;
- The French and English language versions of the “Intellectual Property Profile of Least Developed Countries” were updated and are available on-line;
- The book on “Exchanging Value Negotiating Technology Licensing Agreements” was published and distributed to LDCs and some UN Organizations.

Expected Result: Increased use of collective management societies by creators and artists.

242. Particular consideration was given to the implementation of activities jointly planned with the International Confederation of Societies of Authors and Composers (CISAC), the International Federation of Reproduction Rights Organizations (IFRRO) and other organizations or institutions.

243. Several meetings took place at the national and regional level to improve awareness of the public at large and rights owners on the importance and the role of collective management organizations (CMOs) with an emphasis on their cultural and economic impact (Cambodia, Niger, and Sri Lanka). Sensitization campaigns were organized in countries determined to create CMOs and other events focused on aspects of copyright and corporate governance for boards of management and heads of existing CMOs (Benin and Kenya).

244. WIPO participated and co-organized meetings for performers in Malawi in cooperation with The International Federation of Musicians (FIM) and the French society for the collection and distribution of performers’ rights in the field of music and dance (SPEDIDAM). National seminars for performers’ societies also took place in Brazil and Paraguay, as well as a training course in Chile. Two other important training courses on performers’ rights and societies were held, respectively, in Madrid in cooperation with the Iberolatinoamerican Federation of Performers (FILAIE) and the Spanish Performers’ Society (AIE), and in Tokyo together with the Japanese Center for Performers’ Rights Administration (CPRA) and the Japan Council of Performers’ Organizations (GEIDANKYO).

245. Advisory and technical services, including installation of software, were provided to strengthen CMOs’ main activities, and complemented by training courses. Further efforts focused on the training of a trainer from Malawi on automation, development and deployment of the Africos software, which was installed in Côte d’Ivoire, Zambia and Uganda in 2004. Complementary training courses were provided and cooperation programs took place in Burkina Faso for officials from Burundi and Chad, and in Malawi for officials from Ethiopia. Other regional training courses on collective management of copyright and related rights took place in Malaysia and Singapore.

246. The need to integrate digital technologies effectively into collective management operations was considered, as well as access to international databases and data distribution networks. Ongoing developments of the automation system for CMOs is closely related to the accessibility of such international databases and further discussion and meetings are planned

in this regard. The issue of delivery of tailor-made systems for the national documentation and international repertoire is at the heart of the debate, especially for newly established CMOs. WIPO participated in meetings with partners' organizations, where these issues are being discussed.

247. CMO training activities have been driven by the need to improve knowledge of technical, administrative and data capture techniques, as well as general notions on copyright and related rights, including corporate governance. These activities are expected to have a positive impact on efficiency and performance of work of CMOs in the long-term, and increase royalty distribution to rights owners, as has already happened in certain countries.

248. WIPO published a booklet that was jointly produced with CISAC and IFRRO entitled "From Artist to Audience". The booklet explains the system of collective management of copyright and related rights in the field of the key cultural industries: music and sound recordings, print and publishing, film and television, visual arts and photography, dramatic works and theatre.

Performance Indicator(s)

Number of collective management organizations created or strengthened:

Two CMOs for related rights owners (performers) were established in Costa Rica and in the Dominican Republic, and one copyright society in Cape Verde.

In total, 28 countries benefited from training sessions dealing with theoretical and practical issues of collective management of copyright and related rights, namely: Argentina, Bolivia, Brazil, Brunei Darussalam, Burkina Faso, Burundi, Cambodia, Chad, Chile, Colombia, Costa Rica, Côte d'Ivoire, Cuba, Dominican Republic, Ecuador, Fiji, Indonesia, Mexico, Nepal, Papua New Guinea, Paraguay, Peru, Philippines, Sri Lanka, Thailand, Uruguay, Venezuela and Viet Nam.

Total expenditure (000 Swiss francs) for sub-program 08.2 in 2004:

6,485

Total expenditure (000 Swiss francs) for Program 08 in 2004:

19,446

MAIN PROGRAM 09 - Cooperation with Certain Countries in Europe and Asia

249. A significant contribution was made towards the strengthening and effective use of the IP systems in the countries concerned and technological, economic, social and cultural development. The main focus was on the interrelationship between IP and creativity, innovation, competitiveness, investment and transfer of technology.

250. As several countries in the region became members of the European Union as of May 1, 2004, and other countries are candidates to accession, WIPO enhanced coordination with the European Union with respect to IP technical assistance.

251. In this connection, WIPO provided specialized expertise inputs to 20 events organized and financed by the Technical Assistance Information Exchange Office (TAIEX),

Enlargement Directorate General, Commission of the European Union, in the 10 Central European, Baltic and Mediterranean new member countries of the European Union.

252. WIPO also began cooperation with the CARDS Program under which the European Union's technical and financial assistance to the Western Balkan countries is carried out. In this respect, WIPO provided speakers to eight events financed by the CARDS Program.

253. Furthermore, coordination with organizations active in the region was further promoted and enhanced (for example, the EPO, Eurasian Patent Office (EAPO), Interparliamentary Assembly of CIS Member-States, Interstate Council for the Protection of Industrial Property of the CIS countries, Community Trademark Office (CTMO), United Nations Economic Commission for Europe (UNECE), US Agency for International Development (USAID), United Nations Economic and Social Commission for Asia and the Pacific (UNESCAP), and the Coalition for Intellectual Property representing the private sector). Enhancing coordinated cooperation with all these institutions has had a multiplying effect on technical assistance provided by WIPO to all 30 countries in the region.

OBJECTIVE: To strengthen the capacity of Member States to fully utilize the IP system for economic, social and cultural development.

Expected Result: Conformity of national laws of the countries concerned with relevant international standards and trends.

254. WIPO continued to provide assistance in preparing new or updated IP laws in compliance with current international standards and trends and in conformity with the TRIPS Agreement. Such legal advice was provided to five countries as well as for the new version of the Model Copyright Law for the CIS countries. Moreover, consultations were held with several governments on accession to WIPO-administered treaties. In 2004, some 22 Member States acceded to WIPO administered treaties.

Performance Indicator(s)

Number of national laws reflecting WIPO's counsel and advice:

Five.

Expected Result: Strengthening of administrative and judicial mechanisms for the enforcement of IP rights.

255. Some 500 officials from industrial property and copyright administrations, the judiciary, the legal profession, police and customs received training in one subregional and two national seminars as well as during study visits, which led to enhanced knowledge in effectively dealing with piracy and counterfeiting of IP assets.

Performance Indicator(s)

New administrative and enforcement mechanisms introduced in Member States:

A number of governments are implementing measures to enhance the enforcement of IP rights.

Expected Result: Enhanced efficiency of IP administrations.

256. Several national IP administrations strengthened their infrastructures and increased their efficiency as a result of projects and assistance activities (expert advisory missions, training, study visits, provision of equipment, information material and software).

Performance Indicator(s)

User satisfaction with prompt, easy-to-use and cost-effective user services:

Several governments indicated enhanced satisfaction expressed by their users.

Expected Result: Effective innovation infrastructure and IP related services at the national and regional levels to assist SMEs.

257. The preparation of a study and the translation and customization of an SME brochure in 13 countries, in cooperation with TAIEX, increased the awareness of the central role of IP assets in creating and sustaining business success in domestic and international markets for all types of SMEs and the management of IP assets.

Performance Indicator(s)

Number of result oriented projects targeted at IPO's, R&D institutions, cultural institutions, and enterprises:

Several national projects targeting SMEs have been initiated.

Expected Result: Establishment of new, and strengthening of existing, societies for collective management of copyright and related rights.

258. Capacity building projects and other technical assistance activities contributed significantly to the modernizing of organizations for collective management of copyright and related rights. In this respect, the creation and translation of the Russian version of the Africos software for CIS countries was an important result.

Performance Indicator(s)

Number of modernized collective management organizations:

The Africos software was deployed in 10 CMOs.

Demonstrated and measurable impact to copyright owners in terms of revenues/royalties collected and distributed:

Impact information not yet available.

Expected Result: Increased awareness and improved knowledge and skills in the use of the IP system for market competitiveness and development of IP based assets for economic, social and cultural development.

259. Considerable attention was devoted to increasing the awareness of the political and economic importance of IP rights and the recognition of their catalytic role in key areas of economic activity in the respective countries. Approximately 1,000 participants from the government and private sectors improved their knowledge and skills in the use of IP in awareness building meetings organized by WIPO. Various WIPO publications translated into Russian and other languages of the region contributed to this result.

Performance Indicator(s)

Development of strategic IP asset management plans and other IP based asset management tools:

Two countries adopted national IP strategies.

Demonstrated and measurable impact to IP asset owners in terms of revenues/royalties collected and distributed or other economic impact:

Impact information not yet available.

Total expenditure (000 Swiss francs) for Program 09 in 2004:

2,284

MAIN PROGRAM 10 - The WIPO Worldwide Academy

260. Human resources are a crucial strategic component in efforts to modernize and utilize effectively the IP system for economic, social and cultural development. The WIPO Worldwide Academy contributed to the development of human resources through its three main programs: Distance Learning, Professional Training and Policy Development.

261. In 2004, one Framework Agreement of Cooperation with the University of Bucharest, Romania, was concluded and existing cooperation arrangements continued. Advanced courses were added to the curriculum of the Distance Learning Program, and constant efforts were made to upgrade the level of training of IP professionals from Member States.

Sub-program 10.1 - Distance Learning

OBJECTIVE: To provide and strengthen the competence and expertise in the field of IP for a broad range of target groups, including students and professionals.

Expected Result: High quality IP curriculum deployed via on-line technology, leading to an award of a certificate.

262. The development of new course content, leading to the creation of a comprehensive IP curriculum, continued to remain a priority for the Academy in 2004. In addition to the existing advanced courses (Copyright and Related Rights – DL-201; Electronic

Commerce - DL-202; Traditional Knowledge – DL-203; and Biotechnology - DL-204), four new courses began to be developed on selected subjects.

263. Course development was carried out in close consultation with other relevant WIPO Divisions, and this work will continue, with greater vigor, throughout 2005. Once completed, the new courses will become part of the Academy's Distance Learning IP curriculum. Due to resource constraints, the pace of course development slowed a little following a decision not to outsource content creation to external authors, as was the case with the first four advanced courses.

264. Great emphasis was placed on assessing and enhancing the quality of existing DL courses. Five years after its launch, the General Course on Intellectual Property (DL-101) was extensively revised and updated. Likewise, the current advanced courses were updated and further adapted, based on pilot-testing results. While the review process was concluded for DL-201 and DL-202, the two remaining courses (DL-203 and DL-204) are still being modified.

Performance Indicator(s)

Development of new IP Distance learning modules to form a curriculum for IP education:

The development of four new courses was initiated on plant varieties protection, patents, crafts and visual arts (for SMEs), and IP dispute resolution (The WIPO Arbitration and Mediation Center).

Feedback from users on the quality of the distance learning curriculum:

Feedback from users of advanced courses DL-201, DL-202, respectively:

Rating of course content: excellent (33.5 per cent, 17 per cent); very good (38 per cent, 57 per cent); good (21.5 per cent, 26 per cent); fair (7 per cent, 0 per cent).

Rating of tutorial support: excellent (38 per cent, 52.5 per cent); very good (40.5 per cent, 43 per cent); good (21.5 per cent, 4.5 per cent).

Feedback from users on the usefulness of the certificate:

Feedback from users of advanced courses DL-201, DL-202, respectively:

Course met their personal objectives for enrolling: 100 per cent;

Course made an impact on their institution (51.5 per cent, 69 per cent);

Course completion rate (74 per cent, 76 per cent).

Expected Result: Availability of, and facilitated access to, course contents in IP in different languages and at different levels of specialization.

265. With a view to broadening the range of distance learning courses on offer, from easier to more advanced levels, a Primer on intellectual property (DL-001) was developed and implemented. This course is accessible online with restriction, and differs from other distance learning courses in that it does not require registration, tutorial support or a final exam. The combined number of participants in the Primer, the General Course DL-101 and the two advanced courses (DL-201 and DL-202) reached unprecedented levels in 2004.

266. Having reached higher academic standards in the advanced courses, the Academy felt that it can now move towards the adoption of a fee-paying system for such courses. A fee structure was therefore developed, to be implemented in 2005.

Performance Indicator(s)

Number of modules or stand-alone courses and languages in which they are offered:

- DL-001 Primer on IP: open without restriction in English, French, Portuguese Spanish (Arabic, Chinese, Russian versions translated but not uploaded);
- DL-101 General Course on IP: 14 sessions (twice a year in Arabic, Chinese, English, French, Portuguese, Russian, Spanish);
- DL-201 Advanced Course on Copyright: two sessions in English and Spanish;
- DL-202 Advanced Course on Electronic Commerce: one session in English.

Number of participants completing each course offered:

- DL-001: 850 (open course, available online as of September);
- DL-101: 4,991 (representing 50 per cent of total registered participants);
- DL-201: 52 (representing 81 per cent of total registered participants);
- DL-202: 49 (representing 80 per cent of total registered participants).

Evaluation feedback by course participants:

Feedback from DL-101 participants:

- Course met personal objectives: 98.4 per cent;
- Rating of course content: excellent: 30 per cent; very good: 47 per cent; good: 18 per cent; fair: four per cent; poor: one per cent;
- Rating of tutorial support: excellent: 66 per cent; good: 27 per cent; fair: seven per cent.

Total expenditure (000 Swiss francs) for sub-program 10.1 in 2004:

2,121

Sub-program 10.2 - Professional Training

OBJECTIVE: To enable IP professionals to provide legal and other related services to meet the needs of Member States.

Expected Result: Upgrading and enhancement of the skills of IP office staff, patent agents, representatives from R&D institutions and industry associations and other professionals from developing countries and countries in transition.

267. The Professional Training Program continued to provide training to technical staff of IP Offices from developing countries and countries in transition at the intermediate and advanced levels. The Distance Learning Course continued to be a pre-requisite for participation in the Interregional Intermediate Seminars on Industrial Property and Copyright and Related Rights, as well. Based on request and feedback from the majority of participants, the two Interregional Seminars were upgraded to incorporate real case studies.

268. The WIPO-SWEDEN Course on Copyright and Related Rights was upgraded to a more advanced level, with a change in title, target audience, and format. The new course: WIPO-SWEDEN Advanced Training Course on Copyright and Related Rights in the Global Economy, is directed at senior officials from copyright Offices, collective management societies, and related Ministries. The most important added value is the incorporation of a four-phase approach, starting with a needs assessment, followed by a course in Stockholm, the elaboration of a project, and follow-up training in a developing country.

Performance Indicator(s)

Number of participants trained from developing countries and countries in transition to a market economy:

Some 169 officials from developing countries and countries in transition were trained.

Evaluation feedback by participants on the impact of the training received:

Interregional Intermediate Seminar on Industrial Property:

- 96 per cent of participants rated the seminar as “very useful”;
- 100 per cent of participants would recommend the program to other persons;
- The professional needs of 81 per cent of the participants were fully met and the needs of 19 per cent of the participants were partially met.

Interregional Intermediate Seminar on Copyright and Related Rights:

- 91 per cent of participants rated the seminar as “very useful”;
- 100 per cent would recommend the program to other persons;
- The professional needs of 82 per cent of the participants were fully met and the needs of 18 per cent of the participants were partially met.

Expected Result: Design and implementation of programs, in cooperation with partner institutions including IPOs that meet the needs for professional education, in the light of national and regional development policies.

269. An important aspect of the work of the Professional Training Program continued to be its cooperation with partner institutions. Consultations were held with some 25 national and regional IPOs to seek ways of harmonizing the training programs carried out jointly with these institutions. It is envisaged that such consultations will continue.

Performance Indicator(s)

Number of professional educational partnerships concluded:

No new partnerships were concluded. The Professional Training continued its partnerships with 25 national and regional IP Offices.

Feedback from partner institutions:

Partners institutions with whom joint courses were organized were very satisfied with the skills level of the participants, thanks to the DL-101 and the incorporation of case studies. Each course offered met its objectives.

Total expenditure (000 Swiss francs) for sub-program 10.2 in 2004:

1,435

Sub-program 10.3 - Policy Development, Teaching And Research

OBJECTIVE: To build multi-disciplinary capacity in IP policy and better understanding of IP issues among decision-makers, policy advisers, diplomats, professors, and others in the public sector and academia.

Expected Result: Deeper understanding of the role of IP in sustainable development and greater capacity among policy makers to elaborate and implement IP-based development strategies.

270. In 2004, Academy sessions were organized to enhance the understanding of IP issues among decision-makers and policy advisors. Among notable new initiatives was the organization of the WIPO-WTO Colloquium on Intellectual Property for university teachers from developing countries and countries in transition.

271. Following positive feedback from previous participants of the WTO Trade Policy Course, four WIPO seminars on Intellectual Property (two in English, one in French and one in Spanish) for participants attending the WTO Trade Policy Course in Geneva were organized at the WIPO Worldwide Academy.

Performance Indicator(s)

Increase in number and wider range of participants attending the Academy Sessions:

- International Symposium on Emerging Issues in Copyright and Related Rights, Washington (14 participants from 14 developing countries);
- Intellectual Property, Education and Training, IP Protection of Scientific Research Results and Technical Achievements, Beijing and Shanghai (in English and Chinese, with 320 participants);
- Workshop on Intellectual Property as a Tool for Development, Bangkok, Thailand (in English, with 63 participants);
- National Seminar on Intellectual Property and Development, Minsk, Belarus (in English, with 250 participants);
- WIPO-WTO Colloquium on Intellectual Property, Geneva (in English, with 19 professors from 19 developing countries).

Feedback by participants on the impact of the information received on the formulation of IP based development strategies:

Feedback from the above Academy sessions were as follows:

- International Symposium, Washington: course met its objectives;
- IP, Education and Training, China: content rating was excellent;
- IP as a tool for Development, Minsk: content rating was very good;
- WIPO-WTO Colloquium, Geneva:
 - Respond to needs: fully met: 74 per cent; partially met: 26 per cent;
 - Level of course: too high: 26 per cent; adequate: 74 per cent;
 - Quality of Speakers/Presentations: very good: 100 per cent.

Expected Result: Enhanced capacity of decision-makers and relevant policy advisers to formulate appropriate and effective policies for the protection, administration and enforcement of IPR.

272. Pursuant to the Academy's mission to equip senior enforcement officials with knowledge and skills in the enforcement of IP rights, two Academy sessions on enforcement were organized respectively for officials from law enforcement agencies and for judges.

Performance Indicator(s)

Feedback by participants on the impact of the information received on the formulation of IP policies for the administration and enforcement of IPRs:

- Colloquium on the Protection and Enforcement of IP, Lusaka, Zambia, (in English, with 110 participants) met its objectives.
- Colloquium for Romanian judges, Geneva (in English, with seven participants) was well-received.

Expected Result: IP educational materials and curricula made available to teaching institutions.

273. The provision of educational materials remained one of the most effective means of reaching out and responding to increased demand from institutions offering IP programs. To this end, the Academy made available IP publications and other materials to five universities and five institutions in nine countries.

Performance Indicator(s)

Number of educational materials and curricula made available:

One Collection of Research Papers and one Collection of Documents on IP published.

IP materials were provided to the following institutions:

- International Atomic Energy Agency (IAEA), Austria;
- University of Yaoundé II, Cameroon;
- Gujarat National Law University, India;
- International Training Center of the International Labour Organization (ILO), Italy;
- United Nations University, Japan;
- University of Bucharest, Romania;
- Intellectual Property Office, Serbia and Montenegro;
- University of Cape Town, South Africa;
- Zambia Police Headquarters;
- The Law Association of Zambia.

Expected Result: Effective cooperation with educational institutions in the field of IP.

274. The year 2004 marked the second year of the Master of Law (LL.M.) in Intellectual Property, which is a result of cooperation between the WIPO Worldwide Academy, the University of Turin, the International Training Center of the ILO, and the Government of Italy. Some 33 students graduated from the LL.M. program, of which 18 were from developing countries and countries in transition. The Master of Human Rights and Intellectual Property Law program, jointly offered by the Academy, the Raoul Wallenberg Institute, and the University of Lund in Sweden continued to gain momentum in 2004.

275. Acknowledging the critical role of cooperation with other institutions of excellence, a diploma program on IP was launched at the University of Bucharest in Romania in December 2004, and several joint seminars were organized with other institutions.

Performance Indicator(s)

Number of agreements concluded and joint programs launched and implemented:

- University of Bucharest, Romania: Diploma Program in Intellectual Property was launched. A total of 16 students followed the course;
- Seminar for 47 law students from the Washington College of Law/American University, Geneva, English;
- Seminar for 23 students from Wagner Graduate School/University of New York, Geneva, English;
- Seminar for 30 students in the Master of Business Administration with the Institute of Finance and Management (IFM), Geneva University, English;
- Seminar for 102 participants from developing countries and countries in transition attending the WTO Trade Policy Course, Geneva, in English, French and Spanish.

Expected Result: Increased research on IP.

276. Contacts with a number of educational institutions in the field of IP were made with the objective of compiling a collection of teaching curricula on IP in selected universities. Follow-up action is in progress with the view to consolidate the outcomes during 2005.

277. The preparation of a collection of IP cases started in 2004.

Performance Indicator(s)

Number and quality of research programs carried out especially in developing countries:

N/A

Total expenditure (000 Swiss francs) for sub-program 10.3 in 2004:	928
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Total expenditure (000 Swiss francs) for Program 10 in 2004:	4,484
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MAIN PROGRAM 11 - Intellectual Property for Development and Prosperity; Creation of IP Culture

278. Several initiatives were taken in 2004, which improved the analysis and understanding of the relationship of IP and economic development. Methodologies and approaches were also fine-tuned.

279. IP for SMEs was increasingly perceived as a priority by relevant stakeholders in Member States, and WIPO's SMEs program of awareness-raising activities was expanded to include capacity building events. However, severe resource constraints reduced the ability of the Program to respond to requests from Member States adequately.

280. In 2004, further steps were taken to maintain, improve and further develop WIPO's contacts and relations with industry and NGOs interested in IP issues. Participation in meetings organized by NGOs was enhanced to provide information on the work carried out by WIPO and also to identify new fields of potential cooperation.

281. Significant efforts were made during the year to increase public outreach activities and output of public information materials while reducing the costs of such activities. In particular, resources were redeployed to increase the creation of outreach materials for specific target audiences. Greater advantage was also taken of information technologies for creation, marketing, and dissemination of outreach materials. Cooperation with Member States in mounting national public outreach campaigns continued to increase, resulting in a much broader dissemination of core IP messages, as well as greater recognition of WIPO and its work. Efforts to build cooperative efforts with the private sector and other stakeholders in the IP system continued.

Sub-Program 11.1 – Intellectual Property Policy and Development

OBJECTIVE: To improve the awareness and understanding of policy-makers in Member-States with regard to the development and management of policies and practices for using IP assets as a tool for economic development.

Expected Result: Improved analysis and understanding of the relationship of IP to economic development.

282. The strategy followed consisted of demonstrating the economic benefits of the IP system rather than make broad generalizations of its value. A country and sector specific approach was adopted to ensure that the circumstances of each country are taken duly into consideration. It was found that the country specific approach is best suited to transparently demonstrate the linkage between IP assets and economic growth. Priority was also given to proactively demonstrating to innovators, business, public research institutions and academia how to assess and exploit IP assets most effectively with a view to create sustainability in national institutions.

Performance Indicator(s):

Completion of case studies, demonstration projects and publications; and feedback from Member States:

With the assistance of national counterparts involved in the development of macro-economic policies at the country level, fact-finding missions, national and regional meetings and activities focussing on the link between IP and economic development were organized. Specifically, missions were undertaken to China, Ecuador, Indonesia, Panama, and Trinidad and Tobago.

The following national and regional events, organized and/or attended by WIPO demonstrated that IP assets have the potential to create value for business:

- WIPO National Workshop on Intellectual Property as a Tool for Developing Business and Research Strategies, Barbados;
- WIPO National Seminar on the Strategic Use of Intellectual Property to Improve the Competitiveness of Ecuadorian Businesses in National and Foreign Markets, Guayaquil;
- WIPO Workshop on Intellectual Property as a Tool for Developing National Branding Strategies, in Jamaica;
- First WIPO-ECLAC High-Level Regional Center on Negotiation Aspects and Techniques in the Field of Intellectual Property in Latin America and the Caribbean, Chile;

- WIPO Arab Regional Meeting on Intellectual Property as a Power Tool for Economic Growth, Jordan.

Each Seminar addressed issues of relevance to the region, the level of development and the industries which had comparative advantages. An assessment of the results of each meeting demonstrated that it was critical to tailor activities to the needs and strengths of each country and region.

Synergies between WIPO and other international organizations, like the World Bank, the OECD and the Centre for the Management of Intellectual Property in Health Research and Development (MIHR), and other UN agencies, were explored for eventual cooperation and collaboration on IP related projects.

Expected Result : Strengthened understanding and use of policies for development and management of IP assets.

283. Cooperation continued with users of the IP system and included preparation of impact studies, national projects and publications on the effect of IP protection on economic performance.

284. WIPO's cooperation with the academic community in reputed universities and academic centers has added another dimension towards an effective and realistic assessment, based on empirical evidence, of the linkage between IP assets and economic development. Such research and analysis can clarify and explain the economics of the IP system and generate economic data to assist policy makers in formulating strategies for national economic development.

Performance Indicator(s):

Evaluation results showing level of understanding of IP and economic development, and management of IP assets:

It is premature to provide an assessment of the level of understanding of IP and economic development at this stage. However, work progressed in cooperation with the Governments of Hungary, Latvia and Singapore in surveying the economic contribution of the copyright-based industries, using WIPO methodology.

A study was launched in Indonesia to show how the IP system can be used to foster research and development in health. The study essentially seeks to develop a plan of action to leverage IP in Indonesia's health research and development.

In the context of promoting the effective and efficient use of the IP system in the African Region, impact assessment projects were launched in Ghana, Kenya, South Africa and the United Republic of Tanzania.

At a macro-level, a "Study on the Economic and Strategic Value of Patents and Trademarks" is being undertaken to give an overview of the value and importance of IP in the present economy, the value of patents and trademarks in an overall business strategy, including a cost-benefit analysis, case studies and empirical evidence to illustrate this value. On trademarks, an assessment is being done on "The Economic Opportunities of the Madrid System".

Total expenditure (000 Swiss francs) for sub-program 11.1 in 2004:

746

Sub-Program 11.2 - Innovators and SMEs

OBJECTIVE: To improve awareness and understanding among governmental, private and civil society institutions worldwide enabling them to formulate and implement policies, programs and strategies to enhance the strategic use of IP assets by innovators and SMEs.

<p>Expected Result: IP is increasingly perceived as a policy priority in empowering inventors, creators, academics, entrepreneurs and SMEs.</p>
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285. IP is increasingly perceived as a policy priority by relevant stakeholders in Member States, as shown by the increasing number of requests to WIPO to organize not just awareness raising, but also capacity building, events on various facets of IP for SMEs.

286. However, in 2004, the capacity to respond was limited due to severe resource constraints. Nevertheless, some 3,600 persons participated in some 50 events worldwide, which were either organized by WIPO or in which WIPO participated. In addition, a wide range of beneficiaries accessed the content on the WIPO SMEs web site, with an average of some 60,000 page views per month (compared to 50,000 views per month in 2003). Also, the number of subscribers to the SMEs e-newsletter, in the six UN languages, increased with 106 per cent, from 6,530 to 13,459.

287. Cooperation with a range of external partners was further strengthened, including the translation and customization of the first two short guides in the new “Intellectual Property for Business Series”, namely “Making a Mark” on trademarks and “Looking Good” on industrial designs, in nine countries in transition with funds provided by TAIEX. This initiative was equally extended to two countries in Africa, and one country in the Arab, Asia, and Latin American region, respectively, with funds under the Funds-in-Trust (FIT) program of the Republic of Korea. In addition, in partnership with a range of national partners in a number of other countries worldwide, the national translation and customization of the short guides has been taken up by more than 50 countries at no direct cost to WIPO.

288. Internal cooperation was also further strengthened resulting in joint studies and events in Africa, the Arab region, Asia, Europe and Latin America, to promote the use of IP tools in innovation, business, science and technology, research and development, universities, professional associations, SMEs, etc.

289. With respect to infrastructure services and innovation promotion a total of 56 WIPO Awards for Outstanding Inventors were bestowed in 2004 in national and international competitions or fairs to inventors, eight WIPO Trophies for Innovative Enterprises were awarded to enterprises in six countries, and 14 WIPO Creativity Awards were offered to authors and creators in recognition of creations in various categories of art such as music, literature, poetry, cinema and industrial design.

290. In the framework of WIPO’s cooperation with the Swiss government, a sub-regional workshop in Bamako, Mali on the Management of IPRs at Universities and R&D Organizations was organized for representatives of the academic and R&D communities from 15 African countries, members of OAPI. The workshop addressed the need for universities and R&D organizations to establish IP policies and to use the IP system, in particular IP information in support of their research and development activities. In addition, a workshop

on Innovation Support Services and their Management was organized for the fourth consecutive time, in November 2004, for 17 participants from Africa, Asia, Europe and Latin America and one IGO. The attendance of participants from south European countries was enabled by the EU CARDS program of the EPO. The workshop included, *inter alia*, presentations on various forms of innovation support services offered by Swiss public and private organizations and universities to inventors, innovators, researchers, and innovative companies, as well as visits to several such organizations.

291. The WIPO Directory of Innovation Centers was updated regularly and contained, at the end of December 2004, fact sheets and links to over 130 innovation centers offering various support services to facilitate information sharing and networking between industry users, inventors, innovation centers, and technology managers.

292. In the framework of the WIPO University Initiative IP awareness among students, academic staff and R & D organizations worldwide continued to be promoted. At the end of 2004, some 37 universities from 34 countries (12 universities in the Latin American region, seven universities in the ASPAC region, 12 universities in the Africa region, four universities in the Arab region, and six universities in Certain Countries in Europe and Asia) an IP information office within the respective university had become operational. In 2004, a further 36 universities requested to join the program. An enhanced web site on the WIPO University Initiative was launched to facilitate communication among the network users.

293. WIPO's patent information services to developing countries continued in 2004. A total of 1,154 search requests from 39 developing countries were processed, including search and examination reports of applications for patents under the ICSEI Program. In addition, some 688 requests for online searches by WIPO and 36 requests for a total of 298 copies of patent documents were received from 37 and 14 developing countries respectively.

Performance Indicator(s)

Number of national awareness raising programs targeting inventors, creators, academia, entrepreneurs and SMEs:

- 22 national seminars, workshop and other awareness/training events on IP for SMEs in the African, Arab, Asia and the Pacific, and Latin America regions, as well as in certain countries in Europe and Asia, with a total of in some 2,500 participants;
- 17 seminars, orientation programs, ministerial conferences, press conferences, post graduate courses in Austria, Belgium, Canada, Italy, Spain, Sweden and Switzerland, with a total of around 1,000 participants;
- Two WIPO workshops on IP for the business community at WIPO in Geneva, with some 100 participants;

- Presentations in eight meetings on IP for SMEs organized by WIPO or other UN organizations in Geneva;
- The WIPO University Initiative, aimed at encouraging universities in developing countries and countries in transition to establish IP coordinators and to provide first-hand information on IP related matters to students and academic staff;
- 56 WIPO Awards for Outstanding Inventors offered to inventors and innovators from 31 countries of which 17 were developing countries;
- 8 WIPO Trophy for Innovative Enterprises awarded to enterprises in six countries, three of which developing countries;
- 14 WIPO Creativity Awards offered to authors and creators from ten countries;
- 12 seminars and workshops at national, regional and interregional levels on IP, promotion of innovation and

creativity and IP information services which benefited participants from 31 countries and three regional organizations.

Number of policies developed or adopted on issues relating to IP for inventors, creators, academia, entrepreneurs and SMEs:

- Four national studies on SMEs and IP were completed in Argentina, Bhutan, Nepal and Sri Lanka.
- The guides on trademarks and industrial designs were translated into Romanian and Turkish, printed and distributed by the respective national IP Offices.
- Joint publication with the ITC, entitled "Secrets of Intellectual Property: A Guide for Small and Medium-Sized Exporters," in two versions (English and Spanish).
- Technical assistance provided for the development of two guides on IP, one for the Indian Toy Industry and the other for the Indian Machine Tools Industry, both of which were funded by the United Nations Industrial Development Organization (UNIDO).
- In 2004, the number of subscribers to the SMEs e-newsletter increased from 6,530 to 13,459, an increase of 106 per cent;
- Under the WIPO University Initiative, 37 universities from 34 countries had nominated University IP Coordinators and national IP Offices had nominated IP Focal Points for the respective universities.

Total expenditure (000 Swiss francs) for sub-program 11.2 in 2004:

3,581

Sub-Program 11.3 - Cooperation with the Private Sector

OBJECTIVE: To enhance cooperation with the private sector in support of its more proactive participation in WIPO program activities.

Expected Result: Transparent and appropriate mechanisms and Guidelines which allow the private sector to play a proactive role in WIPO's activities.

294. In order to ensure that an efficient and transparent administrative framework is established for a WIPO partnership program, extensive discussions were held with other UN organizations having similar programs. The experiences of these organizations will help inform WIPO's own efforts in this area.

295. Numerous contacts were made and meetings held with representatives of NGOs, such as the International Association for the Protection of Intellectual Property (AIPPI), the American Intellectual Property Law Association (AIPLA), the International Federation of Industrial Property Attorneys (FICPI), the International Trademark Association (INTA), the European Communities Trade Mark Association (ECTA) and the *Fédération mondiale des chefs d'entreprise* (FCEM). Contacts were also made with a number of consumer groups. The dialogue with NGOs relevant to IP is developing and a growing number of NGOs are applying for accreditation in WIPO meetings.

Performance Indicator(s)

Adoption of Guidelines for cooperation with the private sector:

WIPO continued the process of refining and redrafting the guidelines in order to ensure that the Private Sector Partnership would be a model of good stewardship.

Expected Result: Exploration of extra budgetary resources to increase opportunities to expand WIPO projects and augment activities serving to reinforce IP culture, strengthen human resources and build national IP infrastructures.

296. The exploration of extra-budgetary resources continued, with wide-spread interest expressed by many public institutions and various stakeholders in participating in joint projects with WIPO. Extensive discussions were held with the UN Foundation to explore the most efficient ways of receiving resources from third parties.

Performance Indicator(s)

Positive reactions from Member States and the private sector:

During preliminary discussions in Brussels and New York, IP stakeholders expressed a willingness to work with WIPO in the creation of partnerships. Contacts with Member States have also indicated support for a well-focused Partnership Program.

Amount of contributions accepted and number of projects approved:

Several project proposals were considered in 2004 for implementation in 2005.

Total expenditure (000 Swiss francs) for sub-program 11.3 in 2004:

494

Sub-Program 11.4 - Public Outreach

OBJECTIVE: To further enhance and promote WIPO's image and to provide WIPO constituents with easier access to top-quality, up-to-date information on IP.

Expected Result: Attractive, accessible, and user-friendly information products on IP-related subjects.

297. Work continued on further developing, expanding, and refining WIPO's outreach activities and corporate image through a wide range of new and updated information products aimed at general and target audiences. The content of the WIPO Magazine was expanded to include more in-depth coverage and analysis of IP issues, with a particular focus on exploring successful use of the IP system in developing countries. Efforts to reach young people were stepped up with an explanatory brochure, aimed at university students, on the value of IP. Work on a series of IP curriculum materials for students began with the drafting of a first volume called *Inventions and Patents*. A joint publication with two partner organizations explained how creators and consumers benefit from the system of copyright and related rights and the collective management of copyright. Discussions began on the co-publishing of a unique reference book on IP with a well-known academic publisher.

Performance Indicator(s)

Number of new/revised/updated general and specialized information products:

72 new products were issued and another 47 updated.

Forty-four Member States requested 78 copies of the Creative Planet video series.

Number and range of WIPO information products conveying WIPO's corporate image:

21,691 WIPO products were sold in 2004. Over 1,000 World IP Day Kits were distributed to IP Offices, NGOs, IGOs and missions in Geneva.

Number of conferences and seminars for which publicity materials are prepared:

230 specialized products were produced for various WIPO sectors.

Number of documents available in each language version of the web site and number of visits to web site:

The WIPO web site received an average of four million page views per month. Over 50 per cent of visits to the web site accessed English language information. Around 14 per cent of the visits accessed information in Chinese. Translated versions of publications and documents were put on the web site immediately upon availability.

Expected Result: Increase in the number of WIPO products distributed free of charge, and greater use of information technology as a means to achieve this.

298. The number of WIPO products distributed free of charge continued to increase. Negotiations began for an agreement with the Google search engine to include WIPO publications in the forthcoming GooglePrint service, which would expand visibility and sales opportunities for WIPO publications, as well as access for those seeking free information products.

Performance Indicator(s)

Number of WIPO products distributed free of charge:

Number of products distributed free of charge was 244,590.

Number of free publications available in the e-bookshop/WIPO site:

74 free publications are available on the e-bookshop site.

Expected Result: Increase in marketing activities for WIPO products.

299. A thorough analysis of the IT system used for marketing and distribution of publications was initiated to streamline work processes. A new payment policy was adopted requiring all payments to be settled before any dispatch of publications.

300. The total income from products sold has decreased mainly due to the fact that many of the WIPO publications are available free of charge on the web site. Several cancellations of orders and subscriptions have also resulted from this situation. However, the information disseminated by WIPO is now available to a larger audience. In order to strike a balance between making publications available for free and maintaining WIPO's revenue from information products, efforts began to identify products which could be sold online.

Performance Indicator(s)

Number of events attended:

The Frankfurt Bookfair was attended by two staff members in September 2004.

Number of countries in which WIPO sales agents are located:

11 countries.

Sales volume of WIPO sales agents:

14,000 Swiss francs.

Income generated from advertisements in WIPO periodicals:

117,000 Swiss francs were received from advertisements included in WIPO periodicals.

Number of users of the e-bookshop information mailing lists:

7,375 subscribers were registered for the e-bookshop mailing list.

Revenue from sales of WIPO publications and e-bookshop sales as a percentage of total sales:

A total of 2.24 million Swiss francs was generated from the sale of publications and 181,835 Swiss francs from e-bookshop sales.

Expected Result: Greater public understanding of IP and WIPO.

301. Cooperative efforts to promote IP awareness within Member States were significantly expanded. Some 1,000 World Intellectual Property Day kits were sent to national IPOs, NGOs and IGOs with observer status at WIPO, and to missions in Geneva. Several kits were requested by universities and commercial enterprises. Some 78 broadcast tapes of the "Creative Planet" television series were sent to Member States for broadcast on national television networks. Three 30-second television spots were aired on CNN, BBC, and other networks throughout the year. More than 60 Member States planned awareness-raising activities centered around World IP Day, the details of which were reported on the WIPO web site.

302. Other than the three spots for World IP Day, all multimedia and video productions were produced in-house, resulting in significant cost savings. Work on redesigning the WIPO web site also began.

Performance Indicator(s)

Increase in the volume, range, and quality of television productions, spots, documentaries, and video news releases:

Production of film and multimedia products increased in 2004, including three CD-ROMs, seven Flash animations, three video interviews, four video spots/clips, seven major webcast productions, two conference video productions and four exhibition/salon videos.

Total expenditure (000 Swiss francs) for sub-program 11.4 in 2004:

4,253

Total expenditure (000 Swiss francs) for Program 11 in 2004:

9,074

MAIN PROGRAM 12 - Resources Management

303. Emphasis continued to be placed on improving efficiency and enhancing the cost-effectiveness of this Program, which covers financial operations, human resources and knowledge management, and conference, languages, printing, procurement, travel and building services. To this end, greater use was made of IT tools. Administrative procedures were also further streamlined and efforts continued to reduce overall operational expenditure through cost-cutting measures.

304. With respect to improved productivity and efficiency, an important achievement in 2004 was the successful completion of the Administrative Information Management System (AIMS). New IT tools, including terminology databases, were also introduced to the Languages Services, resulting in improved overall productivity.

305. The streamlining of human resources administrative systems continued, resulting, *inter alia*, in greater efficiency in meeting the Organization's staffing requirements through internal re-deployment. Enhancements to the existing computerized on-line staff information system continued, leading to greater efficiency in administration of staff benefits and entitlements.

306. Concerning cost-saving measures, fixed-line and mobile telephone telecommunication charges decreased by 14 per cent compared with 2003. Printing costs were also reduced, thanks to an increase in specialized printing capacity in-house and an increased production of material in CD and DVD format. Other important savings were made with respect to travel and office rental costs. At the request of WIPO, a study was also undertaken for an alternative version of the new construction project, which could provide similar functionality at a lower cost.

Sub-program 12.1 - Financial Operations

OBJECTIVE: To ensure the efficient execution of all financial operations at WIPO.

<p><u>Expected Result:</u> Enhanced efficiency of financial operations.</p>
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307. Accurate records were kept of all income and expenditure, and monthly and annual accounts were maintained in accordance with the Financial Rules and Regulations of the Organization. The Financial Management Report for the 2002-2003 biennium and the External Auditors Report were sent to Member States on time. The distribution of the Madrid Union supplementary and complementary fees for 2004 was also processed on time, as well as the monthly distributions of the individual fees related to the Madrid Protocol and of the Hague Union State fees.

308. The AIMS project was successfully completed. After the successful migration to production of the expenditure modules as of January 1, 2004, the income modules were ready to go-live as of October 2004. The training of staff was intensified and specific training was arranged for certain staff members to consolidate the IT support team. A significant effort must still be made to increase the productivity and efficiency of the system on the income

side. The migration to production of the expenditure and income modules will lead to greater efficiency, productivity and flexibility in the near future.

Performance Indicator(s)

Successful implementation of the first modules of the new finance information system:

The migration to production of the expenditure modules as of January 1, 2004, was successful and on schedule.

The income modules were ready to go-live on time and the migration to production was effective as of October 1, 2004.

The training of income users was intensified and the IT maintenance team has been consolidated with the specific training of some staff members of the Finance Department.

Expected Result: All financial operations are executed with probity.

309. In 2004, all financial operations continued to be executed with the utmost efficiency and probity according to the Financial Rules and Regulations of the Organization. The accounts for the 2002-2003 biennium were properly closed for WIPO, UPOV, United Nations Development Programme (UNDP) projects, funds in trust, and the WIPO (Closed) Pension Fund. Satisfactory audit reports were obtained from the External Auditors.

Performance Indicator(s)

Satisfactory report by external auditors:

Satisfactory report and audit opinion by the External Auditors on the accounts.

Income is properly received and expenditures are paid on time:

Timely billing of Member States' contributions; prompt recording of income regarding contributions, fees and other income; timely preparation of payroll each month; timely payment of suppliers; closing of monthly accounts within two weeks.

Accounting conforms to applicable regulations, rules and standards:

Satisfactory reports by auditors with clean audit certificates on all accounts.

Distribution to Member States of fees collected under the Madrid and Hague Systems:

Timely distribution to Member States of fees collected under the Madrid and Hague systems.

Expected Result: Funds available for investment are safeguarded and maximum return achieved, based on Investment Advisory Committee decisions.

310. The Investment Advisory Committee continued to meet on a regular basis and agreed that, with capital safeguarded, there was no better alternative than to place investment funds with the Swiss Central Bank, which yielded an average of 2.844 per cent in 2004. For the year, investment return was 4.1 million Swiss francs, which was higher than expected, due to the reduction of expenditure and the postponement of the new construction.

Performance Indicator(s)

Return obtained on invested funds:

Investment return for 2004 was 4.1 million Swiss francs, i.e., 2.84 per cent better than a 10 year government bond.

Expected Result: Full transparency, accountability and effective use of resources.

311. Satisfactory and timely financial reporting was provided to Member States and to Program Managers within the Secretariat, thereby promoting transparency, accountability and effective use of resources.

Performance Indicator(s)

Timely production of financial reports and timely delivery of financial information to Member States and program managers within the Secretariat:

Timely provision of financial information to internal and external users, including on fees collected under the Madrid and Hague systems.

The Financial Management Report 2002-2003 and Audit Report were disseminated in July 2004.

Timely distribution to Member States of fees collected under the Madrid and Hague systems.

Total expenditure (000 Swiss francs) for sub-program 12.1 in 2004:

5,974

Sub-program 12.2 - Human Resources and Knowledge Management

OBJECTIVE: To effectively and efficiently manage and develop human resources as an asset of WIPO and to enhance access to information by WIPO staff and WIPO's broad community of interest through knowledge management.

Expected Result: Timely and efficient recruitment of high-caliber staff, reflecting gender equity and geographical distribution.

312. Containment of recruitment activities, introduced towards the end of 2002, continued in 2004. As a result, only 24 new people (six fixed-term staff and 18 temporary employees) joined the Organization, compared to 66 in 2003 and 180 in 2002. The reduction in recruitment limited the impact of new appointments on gender balance and geographical distribution of staff, and saw activities increasingly directed towards redeployment of existing resources to satisfy organizational needs.

313. During 2004, four Junior Professional Officers were recruited, 18 competitions were announced (17 at P and one at GS level) and some 3,030 job applications of different kinds were received and processed. Approximately 1,275 contract extensions of less than one year for temporary employees were processed. Four interns joined the WIPO ad hoc internship program.

Performance Indicator(s)

Number of staff recruited meeting WIPO requirements and within established time frames:

29 new staff were appointed, 23 Professionals and six General Service staff.

Additional staffing needs of the Organization were met with the recruitment of six consultants, five new General Service short-term staff, and four interns.

Improved geographical distribution:

At the end of 2004, 95 different nationalities were represented among staff members, compared to 94 at the end of 2003.

Higher proportion of women at senior professional and higher category levels:

At the end of 2004, the proportion of women at P4 level and above was 28 per cent, a slight increase compared with 2003 (27 per cent).

Expected Result: Timely and efficient administration of the benefits and entitlements of all regular staff through the Personnel Management Information System (SIGAGIP/HRAccess).

314. Staff members received their entitlements in a timely and satisfactory manner. This was facilitated by the stabilization of the number of regular staff and short-term employees. In addition, enhancements to the existing computerized on-line staff information system continued, for use by program managers, supervisors and individual staff members.

315. Some 394 education grant-related claims were processed, an increase of 8.9 per cent compared to 2003. Furthermore, some 380 Swiss identity cards and United Nations "Laissez-passer" were issued or renewed; 557 attestations and work certificates were issued; 887 periodical performance reports were scrutinized and in-grade annual step increases were authorized; 277 claims for dependency allowances were handled; and, 421 rental subsidy claims were calculated and confirmed for payment. The estimated total increase in the level of activities related to staff administration amounted to 7.5 per cent compared to 2003.

316. Staff administration procedures were also enhanced, resulting in the creation of more flexible leave arrangements, in particular, to facilitate the reintegration of staff members returning from long-term sick leave.

317. The administration of social security coverage of staff, temporary personnel, WIPO retirees and their families was undertaken, along with the monitoring of the cost of different insurance schemes, and the administration of participation by staff and others in the United Nations Joint Staff Pension Fund and the WIPO (Closed) Pension Fund. Some 20 staff members and employees joined the United Joint Staff Pension Fund (UNJSPF) and 60 separations cases were calculated, bringing the total number of participants to 1,248 members. The accounts and payments of pension supplements to retired staff were also managed.

318. A call for medical insurance tenders was launched, which resulted in the renewal of Van Breda's contract, and to a freeze in premium levels up to the end of 2005. New measures were introduced with a view to containing the increase in medical and other costs. With some

156 entries and 164 withdrawals, at the end of 2004, the group medical insurance scheme covered 3,064 persons.

319. A call for tenders was also launched for the three WIPO accident insurance schemes, namely work-related; non-work-related for active and retired staff; and, coverage for spouses and children of active and retired staff. A new insurance company was selected to manage the schemes, as of January 2005.

Performance Indicator(s)

Feedback from staff on the administration of their benefits and entitlements:

Positive feedback was received from staff in general concerning the administration of benefits and entitlements.

Expected Result: Improved compatibility of the WIPO Staff Regulations and Rules with the United Nations Common System.

320. WIPO continued its active participation in the reform process of the pay and benefits system, currently being undertaken within the United Nations common system. The Staff Regulations and Staff Rules of the Organization (including the salary scales for regular staff) were amended in order to reflect the recommendations made by the International Civil Service Commission (ICSC) and the resolutions made by the United Nations General Assembly.

Performance Indicator(s)

Number of amendments made to the WIPO Staff Regulation and Rules:

During 2004, the text of seven Regulations and Rules were amended. Furthermore, 12 Office Instructions related to staff administrative issues were published.

Expected Result: Classification of posts in accordance with the standards used within the United Nations Common System.

321. Some 37 posts in the Professional and General Service (approximately four percent of all WIPO posts) were subject to a classification exercise and the Director General initiated a total revision of all descriptions of posts in the Organization; an activity that will continue into 2005. All posts in WIPO are classified in accordance with the standards established by the International Civil Service Commission (ICSC) for each category of post in the United Nations common system. Effective January 1, 2004, WIPO implemented the new computerized system for classification standards of posts in the Professional and Special categories.

Performance Indicator(s)

Percentage of posts classified according to the UN Common System standards:

100 per cent of posts subject to classification were classified in accordance with the standards.

Expected Result: Improved standards of service for staff and temporary employees.

322. The implementation of enhanced “work/life”-related activities, such as paternity leave, continued, and practices and procedures with respect to due process for staff members were enhanced. In addition, a new performance appraisal system and a periodical report system was developed and implemented for General Service short-term employees. The periodical reports, completed for all short-term employees, resulted in greater dialogue between supervisors and individual employees.

323. The procedures for dealing with claims relating to harassment in the workplace were also significantly enhanced to ensure that any allegation of harassment is appropriately addressed.

324. Conditions of employment of temporary employees were improved. The period of entitlement to full pay while on special leave for maternity purposes increased from eight weeks to 12 weeks, and compassionate and paternity leave were introduced.

325. Counseling for staff experiencing personal and/or family related problems continued and general information on various relevant topics was distributed regularly. Information sessions were held to clarify legal issues relating to domestic employees and activities for the children of staff members were organized on a regular basis.

Performance Indicator(s)

Feedback from program managers and other staff and employees:

Enhanced flexibility on working hours/leave was well received at all levels.

Positive feedback was obtained on the regular distribution of the Staff Welfare Service information newsletters, on subjects such as summer activities for children, education and dependencies.

Children’s activities were organized each Wednesday for approximately 15 children, (compared to every other Wednesday during 2003), which staff with children found valuable.

Expected Result: Timely and accurate information and advice to staff on their rights and obligations.

326. A client-oriented approach, combined with the ongoing process of enhancing the existing computerized on-line system with staff related information, used by program managers, supervisors and staff members, continued. As a result, the number of requests (in writing or by telephone) for information from staff members and from supervisors decreased by 38.7 percent during 2004, compared to 2003.

327. Legal advice was provided internally with respect to a wide range of issues relating to recruitment, pension, insurance, and social welfare matters. Submissions were prepared and filed on behalf of the administration with respect to appeals before the WIPO Appeal Board and the ILO Administrative Tribunal.

Performance Indicator(s)

Feedback from staff on the information and advice provided:

Program managers, supervisors and staff found the enhanced access to information on-line extremely useful.

Expected Result: Improved work performance through training in IP, IT, communication skills, languages and other relevant subjects.

328. The Organization continued to provide training to enhance language, management, communication and IT skills. A total of 36 per cent of WIPO staff members participated in training activities, which represented 0.35 per cent of the total mass salary. Due to financial constraints, training activities were reduced in the second semester of 2004, and IT training was totally suspended. Other planned programs, such as trademarks and time management training, were postponed, and the language budget was reduced by 20 per cent by means of reducing course hours.

Performance Indicator(s)

Feedback from participants and from their supervisors:

Overall assessments of training courses showed a high rate of satisfaction.

Number of staff members mastering two or more working languages recognized by WIPO:

701 participants benefited from language courses in Arabic, Chinese, English, French, German, Japanese, Russian and Spanish, oral and written expression courses, and intensive courses in French and English. UNESCO and UN Proficiency Examinations in English, French and Spanish were organized for 62 WIPO staff of which 29 passed.

Expected Result: Appropriate healthcare for staff, retirees and delegates.

329. As a result of the expansion of the healthcare providers' network, staff and their family members enjoyed a broader access to healthcare at competitive rates. This also contributed to the Organization's cost containment policy. All healthcare requests by staff, retirees and foreign delegates, as well as requests for pre-travel briefing and post-travel debriefings, were satisfactorily met.

Performance Indicator(s)

Number of staff members, short-term employees, retirees and WIPO delegates benefiting from the care, and reports and comments by all persons concerned (staff, retirees and delegates):

The WIPO Medical Service: carried out 5,652 consultations and interventions for staff members, retirees, Member States' delegates and official guests; addressed 58 emergency cases; administered 328 vaccinations; delivered 10 medical clearances to short-term staff and other employees holding special contracts; and, carried out 40 pre-travel briefings including issue of travelers kits.

Expected Result: Higher awareness of the benefits of health management techniques and a healthy working environment, and better access to these benefits.

330. Continued implementation of health promotion programs, preventive measures, hygiene policy, clinical and occupational medicine, contributed to staff well being, and healthy working conditions and environment. Several public health promotion programs focusing, in particular, on disease prevention, ergonomics in the workplace, and a smoking cessation campaign, were launched. A lunchtime conference addressing food safety and nutrition was conducted in December 2004. Nine food hygiene inspection tests were conducted in the various WIPO cafeteria kitchens, and inspections of working milieus were carried out.

Performance Indicator(s)

Significant reduction in the number of cases of illness linked to the working environment; feedback from program managers and staff:

Sick leave decreased by 18 per cent in comparison to 2003.

Decline in complaints regarding illness related to the working environment:

Statistics not available.

Expected Result: The Library develops its IP-related holdings of various types, including electronic collections, and the range of languages represented, and provides information services to WIPO staff and WIPO's broad community of interest.

331. The WIPO Knowledge Management Center and e-Library offered library services for WIPO staff and the public, including book lending, the circulation of about 300 periodicals in-house, and comprehensive reference desk activities for all users. On-line search tools were used extensively to answer internal and external requests. Due to budget constraints, the Center temporarily suspended some traditional library services and activities, and instead concentrated on re-arranging the library collection.

332. A major collection revision and inventory of the book and the journal collections was undertaken, which greatly improved the quality of the existing library collections and services. The book scanning, aimed at preserving the Historical Books Collection, continued. At the end of 2004, twenty books of historical interest had been made available on the WIPO public ftp site.

333. As part of the Knowledge Management activities, an in-house electronic newsletter "Synergia", introduced in 2003, was further developed and published on a monthly basis. The newsletter informs staff about the activities of the library, introduces Knowledge Management techniques, provides tips related to efficient online searching and highlights links to interesting new online information tools and databases.

Performance Indicator(s)

Number of IP-related holdings of various types:

- 300 periodicals, 30 of which belong to core IP literature;
- 25,000 books, with 670 items being added to the collection in 2004.

Number and types of e-services and new services:

- 24 e-services (databases) were available, including five services from the public web space.

Usage statistics of the Library services, including e-Library services, and feedback from users:

- Number of visits: 730;
- Number of external reference and research requests: 130;
- Number of internal reference and research requests: 100;
- Feedback from users: 40 predominantly positive communications from internal and external users, and a number of positive notes were received regarding the "smart KM initiatives" related to techniques improving communication (brainstorming, brainwriting), use of mindtools (mindmapping) and creation of virtual desks (personalized online collaborative web spaces). Synergia, the in-house newsletter of WIPO Knowledge Workers had a readership of 120 persons.

Total expenditure (000 Swiss francs) for sub-program 12.2 in 2004:

8,644

Sub-program 12.3 - Conference, Languages And Printing Services

OBJECTIVE: To manage conferences, facilitate understanding of proceedings and publications among Member States and within the Secretariat.

Expected Result: Efficient conference and other meeting services to delegates and the Secretariat.

334. Logistical and servicing arrangements were undertaken for conferences and meetings in Geneva and elsewhere, including the provision of documents and interpretation. A database system for the recruitment and administration of interpreters was implemented. Documents were published on the WIPO Internet site, facilitating quick access by delegates. As of July 2004, a new feature on the WIPO Internet site also enabled delegates and the general public to search easily for information about meetings.

Performance Indicator(s)

Satisfaction of delegates with the conference services provided:

Highly positive feedback was received from delegates and WIPO staff.

Conference support services were provided for:

- | | |
|--|-------|
| - Meetings in Geneva | 63 |
| - Meetings elsewhere (for which documents were provided) | 105 |
| - Freelance interpreter contracts issued | 430 |
| - Freelance interpreter workdays | 1,516 |
| - Participants at meetings in Geneva | 4,360 |
| - Other meetings (visits, internal, ad-hoc, etc.) | 1,361 |

Expected Result: Increasingly effective and efficient distribution of meeting documents and availability thereof on the WIPO web site.

335. A central document database application, available on the WIPO Internet and Intranet web sites, was launched in July 2004. As a result, WIPO delegates, staff and the general public can quickly access and search information about meetings held in Geneva and

elsewhere, as well as the corresponding meeting documents. Careful monitoring of the document tracking system assisted in the timely production of documents in all relevant languages.

336. Progress continued on upgrading the database applications of the Conference Service. Documents for several PCT and SCIT meetings were made available in electronic form only, resulting in prompt delivery and savings in printing and mailing costs. The goal is to make mailings and documents increasingly available by electronic means through the upgrading of the integrated system for the management and mailing of documents.

Performance Indicator(s)

Timely and accurate distribution of documents:

- Documents distributed (all languages)	3,882
- Official circulars and other notifications sent	541
- Packages of documents prepared and mailed	135,472

Most internal information circulars and other communications were made available to staff electronically, with distribution of paper copies largely discontinued.

Expected Result: Modern telecommunications links between all buildings occupied by WIPO and cost-effective use of telecommunications.

337. Cost containment measures for the telecommunications infrastructure (for equipment, maintenance and leasing of lines) and operating costs, combined with negotiation of rates with suppliers, resulted in lower than budgeted charges.

Performance Indicator(s)

Overall charges for telecommunications usage remain at the level of the 2002-2003 biennium, despite greater usage:

Infrastructure costs were four per cent lower in 2004 than in 2003, while costs for fixed-line and mobile telephone communications decreased by 14 per cent, reflecting continuing efforts to secure lower tariffs in the highly competitive communications market.

Expected Result: Effective and efficient records management, archives, mail and messenger-driver services.

338. Services were provided in a timely, efficient and cost-effective manner. The incoming mail was security checked and some 70,000 items of incoming and outgoing correspondence, including faxes and emails, were registered centrally. Messenger-driver links were provided for the various buildings occupied by WIPO. The large number of outgoing mail items (over 1.1 million in 2004) enabled substantial economies in mailing costs.

339. Work continued on the classification, preservation (including scanning of historically important documents) and reorganization of the physical archives, enabling improved searching for material. New facsimile server technology was tested successfully in

conjunction with the electronic receipt, filing, indexing and distribution of messages received through the WIPO central facsimile and e-mail addresses. Full implementation of the proposed server system is pending approval of a policy on electronic records management.

340. Due to lack of funding for the Electronic Document Management System project, designed to modernize the processing of the Organization's correspondence and to establish a fully electronic environment for the production, management and archiving of documents, initiatives were concentrated on the introduction of a facsimile server and scanning technology for the reception, registration, distribution and retrieval of correspondence. Under the auspices of the International Council of Archives, WIPO participated actively with other United Nations Organizations in Geneva to develop harmonized records management and archives policies and practices within the United Nations common system, including standards on handling documents in all media.

Performance Indicator(s)

Timely and responsive operation of records management and archives systems, allied with timely distribution of mail and internal correspondence:

Nearly all mail (in paper and electronic forms) was registered within one day of receipt despite the enhanced security checks.

Cost-effective use of mail and other delivery services:

The overall weight of mail has substantially declined (from 411 tons in 2002, to 312 tons in 2003 and to 206 tons in 2004), leading to significantly less total mailing costs. Extremely competitive rates for the various destinations worldwide and different mailing types continued to be obtained. Postal expenditure in 2004 was 2,967,000 Swiss francs compared to 3,861,000 Swiss francs in 2003 and 4,344,000 Swiss francs in 2002.

Expected Result: Translations of documents in more working languages.

341. A high quality of translated, edited and revised documents for meetings in Geneva and elsewhere continued to be maintained. Although overall demand was greater than in 2003, a reduced team managed to maintain the same output. New IT tools, including terminology databases for translators greatly assisted them in achieving an overall productivity figure of 95 per cent, with only 5 per cent of their time devoted to administrative tasks.

Performance Indicator(s)

Feedback from delegates on the quality and timeliness of translations:

- Delegates and staff were satisfied with the quality and timely delivery of translations;
- Efforts were made to ensure that documents were submitted to the translators and made available to users in good time.

Volume of translations produced consistent with productivity standards:

- 110 translations of laws, regulations, model or draft laws received from, or prepared for, 56 countries or groups of countries, were delivered;
- Documents were translated and revised or edited for most of the 63 meetings held at WIPO headquarters and 105 elsewhere, including lectures for seminars or training courses organized by the Secretariat;
- The volume of translation, editing and revision work reflected an overall productivity figure of 95 per cent of the total working time, with only five per cent devoted to administrative tasks.

Expected Result: Production of increased volume of printed material in-house including PCT pamphlets, publications and documents.

342. The production of material printed in-house decreased by 24 per cent to 71,723,031 copies (compared to 93,829,854 copies in 2003), due to increased production of CDs and DVDs replacing paper versions of documentation wherever possible. At the same time, increased specialized capacity in-house has obviated the necessity to outsource the printing of certain publications, also leading to savings.

Performance Indicator(s)

Increased output of the internal printing plant, including color printing:

Color printing facilities were used to produce 6,130,757 pages in 2004 (2,142,830 pages in 2003).

Expected Result: Cost-effective production of high quality publications in paper and electronic form.

343. Publications, documents and other material, whether in paper or electronic form, were delivered within the expected deadlines.

Performance Indicator(s)

Number of publications, documents and other material (in paper or electronic form) delivered on time:

All documents and publications were produced on time. No complaints were received from users.

Increased amount of publications produced in electronic format (CDs, DVDs, etc.)

Some 13,267 (6,000 in 2003) DVDs and CDs were produced and dispatched on time.

Reduction of costs through outsourcing (and insourcing as appropriate) of publication:

Some 158 (as compared with 466 in 2003) purchase orders were raised for outside suppliers, reflecting the increased use of in-house production.

Total expenditure (000 Swiss francs) for sub-program 12.3

18,810

Sub-program 12.4 - Procurement, Travel and Building Services

OBJECTIVE: To provide cost-effective and appropriate procurement and travel services, and execute overall administrative and technical planning and management of premises and security.

Expected Result: Delivery of high-quality material, goods and services at the lowest possible cost in a timely manner, using transparent and legally appropriate procedures.

344. Procurement services to obtain materials, products, and services in support of WIPO's activities continued to be provided, and 30 cases were prepared and presented to the Contracts Review Committee. Outsourcing was used when justified by cost savings and/or needs. In

total, some 1,279 internal purchase orders were issued; 42 contracts, for a total value of 63 million Swiss francs, were established following an invitation to 216 suppliers to bid; 31 staff members' removals were organized; 121 air freight shipments for cooperation for development activities were realized; and, duties related to diplomatic privileges were processed. Maintenance and update of the supplier database, with over 3,300 suppliers and the addition of 566 new entities, was also maintained and updated. An inventory of all WIPO assets was undertaken, in which some 47,000 articles were identified, for a book value of 50 million Swiss francs.

Performance Indicator(s)

Level of prices and quality of materials, goods and services contracted for:

- A reduction of 575,000 Swiss francs in the termination charges for WIPO was negotiated, related to the migration from SITA-IBM to ICC for WIPOnet;
- Negotiations resulted in a reduction of the BPS claim in relation to the ex-WMO Building, from 2.4 million Swiss francs to 700,000 Swiss francs;
- Stringent control on the distribution of consumables was put in place, resulting in a five per cent reduction in consumption, compared to 2003;
- Finalization of the organizational requirements for a project aimed at awarding a long-term contract for the rental of multifunctional photocopy machines (copier/facsimile/scanner), which is estimated to save about 200,000 Swiss francs per year;
- An international tender for languages services was issued which is expected to result in five per cent cost savings for WIPO.

Expected Result: Efficient and cost-effective travel arrangements in accordance with accepted security standards as well as security measures applied by the UN security coordination office.

345. Travel arrangements continued to be provided in the most effective and cost-efficient way, resulting in savings in travel costs from specially negotiated air fares. To enhance the efficiency of the processing of travel authorizations, possibilities for introducing an electronic travel authorization system is being considered.

Performance Indicator(s)

Timely processing of all travel authorizations and entry-visa applications:

Timely processing of 1,713 travel authorizations and 1,010 entry-visa applications.

Reduction of the average time needed for processing travel authorizations:

Proposal submitted for the introduction of an electronic travel authorization to enable the reduction of the average time needed for processing travel authorizations.

Amount of savings resulting from special fares and arrangements with airlines:

Savings of 1,919,547 Swiss francs resulting from special fares negotiated with airline companies.

Expected Result: Effective management of WIPO premises including effective provision of building security.

346. Rental policies were revised taking into account the actual and future needs of the Organization. Occupation of the former WMO building enabled WIPO to reduce costs by

vacating the following buildings: Sogival and IBM, as well as associated storage and parking spaces, by March 31, 2004; Union Carbide gradually during the first three trimesters of the year, with the exception of the 7th floor, storage and 40 parking spaces, to be vacated by March 31, 2005; and, Budé and parking spaces rented at the Hotel Intercontinental, by July 31, 2004; Notification was also given of termination of leases for Casai on April 30, 2005, and Chambésy on December 31, 2006.

347. As of the beginning of October, an extra 30 parking spaces were rented at the Nations carpark to make up for those lost through lease terminations and satisfy the needs of staff relocated in, or close to, WIPO Headquarters.

348. By the end of February, the relocation of PCT staff and occupation of the former WMO building was complete. Alarms and an extension of external access control systems were connected and monitoring and control of the recently installed security system was handed over to PCT. A new key system was established along with the relevant access plan. Contractor guarantees concerning outstanding faults in the WMO reception area were followed up. Reflective paint was added to carparks and emergency exits to improve staff safety.

349. Other building improvements were undertaken, notably the fitting-out of two conference rooms on the 13th floor of the AB building and an office on the ground floor of GBI. Shelving was also erected in Sablières I and II storage units, to meet archive needs of PCT, and in the depots of the Finance Department, in the Giuseppe-Motta building.

350. Regular maintenance work was carried out on existing installations to ensure proper functioning and defective air conditioning and obsolete electrical equipment was replaced in the AB building.

351. A call for tenders for a new contract for cleaning and maintenance services was made, which will begin in 2005.

352. Regarding security services, additional emphasis was placed on ensuring the safety and security of WIPO staff and visitors to the Organization, following enhanced UN security rules. Security services were maintained at the same level as 2003. With effect from March 2004, the monitoring of the underground parking in the AB building was reinforced, as well as of reception areas in the AB and former WMO buildings during weekends and during the WIPO Assemblies. A strategy for controlling access for non-WIPO staff continued to be developed, as well as lists showing building occupancy and rights of access. In September, the Security Policy Board (SPB) was created in direct response to the security situation faced by UN organizations and to oversee and provide policy guidance to the Director General on WIPO's response in meeting its obligations under the UN Minimum Operating Security Standards (MOSS). The Secretary of the SPB represents the Board at meetings of the WIPO Security Coordination Task Force thus ensuring coordination between security policies and operations.

353. A building evacuation exercise took place in buildings occupied by WIPO to familiarize staff with safety procedures.

Performance Indicator(s)

Occupancy rate and number of reserve office space, frequency of relocation of staff, number of renting premises and cost of renting space, number of incidents regarding building security:

- Occupancy rate of all buildings was 83 per cent. At the end of 2004, 283 workspaces were empty, including offices in UC, Casañ and Chambésy, which were still waiting to be vacated during the first trimester of 2005. Once this is complete, some 105 office spaces will be empty out of a total 1,435;
- At the beginning of the year, 330 PCT staff were relocated, which completed the transfer of the PCT services to the former WMO building, comprising 455 places;
- Some 707 office transfers were carried out, either in order to vacate buildings no longer used or as a results of reorganization of certain services;
- At the end of the year, administrative buildings were located at seven different sites (ten before), most of which were in close proximity to WIPO Headquarters;
- Rents and charges in 2004 came to 15,278,513 Swiss francs, which represents a reduction of some 11 per cent compared to 2003;
- No major security incidents occurred.

Total expenditure (000 Swiss francs) for sub-program 12.4. in 2004:

36,455

Sub-program 12.5 - New Construction

OBJECTIVE: To continue progress of the authorized new construction in a timely manner, within budget, maintaining technical specifications and providing full information to Member States.

Expected Result: Timely and cost-effective implementation of the new construction project.

354. In January 2004, WIPO terminated the contract with the Consortium selected for the new construction, as a result of a dispute between the two Consortium partners, which prevented them from honoring their contractual obligations with WIPO. However, WIPO was able to ensure that the Consortium finished its preparatory work and closed the construction site.

355. Moreover, the Organization considered that a study on cost reduction options had become necessary. To this end, at WIPO's request, the project architects and engineers undertook additional studies, the results of which were submitted in a report in July 2004. After approval by WIPO of cost reducing options, preparations for the new project started with the establishment of new terms of reference and new submission documents, which were completed by the end of the year.

356. Furthermore, with a view to reducing budgetary costs, a recommendation was made to explore possibilities for external financing. The results of this study will be presented to Member States in 2005, and their decision is expected in 2005 concerning the continuation of this project and its financing.

Performance Indicator(s)

Progress of the building projects within time and budget constraints imposed:

- Confirmation by WIPO of the termination of the Consortium contract on January 12, 2004.
- Preparatory work terminated on March 31, 2004.
- Report by architects and engineers on project cost savings presented on July 7, 2004.
- Project budget revised to a total of 125.5 million Swiss francs.
- Revised submission documents for the new building received for verification in December 2004.
- Options for external financing of new building researched.
- Payments were made in 2004 for preparatory work for technical services, honoraria and overhead costs for a total sum of 2,572,967 Swiss francs.

Total expenditure (000 Swiss francs) for sub-program 12.5 in 2004:	3,035
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Total expenditure (000 Swiss francs) for Program 12 in 2004:	72,919
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MAIN PROGRAM 13 - Information Technology

357. Cost containment remained the key focus throughout 2004, demonstrated by substantial savings in IT non-staff expenditure from a budgeted Swiss francs 22.2 million to an actual Swiss francs 15.1 million. However, such a reduced level of expenditure is unsustainable in the long term as it does not allow for the replacement of basic IT infrastructure, such as workstations and printers, which should be renewed approximately every five years.

358. During the period under review, the last major IT project, AIMS, entered into operation. The majority of WIPO's major IT initiatives over the past six years are therefore now operational.

Sub-program 13.1 - IT Policy And Systems Development

OBJECTIVE: To develop and implement IT policies and to ensure continuous enhancement of WIPO's IT systems to meeting the needs of Member States and the Secretariat.

<u>Expected Result:</u> IT activities meet their stated objectives and support the overall vision of WIPO and its Member States.

359. The IT Policy Board met twice in 2004, and approved a number of important IT Policies relating to the use, distribution and replacement of IT equipment in WIPO. The Board also served as a forum for dialog with WIPO business areas concerning IT priorities.

360. The AIMS project, which got underway during the 2002-2003 biennium, with the objective of replacing WIPO's aging legacy financial system FINAUT and BETS, successfully launched the expenditure and budget tracking components in early January 2004, the program management reporting component in the first quarter of 2004, and the income component in October 2004. Delays in the implementation of the income component were primarily due to resource constraints imposed on the project in 2003, and the fact that the

complex functional requirements demanded a customization of Peoplesoft and the development of 17 interfaces with existing systems in other business areas. The AIMS project has now delivered all its foreseen components with an overall implementation cost below the originally approved budget (9.1 million Swiss francs against a budget of 10.9 million Swiss francs).

361. Key factors that contributed to successful project completion, with only a small delay and within budget, included:

- continuous and collaborative planning and monitoring between IT and Finance;
- judicious mix of internal and external resources (less costly internal consultants with relevant experience were hired for the duration of the project);
- full and continuous support of senior management and users in Finance;
- high value delivery by the external implementation partner who was selected through a rigorous and structured selection process; and,
- participation of users in the design development and testing of the system.

362. Important lessons learned from the project comprised:

- reducing or delaying resource allocations to an ongoing project without commensurate change in scope or timeline, results in lower user satisfaction and higher costs in the long term as the cost of corrections is significantly higher than the cost of getting it right the first time;
- cross-sector interface testing should never be under-estimated as it will result in a less rigorous than desired testing phase.

363. A comprehensive internal independent evaluation of the WIPOnet Project was completed in mid 2004, which included a survey soliciting feedback from IPOs. The evaluation report made 27 recommendations relating to current IT practices and future IT initiatives.

364. A number of information security policies were developed, approved and implemented. Internal and external vulnerability verification facilities were established and Configuration Management and control mechanisms for IT systems and applications were put in place.

Performance Indicator(s)

Post implementation reviews:

Comprehensive internal independent evaluation of the WIPOnet Project completed.

Feedback from users, e.g. WIPO staff and Member States:

No negative feedback received.

Completion of and adherence to the IT Strategic Plan:

Within the current financial constraints the following initiatives of the strategic plan have been delivered: IPDLs, PCT-SAFE, WIPOnet and AIMS.

Expected Result: The optimization of resources within the IT Program.

365. Reasonable progress has been made in the area of resource optimization both in terms of system/service rationalization as well as optimizing the use of IT's human resources. There still remain some areas for improvement regarding human resources as some core business systems are still supported by individuals and not by teams.

Performance Indicator(s)

Quantifiable cost and/or performance benefits derived from the coordination of equipment purchase or resource sharing:

One example, amongst several initiatives, is the use of the Storage Area Network purchased under the Information Management for the Patent Cooperation Treaty (IMPACT) Project as a shared storage for many of WIPO's internal business applications (e.g. email).

Increase in the number of IT staff able to work on different IT systems:

Little progress has been made in this area.

Completion of and adherence to IT Technical Guidelines:

Competing program execution priorities have delayed the implementation of the Technical Guidelines. It is hoped that this will be addressed during the 2006-2007 biennium.

Expected Result: Existing systems are updated and remain relevant to WIPO's changing requirements.

366. Only essential changes have been made to operational systems.

Performance Indicator(s)

Number of work plans and change control procedures for system modifications or enhancements:

Preliminary work has started on change control procedures.

Number of new user requirements implemented:

No non-essential changes made.

Feedback from users:

No negative feedback received.

Expected Result: Efficient support to Member State organs dealing with IT matters.

367. The SCIT Plenary met in February and received status reports on the AIMS and WIPOnet Projects, the initiative to interconnect WIPOnet, Trinet and PATnet and the activities of the Intellectual Property Office Automation Division. It also received an update on the progress of work of the Standards and Documentation Working Group (SDWG).

368. The SDWG held meetings in January and November 2004, and adopted a new WIPO Standard, ST.36, which recommends XML (eXtensible Markup Language) resources to be used for filing, processing, publication, and exchange of all types of patent information. The

SDWG also considered and approved the revision of seven existing WIPO Standards, including those which required modification to be in line with the reform of the IPC. Other achievements of the SDWG were the elaboration and approval of two questionnaires on correction procedures used in patent Offices and on the harmonization and identification of the parts of patent specifications. The SDWG also approved a project for the renewal of the WIPO Handbook on Industrial Property Information and Documentation, including its new contents. A new publication platform, which also forms part of the project, is currently under discussion.

369. The Secretariat provided support to the work carried out by the SDWG, including the preparation of working documents and draft reports, as well as the work of five SDWG Task Forces (two of them led by the Secretariat).

Performance Indicator(s)

Feedback from delegates:

Delegates recommended that WIPO should revise the IT Strategic Plan to ensure its validity for a further five years.

Total expenditure (000 Swiss francs) for sub-program 13.1 in 2004:

8,069

Sub-program 13.2 - IT Networks, Operations And Services

OBJECTIVE: To operate efficient, stable, integrated, flexible and secure IT systems, to ensure the necessary network communications infrastructure and to provide IT services for improved information exchange within the Secretariat and among the global intellectual property community.

Expected Result: Modern IT infrastructure and improved user support to maximize staff productivity.

370. The main emphasis in the current biennium is proactive cost-containment, consolidation and streamlining of the IT infrastructure, while responding to emerging new challenges such as the need for business continuity, system availability and handling of new and increasing security threats.

371. During the first half of 2004, the move of the PCT Information Systems to the new secure Computer Room located in the ex-WMO Building was completed. By utilizing direct communication links with similar equipment in the WIPO AB Main Computer Room, it has now become possible to plan for enhanced business continuity of key PCT systems. The WIPO Internal Network (LAN) has also been expanded and secured to accommodate the full deployment of the ex-WMO Building.

372. Validation tests have now been concluded for the redeployment of the Storage Area Network (SAN) equipment as a centralized, enterprise-level resource. This new data storage and backup consolidation strategy will enable WIPO to contain backup, storage and system administration costs through economies of scale. The servers for the newly delivered AIMS financial system have already been deployed using this new IT storage platform.

373. During the reporting period, the Helpdesk processed a total of 16,763 requests, including 998 office moves, 1,116 PC hardware repairs, 309 monitor repairs, 926 printer related interventions and 131 laptop PC configurations. In the first half of 2004, a total of 110 training days were provided to 86 staff.

374. Some 24 IT Technical Services staff received a total of 16 days of training in 2004 (i.e., 0.66 staff days/year).

Performance Indicator(s)

Actual expenditure does not exceed budget:

Non-staff expenditure within budget.

Delivery of activities according to work plans:

Due to staff resource limitations, only High Priority tasks were addressed.

Number of quality targets met:

The means to measure the quality of IT service delivery using best practice methods (IT Infrastructure Library (ITIL) or similar) will be addressed as resources permit.

Number of network, hardware and software components upgraded to industry standard, where appropriate:

Desktop computer, peripherals and software could not be replaced in line with WIPO IT Replacement Policy standards due to budget restrictions.

Usage statistics for network services:

Examples of the usage of the WIPO network:

- eWorks, the electronic document system, which totaled 16,272 documents in 2004 comprised:
 - 7,162 Leave Request
 - 8,975 Medical Appointment
 - 82 requests for IT material
 - 53 views Bank Holidays
- the WIPO Intranet responded to 7,586,954 page requests.

Number of staff trained in appropriate technologies:

Only essential training took place.

Expected Result: Reliable and stable operation of WIPO's IT systems and services.

375. During the reporting period the WIPO physical network was available 100 per cent and the Office Automation and Network Services were on average available 99.7 per cent of the time.

376. The United Nations International Computing Centre (ICC) Mainframe System continued to host a number of WIPO's key business systems. With careful performance and cost monitoring, it is expected that existing cost levels can be maintained in the future, in spite of increasing system usage. Furthermore, WIPO business systems continued to become more reliant on internal server resources.

377. Regarding WIPO's email system, the total size of WIPO mailboxes was kept under 220 Gbytes as a result of policies aimed at controlling the growth of mailboxes. On average,

39,100 external e-mail messages were sent or received per day, corresponding to a daily volume of 1.97 Gbytes. Only a fifth of the total number of incoming messages represents useful mail, the majority being SPAM (i.e. unsolicited mail) (76.9 per cent), and viruses (3.4 per cent). Staff productivity and comfort was significantly enhanced in mid-2004 with the introduction of a filtering function on the e-mail gateways that effectively eliminates the majority of unsolicited mail.

Performance Indicator(s)

Number of service level agreements with user areas and feedback from users on the implementation of those agreements:

To be addressed as resources permit.

Performance against agreed targets:

Percentage of uptime for systems:

- Average system availability of the ICC Mainframe System was 100 per cent during working hours (8:30 to 17:30 hours), and 99.95 per cent during extended working hours (7:00 to 21:00 hours) on working days;
- Availability of PCT Systems was 99.48 per cent and of Oracle databases and other business systems 99.98 per cent;
- The WIPO e-mail system, comprising five servers and three gateways, was available 99.8 per cent.

Time taken to resolve user-support calls:

Resolution times vary greatly depending on complexity of problem and availability of technical staff.

Availability of system and user documentation:

Maintenance of System and User documentation remains a priority.

Expected Result: Reliable and stable operation of WIPONET and WIPO's associated Web-based services.

378. In the beginning of 2004, the responsibility for maintaining the WIPOnet Services was transferred from the WIPOnet contractor IBM to the ICC, resulting in significant savings to WIPOnet's operational costs while at the same time maintaining the level of service availability to Member States. During the same period, Helpdesk support was insourced from the external contractor SITA to WIPO and IP Offices were provided assistance in migrating from the WIPOnet global contractor to local Internet Service Providers (ISPs) in each country.

379. The Trilateral Network (TriNET) noted an increasing usage for secure data transfers between the Trilateral Offices.

Performance Indicator(s)

Number of service level agreements with user areas and feedback from users on the implementation of those agreements:

N/A

Performance against agreed targets:

No negative user feedback received.

Percentage of uptime for systems:

99.95%

Time taken to resolve user-support calls:

48 hours on average.

Availability of system and user documentation:

Revised service manuals and FAQs were published.

Expected Result: Integration of WIPONET Services with existing IT services, improving efficiency and enhancing the effective use of financial resources.

380. During the transfer to ICC, and based upon an evaluation of the use of the WIPOnet Services, some underutilized services were decommissioned and the security architecture was simplified in order to remove any potential impediment that may have existed for some users.

Performance Indicator(s)

Number of WIPO's staff and systems using WIPO Web-based services:

1,281

Number of integrated WIPONET and existing IT services:

N/A

Expected Result: A full set of Web-based products and services is available to the global IP community, with particular focus on Member State IPOs that are connected to the Internet.

381. WIPOnet operates on IBM domino platform and provides web hosting, email, on-line discussion forums and File Transfer Protocol services.

Performance Indicator(s)

Usage statistics for individual services:

Email: 16,500 messages per month.

24 IPOs web sites hosted on WIPOnet.

Number of registered WIPONET users using WIPO Web services:

About 1,000.

Feedback from users on the relevance of WIPO Web-based services to their business requirements:

The evaluation of the WIPOnet Project found that the services available through the WIPOnet platform were considered to be useful by IPOs for communication and other general IT purposes. However, IPOs expressed their desire for some IP specific services.

Expected Result: Enhanced dissemination of IP information.

382. In 2004, a web document management system was implemented in order to facilitate access to documents published on WIPO's public web site and to improve the overall document publication processes. Several existing web based and administrative applications (Evolution, Domain Name Case Management system, Current Account on-line access) were

modified to integrate them with AIMS. The treaties database was launched to provide external users with detailed information about WIPO administered treaties via the public WIPO web site. Technical assistance was also provided to the distance learning system.

Performance Indicator(s)

Number of hits on WIPO hosted Web sites:

About 90 million web page request in 2004.

Number of pages of information posted in WIPO Web servers:

Over 30 servers were supported to provide Internet based services with close to 100 per cent availability.

Number, availability and usage of other web-based services e.g. audio/video conferences and on-line distance learning courses:

860,000 PCT publications and 410,000 Madrid registrations were available on the web at the end of 2004.

Total expenditure (000 Swiss francs) for sub-program 13.2 in 2004:

17,384

Sub-program 13.3 - PCT Information Systems

OBJECTIVE: To provide ongoing support and development services to all PCT applications systems, thereby improving access to and communication with the PCT system by applicants, IP Offices and the global IP community, whilst providing systems that meet the demands of the increasing number and complexity of PCT applications.

Expected Result: Reliable and stable operation of the PCT information systems and services.

383. The stability and availability of PCT Information Systems was satisfactory during 2004. Application and system support included: continuing the work started in 2003 regarding system modifications to handle the introduction of PCT rule changes as of January 1, 2004; critical fixes to production systems; and, day to day system operations activities.

Performance Indicator(s)

Number of service level agreements with user areas and feedback from users on the implementation of those agreements:

Service Level agreements to be implemented as resources permit.

Performance against agreed targets:

The principle operational targets were met as follows:

- 270,563 scanned documents (a total of 5,842,048 pages);
- 45,472 uploaded electronic priority documents (a total of 2,332,765 pages);
- 54,998 documents, including 9,206 e-filed international applications, were received and processed;
- 2,165 international applications were published (a total of 114,739);
- media distribution: 2,912 Rule 87 DVDs; 1,682 Art. 20 DVDs; 406 Art. 20 CDs.
- COR online requests: 1,517 CDs and 200 DVDs.

Percentage of uptime for systems:

Availability of PCT Systems was 99.48 per cent.

Time taken to resolve user-support calls:

An average of 25 user support calls were processed / week for operations support.

Availability of system and user documentation:

System and user documentation has been continuously updated.

Expected Result: Fully electronic publication.

384. During 2004, the full text of more than 5.1 million pages of PCT pamphlets was captured using Optical Character Recognition (OCR) and delivered to Offices and subscribers on time.

Performance Indicator(s)

Quality of electronically produced publications:

100 per cent of publication deadlines were met in 2004.

Positive user feedback has been received on the quality of PCT publications (pamphlets, the gazette, and Communication On Request (COR) output).

Availability and user friendliness of electronically produced publications:

Thanks to the COR system, Offices can request and obtain the required documents in a timely manner.

In 2004, the COR system was fully available to support publication and communication to all users.

The COR system is being increasingly used by Offices, with the number of documents communicated increasing to 6.8 million in 2004 (from 5.5 million in 2003).

Expected Result: A wider range of services to PCT applicants and IP Offices.

385. Despite reductions in resources for programming and support, various additional services have been introduced, most particularly the deployment of the PCT-SAFE system at the International Bureau's own receiving Office, making electronic filing under the PCT available to any applicant. Additional efforts in the area of electronic filing include the establishment of a procedure and web site supporting PCT receiving Offices in preparing for electronic filing, and work started on the PCT-ROAD project, which aims at enabling physical media based electronic filing for PCT receiving Offices.

Performance Indicator(s)

Number of transactions available to applicants under PCT-SAFE:

Seven builds and three patches of the PCT-SAFE client were released in 2004, including various PCT updates, bug fixes and minor functional improvements.

User feedback on quality and range of services offered:

Feedback from system users has led to various enhancements to existing services, in particular feedback received from the PCT-SAFE and COR helpdesks. There remains however a demand for a wider range of services.

Expected Result: IPDLs are available for the PCT.

386. The IPDL system underwent a major technical re-design in order to reduce operational costs. The application was modified to retrieve data from a consolidated PCT data storage, and services were improved by providing access to the PCT image data on the PCT publication day. The Article 6ter data collection was also added to the IPDL system.

Performance Indicator(s)

Extent of data included in libraries:

Article 6ter added to the IPDL system.

Availability of importing and/or searching mechanisms:

Improvements introduced to user interfaces for searching. Remote importing was not implemented due to competing program resources.

User feedback by interested parties including IP Offices:

No negative feedback.

Expected Result: Optimization of data exchange processes with respect to IP Offices and other relevant parties.

387. In 2003, an automated system of document scanning and reproduction, the Communication On Request (COR) System, was introduced enabling the Secretariat to communicate documents to Offices not only on paper, but also on CD and DVD. In 2004, a new functionality in the COR was introduced, allowing Offices to order the documents they wish to receive online through a web-based interface.

388. A WIPO PCT Electronic Data Interchange Service (PCT-EDI) was developed and became available to Offices in mid 2004. PCT-EDI provides a flexible, secure and completely automated mechanism for the exchange of IP information between Offices and the Secretariat. In addition, a mechanism was deployed for electronically processing priority documents in electronic format from the United States Patent and Trademark Office (USPTO).

Performance Indicator(s)

Number, type and quality of data exchange processes between the International Bureau, IP Offices and other relevant parties:

- In 2004, the COR system was used to communicate about 6.8 million documents or 116 million pages to Offices, of which 88 per cent of pages were in electronic format;
- The new Online-COR system was used by 33 Offices, and deployment to other Offices is ongoing;
- PCT-EDI allows Offices to order documents using a bulk order in XML and copy the results in bulk. They can also submit documents to the Secretariat. In September 2004, the Korean Intellectual Property Office started to send all their priority documents to the Secretariat using PCT-EDI network transfer;
- In August 2004, the United States Patent and Trademark Office (USPTO) started to send all their priority documents to the Secretariat on CD. By the end of 2004, 26 thousand priority documents arrived on CD and were subsequently processed electronically by the Secretariat.

Security targets met for data exchanges:

- The target for Offices to accept the security level provided by WIPO for Online-COR and PCT-EDI was met;
- The security requirements for electronic filing and processing under the PCT have been met in accordance with the PCT Administrative Instructions.

Total expenditure (000 Swiss francs) for sub-program 13.3 in 2004:	8,631
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Total expenditure (000 Swiss francs) for Program 13 in 2004:	34,084
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IV. CONCLUSION

389. The information contained in this Report illustrates progress made by Secretariat in 2004 towards achieving the objectives and expected results foreseen in the Program and Budget for the 2004-2005 biennium.

390. The Assemblies of the Member States of WIPO are invited to review and approve the contents of this document.

[Annexes follow]

ANNEX I

ACRONYMS USED IN THE PRESENT DOCUMENT

ACE	Advisory Committee on Enforcement
AIMS	Administration Integrated Management System
BETS	Budget Expenditure Tracking System
CARDS	Community Assistance for Reconstruction, Development and Stabilisation
CBD	Convention on Biological Diversity
ccTLD	Country code top-level domains
CIPIH	WHO Commission on Intellectual Property, Innovation and Public Health
CIS	Commonwealth of Independent States
CISAC	International Confederation of Societies of Authors and Composers
CLAIMS	Classification Automated Information System
CLEA	Collection of Laws for Electronic Access
CMO	Collective Management Organization
DNA	Deoxyribonucleic Acid
DVD	Digital Versatile Disc
ECLAC	Economic Commission for Latin America and the Caribbean
ECOSOC	Economic and Social Council of the United Nations
EPO	European Patent Office
EU	European Union
FINAUT	Financial Operations System
gTLD	Generic top-level domains
IAC	Industry Advisory Commission

ICANN	Internet Corporation for Assigned Names and Numbers
ICC	United Nations International Computing Centre
IDA	International Depository Authority
IFRRO	International Federation of Reproduction Rights Organisations
IGC	Intergovernmental Committee on Intellectual Property and Genetic Resources, Traditional Knowledge and Folklore
IGO	Intergovernmental Organization
ILO	International Labor Organization
INTERPOL	International Criminal Police Organization
IP	Intellectual Property
IPC	International Patent Classification
IPDL	Intellectual Property Digital Library
IPEA	International Preliminary Examining Authority
IPER	International Preliminary Examination Report
IPO	Intellectual Property Office
IPRs	Intellectual Property Rights
IT	Information Technology
ITC	International Trade Center
LDCs	Least Developed Countries
NGO	Non-Governmental Organization
OAPI	African Intellectual Property Organization
OECD	Organisation for Economic Development and Cooperation
PAC	Policy Advisory Commission
PCT	Patent Cooperation Treaty

PCT-EASY	PCT Electronic Application System
PCT-EDI	PCT Electronic Data Interchange Service
PCT-ROAD	PCT-Receiving Office Administration
PCT-SAFE	PCT Secure Applications Filed Electronically
PLT	Patent Law Treaty
R&D	Research & Development
SCCR	Standing Committee on Copyright and Related Rights
SCIT	Standing Committee on Information Technologies
SCP	Standing Committee on the Law of Patents
SCT	Standing Committee on the Law of Trademarks, Industrial Designs and Geographical Indications
SDWG	Standards and Documentation Working Group
SME	Small and medium-sized enterprise
SMT	Senior Management Team
SPLT	Substantive Patent Law Treaty
TAIEX	Technical Assistance and Information Exchange unit of Directorate-General Enlargement, European Commission
TCE	Traditional Cultural Expressions
TK	Traditional Knowledge
TLT	Trademark Law Treaty
TRIPS Agreement	Agreement on Trade-Related Aspects of Intellectual Property Rights
UDRP	Uniform Domain Name Dispute Resolution Policy
UNCTAD	United Nations Conference on Trade and Development
UNEP	United Nations Environment Programme

UNESCO	United Nations Educational, Scientific and Cultural Organization
UNICTRAL	United Nations Commission on International Trade Law
UPOV	Union for the Protection of the New Varieties of Plants
WCT	WIPO Copyright Treaty
WGIG	UN Working Group on Internet Governance
WHO	World Health Organization
WIPOnet	WIPO Global Information Network
WMO	World Meteorological Organization
WPPT	WIPO Performances and Phonograms Treaty
WSIS	World Summit on the Information Society
WTO	World Trade Organization
XML	eXtensible Markup Language

[Annex II follows]

ANNEX II

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