

# WIPO



A/42/2

ORIGINAL: English

DATE: July 31, 2006

# E

WORLD INTELLECTUAL PROPERTY ORGANIZATION  
GENEVA

## ASSEMBLIES OF THE MEMBER STATES OF WIPO

**Forty-second Series of Meetings**  
**Geneva, September 25 to October 3, 2006**

PROGRAM PERFORMANCE REPORT FOR  
THE 2004-2005 BIENNIUM

*Document prepared by the Secretariat*

### I. INTRODUCTION

1. This document (hereinafter referred to as the “Report”) presents the program performance report for the 2004-2005 biennium, prepared in accordance with WIPO’s results-based programming and budgeting framework.
2. The Report is based on 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 achievement of biennial objectives and expected results of WIPO’s programs during the 2004-2005 biennium. Part II summarizes the contribution made in the biennium to WIPO’s strategic goals, based on achievements at the Main Program level. Part III reports on each Main Program and includes, at the sub-program level, evaluative narrative assessments of “Results Achieved”, and tables summarizing information on “Performance Indicators”.
4. A List of Acronyms can be found in Annex I and a document index in Annex II.

## II. CONTRIBUTION IN THE 2004-2005 BIENNIUM TO 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, and the Program and Budget 2004-2005, represented 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 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 and a key underlying condition for the achievement of many of the Goals.

7. Major deliverables and achievements during the 2004-2005 biennium are summarized below, within 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. The biennium was characterized by budgetary constraints and a number of measures were introduced to enhance the efficiency of the Secretariat. This did not, however, compromise the Organization's overall ability to achieve its expected biennial results.

### CREATION OF AN IP CULTURE

9. Work on further developing and refining WIPO's outreach and joint activities to promote IP awareness within Member States was significantly expanded, and efforts were stepped up to target specific audiences. On the occasion of World Intellectual Property Day on April 26, more than 60 and 110 Member States carried out awareness-raising activities in 2004 and 2005 respectively.

10. WIPO also launched a new series of publications about IP for school children with the publication *Inventions and Patents*, as part of its efforts to provide practical and detailed IP curriculum materials for use in classrooms around the world. WIPO is planning three further volumes, to cover the topics of copyright, trademarks, and industrial designs.

11. A major focus of the Intergovernmental Committee on Intellectual Property and Genetic Resources, Traditional Knowledge and Folklore (IGC) in 2004 and 2005 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 non-governmental organizations (NGOs) and to extend outreach and commentary processes. At the end of 2005, more than 120 NGOs, representing local and indigenous communities, were specially accredited to the IGC. The WIPO Assemblies also

decided to establish a Voluntary Fund for Indigenous and Local Communities to support the participation of these communities in the work of the IGC.

12. To reach out better to small and medium-sized enterprises (SMEs), cooperation with a range of external partners was expanded and strengthened. This resulted in the joint publication with the International Trade Center (ITC) of two practical guides on IP for SMEs, and the translation and customization of the guides in the WIPO *IP for Business Series* in 62 countries. In addition, an international symposium, organized jointly by WIPO, the Italian Ministry of Productive Activities (Italian Patent and Trademark Office) and the Institute for Industrial Promotion (IPI), in November 2005, in Caserta, Italy, highlighted the importance of the IP system in enhancing the competitiveness of SMEs in the textile and clothing sectors. The symposium was attended by some 200 representatives from 40 countries from the world's leading fashion houses, as well as by government, academic and trade circles.

13. 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), which was held in Tunis in November 2005. In this context, WIPO organized an On-line Forum on IP in the Information Society, which was linked to the WSIS web site.

#### PROTECTION OF IP AND DEVELOPMENT OF THE IP SYSTEM

14. In 2004-2005, 107 instruments of accession to, or ratification of, treaties administered by WIPO were deposited with the Director General of WIPO.

15. In 2004-2005, Afghanistan, the Comoros, the Maldives and the Syrian Arab Republic adhered to the WIPO Convention, bringing the total number of WIPO Member States on December 31, 2005, to 183.

#### *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, as well as in June 2005, following the renewal of its mandate by Member States at the WIPO Assemblies 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. In September 2005, Member States at the WIPO Assemblies extended the IGC's mandate for two years in line with the Assemblies 2003 directions to the IGC.

17. The IGC made solid progress towards a clearer and stronger international framework and advanced considerably towards concrete outcomes in the form of two sets of draft policy objectives and core principles for the protection of traditional knowledge (TK) and traditional cultural expressions (TCEs). The IGC also agreed on a process to move forward with its substantive work by establishing an inter-sessional commentary process on the existing draft proposals to supplement the already extensive commentary and proposed amendments made during the Committee's meeting.

18. Following an invitation from the Conference of Parties (COP) to the Convention on Biological Diversity (CBD) for WIPO to examine questions on patent disclosure requirements relevant to genetic resources (GR) and TK, Member States at the WIPO Assemblies, in September 2004, agreed on a comprehensive work program for preparing a contribution to the work of the CBD. The initial technical study prepared by WIPO was received with appreciation by COP. At the WIPO Assemblies in September 2005, Member States decided that the second follow-up study be transmitted to the CBD for consideration at the next COP, to be held in Brazil, in March 2006.

#### *Enforcement*

19. The Second Session of the Advisory Committee on Enforcement (ACE), in June 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, the Committee would address the issue of education and awareness-building, including training, in all areas of enforcement, with a particular focus on areas of common concern. Member States at the WIPO Assemblies in September 2004 reviewed the work of the WIPO Advisory Committee on Enforcement and encouraged it to continue its work.

#### *Alternative Dispute Resolution*

20. The WIPO Arbitration and Mediation Center continued to produce and disseminate information on the options for the out-of-court settlement of IP disputes, including a *Guide to WIPO Arbitration*, and updated versions of the *Guide to WIPO Mediation* and *Guide to WIPO Domain Name Dispute Resolution*. The Center also contributed to a United Nations Conference on Trade and Development (UNCTAD) Course on Dispute Settlement.

#### *Classification*

21. In 2004-2005, Armenia, Bahrain, Egypt, Jamaica, Saint Kitts and Nevis, 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, 2005, was 78.

22. In 2004-2005, Armenia and Jamaica adhered to the Vienna Agreement Establishing an International Classification of the Figurative Elements of Marks. The total number of Contracting Parties on December 31, 2005, was 21.

23. In 2004-2005, Belgium and Latvia adhered to the Locarno Agreement Establishing an International Classification for Industrial Designs. The total number of Contracting States on December 31, 2005, was 45.

24. In 2004-2005, Armenia adhered to the Strasbourg Agreement Concerning the International Patent Classification. The total number of Contracting States on December 31, 2005, was 55.

25. The International Patent Classification (IPC) Committee of Experts, at its three sessions held in 2004 and 2005, approved a number of amendments recommended by the IPC Revision Working Group as part of the IPC reform. At its thirty-sixth session, in February 2005, the Committee of Experts agreed that all basic objectives of the reform had been achieved and that the basic period of the reform should be considered completed. The new eighth edition of the IPC entered into force on January 1, 2006.

### *IP Information*

26. The Standards and Documentation Working Group (SDWG) of the Standing Committee on Information Technologies (SCIT), at its meetings in January and November 2004 and September 2005, approved the revision of ten existing WIPO Standards, including those which required modification to be in line with the reform of the IPC. The SDWG also adopted a new WIPO Standard ST.36, which recommends the XML (eXtensible Markup Language) resources to be used for filing, processing, publication, and exchange of all types of patent information. A Task Force to renew the WIPO *Handbook on Industrial Property Information and Documentation* was also established.

#### (a) Global Protection Systems and Services

### *Patents*

27. In 2004-2005, Comoros, Libyan Arab Jamahiriya, Nigeria, San Kitts and Nevis and San Marino adhered to the Patent Cooperation Treaty (PCT). The total number of Contracting States on December 31, 2005, was 128, of which 73, or 57 per cent, are developing countries.

28. 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 a total of 250,000 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.

29. In 2004 and 2005, a total of 122,898 and 133,117 international PCT applications were filed, representing an increase of 14.2 per cent compared to the 2002-2003 biennium. A total of 16,754 international applications originated from 23 developing countries compared to 11,471 in 2002-2003, an increase of about 46 per cent.

30. Electronic filing of international patent applications became available to all applicants on February 12, 2004. About 14 and 26 per cent of PCT applications were filed in fully electronic form in 2004 and 2005 respectively.

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

32. On June 20, 2005, the full electronic processing of PCT applications was launched for PCT applications received from the Korean Intellectual Property Office, and on July 4, 2005, for PCT applications received from the National Board of Patents and Registration of Finland. Electronic processing means that no paper file will be established at WIPO. This service continues to be progressively extended to all international applications received at WIPO from all PCT receiving offices.

33. Regarding PCT Reform, proposed amendments to the PCT Regulations were adopted by the PCT Union Assembly in October 2004 and October 2005, with effect from April 1, 2005, April 1, 2006, and April 1, 2007. The amendments concern: the introduction of an all-inclusive designation system; the addition of Arabic as a PCT publication language; the addition of patent documents from the Republic of Korea to the PCT minimum documentation; international publication and PCT Gazette in electronic form; restoration of the right of priority; rectification of obvious mistakes; remedies where elements or parts of an international application are missing; the simplification of the protest procedure in case of non-unity of invention; the furnishing of sequence listings for the purposes of search and examination; and corrigenda and consequential amendments further to the amendments adopted by the Assembly in 2002.

34. With effect from July 26, 2004, and July 15, 2005, respectively, the Canadian Intellectual Property Office and the National Board of Patents and Registration of Finland started functioning as International Searching Authorities (ISAs) and International Preliminary Examining Authorities (IPEAs). At the end of 2005, some 12 Offices were operating as ISAs and IPEAs.

#### *Trademarks*

35. 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, Bahrain, Croatia, Kyrgyzstan, Namibia and the Syrian Arab Republic became party to the Madrid Protocol in 2004 and 2005, bringing the total number of Contracting Parties to the Protocol to 67 on December 31, 2005.

36. In 2004-2005, 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, 2005, was 56.

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 77<sup>th</sup> member of the Madrid Union. The consequent link between the international trademark 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. Use of the international trademark registration system reached a record level in the 2004-2005 biennium with the receipt of 63,038 international trademark applications, representing a 34 per cent increase compared to the previous biennium. At the end of 2005, some 450,000 international trademark registrations, belonging to over 150,000 different trademark holders, were in force in the international register. Those international registrations represented the equivalent of some 5.1 million national registrations.

39. 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 are able to file applications in Spanish, in addition to English and French, as of April 1, 2004.

40. In a move to promote greater use of the international trademark system by least developed countries (LDCs), the Madrid Union Assembly, in 2005, approved a proposal to reduce the costs for applicants from LDCs to file applications for international trademark protection. The proposed fee reduction would bring the basic fee payable to WIPO down to 10 per cent of the current amount. The fee reduction will take effect from January 1, 2006.

41. Other developments included the launch of the on-line edition of the WIPO Gazette of International Marks in 2005, the introduction of the on-line version of ROMARIN and a further significant increase of the number of international applications and other communications under the procedures of the Madrid system by electronic means.

#### *Industrial Designs*

42. In 2004-2005, 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, 2005, was 31.

43. In 2004-2005, Croatia, Egypt, Hungary, Latvia, Namibia, Singapore and Turkey became party 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, 2005, was 19. The Act, which entered into force on December 23, 2003, became operational on April 1, 2004.

44. In 2004-2005, a total of 2,569 international industrial design applications were received by the International Bureau, a decrease of 60.3 per cent compared to the previous biennium. The number of registrations was 2,550, a decrease of 61.7 per cent compared to the previous biennium. Renewals totaled 7,476, representing an increase of 10.5 per cent compared to 2002-2003. This continuing declining trend, already observed in the 2002-2003 biennium, is thought to be a consequence of the entering into operation of the European Community's Registered Design system in April 2003.

45. 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.

*Appellations of Origin*

46. In 2004-2005, the Democratic People's Republic of Korea, Georgia, Iran (Islamic Republic of) and Peru 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, 2005, was 24.

47. In 2004-2005, 18 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 867, of which 793 were still in force.

48. The electronic database for appellations of origin registered under the Lisbon Agreement, "Lisbon Express", became available online at the beginning of 2005.

*Domain Names*

49. In 2004-2005, the WIPO Arbitration and Mediation Center received 2,632 domain name cases under the Uniform Domain Name Dispute Resolution Policy (UDRP), representing a 12 per cent increase compared to the previous biennium. Most disputes concerned international domains, with .com representing over 80 per cent of names involved, but 161 of the disputed names concerned country code top-level domains (ccTLDs), an increase of 100 per cent compared to 2002-2003. As of December 2005, the Center has been designated dispute resolution provider in a total of 46 ccTLDs, including .ch (Switzerland), .fr (France) and .nl (Netherlands).

50. In 2005, the Center launched the WIPO Electronic Case Facility (WIPO ECAF) that gives parties the option to use an electronic facility to conduct their case under the WIPO Arbitration and Mediation Rules. Through its secure online docket function, WIPO ECAF facilitates submission of voluminous case filings and enhances access by concerned parties to such filings.

(b) Development of International IP Law

51. In 2004-2005, Andorra, the Comoros and Pakistan adhered to the Paris Convention for the Protection of Industrial Property. The total number of Contracting States on December 31, 2005, was 169.

*Patent Law*

52. In 2004-2005, Bahrain, Croatia, Denmark, Finland, Romania, and the United Kingdom adhered to the Patent Law Treaty (PLT). The total number of Contracting States on December 31, 2005, was 13. The Patent Law Treaty entered into force on April 28, 2005, following which the inaugural assembly of the PLT was convened to establish its Rules of Procedure, consider the applicability of certain changes made under the PCT to the PLT and to decide on future work.

53. At its tenth and eleventh session in May 2004 and June 2005, 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 WIPO Assemblies in September 2004 and 2005, a statement was adopted, at the latter session, which spelled out the procedure for the work on the draft SPLT. The WIPO Assemblies in September 2006 would consider the progress made with a view to determining a work plan for the following year.

54. In 2004-2005, Armenia, Georgia 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, 2005, was 61.

#### *Trademark Law*

55. In 2004-2005, Iran (Islamic Republic of) adhered to the Madrid Agreement for the Repression of False or Deceptive Indications of Source on Goods. The total number of Contracting Parties on December 31, 2005, was 34.

56. In 2004-2005, Belgium, Germany and Turkey ratified the Trademark Law Treaty (TLT). The total number of Contracting Parties on December 31, 2005, was 33.

57. Delegates attending the Standing Committee on the Law of Trademarks, Industrial Designs and Geographical Indications (SCT) at its meetings in 2004 and 2005, made significant progress in fine-tuning legal texts for a revised TLT. The SCT reached consensus on a range of articles and rules including provisions concerning the marks to which the treaty applies, questions relating to electronic and other communications, measures in case of failure to comply with time limits, duration and renewal of registration, questions relating to requests for recordal, amendment or cancellation of a license, and provisions concerning the creation of an Assembly. At the WIPO Assemblies in September 2004, Member States agreed on the convening, in March 2006, of a Diplomatic Conference for the Adoption of a Revised Trademark Law Treaty (TLT), which would update the existing treaty, bringing its procedures into line with technological advances. In April 2005, the SCT agreed on a text to be proposed as a basis for negotiations at the Diplomatic Conference. At the WIPO Assemblies in September 2005, Member States accepted the invitation from the Government of Singapore to host the Diplomatic Conference in Singapore. In December 2005, the SCT discussed a range of issues proposed by delegations as possible items for future work in the SCT and requested the International Bureau to prepare working documents on the following topics:

- Non-traditional trademarks, such as single color marks, sound, movement or shape marks and, in particular, how such trademarks are registered and published, if at all.
- The relationship between trademarks, industrial designs and copyright and the overlap of those different types of protection.
- Trademark opposition procedures, as they tend to gain more and more importance in times of ever-increasing numbers of trademark applications.
- Industrial design registration procedures and procedures for the protection of state emblems under Article 6*ter* of the Paris Convention for the Protection of Industrial Property.

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 6*ter* 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 6*ter* of the Paris Convention for the Protection of Industrial Property.

#### *Copyright*

60. In 2004-2005, Andorra, Bhutan, Comoros, Ireland, Nepal, the Syrian Arab Republic, the United Arab Emirates, Uzbekistan 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, 2005, was 160.

61. In 2004-2005, Andorra, Azerbaijan, Bahrain, 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, 2005, was 82.

62. In 2004-2005, Albania, Armenia, Bahrain, Botswana, Dominican Republic, Jordan, Kazakhstan, Oman, Qatar, the Republic of Korea, Singapore and the United Arab Emirates adhered to the WIPO Copyright Treaty (WCT). The total number of Contracting States on December 31, 2005, was 56.

63. In 2004-2005, Armenia, Bahrain, Botswana, Cyprus, Dominican Republic, Indonesia, Jordan, Kazakhstan, Oman, Qatar, Singapore, the former Yugoslav Republic of Macedonia and the United Arab Emirates adhered to the WIPO Performances and Phonograms Treaty (WPPT). The total number of Contracting States on December 31, 2005, was 55.

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. A second Revised Version of the Consolidated Text was prepared for regional consultations which took place in 2005. Member States at the WIPO Assemblies, in September 2005, decided that two additional meetings of the SCCR would be scheduled to accelerate discussions with the aim of agreeing and finalizing a Basic Proposal in order to enable Member States at the WIPO Assemblies, in September 2006, to recommend the convening of a Diplomatic Conference in December 2006, or at an appropriate date in 2007. The second Revised Version of the Consolidated Text, and a working paper to address whether and how protection should extend to webcasters, was discussed at the first of those sessions of the SCCR in November 2005.

65. The issue of protection of non-original databases was considered by the SCCR at its meetings in June 2004 and November 2005, and it was decided to revisit the matter only when requested by Member States.

66. At the WIPO Assemblies in September 2004 and 2005, 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. The issue will be on the agenda of the WIPO Assemblies in September 2006. 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 held in December 2000.

#### *Domain Names*

67. Member States attending the WIPO Assemblies in September 2004 and 2005, reviewed WIPO's activities in relation to the protection of IP in the Internet Domain Name System (DNS) and took note of the status of their recommendations in relation to the Second WIPO Internet Domain Name Process on the protection of country names and the names and acronyms of IGOs, which continued to be under consideration by the Internet Corporation for Assigned Names and Numbers (ICANN).

68. In 2005, WIPO published a new report *New generic Top-Level Domains: Intellectual Property Considerations*, on the IP implications of introducing additional generic Top-Level Domains (gTLDs). Based on WIPO's experience in the area of IP protection in the DNS, the report recommends the introduction of a uniform IP protection mechanism designed to further curb unauthorized registration of domain names in all new gTLDs. The report provides input for a comprehensive strategy for further expansion of the DNS to be developed by ICANN.

#### (c) Cooperation for Development

69. The 2004-2005 biennium witnessed a strategic shift in 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.

70. In September 2004, Member States at the WIPO Assemblies agreed to further examine a proposal presented by a group of developing countries to enhance the development dimension in all of WIPO's work, at inter-sessional intergovernmental meetings (IIMs). Accordingly, three IIM sessions were organized in 2005, which were also open to WIPO accredited IGOs and NGOs. In this connection, WIPO also hosted an international seminar on IP and development, which was open to all stakeholders, including NGOs, civil society and academia, in May 2005. A report on these issues was presented to the WIPO Assemblies in 2005, at which Member States agreed to continue efforts to enhance the development dimension in all of the Organization's work and to build on the results of the process launched the previous year. To this end, it was decided to establish a provisional committee to accelerate and complete discussions on proposals relating to a WIPO Development Agenda

and report with any recommendations to the WIPO Assemblies at its September 2006 session. Member States also decided that the work of the provisional committee “shall not prejudice the activities of the other WIPO bodies in discussing all matters relevant to development” and “in the interim and without prejudice to the provision of technical assistance, the Permanent Committee on Cooperation for Development Related to Intellectual Property (PCIPD) will cease to exist.”

71. At the WIPO Assemblies in September 2004, the Government of Singapore formally offered to host a WIPO liaison Office. The WIPO Singapore Office officially opened in March 2005, as a focal point for promoting WIPO’s strategic goals in the Asia Pacific region, particularly the ASEAN sub-region.

72. A funds-in-trust arrangement between WIPO and the Korean Intellectual Property Office (KIPO), to enhance cooperation between the two institutions and strengthen the IP system for developing and least developed countries, was concluded. KIPO 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.

73. 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.

74. To enhance the understanding of the relationship of IP and economic growth, the development of practical research methodologies progressed steadily during the biennium, resulting in practical data and tools to assist policy-makers and decision-makers when formulating IP-based strategies for national and regional development.

75. In response to Member States’ increasing interest in the adoption of IP-based strategies to promote the use of IP assets for economic growth and social development, the Intellectual Property and New Technologies Division was created in April 2004, with the aim of supporting Member States, in particular developing countries and countries in transition, to enhance and strengthen their capacity for local development, ownership, management, use and commercialization of IP as an economic asset to benefit nationals.

76. Within this framework, a project coordinated by WIPO with the financial support of the Geneva International Academic Network (RUIG-GIAN), aimed at supporting developing country health research institutions in protecting their research results, was launched in September 2004. The aim of the project is to create networks of research institutions with an IP shared service (IP hub) to protect and commercialize research results through the use of patents and other types of IP protection. At the end of 2005, more than 30 research institutions in seven countries in Africa and South America participated in the project.

77. In addition, in order to streamline WIPO’s assistance to countries in assessing their creative potential, the Creative Industries Division was created in June 2005, with the main aim of conducting research, undertaking capacity-building activities, contributing to the development of methodology tools for measuring the impact of the IP system on creativity,

and participating in the international debate on the conceptualization of the creative industries, highlighting their IP component.

78. 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, continued to provide the framework for WIPO's assistance to LDCs. Significant progress was made on the deliverables, in particular in the areas of human resources development, information technologies, genetic resources, TK and cultural expressions (or folklore), SMEs and collective management societies. Member States underlined the continued importance of WIPO's assistance program to LDCs with the adoption of the Seoul Ministerial Declaration at the Ministerial Conference on IP and Least Developed Countries (LDCs), in October 2004, in Seoul.

79. 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. In 2005, the total number of participants in the distance learning courses surpassed 10,000 for the first time. The development of new advanced online distance learning courses continued during the biennium on: plant varieties protection, patents, crafts and visual arts (for SMEs), and IP dispute resolution (the WIPO Arbitration and Mediation Center). Furthermore, some 385 officials from developing countries and countries in transition were trained in the Professional Training Program. The organization of high-level events also continued to enhance the awareness and capacity of decision-makers, policy-advisors and other senior officials to analyze and implement new IP policy directions.

80. 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 its coordination with the European Union for IP technical assistance.

81. During the biennium, WIPO intensified its efforts to assist IP Offices in Member States in automating their operations in order to increase the efficiency of their operations. As of December 2005, some 34 IP Offices across all regions were using WIPO customized software. Several more IP Offices were at different stages of automation planning, preparation and deployment.

#### ENHANCEMENT OF THE EFFICIENCY OF THE SECRETARIAT

82. 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.

83. The WIPO Assemblies in September 2005 approved the Program and Budget for the biennium 2006-2007, which contained a balanced budget.

84. WIPO's internal oversight functions were significantly strengthened during the biennium, with the approval by the WIPO Assemblies, in September 2005, of the WIPO Internal Audit Charter, the establishment of a WIPO Audit Committee, and enhanced resources for oversight activities.
85. Negotiations with airline companies resulted in important reductions in travel expenditure, which decreased by approximately three million Swiss francs compared to the previous biennium. Fixed line and mobile telephone telecommunication charges decreased, by 30 per cent in the biennium compared to 2002-2003, 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.
86. 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 2004-2005, rents and associated charges decreased by 17 per cent compared to the previous biennium.
87. With respect to the new construction project, a study was undertaken by the Architect, on the initiative of WIPO, on possible cost reductions. In September 2005, the WIPO Assemblies approved the revised project and the proposal for WIPO to use external funding from a bank to fund the construction. Construction work is expected to resume in 2008 following a tender for the bank loan, a tender for a company to externally manage the implementation of the project, and an international tender for the general contractor.
88. The biennium 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 the administration of benefits and entitlements. The Organization's staffing requirements were increasingly met through internal re-deployment following the limitations put in place on recruitment.
89. Cost containment also remained the key focus of WIPO's IT activities, resulting in significant savings. WIPO's major IT initiatives over the past six years are now operational.
90. The Secretariat coordinated the follow-up to the recommendations contained in the report issued by the United Nations Joint Inspection Unit (JIU) *Review of Management and Administration in WIPO: Budget, Oversight and Related Issues*,<sup>1</sup> and initiated the preparations for the Desk-to-Desk Assessment of Human and Financial Resources of WIPO, as outlined in Recommendation 1 of the report.

---

<sup>1</sup> JIU/REP/2005/1

### III. BIENNIUM PERFORMANCE REPORT, BY MAIN PROGRAM

## **MAIN PROGRAM 02 - Direction and Executive Management**

91. 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.

92. Sub-program 2.1 (Office of the Director General) ensured that the Director General had access to, and was provided with, an administrative base which delivered support on a full-time basis, ensuring the smooth day-to-day running of the Director General's calendar of meetings and functions. Together with sub-program 2.2 (Policy Advice, Advisory Commissions, Internal Oversight and External Relations), it constituted a substantial advisory framework by which the Director General could receive policy information and advice from internal and external sources, including on oversight issues.

93. 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).

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

95. Front-office support to the Director General enabled the smooth functioning of the Director General's executive decision-making. This support included: arrangements for the effective execution of the Director-General's calendar; 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 servicing of the Assemblies of Member States and related important activities; and, assistance and follow-up to the meetings and decisions of the Senior Management Team.

96. In the course of 2004 and 2005, the Director General undertook ten foreign missions and received 430 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 the 2004-2005 biennium: 3,385**

## **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.

97. Policy information and analysis was provided to the Director General with a view to ensuring that the overall direction and executive management of WIPO could respond promptly and effectively to the requirements of the international IP community and system.

98. 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 and reviewed. Cost containment initiatives, undertaken throughout the biennium 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).

99. Contacts were maintained with members of the Policy Advisory Commission (PAC) with a view to develop a future program. Due to financial constraints, no meetings of that Commission took place in 2004 and 2005.

100. Contacts with NGOs and industry groups continued during the biennium, strengthening WIPO's lines of communication with representatives of industry and the market sector, even though no meetings of the Industry Advisory Commission (IAC) took place in 2004 and 2005.



**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.

101. In the biennium, the number of press articles tracked on WIPO and IP issues remained constant and reflected a continuous strong interest in IP questions beyond the specialized IP press. This was further evidenced by a number of ad hoc searches on various Internet search engines which indicated an extensive interest in IP questions. Also, the number of subscribers to the press room mailing list increased to some 5,900 at the end of the biennium. These are strong indications of the growing interest in WIPO's activities and IP questions in general.

102. In recent years, IP has made its way into the mainstream press, largely thanks to the evolution of the Internet and digital technologies which have brought a range of IP issues to the forefront of public debate. The premium placed on a firm's capacity to innovate, resulting in commercially successful products, has also heightened public awareness and interest in patents and trademarks. Furthermore, the interest in patents has also augmented as a result of health issues such as AIDS and avian flu. The increased attention and link to WIPO can be related to the Organization's concerted media effort to show a presence in these emerging debates.

103. A proactive media policy for the Organization has heightened public awareness about the role of WIPO and its mandate. While there was a high degree of accuracy of these articles, there is still significant work to be done in clarifying the full range of IP questions that are under debate. As IP is increasingly subject to public scrutiny and becomes more politicized, the communications challenge for WIPO is increasingly important.

104. Another indicator of the increased public interest in WIPO and IP was the increase in number of visitors requesting briefings on the Organization's activities and the nature of these requests. In 2004-2005, some 150 groups, or a total of 3,760 persons, visited the Organization and took part in organized briefing sessions. Whereas in the past requests typically involved a general presentation only, groups were requesting more in-depth programs involving one or more specialized IP subject areas. While this is a positive development, the increasing volume of such requests would necessitate more resources in the future within the Organization for these visits.

**Performance Indicator(s)**

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

Some 6,000 articles were tracked by one system only.

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

105. 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.

106. A set of Guidelines for the Preparation and Conduct of Evaluations in WIPO were finalized and published on the Intranet. The systematic use of the Guidelines, as well as other evaluation tools by program managers, continued to be actively promoted during the biennium.

107. Program Performance Reports, being part of WIPO's Results-based Management framework, and Program Implementation Overviews were prepared for the WIPO Assemblies. In relation to the Program and Budget 2006-2007, advice was provided to senior management and program managers on the WIPO Strategic Framework and the formulation of objectives, expected results and performance indicators.

108. WIPO continued to be an active member of the UN Evaluation Group (UNEG), a UN inter-agency forum for evaluation professionals. In April 2005, UNEG adopted a set of norms and standards for evaluation in the UN system, providing important benchmarks for the effective conduct, management and use of evaluations within all UN entities.

109. As a complement to the WIPO Internal Audit Charter, approved by the WIPO Assemblies in September 2005, the drafting of a WIPO Evaluation Policy, in accordance with international best practice, was commenced to ensure that all WIPO oversight functions are covered by adequate guiding principles. The Policy is expected to be finalized in the forthcoming biennium and submitted to Member States for approval.

**Performance Indicator(s)**

*The results of evaluations are used to improve the performance and the design of on-going and new programs:*

The WIPO Evaluation Policy is intended to address issues such as the need for an effective institutionalized follow-up mechanism to recommendations emanating from evaluations undertaken at WIPO.

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

110. The WIPO Internal Audit Charter, defining the mandate, authority, duties, reporting obligations and resources of the internal audit function at WIPO, was approved by Member States at the Assemblies in September 2005. The Charter also assigns the Director of Internal Audit with the responsibility and authority for the investigation and inspection functions. A first draft of the Charter, based on best practices within the United Nations system organizations and Multilateral Financial Institutions, was submitted by the Secretariat to the Program and Budget Committee (PBC) during its eight session, held in April 2005. The PBC decided that it should be referred to a Working Group of the PBC, which reviewed it in July 2005 and recommended its approval by the WIPO Assemblies.

111. Following a similar process, at the request of the PBC, terms of reference for an Audit Committee were also discussed and finalized by the Working Group of the PBC, which submitted a proposal for the establishment of the WIPO Audit Committee to the consideration of the WIPO Assemblies. The proposal was approved by Member States during the 2005 Assemblies, and the Secretariat started shortly thereafter preparations for the designation of the members of the Committee, to be made during a meeting of the PBC planned for January 2006.

112. Compliance with WIPO's regulations, rules and procedures, the adequacy of internal controls and the economy and efficiency of operations continued to be the main focus of the internal audit function. Ad hoc advice was provided to senior management and program managers on various issues relating to compliance and cost-effectiveness.

113. Networking with other UN agencies and multilateral international organizations continued, in order to exchange views and information on audit and other oversight practices and methodologies. In this connection, WIPO attended the annual meeting of the Representatives of Audit Services (RIAS) in Paris (2004) and Luxembourg (2005), and the annual Conference of Investigators of United Nations system organizations and Multilateral Financial Institutions, in Lyon (2004) and Washington (2005).

**Performance Indicator(s)**

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

An audit undertaken in 2005 confirmed full compliance with relevant regulations, rules and procedures. The External Auditor's report for the 2004-2005 biennium was not yet available at the time of preparation of this document, however, their 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 and Rules.

*External relations*

114. The 2004-2005 biennium was also characterized by a closer cooperation between WIPO and the UN system and other intergovernmental organizations. It was a period of consolidation in the organizational approach taken to external relations, and additional emphasis was placed on emerging, priority issues, such as ensuring the safety and security of WIPO staff and visitors to the Organization and engaging in cross-UN system bodies and activities such as the Chief Executive Board (CEB), JIU and the UN response to the Millennium Development Goals.

115. WIPO's cooperation with other international organizations in 2004-2005, in particular, included:

- Cooperation with the World Trade Organization (WTO): a meeting of the Directors General of WIPO and WTO to enhance cooperation; WIPO representation at the Sixth WTO Ministerial Conference, General Council, TRIPS Council, and at various training courses and workshops; two Colloquia for Teachers of IP Law; and, one regional and four national seminars organized jointly by WIPO and WTO.
- Cooperation with the World Health Organization (WHO): WIPO representation at the World Health Assembly and the WHO Executive Board; and, participation in the WHO

Commission on Intellectual Property Innovation and Public Health (CIPIH) providing advice to the CIPIH on IP issues.

- Joint publication with UPOV on “The Co-existence of Patents and Plant Breeders’ Rights in the Promotion of Biotechnological Developments” and “Intellectual Property Rights in Plant Biotechnology”, and two jointly organized training courses.
- An Online Forum on Intellectual Property in the Information Society, June 2005, organized by WIPO as part of its contribution to the World Summit on the Information Society (WSIS). WIPO also participated in, and provided input to, the discussions of the Working Group on Internet Governance (WGIG).
- Participation in an International Workshop on Methodologies Regarding Free, Prior and Informed Consent and Indigenous Peoples, organized by the Permanent Forum and the Inter Agency Support Group on Indigenous Issues (IASG). During the fourth session of the Permanent Forum in May 2005, WIPO organized an information session, co-chaired by a member of the Forum, on recent developments at WIPO concerning IP and GR, TK and TCEs (expressions of folklore), as well as steps taken to further enhance the effective participation of indigenous peoples and local communities in WIPO’s work.
- Participation, as an observer, in two sessions of the UNESCO Intergovernmental Committee tasked with the elaboration of the Convention on the Protection of the Diversity of Cultural Contents and Artistic Expressions. In June 2005, the Committee finalized a draft of the convention, for formal adoption by the UNESCO’s General Conference in September 2005. WIPO also participated in an expert meeting aimed at developing guidelines for the implementation of UNESCO’s Convention for the Safeguarding of Intangible Cultural Heritage, 2003. Technical work by WIPO and UNESCO continues on exploring practical mechanisms for enhanced complementarity between IP protection and the cultural heritage safeguarding.
- Contribution to the work of the United Nations Office of the High Commissioner for Human Rights (OHCHR), including the consideration of a draft General Comment on Human Rights and IP by the Committee on Economic, Social and Cultural Rights (article 15), the Working Group on Indigenous Populations, and ongoing development of the Draft Declaration on the Rights of Indigenous Peoples. At the request of the OHCHR and ILO, WIPO continued to host participants in their respective Indigenous Fellowship Programs.
- Cooperation with the United Nations Environment Programme (UNEP), including participation in a UNEP Workshop on Capacity Development for Access to Genetic Resources and the Fair and Equitable Sharing of the Benefits Arising from their Utilization in Africa, Nairobi, February 2005.
- Cooperation with the Food and Agriculture Organization (FAO) to build on the proposals developed during the most recent session of the Commission on Genetic Resources for Food and Agriculture, including through an internal seminar at FAO and by participating in the Contact Group for the Drafting of the Standard Material Transfer Agreement under the International Treaty on Plant Genetic Resources.
- A Basic Framework Agreement was negotiated with the Inter-American Development Bank (IADB) to jointly advance the development and implementation of technology policies in Latin America and the Caribbean. This partnership aimed to foster public and private investment in research and development with the ultimate goal of establishing legal and institutional frameworks within which the development of national science and technology can take root and technology transfer can be facilitated.
- The creation of a WIPO Security Policy Board (SPB) in September 2004, in direct response to an increase in the security situations regarding UN organizations and to oversee and provide policy guidance to the Director General on WIPO’s response to 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.

- Active participation in the preparation of reports under the JIU work programs for 2004 and 2005, including on issues such as: inter-agency coordination mechanisms, the use of open source software, procurement practices and the feasibility of a common payroll for the UN system.
- Participation in sessions of the HLCM, HLCP and CEB held during the biennium. The achievements of the HLCM over the period included a re-negotiated cost-shared budget for field related security costs, which saw WIPO achieve a minimal increase in its capped-fee, an agreed staff mobility accord, and UN system contingency planning for an influenza pandemic. WIPO also participated in the work of subsidiary HLCM networks (finance and budget, human resources and ICT) including as a task force member on ICT governance.

<b>Total expenditure (000 Swiss francs) for sub-program 02.2 in the 2004-2005 biennium:</b>	<b>10,242</b>
---	---------------

### **Sub-program 02.3 - Strategic Planning, Budget Control and Legal Affairs**

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

<b><u>Expected Result:</u></b> Increased coherence and integration of WIPO programs.
--

116. The Director General received assistance and support for the implementation of measures aimed at improving communication, consultation and coordination within the Secretariat in general as well as across different program areas. The workplans for the years 2004 and 2005 served to align program activities and objectives, allotment of resources, monitoring and 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. Input and advice was also provided regarding the updating of guidelines for procurement of goods and services and execution of major projects, the review of policy and procedures relating to the security of WIPO personnel and property and for the development of a human resource development strategy.

117. The Senior Management Team and its Task Force met regularly during 2004 and 2005. Other internal coordination mechanisms enhancing cross-sectoral cooperation were convened, including the IT Policy Board, Staff Promotion Advisory Board, the Staff Redeployment Board, and the Contracts Review and Construction Committees. Decisions and recommendations by the Security Policy Board were implemented. The Director General set up the Avian Flu Management Team (AFMT) in October 2005, with a view to strengthen internal coordination for the preparation of plans for a prompt and appropriate response to an eventual pandemic emergency caused by avian flu.

**Performance Indicator(s)**

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

At the WIPO Assemblies in 2004 and 2005 (document A/40/7 and A/41/17 respectively) a strong majority of Member States (including three and four Regional Group spokespersons respectively) explicitly supported the nature and structure of WIPO programs.

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

118. Regarding budgetary issues, the main challenge in 2004-2005 was to address an estimated income shortfall of over 70 million Swiss francs by reducing expenditure without, at the same time, compromising the Organization's ability to meet its biennial objectives. In 2004, to meet this challenge, areas in which possible savings could be made, both in personnel and non-personnel expenditures, were identified in consultation with program managers. This effort continued in 2005. An extraordinary informal session of the Program and Budget Committee (PBC) was convened in February 2005 to present to Member States a comprehensive review of the financial situation of the Organization. As a result of the efforts to reduce costs throughout the biennium, the revised budget for 2004-2005 was considerably lower than the approved budget (18.1 per cent). The biennium 2004-2005 was therefore closed with no deficit.

119. At the end of 2004, preparations for the Proposed Program and Budget 2006-2007 commenced, with initiatives for developing a new budget strategy for the Organization. After four consecutive biennia, a balanced budget was presented for the first time with no fee increases and reserves at the level targeted by Member-States. The program structure was revised to better link it to the medium-term strategic goals of the Organization. Additional data on personnel and non-personnel resources was provided for the first time to the Member States along with efficiency gains targets in a number of areas. The presentation of the document was also revised and simplified. In respect of income forecasting, new internal mechanisms were established for the PCT and Madrid sectors.

120. In 2004, an internal process was initiated to identify alternate financing and technical options for the new construction project. These options were presented to the informal session of the PBC in February 2005, accompanied by a business case outlining the advantages of building versus renting office space, and an office space strategy for the medium-term. The proposal to re-start the new construction project with a revised approach of financing it through a bank loan, was approved by Member States at the 2005 Assemblies.

121. The JIU *Review of Management and Administration in WIPO: Budget, Oversight and Related Issues* (JIU/REP/2005/1) was undertaken in 2004. The follow-up to the recommendations contained in the report were coordinated internally in 2005, and preparations for the Desk-to-Desk Assessment of Human and Financial Resources of WIPO, as outlined in Recommendation 1 of the report, were initiated.

122. The revision of the procurement and purchase procedures of the Organization commenced in June 2005.

**Performance Indicator(s)**

*Approval by Member States of budgetary documents:*

In 2004, documents were prepared for the informal session of the PBC convened in February 2005. The results of the session were positive.

The Proposed Program and Budget for the biennium 2006-2007 was presented to the eighth session of the PBC in April 2005, together with several other important agenda items, such as the JIU report and recommendations, the new audit charter and the establishment of the WIPO Audit Committee. Member States at the eighth session of the PBC agreed to recommend the Proposed Program and Budget to the WIPO Assemblies. The Proposed Program and Budget 2006-2007 was approved by Member States at the WIPO Assemblies in September 2005.

**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.

123. During the biennium, legal issues dealt with included human resources and administrative related matters, contracts with external entities, preparation for the re-launching of a new tender for the construction of the new building, including a bank loan, the review of appropriate rules for the procurement of goods and services, and legal protection in general for the Organization. The Organization's depositary functions continued to be effectively managed and preparations were undertaken for the Diplomatic Conference for the Adoption of a Revised Trademark Law Treaty. Considerable time was spent on activities regarding new adherences to WIPO treaties and reviewing the request by IGOs and NGOs to become WIPO observers.

124. Some 107 new instruments of ratification or accession to the conventions and agreements administered by WIPO were received and processed, 55 per cent of which came from developing countries, 30 per cent from countries in transition, and 15 per cent from developed countries. A total of 133 notifications of treaty actions were issued to Member States and other relevant entities and were systematically published on the Internet and, where appropriate, *via* press releases.

125. Among the significant developments in the biennium was the entry into force of the Patent Law Treaty, on April 28, 2005.

126. During the reporting period, two IGOs, 31 international and 21 national NGOs were granted permanent observer status by the WIPO Assemblies in September 2004 and 2005. In respect of those organizations, relevant documentation was prepared and presented to the Assemblies.

127. Constitutional legal advice and assistance continued to be provided internally in respect of: external requests for permission to reproduce WIPO documents in various publications; requests for certified copies of WIPO-administered treaties; requests for model instruments of accession and ratification of several WIPO treaties; preparation of notes on the advantages of accession to certain WIPO treaties; and information on the status of ratifications or accessions to the WIPO treaties.

128. WIPO continued to participate in the annual meetings of the Legal Advisers of the United Nations System and in the International Law Association's Committee on the

Accountability of International Organizations. Comments and suggestions were also provided to the Report of the International Law Commission of the United Nations on the topic "Responsibility of International Organizations".

129. Following the Government of Singapore's formal offer, during the WIPO Assemblies 2004, to host a WIPO Office that would serve the needs of WIPO's Asia-Pacific constituents, in particular the ASEAN sub-region, 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.

130. In October 2005, Member States at the WIPO Assemblies decided to accept the offer of the Government of Singapore to host the Diplomatic Conference for the Adoption of a Revised Trademark Law Treaty. The draft Rules of Procedure of the Conference were prepared as well as the administrative and final provisions of the Revised Trademark Law Treaty.

131. Legal advice and assistance continued to be provided both within and outside the Secretariat, including on Memoranda of Understanding and Funds in Trust Agreements, the preparation and/or revision of almost 400 contract-related documents, the interpretation of agreements currently in force, tax issues and banking matters, as well as general legal advice to the UN system organizations and private and public entities.

132. In addition, relevant documents for the release of three important contracts regarding the construction of the ex-WMO building and the new administrative building were prepared, and an important IT related contract was terminated early.

133. The Contracts Review Committee, the Investment Advisory Committee and the Construction Committee continued to be supported.

**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.

<b>Total expenditure (000 Swiss francs) for sub-program 02.3 in the 2004-2005 biennium:</b>	<b>8,956</b>
---	--------------

## **Sub-program 02.4 - Liaison Offices and External Coordination**

**OBJECTIVES:** 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.

<b><u>Expected Result:</u></b>	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.
--------------------------------	--



134. The New York Coordination Office continued to represent WIPO at meetings of the United Nations, and held ongoing discussions with ambassadors and diplomats in New York. 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 the Economic and Social Council of the United Nations (ECOSOC).

135. Through its outreach programs targeting the UN diplomatic corps, UN Secretariat staff, civil society, and the private sector, the Office continued to raise awareness and promote WIPO's work in the field of IP, contributing to a greater recognition of the importance of the IP system, and of WIPO and its mandate, history and program of activities.

**Performance Indicator(s)**

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

Training programs, workshops and other events were organized for diplomats in New York, UN staff members and legal practitioners as follows:

- Annual WIPO- United Nations Institute for Training and Research (UNITAR) event on IP for diplomats and UN staff, held on IP Day.
- Five briefing sessions for UN regional groups in New York.
- Briefing session for 35 UN Secretariat Tour Guides.
- Panel on IP and Development co-hosted by WIPO, WTO and UNCTAD.
- Collaborative WIPO-New York Intellectual Property Law Association (NYIPLA) event, on Trademark Practice and Industrial Design Update.
- Joint WIPO-International Intellectual Property Society (IIPS) event "The PCT: Where We Stand, What Lies Ahead".
- Joint WIPO-American Bar Association (ABA) event on WIPO Alternative Dispute Resolution mechanisms and services.
- Copyright awareness raising event.
- Thirteen lectures for academic and professional bodies.
- Six briefing sessions to over 50 government and private sector visitors from various countries including: visitors under the US Department of State's International Visitor Programme; representatives of IP law offices from a variety of countries; and members of a Chinese private sector IP delegation.
- Five briefing sessions for civil society groups and foundations.

Representation of WIPO in UN bodies (75 major meetings), particularly, proceedings of the Security Council and the General Assembly's main committees, including ECOSOC, HLCM, HLCP, CEB, Commission for Social Development, New Partnership for Africa's Development (NEPAD), Convention on the Elimination of All Forms of Discrimination against Women (CEDAW), UNCITRAL, International Civil Service Commission (ICSC), Permanent Forum on Indigenous Issues, Development Forum on Integrating Economic and Social Policies to Achieve the UN Development Agenda, High Level Panel on Threats Challenges and Changes, Special Committee on the Charter of the United Nations and on Strengthening the Role of the Organization, and World Summit to Review Implementation of the UN Millennium Declaration.

A total of 20 interns from various universities and nations participated in the Office's internship program.

Response to over 1,600 public queries, in particular, with respect to the Madrid Protocol, the WIPO Arbitration and Mediation Center dispute resolution services under the UDRP, and the PCT.

Provision of logistical and substantive arrangements for 38 WIPO staff members on official visit to the United States of America.

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

Nine references.

**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.

136. The WIPO Washington Liaison Office continued to promote WIPO and its activities in the United States of America. The Office also served as a link between WIPO headquarters in Geneva and the IP community in Washington, D.C., through the organization of a series of meetings, presentations, receptions, and consultations with representatives of the government of the United States of America, Congress, IP attorneys, NGO's, associations, and the IP-related business community.

**Performance Indicator(s)**

*Number of contacts between Liaison Office and government officials:*

A high number of contacts were maintained between the WIPO Washington Liaison Office and government officials, staff, and Congressional personnel, business representatives, associations and NGO's.

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

The Office monitored relevant Congressional hearings; participated in conferences hosted by the American Intellectual Property Law Association (AIPLA), the American Bar Association (ABA), the International Intellectual Property Institute (IIP) and other NGO's, the Organization of American States (OAS) and World Bank; presented lectures at Washington area law schools and embassies; assisted the Secretariat on contacts with broadcasting organizations and interested parties relating to a potential broadcasting treaty; assisted in copyright seminars, traditional knowledge deliberations, and patent reform discussions in various organizations; and, addressed bar associations and IP related groups in Washington.

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

Background information was provided to the media on several occasions, but press inquiries were directed to WIPO headquarters in Geneva. Articles on WIPO in the Washington and media focused primarily on deliberations in Geneva during the WIPO Assemblies and Standing Committee meetings, and included references to broadcasting negotiations, patent harmonization, copyright treaties, and other topics. Because of the proliferation of Internet media outlets and the higher profile of the Organization, WIPO was frequently referenced in articles related to IP issues nationally and internationally.

In addition to daily contact with the US Government, business and NGO's, the Office organized the first Congressional celebration of World Intellectual Property Day, attended by over 125 dignitaries, including Members of Congress, over twenty Ambassadors, the leadership of the Intellectual Property Sector of the American Bar Association, and representatives of the IP community from Washington and elsewhere. Keynote speakers honoring WIPO and World Intellectual Property Day included the Chairman of the House Judiciary Committee, the Chairman of the House Caucus on IP, and the Chairman of the Subcommittee on IP of the House Judiciary Committee.

The Office worked with Congress to highlight World IP Day through legislation on the importance of IP in the United States of America and internationally. The 2005 House of Representatives Resolution congratulated

WIPO on its integral role in the promotion of IP. The legislation to commemorate World IP Day passed the House of Representatives unanimously.

The Office also published a new quarterly newsletter *WIPO Wire*, which is intended to familiarize US Congress and the IP community in the United States of America with the goals and objectives of WIPO, as well as provide insight into issues regarding the global IP system. The mailing list for the *WIPO Wire* included over 1,500 names at the end of 2005.

The Office responded to daily enquiries from the public, educational institutions, business and Congress regarding WIPO, its activities and publications.

**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.

137. On April 30, 2004, an Agreement was signed with the Government of Belgium to define the status of the WIPO Coordination Office in Brussels.

138. The Office continued establishing, maintaining and nurturing links with relevant decision-makers, opinion formers, and other stakeholders in Brussels. The focus of activities also included the Directorates-General not directly concerned with IP, members of the European Parliament, regional and national organizations, and think tanks.

139. The enlargement of the European Union with ten new States on May 1, 2004, as well as the establishment of a new Commission, and the progressive transformation of the Commission services to include officials from the new Member States, required intensified efforts to reach out to a new constituency by the Office in a changed environment in terms of overall policies and inter-institutional relations.

140. A major activity in 2005, consisted of following and contributing to the debate on the proposed Directive on the patentability of computer-implemented inventions which took place among the European Union institutions, other stakeholders and the media.

141. Following a security assessment by UNSECOORD, the Office was moved in May 2005, giving rise to significant operational constraints and disruptions.

**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, including those not directly concerned with IP.

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

Many Brussels-based industry associations already participate in the work of WIPO and are thus familiar with the Organization. The presence of the WIPO Office in Brussels allows outreach activities towards entities not associated with WIPO.

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

Several positive references. WIPO also published articles on IP 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.

142. The WIPO Coordination Office in Brussels continued to provide information on relevant events at the level of the European Union and its Member States, and other entities, to colleagues at WIPO headquarters.

143. Regarding joint activities, the cooperation with the European Commission in the promotion of IP in the European region, particularly in the framework of the Technical

Assistance and Information Exchange Unit (TAIEX) and the Community Assistance for Reconstruction, Development and Stabilisation program, both under Directorate-General Enlargement, was strengthened in 2004 and continued in 2005.

144. Cooperation with the European Commission in delivering assistance on IP to one developing country entered into its operational phase in 2005, and preparations for another development project were continued. Discussions with a third country were also initiated.

**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 eight events.
- Participation, with a stand, in the inventions exhibition "Brussels EUREKA".
- Participation in the IP Summit, December 2004.
- Meeting in Geneva with representatives of Directorate-General Trade of the European Commission and of the European Parliament.

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

- 63 CARDS and TAIEX seminars to which WIPO contributed.
- Initiation of the process for the signature of the Financial and Administrative Framework Agreement (FAFA) governing the conclusion and implementation of development projects supported by the European Union.
- Execution of one development cooperation project and continuation of preparations for another.

*Feedback and evaluation on the impact of these projects:*

- Beneficiaries of above-mentioned activities consistently expressed satisfaction.
- Positive reports on events in the local press.

*WIPO Singapore Office*

145. As a focal point for promoting WIPO's strategic goal of developing and facilitating the use of the IP system for economic and social development in the Asia Pacific region, particularly the ASEAN sub-region, the WIPO Singapore Office, in the ten months of operation from March to December 2005, undertook a number of outreach activities to Member States and IP related institutions, including IGOs and NGOs, aimed at promoting a broader understanding of WIPO's vision, strategy, programs and initiatives, as well as providing quicker access to WIPO services.

146. In cooperation with relevant sectors at WIPO headquarters, roundtables, workshops and symposia were organized or hosted covering a range of themes, including general policy issues regarding IP for development, TK, arbitration, and copyright for the judiciary. Intra-regional exchanges and contacts, that provided an avenue for access to information and experiences within the IP community in the region, were also facilitated through study visits and expert missions. In addition, the Office ensured a greater WIPO presence in national IP-related events, and established new contacts with IP stakeholders and relevant institutions in the region.

147. In particular, the Office undertook activities as follows:

- Participation in consultation meetings with the ASEAN Working Group on IP Cooperation and the ASEAN Senior Economic Officials to discuss current and future cooperation activities.
- Active involvement in the conduct of the WIPO Study on the Feasibility of Establishing IP Business Development Service Hubs in ASEAN Countries.
- Participation in national and regional IP events organized in Singapore by the IP Office of Singapore, including those in cooperation with other external institutions such as the Japan Institute of Invention and Innovation and the United States Patent and Trademark Office (USPTO).
- Briefings/meetings with representatives of the Asia Pacific Economic Cooperation (APEC) Secretariat, Asia Europe Foundation (ASEF), other national governmental and non-governmental institutions, as well as universities in Singapore.
- Participation in national IP events held in Indonesia, Malaysia, and the Philippines, such as celebration of national IP day, inventors' commemoration, innovation conference and national IP strategy forum.

148. In addition, a number of joint or coordinated projects were identified and implemented:

- WIPO Asia Pacific Regional Symposium on IP for Development co-organized with the Government of Singapore.
- Informal Meeting of Experts on Traditional Knowledge, Genetic Resources and Folklore co-organized with the IP Academy, Singapore, as a result of which a possible joint research project is under consideration.
- Hosting of a WIPO Workshop on Arbitration and WIPO Judges Colloquium.
- Organization and/or facilitation of study visits to the Singapore IP Office and IP related institutions, including university technology transfer offices, for officials from Cambodia, Democratic People's Republic of Korea, Indonesia, Iran (Islamic Republic of), Nepal, and Thailand.
- Organization and/or facilitation of missions of Singapore experts to China and the Philippines.

<b>Total expenditure (000 Swiss francs) for sub-program 02.4 in the 2004-2005 biennium:</b>	<b>6,157</b>
---	--------------

<b>Total expenditure (000 Swiss francs) for Main Program 02 in the 2004-2005 biennium:</b>	<b>28,740</b>
--	---------------

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

149. Achievements of this Program in the 2004-2005 biennium included the entering into force of the Patent Law Treaty (PLT) on patent formalities on April 28, 2005, following ratification of the tenth State. In the biennium, six States ratified or acceded to the PLT. The total number of accessions or ratifications to the PLT thus reached thirteen States at the end of 2005. The Standing Committee on the Law of Patents (SCP) held two sessions during the biennium, which continued discussions on the draft Substantive Patent Law Treaty (SPLT) and the future work of the SCP.

150. The consideration of proposals for reform of the PCT system progressed with the convening of the sixth and seventh session of the Working Group on Reform of the PCT, held in May 2004 and May 2005, respectively, and the adoption of two packages of amendments to the PCT Regulations by the PCT Union Assembly in October 2004 and October 2005.

151. During the biennium, 256,015 international applications were received and processed, an increase by 14.2 per cent as compared to 2002-2003 (224,113). The number of Contracting States rose to 128, with the new membership of San Marino in 2004 and those of Comoros, Libyan Arab Jamahiriya, Nigeria and Saint Kitts and Nevis in 2005. Moreover, the International Bureau continued to take steps to move further towards a more extensive automated system.

152. The development of the IPC continued in 2004-2005 on the basis of the established IPC revision and IPC reform programs. The strategic goals of IPC reform were to adapt the IPC to the electronic environment for improved efficiency in retrieval of patent information and to facilitate its use by IP offices and the general public. At its thirty-sixth session, in February 2005, the Committee of Experts agreed that all basic objectives of the reform had been achieved and that the basic period of the reform should be considered complete.

153. The new, eighth, edition of the IPC includes many changes resulting from the process of reform and revision of the IPC. The eighth edition of the IPC was published in the middle of 2005 and entered into force on January 1, 2006.

154. In the process of the accommodation of the IPC to the electronic environment, modern information technologies were widely applied and various IT tools supporting the reformed IPC and its use were elaborated.

155. In the area of the PCT minimum documentation, substantial progress was made in respect of the extension of the non-patent literature (NPL) part of the documentation to include TK periodicals. The TK related project has been concluded resulting in the addition of 13 TK periodicals to the NPL list. This will significantly improve access to TK documentation representing part of the state of the art.

### **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.

156. Progress in developing the international patent system in accordance with the interests and policies of Member States with a view to enhance international cooperation in the area of patent law and practice, was made during two sessions of the SCP in May 2004 and June 2005, during which discussions continued on both the provisions of the draft SPLT and on how to proceed with its work on bringing closer together certain concepts of substantive patent law. While there was wide agreement on the importance of carrying on with that work, Member States expressed divergent views in respect of the SCP's future work program. This

issue was also raised during the WIPO Assemblies in 2004 and 2005. At the latter session, a statement was adopted, which spelled out the procedure for the work on the draft. Firstly, an informal open forum would be held in Geneva in the first quarter of 2006 on all issues that have been raised in the draft of the SPLT or that Member States wish to include in the draft SPLT. Secondly, a three-day informal session of the SCP would be held soon after in Geneva to agree on a work program for the SCP, taking into account the discussions of the open forum. Thirdly, a five-day ordinary session of the SCP would be held to commence work on the work program of the SCP agreed at the informal session of the SCP. Finally, the WIPO Assemblies in September 2006 would consider the progress made with a view to determining a work plan for the following year.

157. Furthermore, among other issues, at the request of the SCP, the Secretariat submitted 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 for discussion by the members of the SCP.

158. Following the entry into force of the PLT, the first session of the PLT Assembly was held in September 2005. The PLT Assembly decided that certain amendments and modifications of the PCT, its Regulations and the Administrative Instructions Under the PCT, which were made since June 2, 2000, applied for the purposes of the PLT, and adopted amendments of the Regulations under the PLT to that effect. Furthermore, the PLT Assembly approved the establishment of consultation processes for the preparation of the Model International Forms and the Request Form.

159. In relation to the new web portal *PatentScope*, a web site that provides links to a number of sites, articles and studies on a non-exhaustive list of current and emerging issues relating to patents was established.

**Performance Indicator(s)**

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

- Continued discussion on the provisions of the draft SPLT and agreement on a part of those.
- Submission of a draft initial study on the concept of “enlarged novelty”.
- Decision by Member States at the WIPO Assemblies in 2005 to carry on with working towards agreement on a work program for the SCP.

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

160. WIPO continued exploring the identification of issues relating to the need and feasibility of revising the Budapest Treaty. In view of other priorities, it was decided, however, not to proceed with concrete proposals for a revision during the period under review. The administration of the Budapest Treaty led, nevertheless, to enhanced cooperation among Member States, International Depositary Authorities (IDAs) and WIPO, which was reflected, *inter alia*, by additional accessions to the Treaty during the biennium.

**Performance Indicator(s)**

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

No decision has yet been requested from Member States on a possible revision of the Budapest Treaty.

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

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

**Performance Indicator(s)**

*Number of adherences or preparations for adherence by Member States:*

- Six countries (Bahrain, Croatia, Denmark, Finland, Romania and the United Kingdom) joined the Patent Law Treaty (PLT), and a number of other countries indicated their intention to ratify the PLT in the foreseeable future.
- Three countries (Andorra, Comoros and Pakistan) joined the Paris Convention.
- Three countries (Armenia, Georgia and Tunisia) joined the Budapest Treaty and three new 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.

162. Work to improve the legal and procedural framework of the PCT continued, 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. Two meetings of the Working Group on Reform of the PCT were convened in the 2004-2005 biennium.

163. At its sixth and seventh session in May 2004 and May 2005, the Working Group on Reform of the PCT approved a number of proposed amendments to the PCT Regulations, with a view to their submission to the PCT Union Assembly for adoption. At the former session, the Working Group also considered certain aspects of copyright and other rights in non-patent literature made available by IP Offices and proposals concerning the working methods of the Working Group. At its session in May 2005, the Working Group felt that further discussion was required with regard to other proposed amendments to the Regulations concerning international publication in multiple languages and improving the quality of international searches. It also decided not to consider further proposals concerning the recording of changes by the International Bureau with effect for the national as well as the international phase of the PCT procedure. The Working Group furthermore noted a request by Switzerland that discussion of its proposals regarding the declaration of the source of GR and TK in patent applications be postponed to its next session, and took note of a presentation



by the International Bureau on the ongoing development of performance indicators to assess the performance of the PCT Operations Department.

164. Based on the preparatory work by the Working Group, the PCT Union Assembly in October 2004 and 2005 adopted amendments to the PCT Regulations, with effect from April 1, 2005, April 1, 2006, and April 1, 2007.

**Performance Indicator(s)**

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

The PCT Union Assembly in October 2004 adopted the proposed 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 adopted by the Assembly in 2002.

The PCT Union Assembly in October 2005 adopted amendments to the PCT Regulations, with effect from April 1, 2006, concerning the all-inclusive designation system, international publication and PCT Gazette in electronic form, the addition of Arabic as a PCT publication language and the addition of patent documents from the Republic of Korea to the PCT minimum documentation, and other amendments to the PCT Regulations, with effect from April 1, 2007, concerning restoration of the right of priority, rectification of obvious mistakes and remedies where elements or parts of an international application are missing.

*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 the 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.

165. Following the 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 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 the 2004-2005 biennium:**

**4,761**

## 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.

166. There was a significant increase in the productivity of PCT Operations in the International Bureau in 2004-2005 compared to the 2002-2003 biennium, illustrated by an increase of 14.2 per cent in the number of applications received and processed, whereas PCT Operations' staff and expenditure decreased by 8.9 per cent and two per cent, respectively.

167. 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. This will be 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 had to process applications with two sets of Regulations and other legal texts and practices, in parallel. While this was a challenging period for the PCT staff, no undue difficulties arose during this transitional period.

### **Performance Indicator(s)**

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

The ratio was 1:318 for the 2004-2005 biennium, which represents a significant productivity gain of 24.7 per cent compared to the 2002-2003 biennium (ratio of 1:255).<sup>2</sup>

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

PCT Operations expenditure decreased by two per cent in 2004-2005 compared to 2002-2003, while the number of PCT applications increased by 14.2 per cent during the same period.

**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.

168. The number of international applications received in 2004 and 2005 was less than the expected figures of 130,500 and 143,000, but nevertheless reflected significant and continuing growth.

169. The number of applications filed with the International Bureau as receiving Office in 2004 and 2005 was significantly higher than the expected 6,500 and 7,000 respectively.

<sup>2</sup> As from December 2004, the staff/international applications ratios take into account the PCT Translation Service. Hence, the ratios for the 2002-2003 biennium have been changed retrospectively to allow for consistent comparisons between the two biennia.

170. 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 would cause such reports to start being issued by International Preliminary Examining Authorities in the first half of 2005. Hence, 38,183 international preliminary reports (Chapter II) on patentability were received by the International Bureau in 2005. As for written opinions, in 2004 and 2005 respectively, 58,054 and 123,382 were issued by International Searching Authorities, out of which the International Bureau converted 34,848 into international preliminary reports (Chapter I) on patentability in 2005.

171. As in recent years, the total number of pamphlets published continued to rise, of which around 24 per cent were 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 and 133,117 (i.e., 256,015) international applications were received and processed in 2004 and 2005 respectively, representing a 14.2 per cent increase compared to 2002-2003 (224,113).
- 55,778 international preliminary examination reports were received under the old system in 2004. In 2005, some 38,183 international preliminary reports (Chapter II) on patentability were received by the International Bureau.
- 58,054 and 123,382 written opinions were issued by International Searching Authorities in 2004 and 2005 respectively, out of which the International Bureau converted 34,848 into international preliminary reports (Chapter I) on patentability in 2005.
- A total of 321,900 pamphlets were published during the biennium, comprising new PCT applications (respectively 112,526 and 125,292 in 2004 and 2005) and republished applications containing previously missing information or additional documents, mostly international search reports issued late by certain International Authorities (44,809 and 39,273 respectively in 2004 and 2005). This represents an increase of 9.4 per cent in the total number of pamphlets published compared to 2002-2003 (294,149).

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

The International Bureau distributed publications and other documents in a timely manner. All documents received late from a number of Offices and Authorities, in particular international search reports, were speedily processed so as to publish and communicate them as soon as possible after receipt by the International Bureau. However, some backlog was observed, which affected, in particular, the translation of international preliminary reports on patentability.

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

As receiving Office, the International Bureau received and processed 7,047 and 7,249 international applications in 2004 and 2005 respectively, i.e., 14,296, which represents an increase of 15.8 per cent compared to 2002-2003 (12,349).

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

172. The operations of the PCT system were improved at the International Bureau through the reinforcement in 2004 and 2005 of measures and a new organizational structure which had been put in place during the previous biennium. This allowed the increasing number of applications to be adequately processed, under both the old and the new system, with less staff and resources. All amendments to the PCT Regulations and to all the 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. Regular feedback was received from Offices and users and tailored responses, comments, and other explanations were provided in a timely manner.

173. A review of procedures to be simplified continued in 2004 and 2005, in particular in respect of 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 increasing numbers 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 and 2005.

**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.

174. 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:*

- In July 2005, a new web portal, *PatentScope* ([www.wipo.int/patentscope/en](http://www.wipo.int/patentscope/en)) was launched, centralizing all patent and PCT-related information so as to provide users with better services, including a patent data section providing access to the complete collection of published international applications filed under the PCT from 1978 to the present day in image format, as well as to the fully searchable text of descriptions and claims for international applications filed after July 1998.
- In 2004, 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 and in 2005 a new web page was created containing a collection of PCT user strategies.
- In 2005, a new publication *Protecting Your Inventions Abroad: Frequently Asked Questions about the Patent Cooperation Treaty (PCT)*, which contains general information about the PCT became available on the PCT web site.
- During the biennium, in addition to the ongoing weekly updates on the Internet site, the PCT Applicant's Guide was substantially revised, through two updated versions, so as to reflect all amendments to the PCT Regulations and other legal texts which entered into force on January 1, 2004 and on April 1, 2005.

- In 2004 and 2005, the PCT Newsletter continued to be issued on a monthly basis, in both electronic and paper versions.
- In 2004 and 2005, respectively, some 110 and 102 seminars, training sessions and presentations on the PCT were provided to a total of about 8,700 and 6,976 participants, in 16 and 30 countries, in seven languages.
- A forum for diplomats was organized at WIPO headquarters in English, French and Spanish in 2004 and 2005.
- In 2005, one regional and one sub-regional training event were organized in Mexico and South Africa, in which the host Office assumed a leading role in the practical aspects of the training, in conjunction with presentations by WIPO officials. These training events were distinct from a PCT seminar as they introduced a new approach, whereby officials from targeted Offices had the opportunity to benefit from individualized, practical sessions on the experience of the host Office as a receiving, designated and elected Office, and its use of patent information.
- In 2005, a training program for officials from a new Contracting State, Nigeria, was held at WIPO headquarters.
- In 2004 and 2005, major users of the PCT system in the United States of America participated in a roundtable meeting, respectively at WIPO headquarters and in New York, at which representatives of the US Patent and Trademark Office and the European Patent Office also participated.
- On the occasion of the WIPO Assemblies in 2004 and 2005 respectively, presentations on the PCT were given to government representatives and other delegates in English, French and Spanish.
- In 2004 and 2005, the national laws of 12 and four States, respectively, 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 2,200 and 2,771 occasions in 2004 and 2005 respectively (four and 7.5 per cent respectively with least developed countries, 15 and 16.8 per cent with certain countries in Europe and Asia, 37 and 39.4 per cent with developing countries, and 44 and 36.3 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.

175. The International Bureau provided swift and tailored responses to legal problems arising in connection with handling of PCT applications by applicants, their agents, receiving Offices, international authorities and the International Bureau. During the biennium, a total of almost 24,000 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 were provided on a total of 4,156 specific PCT applications during the biennium, in respect of which either the applicant and his agent, or 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:*

In 2004 and 2005, legal advice was respectively provided on 1,688 and 2,468 specific PCT applications, to the satisfaction of all parties involved.

*Feedback and reports on problems resolved:*

In most cases concerned, the applications successfully proceeded to the next steps in the international or national phases concerned. 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 in so far as they were able to receive legal advice which they would not have been able to obtain from other Offices or Authorities.

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

176. The International Bureau increased its reliance on outsourcing in 2005 as a means of dealing with the increasing workload in the area of the translation of abstracts and reports. Whereas the International Bureau has, for some years already, outsourced the translation into English of Japanese and Chinese abstracts and reports, it started outsourcing a broader range of language combinations in 2005. This permitted the International Bureau to cope better with a sudden significant increase in its workload, resulting in particular, from the issuance, under the new system, of a written opinion by the International Searching Authorities in every international application. Despite reliance on outsourcing, some backlogs were observed, in particular, affecting the translation of international preliminary reports on patentability. It is intended that these remaining backlogs will be dealt with in the forthcoming biennium.

**Performance Indicator(s)**

*Increase in the number of translations in each category:*

The number of abstracts translated in 2004 and 2005 was 129,649 and 141,310 respectively, i.e., 270,959, which represents an increase of 6.5 per cent compared to 2002-2003 (254,480).

In 2004, some 10,755 international preliminary examination reports were translated, whereas in 2005, 17,007 reports were translated (international preliminary examination reports under the old system, as well as international preliminary reports on patentability under the new system), i.e., a 58 per cent increase compared to 2004.

The number of international search reports translated in 2004 and 2005 was 1,739 and 1,673 respectively.

**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.

177. All changes to the PCT system, which entered into force on January 1, 2004 and April 1, 2005, were in place on time, through internal procedural changes and training at the International Bureau, in addition to all the legal changes reported above. During the biennium, new internal measuring tools were put in place so as to follow filing trends by applicants and by countries. Moreover, a statistical report was created and has been published on the WIPO web site starting in the second half of 2004, with periodical updates.

**Performance Indicator(s)**

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

During the biennium, continued efforts were made to implement and enhance existing administrative policies and practices. Due attention was given to the allocation of working space, as well as to the deployment of the relevant equipment to PCT staff.

Since 2004, a PCT statistical report, which is updated periodically, is available on the WIPO web site.

In July 2005, a new web portal, *PatentScope* was launched, centralizing all patent and PCT-related information.

**Total expenditure (000 Swiss francs) for sub-program 03.2 in the 2004-2005 biennium: 128,641**

### 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.

178. The IPC Revision Working Group, at its four sessions, completed consideration of IPC revision projects aimed at improving the IPC and taking account of technical developments. Recommendations of the Working Group were reviewed by the IPC Committee of Experts at its three sessions held in 2004 and 2005. The Committee approved a large number of amendments which were included in the eighth edition of the IPC. The restricted version of the new edition, its core level, was published in printed form in July 2005. The complete version of the eighth edition, in English and French, was published on the Internet in August 2006. The eighth edition of the IPC entered into force on January 1, 2006.

#### **Performance Indicator(s)**

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

At high levels of the Classification, one new class and five new subclasses relating to new technologies have been created in the eighth edition of the IPC. In total, over 1,400 new entries have been introduced in the IPC. A large number of existing entries have been reconsidered to increase the efficiency of the IPC for searching.

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

179. The accommodation of the IPC to the electronic environment was one of the basic objectives of IPC reform. At its thirty-sixth session, in February 2005, the IPC Committee of Experts agreed that all basic objectives of the reform had been achieved and that the basic period of the reform should be considered complete. The following fundamental changes have been made to the IPC itself and methods of its revision and application: the IPC has been divided into two levels to better satisfy differing needs of users of patent information; IPC Master Files have been generated and used for the production of an Internet version of the IPC enhanced by various electronic means to facilitate classification and search; a new revision procedure providing rapid introduction in the IPC of changes required by technological developments has been established; and, a worldwide bibliographic database of patent documents – the Master Classification Database containing patent documents classified according to a new edition of the IPC – has been created. All documents needed for the use of the reformed IPC, such as the new Guide to the IPC, Guidelines on Classifying Patent Documents, Concept of Operations for the Reformed IPC, Revision Policy and Revision Procedure for the Reformed IPC, have been elaborated and approved by the Committee of Experts. The IPC Revision Working Group has included in the reformed IPC a large amount of electronic data, such as classification definitions and illustrating chemical formulae.

#### **Performance Indicator(s)**

*Completion of the basic period of IPC reform:*

All 19 tasks on the IPC reform program have been completed. Virtually all tasks relating to the realization of the reform results in the IPC have also been finalized.

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

180. The development phase of the CLAIMS project aimed at providing IT support for IPC reform was completed. A new system for the management of IPC revision and publication (RIPCIS) went into the implementation phase. IPC Master Files generated by this system were used for the production of an Internet version of the IPC. Project parts related to automated classification tools, computer-assisted translation tools, a natural language search tool in English and French, and an IPC symbols validation tool have been implemented and made available to WIPO staff, IP offices and other users.

**Performance Indicator(s)**

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

The classification database of the eighth edition of the IPC, including the electronic layer, official Catchword Indexes and the Revision Concordance List, has been created in English and French. In cooperation with the Spanish Patent and Trademark Office, and using a translation assistance tool, the classification database of the Spanish version of the IPC has also been created and published. The automated categorizer, IPCCAT, for classification at high levels of the IPC, was developed in both online and stand-alone versions and is now operational in English, French, German, Russian and Spanish. The natural language IPC search system TACSY was established in English and French.

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

181. A study of the non-patent literature (NPL) of the PCT minimum documentation was carried out with regard to the further improvement of international searches, in particular, by inclusion of TK periodicals. The TK-related part of the study has been concluded and resulted in the addition of 13 TK periodicals to the NPL list. This will significantly improve access to TK documentation included in the state of the art. The NPL list, containing additional information items enhancing its quality and usability, was published on the WIPO web site.

182. A project aimed at developing a Search Guidance Intellectual Property Digital Library (SGIPDL) continued. The objective of the project is to provide assistance to examiners of IP offices in the choice of documentation to be considered when conducting an international search. An initial prototype product, which has been produced by the International Bureau to help in the specification of the requirements for the SGIPDL, is currently being reviewed by representatives of the International Searching Authorities under the PCT.

**Performance Indicator(s)**



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

13 TK periodicals have been included in the NPL list of the PCT minimum documentation. The new NPL list was published on the WIPO web site.

<b>Total expenditure (000 Swiss francs) for sub-program 03.3 in the 2004-2005 biennium:</b>	<b>3,742</b>
---	--------------

<b>Total expenditure (000 Swiss francs) for Main Program 03 in the 2004-2005 biennium:</b>	<b>137,144</b>
--	----------------

## **MAIN PROGRAM 04 - Trademarks, Industrial Designs and Geographical Indications**

183. 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: the development of international law concerning those IP rights (sub-program 04.1); 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, 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 which took place in 2004-2005 included:

- the decision by Member States at the WIPO Assemblies 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;
- the adoption by the Madrid Union Assembly of a fee reduction for the benefit of international trademark applicants from least-developed countries;
- a sharp increase in the number of international trademark applications;
- continued efforts to promote WIPO's international registration systems;
- increased use of automation in relation to the Madrid, Hague and Lisbon Systems;
- a decrease in expenditures resulting from the 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.

**Expected Result:** Revised TLT.

184. In 2004-2005, good progress was made on several key elements of the work aimed at revising the Trademark Law Treaty (TLT). As a result, in 2004, Member States at the WIPO Assemblies approved the convening of a Diplomatic Conference for the Adoption of a Revised TLT in March 2006. The text of the basic proposal for a Revised TLT was agreed upon by the Standing Committee on the Law of Trademarks, Industrial Designs and Geographical Indications (SCT) in April 2005. Other preparatory work for the Diplomatic Conference was also agreed upon in 2005, and Member States at the WIPO Assemblies accepted an invitation by the Government of Singapore to host the Diplomatic Conference in Singapore.

### **Performance Indicator(s)**

*Adoption of the revised TLT by a Diplomatic Conference:*

At its Sessions in April 2004, November 2004 and April 2005, the Standing Committee on the Law of Trademarks, Industrial Designs and Geographical Indications (SCT) discussed proposals for a revision of the Trademark Law Treaty (TLT) and agreed on the text for a basic proposal for a revised TLT.

A preparatory meeting for the Diplomatic Conference took place in April 2005, during which the draft Agenda, the draft Rules of Procedure and the texts of the invitation letters for the Diplomatic Conference were agreed.

In 2004, Member States at the WIPO Assemblies approved the convening of a Diplomatic Conference for the Adoption of a Revised TLT, to be held in March 2006, and accepted, at its Session in September 2005, an invitation by the Government of Singapore to host the Diplomatic Conference in Singapore.

**Expected Result:** Expanded geographical coverage of the TLT.

185. The geographical coverage of the TLT expanded during the period under consideration, as two new States adhered to the TLT. At the end of 2005, the TLT had 33 Member States.

### **Performance Indicator(s)**

*Number of new contracting parties:*

Three new contracting parties (Belgium, Germany and Turkey).

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

186. During the biennium, 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 given the need to avoid ambiguous interpretation. However, the feedback received from SCT Members on the draft summary document was overwhelmingly positive and of such a nature that areas for possible future work in the SCT could be identified.

**Performance Indicator(s)**

*Number of recommendations or guidelines under preparation or adopted:*

Information 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. Following the receipt of comments as well as new replies, the Secretariat circulated an updated document (see documents SCT/14/5 and SCT/14/REV).

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

187. 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 were employed consisting 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:*

In cooperation with the Government of Italy, the biennial WIPO Worldwide Symposium on Geographical Indications was held in Parma in June 2005.

Invitations from seven Member States (Austria, Dominican Republic, Germany, Jamaica, Kuwait, Mexico, Saint Lucia) (governments, academia or private sector), two international IGOs (*Organisation internationale de la vigne et du vin* (OIV) and the World Trade Organization (WTO)) and five NGOs (International Wine Law Association (AIDV), European Brands Association (AIM), International Association for the Protection of Intellectual Property (AIPPI), European Institute of Public Administration (EIPA) and International Trademark Association (INTA)) 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.

188. 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 the 2004-2005 biennium: 3,629**

## 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.

**Expected Result:** 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*

189. 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 2004-2005, the International Bureau received, indexed and gave entry into the examination phase to 63,038 international applications (an increase of 16,021, or 34 per cent, over the previous biennium) and recorded, notified and published 56,548 international registrations (an increase of 12,465, or 28.3 per cent, over the previous biennium). During the same period, the International Bureau also processed (i.e., received, examined, recorded, notified and published) 14,841 renewals (an increase of 2,181, or 17.2 per cent, over the previous biennium), 19,986 subsequent designations (an increase of 5,153, or 34.7 per cent, over the previous

biennium) and 114,579 other changes to existing registrations (an increase of 13,440, or 13.3 per cent, over the previous biennium). The International Bureau also processed 283,606 refusals and related notifications (i.e., grants of protection, final decisions following a refusal, invalidations, disclaimers) received from Offices of Contracting Parties (an increase of 2,064, or 0.7 per cent, over the previous biennium).

190. 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 included 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 System 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 the greater complexity of the procedures, the workload of the International Bureau increased. Additional examination work was required, information technology support programs had to be adjusted and the volume of translation work to be undertaken increased considerably, as expected.

191. The additional workload resulting from the above was partly met through staff redeployment from other areas of the International Bureau, in particular, from the Hague Registry where demand has decreased. In addition, a thorough review of existing internal working procedures under the Madrid System was undertaken with a view to streamlining. To this end, a number of measures were taken that resulted in increased efficiency and productivity gains. Plans for additional measures for work organization and automation of the international procedures under the Madrid System have been developed and were partially implemented in 2005. However, any efficiency and productivity gains achieved could not be matched in the translation stage of the registration process. As a result, as of July 2005, 11.7 translators per month, on average, were hired to deal with a backlog of translation work for examined international applications.

192. 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 fortnightly). As from No. 5/2004, the entire Gazette was printed in-house. A further development took place in 2005, when an on-line version of the Gazette became available on the Internet web site of WIPO (free of charge), next to the paper edition and the CD-ROM version (on a subscription basis).

193. 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.

194. Offices of Contracting Parties were encouraged to communicate with the International Bureau by electronic means. By the end of 2005, the Offices of six Contracting Parties (two more than at the end of the previous biennium) were regularly transmitting international applications and other communications electronically to the International Bureau. Some 20 per cent of the applications filed in 2004, and some 30 per cent of those filed in 2005, were

sent to the International Bureau electronically. In addition, as of 2005, electronic communication is also used by three Offices for the transmission of refusals, statements of grant of protection (two Offices) and modifications (four Offices). By the end of 2005, the number of Offices to which the International Bureau sends Madrid notifications in electronic form had increased to 39 (11 more than at the end of the previous biennium).

195. In 2004, a meeting took place among the users of the Madrid Electronic CommunicATIOn (MECA) system, in order to allow for an exchange of information and discussion of problems and solutions experienced in the use of information technology in connection with the procedures under the Madrid System.

#### *The Hague System*

196. 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 during the period under review. This trend had already been observed 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.

197. In 2004-2005, the number of international applications of industrial designs received by the International Bureau was 2,569 (a decrease of 60.3 per cent over the previous biennium), while the number of registrations was 2,550 (a decrease of 61.7 per cent over the previous biennium). As regards renewals of international registrations, they totaled 7,476 (an increase of 10.5 per cent over the previous biennium).

198. 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 the adaptation of information technology support systems.

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

#### *The Lisbon System*

200. During the reporting period, 18 new international applications were received by the International Bureau. By the end of 2005, some 867 appellations of origin had been registered under the Lisbon System, of which 793 were still in force. The total number of internationally registered appellations of origin in force increased from 779 at the end of 2003, to 793 at the end of 2005.

201. The International Bureau made further progress on the development of an electronic database of the appellations of origin, which have been registered in the International Register under the Lisbon Agreement. The database "Lisbon Express" became available on-line at the beginning of 2005.

**Performance Indicator(s)**

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

Madrid System 2004-2005 statistics:

International registrations:	56,548
Renewals:	14,841
Total (registrations and renewals):	71,389
Subsequent designations:	19,986
Other changes:	114,579
Refusals and related notifications:	283,606

Hague System 2004-2005 statistics:

International registrations:	2,550
Renewals:	7,476
Total (registrations and renewals):	10,028
Total number of designs contained in the registrations:	15,749
Changes:	5,334

Lisbon System 2004-2005 statistics:

International registrations:	18
------------------------------	----

*Timeliness of international registrations and other recordings:*

During the biennium, under the Madrid System, the average time required for the processing of international applications containing no irregularities up to the recording of the corresponding registration was approximately 68 days. By the end of the biennium, the average processing time had been brought down to approximately 46 days. Similarly, the average processing time for the recording of subsequent designations was approximately 45 days during the biennium and was brought down to approximately 33 days at the end of the biennium. The average processing time for the recording of other changes to existing registrations was approximately 42 days during the biennium and was brought down to approximately 35 days at the end of the biennium.

Under the Hague system, the average processing time for the recording of an international registration was 22 days and for the recording of changes to existing registrations was 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 during the biennium increased by 28.3 per cent compared to the previous biennium, while the time spent by relevant staff in the International Bureau for the examination and translation of the international applications concerned (excluding Spanish, which was not yet a working language in the previous biennium) increased by only 16.7 per cent.

As regards modifications to international registrations under the Madrid System, the International Bureau recorded, in the course of the biennium, 17.2 per cent more renewals, 34.7 per cent more subsequent designations and 13.3 per cent more other changes, compared to the previous biennium. The time spent by relevant staff for their examination increased by only 4.7 per cent.

The number of refusals and related notifications recorded in the International Register during the reporting period, under the Madrid System, increased slightly (0.7 per cent) compared to the previous biennium, requiring a corresponding increase in the time spent by relevant staff in the International Bureau for their examination.

Under the Hague System, during the biennium, the International Bureau recorded 61.7 per cent less international registrations, 25.3 per cent less modifications to international registrations and 10.5 per cent more renewals. The number of relevant staff in the International Bureau for their examination decreased by 42.8 per cent.

During the biennium, non-staff expenditures related to the International Registrations Systems decreased by some 797,000 Swiss francs compared to the previous biennium. 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.

202. During the biennium, the membership of the Madrid Union expanded from 74 to 78 Contracting Parties and the accumulated number of Contracting Parties to the three Acts of the Hague Agreement increased from 36 to 42. This resulted in the following geographical distribution:

- Madrid Union: 43 members in Europe, 20 in Asia and the Pacific, 12 in Africa and three in the Americas;
- Hague Agreement: 25 members in Europe, nine in Africa, six in Asia and the Pacific and two in the Americas.

203. 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 was three-fold: 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 Contracting Parties of the Hague Agreement accede to its 1999 Geneva Act; and, to have new Contracting Parties join the Madrid and Hague Systems.

204. In 2004-2005, WIPO continued to organize seminars in Geneva to explain the procedures of the Madrid and Hague Systems to the private sector (trademark owners and IP agents) and national industrial property Offices, and brief them on recent developments. Six such regular seminars took place in the biennium for the Madrid System (four in English and two in French) and three for the Hague System (bilingual English and French).

205. In addition, advisory missions and other meetings were organized for the benefit of users and potential users of the Madrid System in Azerbaijan, Brazil, Canada, China, Cuba, Cyprus, the European Community, France, India, Iran (Islamic Republic of), Japan, Jordan, Kenya, Latvia, Namibia, Nepal, New Zealand, Peru, Pakistan, Sudan, Sweden, Syria, Thailand, Trinidad and Tobago, the United Kingdom and the United States of America. For the benefits of users and potential users of the Hague System, WIPO organized events in Azerbaijan, Brazil, China, Denmark, the European Community, Georgia, Guinea, Iran (Islamic Republic of), Japan, Jordan, Kyrgyzstan, Latvia, Moldova, Norway, Togo, the United States of America and Viet Nam.

206. WIPO experts 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, Brazil, Canada, the Czech Republic, Italy, Jordan, Portugal, Spain, the United Kingdom, the United States of America, and the European Community (Office of Alicante); and in connection with the Hague System, such events took place in Canada, Denmark, the European Community and the United States of America.



207. The Madrid-related pages on the WIPO web site available in English, French and Spanish, were also made available in Arabic, Chinese and Russian and revised in order to make them more dynamic and user-friendly in terms of contents, access and display of documents. These pages are constantly updated to publish or notify of news about the Madrid System. The Madrid Newsletter, a new feature on these pages, was introduced in 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):*

Five States (Bahrain, Croatia, Kyrgyzstan, Namibia and the Syrian Arab Republic) and one IGO (European Community) became party to the Madrid Protocol. The European Community is the first IGO to join the Madrid Protocol. At the end of 2005, the Madrid Protocol had 67 Contracting Parties. At the end of 2005, of the 78 members of the Madrid Union (77 States and one IGO), 45 were bound by both the Agreement and the Protocol, 11 were bound by the Agreement only and 22 were bound by the Protocol only.

Seven States (Croatia, Egypt, Hungary, Latvia, Namibia, Singapore and Turkey) became party to the Geneva Act of the Hague Agreement. At the end of 2005, the Geneva Act had 19 Contracting Parties. Two States (Croatia and Niger) joined the 1960 Act of the Hague Agreement. On December 31, 2005, the 1960 Act had 31 Contracting Parties. Hungary denounced the 1934 Act with 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.

208. The international registration systems must evolve and adapt to new situations and continue to respond 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. Furthermore, an *Ad hoc* Working Group was convened in 2005 to make recommendations to the Madrid Union Assembly concerning the review of the refusal procedure and the safeguard clause envisaged in the Madrid Protocol, and possible amendments to the Common Regulations under the Madrid Agreement and Protocol. In addition, with a view to improving the ability of trademark owners from least developed countries (LDCs) to benefit from the Madrid System, the Common Regulations under the Madrid Agreement and Protocol were amended in order to provide for a reduction in the amount of the basic fee payable in connection with the international registration of a mark under the Madrid System for applicants originating from LDC members of the Madrid Union. The Assembly of the Madrid Union approved this amendment in September 2005 (entry into force on January 1, 2006).

**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 in order 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.

Reduced fees for applicants from least developed countries were approved by the Assembly of the Madrid Union at its September 2005 session (entry into force January 1, 2006).

An *Ad hoc* Working Group was convened in July 2005 to make recommendations to the Madrid Union Assembly on the legal development of the Madrid system.

<b>Total expenditure (000 Swiss francs) for sub-program 04.2 in the 2004-2005 biennium:</b>	<b>36,682</b>
---	---------------

### **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.

<b><u>Expected Result:</u></b> Improved and updated international classifications.
--

209. The recommendations made by the Preparatory Working Group of the Committee of Experts of the Nice Union, at its twenty-fourth and twenty-fifth sessions in 2004-2005, were submitted for discussion and approval by the Committee of Experts at its twentieth session, held in Geneva in October 2005. At this session, which marked the end of the five-year period of revision of the eighth edition of the Nice Classification, the Committee of Experts adopted a certain number of modifications to that edition which, along with those adopted in its previous session in October 2003, will be introduced in the new (ninth) edition of the Classification. This new edition will be published mid-2006 and will enter into force on January 1, 2007.

210. A new (eighth) edition of the Locarno Classification, published in September 2003, became applicable as from January 1, 2004. At the same time, the (1.4) version of the NIVILO:CLASS CD-ROM was published containing the new (eighth) edition of the Locarno Classification and the current editions of the Nice and Vienna Classifications (eighth and fifth, respectively). The CD-ROM was distributed to industrial property Offices in Member States.

211. The Committee of Experts of the Locarno Union held its ninth session in November 2005. One of the most important decisions of the Committee was the creation of a new class (Class 32: Graphic symbols and logos, surface patterns, ornamentation) in order to provide for the classification of two-dimensional designs. The Committee decided to extend the revision period by two years and will hold another session in 2007, before the current revision period is closed and a new edition of the Locarno Classification published, in mid-2008. This new edition will be applicable as from January 1, 2009.

**Performance Indicator(s)**

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

**Nice Classification.** The Preparatory Working Group of the Committee of Experts of the Nice Union met twice and adopted 43 new entries and changes to the eighth edition of the Nice Classification. At its session in October 2005, the Committee of Experts considered 303 proposals for modification and adopted 202 thereof. As a result, the new (ninth) edition of the Nice Classification, applicable as from January 1, 2007, will contain 340 modifications (138 as adopted by the Committee of Experts in 2003 and 202 as adopted in 2005). These changes concern 135 additions (37 as adopted in 2005), 89 deletions (74 as adopted in 2005), 96 changes in existing indications or transfers from one class to another (77 as adopted in 2005) and 20 changes in class headings and/or explanatory notes (14 as adopted in 2005).

Four new Recommendations (Nos. 16 to 19) were circulated to the members of the Nice Union and observers in the Committee of Experts and the Preparatory Working Group of the Nice Union. These Recommendations were also posted on the WIPO web site. They relate to 14 new indications of goods and/or services not yet appearing in the alphabetical list of the Nice Classification.

**Locarno Classification.** On January 1, 2004, a new (eighth) edition of the Locarno Classification entered into force.

In November 2005, the Committee of Experts of the Locarno Union held its ninth session, at which it considered 101 proposals for modification and adopted 52 thereof. The adopted modifications concern the creation of a new class, 46 additions and five transfers from one class to another.

In 2004, the new (eighth) edition of the Locarno Classification was published on the WIPO web site, in English and French.

In January 2004, the NIVILO:CLASS CD-ROM (version 1.4) was published, which incorporates the new (eighth) edition of the Locarno Classification, in English and French.

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

212. General knowledge on the proper application of the international classifications continued to be provided through correspondence, classification reports, publication of recommendations, organization of training programs and presentations to Industrial Property Offices and to the general public. Advice was also provided regularly on the proper application of the international classifications, as requested by industrial property Offices, searching institutions and the public at large.

**Performance Indicator(s)**

*Number of industrial property Offices using the International classifications:*

Six States became bound by the Nice Agreement (Armenia, Bahrain, Egypt, Jamaica, St. Kitts and Nevis and the Syrian Arab Republic). At the end of 2005, the Nice Agreement had 78 Contracting Parties and the Industrial Property Offices of 155 States and three organizations were using the Nice Classification.

Two States (Armenia and Jamaica) became bound by the Vienna Agreement. At the end of 2005, the Vienna Agreement had 21 Contracting Parties and the industrial property Offices of 51 States and three organizations were using the Vienna Classification.

Two States (Belgium and Latvia) became bound by the Locarno Agreement. At the end of 2005, the Locarno Agreement had 45 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 295 reports giving advice on the correct

classification of indications of goods and/or services were provided to industrial property Offices, at their request.

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

Training was provided on the Nice Classification to staff of the National Industrial Property Offices of Bhutan, Kenya, Nepal, South Africa, Sri Lanka, St. Lucia, and St. Vincent and the Grenadines; on the Vienna Classification to staff of the Offices of Bhutan, Cambodia, Kenya, Nepal, South Africa, St. Lucia, and St. Vincent and the Grenadines; and on the Locarno Classification to staff of the Offices of Kenya and South Africa.

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 three International Classifications to the participants in the Postgraduate Specialization Course on Intellectual Property at the WIPO Worldwide Academy, in Geneva; of the Nice Classification at a Sub-Regional Workshop on the Nice and Vienna Classifications, in Uruguay, and at a seminar organized by an NGO, in Geneva.

General information and advice on the Locarno Classification was provided to representatives of a NGO, in Paris.

<b>Total expenditure (000 Swiss francs) for sub-program 04.3 in the 2004-2005 biennium:</b>	<b>1,169</b>
---	--------------

<b>Total expenditure (000 Swiss francs) for Main Program 04 in the 2004-2005 biennium:</b>	<b>41,480</b>
--	---------------

## **MAIN PROGRAM 05 - Copyright and Related Rights**

213. The main focus of the Program on Copyright and Related Rights during the biennium remained the strengthening of the international copyright and related rights system through more effective management of literary and artistic works and other objects of protection. In this process, all interested parties, creators, governments, industry, civil society and consumers, were encouraged to play active roles.

214. In addition, WIPO assisted developing countries and certain countries in Europe and Asia in maximizing their use of the copyright and related rights system for economic development. A major achievement included WIPO's contribution to the preparation of a new version of the Model Copyright Law for CIS countries, which was adopted by the Interparliamentary Assembly of the CIS Countries on November 18, 2005.

215. 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. During the biennium, 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.

216. Membership of the WIPO Copyright Treaty (WCT) and the WIPO Performances and Phonograms Treaty (WPPT) increased steadily during the biennium, and almost half of the Contracting Parties received legal advice on the effective implementation of the treaties.

217. Regular contact was maintained with government officials of Member States, IGOs and NGOs, including private sector bodies and universities, highlighting the contribution of copyright protection to wealth creation and its use as a tool for cultural management.

### **Performance Indicator(s)**

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

Twelve new Contracting Parties to the WCT (Albania, Armenia, Bahrain, Botswana, Dominican Republic, Jordan, Kazakhstan, Oman, Qatar, Republic of Korea, Singapore, and United Arab Emirates) bringing the total number of Contracting Parties to 56.

Thirteen new Contracting Parties to the WPPT (Armenia, Bahrain, Botswana, Cyprus, Dominican Republic, Indonesia, Jordan, Kazakhstan, Oman, Qatar, Singapore, the former Yugoslav Republic of Macedonia and the United Arab Emirates) bringing the total number of Contracting Parties to 55.

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

Twenty seven countries received advice on implementing the two treaties.

*Meetings and missions on substantive copyright issues organized by WIPO:*

87 staff missions were carried out in connection with regional, sub-regional and national seminars, conferences and consultations organized by governmental and semi-governmental authorities, universities, non-governmental bodies and the private sector. One study visit from a representative of a developing country.

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

218. During the biennium, the WIPO Assemblies twice 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 such issues to enable a new treaty to be established. The issue will be on the agenda of the WIPO Assemblies in September 2006.

**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 was held in November 2004. At that meeting, a "Study on Transfer of the Rights of Performers to Producers of Audiovisual Fixations: Conclusion",<sup>3</sup> was presented for the consideration of all delegations. Member States agreed to continue to keep the topic under review at their annual meetings.

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

219. During the biennium, 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. A second revised consolidated text was prepared for regional consultations that, at the request of governments, took place in 2005. Member States at the WIPO Assemblies decided, in September 2005, that two additional meetings of the SCCR would be scheduled to accelerate discussions. These meetings would aim to agree upon and finalize a Basic Proposal in order to enable Member States at the WIPO Assemblies, in September 2006, to recommend the convening of a Diplomatic Conference in December 2006, or at an appropriate date in 2007. At the first of these Standing Committee sessions, in November 2005, Member States discussed the second revised consolidated text.

**Performance Indicator(s)**

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

Based on discussions at the November 2005 session of the SCCR, a draft Basic Proposal will be discussed at the May 2006 session of the Committee. Member States at the WIPO Assemblies will consider recommending the convening of a Diplomatic Conference in December 2006 or at an appropriate date in 2007.

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

220. The SCCR continued to consider international protection of non-original databases that 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 journals or other sources of information in the public domain. The Committee decided to revisit the matter only when requested by Member States.

---

<sup>3</sup> Document AVP/IM/03/4 Add.

**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. The issue will henceforth only be on the SCCR agenda when it is requested by Member States.

**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.

221. The SCCR discussed, at its thirteenth session in November 2005, an item concerning exceptions and limitations to rights for the purposes of education, libraries and disabled people. In connection with the SCCR session, information meetings on Digital Content for the Visually Impaired and on Educational Content and Copyright in the Digital Age were organized by WIPO.

222. 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. WIPO also participated in the African Copyright Forum Conference in Kampala, in November 2005.

**Performance Indicator(s)**

*Number of new issues examined by the SCCR:*

The SCCR decided to examine exceptions and limitations to rights for education, libraries and disabled persons at its session in 2005.

*Preparatory work undertaken by the Secretariat on the review of emerging issues:*

At the request of Member States at the November 2005 session of the SCCR, studies of the implementation of limitations and exceptions in national law are being prepared.

<b>Total expenditure (000 Swiss francs) for sub-program 05.1 in the 2004-2005 biennium:</b>	<b>5,693</b>
---	--------------

## 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.

223. In 2004, WIPO commissioned 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: the educational community involved in digital distance learning and visually impaired persons. The study is scheduled to be completed in 2006.

### **Performance Indicator(s)**

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

The largest number of participants in international conferences attended by the Copyright and Related Rights Sector were in 2004 and 2005 respectively:

- The Wizards of OS 3: The Future of the Digital Commons, Berlin;
- Creative Economy Conference, London.

*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 both 2004 and 2005.

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

Study on the possible use of Digital Rights Management tools to implement copyright limitations and exceptions is scheduled to be completed in 2006.

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

224. 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. The Guide includes practical information on licensing of several categories of works, including literary, musical, graphic and pictorial works, motion pictures, multimedia entertainment, education products and computer software. Internationally renowned authors deal with specific industries, providing an overview of the general business and legal principles involved in the licensing of copyright and related rights, including collective management. WIPO also continued to explore new ways in which rights under copyright are being used and licensed, including under the Creative Commons system.

### **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.

225. WIPO continued to raise awareness of the technological, legal and policy developments underlying digital rights management technologies, and to assist rightsholders to develop strategies for managing their rights in the digital environment. WIPO also continued to cooperate with the United Nations Commission on International Trade Law (UNCITRAL) on development of a legislative guide on secured transactions, which 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 rightsholders to use their IP as assets in securing cost-effective finance. In May 2005, WIPO organized an Informal Expert Consultation on Security Interests in Intellectual Property, building on previous awareness-raising activities among the rightsholders community concerning the UNCITRAL legislative guide. In October 2005, WIPO participated in the 34<sup>th</sup> the International Federation of Reproduction Rights Organizations (IFRRO) General Assembly and Seminar on Creating Copyright Access in Madrid, which focused on emerging tools for ensuring access to copyright works in digital form.

**Performance Indicator(s)**

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

Contribution to the development of 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.

226. WIPO continued to promote the use of copyright and related rights as a tool for economic growth, and assist policymakers to assess their implications and potential uses in promoting respect for intellectual property rights.

**Performance Indicator(s)**

*Number of national public awareness activities organized by Member States:*

Several Member States organized activities for World IP Day, in which the public awareness of copyright and related rights played a part.

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

WIPO participated in the following events:

- 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.
- Digital Media Project Workshop on Analogue Legacies in the Digital Age, in Barcelona.
- Creative Economy Conference, in London, attended by business leaders and policymakers in the entertainment and media industries.

WIPO organized jointly with CISAC an Asian sub-regional Joint Colloquium for the Judiciary on Copyright and Related Rights (Singapore, November 2005).

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

227. Dialogue was expanded with the private sector, including consumers and civil society, during the preparatory meetings for the World Summit on the Information Society (WSIS) in Tunis, in 2005, as well as the Trans-Atlantic Consumer Dialogue. In June 2005, WIPO hosted an Online Forum on Intellectual Property in the Information Society, in which 374 contributions were posted on ten themes that included, *inter alia*, the role of IP in promoting access to content, sharing of knowledge in digital form, providing incentives to creativity and innovation and protecting TK, and enforcement of rights in a global digital marketplace. The Online Forum was recognized as a Thematic Meeting constituting a major WIPO contribution to Phase II of the WSIS.

228. In the field of software, WIPO continued to monitor international developments, and to raise awareness of the role of IP in supporting licensing models, including open source. In addition, WIPO attended several events which addressed software developments.

**Performance Indicator(s)**

*Documents prepared for the World Summit on Information Society:*

WIPO attended two discussion meetings of the WSIS in 2004, and hosted an Online Forum on Intellectual Property in the Information Society in June 2005.

*Contributions to major international conferences on copyright issues:*

WIPO participated in the following events:

- Meeting of the Trans-Atlantic Consumer Dialogue.
- The Asia-Pacific Regional Symposium on Emerging Issues in Copyright Protection in the Digital Environment, New Delhi, October 2004.
- The Computer Law Association First International Asian Conference, Bangalore, February 2005.
- Second Latin American and Caribbean Conference on Free Software Development and Usage, Recife, October 2005.
- 4<sup>th</sup> International Conference on IPRs of Software in the Asia-Pacific Region, Seoul, November 2005.

*Training programs developed or attended by WIPO:*

Four training workshops were organized by WIPO in 2004 concerning open source software developments. In 2005, WIPO participated in three events in Latin America where software protection issues were discussed, including open source.

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

229. 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, in Singapore, in August 2004.

**Performance Indicator(s)**

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

A training course was 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.

230. WIPO's relationship with key beneficiaries of copyright exceptions and limitations, including the visually impaired community, libraries, and archives institutions was strengthened during the biennium. WIPO took part in various meetings and seminars aimed at discussing the best ways to exercise such exceptions while ensuring balanced protection of underlying rights.

**Performance Indicator(s)**

*Information products and practical tools developed by WIPO:*

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

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

231. In the field of the digital content industries, such as music and online publishing, WIPO contributed text and analysis to the report *Digital Music: Opportunities and Challenges*, released in June 2005 by the Organization for Economic Cooperation and Development (OECD).

**Performance Indicator(s)**

*Institution development assistance to creative communities:*

Assistance provided to OECD in preparing a report on the digital broadband content industries.

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

232. WIPO published a *Guide to the Copyright and Related Rights Treaties Administered by WIPO* and *Glossary of Copyright and Related Rights Terms*. These related publications clarify and explain the legal principles enshrined in the Copyright and Related Rights Treaties administered by WIPO, including 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 the 2004-2005 biennium: 1,089**

**Total expenditure (000 Swiss francs) for Main Program 05 in the 2004-2005 biennium: 6,782**

## MAIN PROGRAM 06 - Arbitration and Mediation Center

233. Disputes interfere with the successful use and commercialization of IP rights. Providing efficient dispute resolution options is therefore an important challenge for international IP policy. In response, WIPO, through its Arbitration and Mediation Center, provides procedures which allow parties to resolve their disputes outside of national court systems. Their increased use may be partly due to the Center's awareness-building activities, which include the publication of new information material, the organization of conferences and training workshops, and its continuously updated and expanded web pages.

234. With the introduction of an Electronic Case Facility (WIPO ECAF), the Center has gained further experience as a provider of online-based dispute resolution mechanisms. In addition to its role as the leading provider of dispute resolution services under the Uniform Domain Name Dispute Resolution Policy (UDRP), the Center, on a policy level, represented WIPO in various fora where matters of domain name policy were discussed.

### 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.

<b>Expected Result:</b> Increased conventional arbitration and mediation caseload.
--

235. In the 2004-2005 biennium, the Center processed 16 cases under the WIPO Mediation, Arbitration, and Expedited Arbitration Rules, as compared to 12 such cases in the previous biennium. The underlying disputes related to patent, trademark and copyright licenses, software development agreements, IP-related employment contracts, copyright collecting societies, and patent infringements. In addition, the Center administered 43 cases under arbitration and mediation rules specifically designed for particular country-code Top Level Domains (ccTLDs); procedures which are legally distinct from the administrative procedures mentioned under sub-program 06.2.

236. To further enhance the time- and cost-efficient administration of WIPO mediation and arbitration proceedings, the Center, in 2005, introduced an Electronic Case Facility that allows parties and all other actors in a case under the WIPO Mediation, Arbitration, and Expedited Arbitration Rules to submit communications electronically into a secure online docket. In addition to facilitating online communication, storage and search of submissions, this new tool provides a concise overview of case-related information.

237. During the reporting period, the Center continued to produce and disseminate information on the options for the out-of-court settlement of IP disputes. As part of this activity, the Center published a *Guide to WIPO Arbitration*, issued updated versions of its *Guide to WIPO Mediation* and its *Guide to WIPO Domain Name Dispute Resolution*, and edited two volumes of the UNCTAD Course on Dispute Settlement. The Center organized ten workshops on matters of arbitration, mediation and domain name dispute resolution and, in 2005, held a WIPO Conference on Dispute Resolution in International Science and Technology Collaboration, which attracted some 150 participants from 39 countries. The

Center answered more than 11,000 information requests (mostly online) and made presentations to specific audiences of IP stakeholders, including at WIPO-hosted seminars and meetings. With the continuous addition of new content, the Center's web pages have become the second most visited of WIPO's web site.

**Performance Indicator(s)**

*Number of cases under WIPO rules:*

The Center administered six arbitration and 10 mediation procedures under the WIPO Rules, as well as 43 cases under separate WIPO-administered domain name arbitration and mediation rules.

*Number of requests for appointment of WIPO arbitrators and mediators:*

In addition to the above-mentioned WIPO cases, the Center handled six requests for referrals of WIPO mediators and arbitrators.

<b>Total expenditure (000 Swiss francs) for sub-program 06.1 in the 2004-2005 biennium:</b>	<b>3,190</b>
---	--------------

## **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.

<b><u>Expected Result:</u></b> Effective IP protection in the generic Top Level Domains (gTLDs).
--

238. During the 2004-2005 biennium, the Center administered 2,632 UDRP-based domain name cases, an increase of 325 cases or 12 per cent over the number of cases filed in the previous biennium; 2005 alone saw a 20 per cent increase over the preceding year. The total number of cases administered by the Center since the UDRP took effect in December 1999 has grown to 8,354. These cases were administered in 12 languages and involved parties from 129 countries.

239. To further facilitate decision-making and party filing under the UDRP, the Center posted on its web site the "WIPO Overview of WIPO Panel Views on Selected UDRP Questions." This new information tool summarizes decision trends on key procedural and substantive issues that commonly arise in proceedings under the UDRP. The Overview includes decision references supporting each line of opinion, with over 100 decisions from over 80 different UDRP panelists listed. It further enhances the consistency and predictability of decision-making under the UDRP.

240. In the context of its domain name policy work, the Center published, in 2005, a new report on the IP implications of introducing additional gTLDs. This report, "New Generic Top-Level Domains: Intellectual Property Considerations," is based on WIPO's experience in the area of IP protection in the domain name system (DNS) and was presented to the Internet Corporation for Assigned Names and Numbers (ICANN), which oversees the functioning of the DNS. The Center represented WIPO in its discussions with ICANN and its various constituencies, in particular in follow-up on the recommendations made by WIPO Member States in the context of the Second WIPO Internet Domain Name Process. The Center also

contributed to the Working Group on Internet Governance “to investigate and make proposals for action, as appropriate, on the governance of the Internet.”

**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:*

WIPO General Assembly decisions on the protection of country names and the names and acronyms of IGOs continued to be under consideration by ICANN.

*Number of gTLD cases resolved: 2,632*

**Expected Result:** Effective IP protection in the country-code Top Level Domains (ccTLDs).

241. The Center assisted in the creation of dispute policies for a number of ccTLD registries that called upon the Center for policy and drafting advice. The 11 additional registries that designated the Center as dispute resolution provider in the reporting period brought the total of such ccTLDs to 46. The Center’s domain name caseload included 161 ccTLD names, an increase of 100 per cent over the previous biennium (81 cases).

**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 domain name dispute resolution mechanism for 11 additional ccTLDs.

*Number of ccTLD cases resolved: 161*

**Total expenditure (000 Swiss francs) for sub-program 06.2 in the 2004-2005 biennium: 2,365**

**Total expenditure (000 Swiss francs) for Main Program 06 in the 2004-2005 biennium: 5,555**

## **MAIN PROGRAM 07 - Selected Issues of Intellectual Property**

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

243. The WIPO Intergovernmental Committee on Intellectual Property and Genetic Resources, Traditional Knowledge and Folklore (IGC) laid solid foundations for the development and enhancement of fundamental international elements for the protection of TK and TCEs. It commissioned and reviewed two sets of draft policy objectives and core principles to protect TK and TCEs against misappropriation and misuse. It also progressed a range of practical initiatives for capacity building, legal and policy guidance and defensive

protection against illegitimate patenting of TK. The need for inclusiveness continued as a major focus in the IGC's work. The list of NGOs specially accredited to the IGC grew to over 120, the majority representing indigenous and local communities, and the WIPO General Assembly decided to establish a Voluntary Fund to support the participation of these communities.

244. WIPO continued its work in supporting and informing international policy discussion in the field of life sciences, and contributing to a practical understanding of IP issues in this domain. 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, medical innovation on neglected diseases, and bioethics.

245. With respect to IP enforcement issues and strategies, an understanding of principles and implementation of IP enforcement obligations were actively promoted on the national and international levels. To this end, WIPO continued to cooperate with Member States, IGOs and NGOs, and the European Commission, on their specific IP enforcement related programs. During the period under review, the work of the WIPO Advisory Committee on Enforcement (ACE) was reviewed at the WIPO Assemblies, and encouraged to continue its work. Given the key role of the judiciary in the enforcement of IPRs, 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.

## **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 (folklore) and associated genetic resources.

<p><b><u>Expected Result:</u></b> 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>
---

246. The IGC 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 advanced towards concrete outcomes in the form of two sets of draft policy objectives and core principles for the protection of TK and TCEs. It established a specific consultation and commentary process to enable widespread review and commentary on these provisions, which reached a mature stage in 2005. These provisions distilled and captured the essence of the extensive past policy debate and legal analysis undertaken by the IGC. The provisions were supplemented by outlines of the policy options and legal mechanisms that are being used in practice to give effect to these objectives and principles to serve as complementary capacity-building resources for policymakers and communities. This work helped move towards a consensus on the context and substance of protection for the benefit of holders of TK and TCEs, while

promoting convergence on the appropriate vehicle or vehicles for articulating and giving effect to these principles.

247. The IGC developed the elements of an integrated platform for continuing international policy and legal development, including:

- Mature drafts of the 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, and to support negotiation and legislation of *sui generis* protection mechanisms;
- The elaboration of a database on approaches taken to managing IP in the context of access and benefit-sharing of GR and related TK, and the development of guidance on practical IP questions that arise in concluding mutually agreed terms for use of GR;
- A strengthened basis for defensive protection of TK and GR, 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;
- Launch of focused consultations and study processes on key issues of concern to communities and policymakers, such as appropriate practices in archiving or collecting elements of traditional cultural heritage, and the recognition of the customary law of indigenous and local communities.

248. The work of WIPO was marked by close cooperation with other UN entities. WIPO prepared two detailed studies, successively 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 GR and TK. This work was received with appreciation by the Conference of Parties (COP). WIPO also provided technical input and other forms of support on IP issues related to TK, TCEs and GR to a range of other agencies and processes such as, the CBD, the Commonwealth Secretariat, FAO, UNEP, UNESCO, the UN Permanent Forum on Indigenous Issues, the UN Commission on Human Rights, the United Nations University, and the World Bank. It undertook close cooperation and practical coordination with key regional bodies such as the African Union, ARIPO, ASEAN, the African-Asian Legal Cooperation Organization, the Andean Community, OAPI and SAARC. It contributed to policy dialogue convened and promoted by many NGOs, including civil society and industry groups, public policy organizations, and especially the representatives of the indigenous, local and other cultural communities.

249. Coordinated with the work of the IGC, continued capacity-building and policy information were provided for TK holders and bearers of TCEs, national authorities and regional bodies, including: advice on *sui generis* protection options for several regional bodies and an increasing number of 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 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, academic and research institutions, the WIPO Worldwide Academy, and other educational and training institutions.

250. 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: the IGC established a practice of opening each session with a panel, chaired by an indigenous or local community representative, to present community perspectives on the issues before the IGC; a dedicated web site was established to present NGO perspectives; and the IGC commissioned, developed and agreed upon a proposal to establish a voluntary fund aimed at financing the participation of local and indigenous communities to the IGC. This voluntary fund was then formally established by the WIPO General Assembly. An active program was then undertaken to attract funding, and to promote active use of the fund by potential beneficiaries.

**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 Member States on policy issues:*

**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 120.
- Acceptance and development 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.
- Specific recommendations on WIPO's work provided by organs such as the United Nations Permanent Forum on Indigenous Issues and the CBD.

**Feedback from Member States on substantial issues:**

- Widespread use of the draft WIPO materials on the protection of TK and TCEs as a conceptual basis, textual source or benchmark for national and regional texts, and in other international processes such as the CBD, the Human Rights Commission and the African-Asian Legal Cooperation Organization.
- The CBD COP noted with appreciation the WIPO Technical Study on patent disclosure requirements relating to GR and TK 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 GR 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 this biennium decisively shifted beyond the foundation of 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 consultative refinement of the two sets of draft provisions for protection of TCEs and TK. These texts were used as inputs, textual elements, and resources in a range of other international, regional and policy processes.
- Upon the invitation of the CBD, WIPO developed and provided to the CBD a second, authoritative study on the question of patent disclosure requirements relating to TK and GR, building further on the first well-received study on the basis of extensive, widespread stakeholder consultation and Member State direction.
- The General Assembly agreed on the creation of a voluntary fund aiming at financing the participation of local and indigenous communities to the IGC.
- A panel of indigenous and local community representatives was established and financed as a component of IGC sessions as part of a coordinated program of strengthening the voice of holders of TK and TCEs in WIPO's norm-building work.

<p><b>Expected Result:</b> 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.</p>
---

251. Despite substantial budgetary constraints, numerous legal-technical assistance and capacity building activities in the field of IP and associated GR, TK and TCEs continued to be developed and implemented, at the request of stakeholders. Comments and background information on the protection of TCEs, TK and associated GR were also provided to a range of countries and IGOs. Capacity building materials and policy tools continued to be developed in response to evolving demand and articulated needs. WIPO and UNEP jointly launched a major study on the role of IP in access to GR and equitable benefit-sharing. In line with IGC guidance, WIPO initiated focused study processes on the IP-related issues arising in the safeguarding of intangible cultural heritage, and on the interaction between indigenous customary law, the IP system and the protection of TK and TCEs. A range of new patent information products to support international policy discussions in areas such as plant GR and biodiversity was initiated in consultation with other international agencies.

252. The topics of TK and TCEs were increasingly incorporated in WIPO training and capacity building activities. Capacity-building and policy information were provided for bearers of TCEs and 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 cooperation activities, such as the Indigenous Fellow Program in Geneva, directly supported a range of south-south cooperation initiatives on questions concerning the protection and appropriate safeguarding of TK, and supported consultations on the development of regional instruments for protection of TCEs and TK.

253. 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 development of a series of publications, including booklets on TK and TCEs for a general audience, as well as more specialized briefing papers and studies. These included the fresh consultative and study processes on IP issues relating to safeguarding cultural heritage and on customary law.

254. Dialogue and cooperation between the WIPO Secretariat and other UN fora, especially between WIPO and the United Nations Permanent Forum on Indigenous Issues, the CBD, FAO and UNESCO, intensified under the guidance of Member States. Consequently, IP and respect and acknowledgement of TK, TCEs and associated GR 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. The textual and conceptual elements of the draft WIPO instruments were widely used as a benchmark and resource in many national and international policy processes aimed at curbing the misuse and misappropriation of TK and TCEs. The technical work of WIPO on patent disclosure issues related to GR and TK informed and clarified the work of other international processes dealing with this topic.

**Performance Indicator(s)**

*Number of policy and practical tools applied in practice:*

WIPO texts and studies on TK and TCEs were widely used as the basis for analysis, drafting and implementation of options for laws to protect this material against misuse and misappropriation, including at national, regional and international levels.

Participation of WIPO in the UN Permanent Forum on Indigenous Issues and the related interagency support group continued to grow, and the Forum passed to WIPO its recommendations derived from the Millennium Development Goals and other policy concerns of indigenous peoples.

UNEP and WIPO together launched a joint study on IP aspects of access and benefit-sharing relating to GR and TK, which provided extensive analysis of the costs and benefits of various approaches, based on three case studies from India, Mali, and Nigeria, which has served as a valuable resource for policymakers, communities and other stakeholders.

*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 GR for training, comments and 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 GR 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.

255. The work of the IGC and related consultations and policy forums has created a clearer framework for the international policy dialogue and debate that is necessary to provide a firm foundation for more effective legal mechanisms for protection of TK, TCEs and IP aspects of GR. Capacity-building and technical support activities, aimed at developing countries and the communities themselves that develop and maintain TK and TCEs, also aim to ensure both the effectiveness of existing instruments, and the relevance and effectiveness of new instruments capable of protecting TK and TCEs against misuse and misappropriation. The underlying goal of effective protection has been clarified as ensuring that the communities that hold TK and TCEs have a greater capacity and legal say over the manner in which their intellectual and cultural heritage is used, as the basis for charting their own course towards sustainable development while maintaining cultural diversity.

256. WIPO has built up a body of policy-based analysis and surveys and analysis of use of existing laws and legal mechanisms, and proposed 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 has helped focus on the core concepts and issues relating to protection of TK and TCEs. The IGC's work itself, and the Secretariat activities under the IGC's guidance, both moved in this biennium to a more practical phase, focusing on concrete and specific provisions and actions.

**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:*

WIPO texts and materials on TK, TCEs and GR were widely cited and directly used in an increasing number of policy and legislative processes, academic and NGO studies and proposals, and have helped form and

define productive partnerships with cooperating agencies and processes at the international level. WIPO comments, input and practical support were sought on a range of national and regional provisions on TK and TCEs.

WIPO contributed to meetings held by other UN or non-UN organizations regarding TK, TCEs and associated GR, such as those convened by the International Plant Genetic Resources Institute, the WTO, the EPO, UNESCO, WHO, ILO, the UN Permanent Forum on Indigenous Issues, the Commission on Human Rights, the International Seed Federation, the International Centre for Trade and Sustainable Development (ICTSD), UNCTAD, TransAtlantic Consumer Dialogue, the United Nations University (UNU), FAO, the CBD, ARIPO, OAPI, as well as numerous WIPO Member States, including a range of regional consultations convened at the request of Member States.

<b>Total expenditure (000 Swiss francs) for sub-program 07.1 in the 2004-2005 biennium:</b>	<b>3,408</b>
---	--------------

## **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.

<b><u>Expected Result:</u></b> Enhanced international debates and national policy developments concerning life sciences and IP issues.
--

257. 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. 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. Under this program, 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.

258. 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. This included substantive contributions to the work of the WHO, such as the Global Forum on Health Research, UNESCO and the UN Interagency Committee on Bioethics, and the FAO. Preliminary steps were taken to establish patent landscapes on

key technologies in the life sciences domain to provide a neutral but informative input to international policy processes dealing with this key policy area. WIPO provided input to a range of collaborative analytical processes, including those with a focus on assessing new forms of innovation for public welfare, such as the WHO Commission on Intellectual Property, Innovation and Public Health and the International Assessment of Agricultural Science and Technology for Development (IAASTD). Specific outputs were delayed due to human resources limitations in the latter part of the biennium.

**Performance Indicator(s)**

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

An enhanced base of practical and factual information to help inform policy choices on IP-related questions arising in this public policy area. Groundwork laid for a suite of issues papers, empirical studies and patent landscapes 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 UN 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.

259. 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. Tailored information materials and presentations were provided in response to these requests. WIPO was also requested to provide input into a range of collaborative international policy processes, which will in turn provide coordinated policy guidance to Member States.

**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 ultimate quality and impact, therefore, cannot yet be ascertained, although informal consultations and feedback, as well as a collaborative approach to development of these materials, has been well received by the diverse stakeholders consulted.

Total expenditure (000 Swiss francs) for sub-program 07.2 in the 2004-2005 biennium:	654
--	-----

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

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

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

260. During the period under review, a number of delegations from Member States were received, in addition to members of the judiciary from China, Romania and the Sudan, to discuss and analyze enforcement issues in administrative procedures and IP litigation. An understanding of the principles and implementation of enforcement obligations was also actively promoted in a series of training activities in all regions, in particular, for judges (and prosecutors), customs officers and other law enforcement officials. In addition, WIPO provided advice to Member States on enforcement-related provisions of draft laws, as well as on formulating effective national strategies, with the view to enhance cooperation within the public sector, and to create public/private sector partnerships.

261. WIPO published *The Enforcement of Intellectual Property Rights: A Case Book*, prepared by a senior member of the judiciary from South Africa and containing material relevant to enforcement for use in common law countries.

#### **Performance Indicator(s)**

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

- Strengthened skills of government officials, such as police, customs officers and public prosecutors, on how to handle IP counterfeiting and piracy cases.
- Increased experience of judges in dealing with IP litigation from both a civil and criminal perspective.

*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, the training of specialized judges, and, where appropriate, the establishment of specialized IP courts.

<b>Expected Result:</b> Enhanced public awareness in the fight against counterfeiting and piracy.
---

262. Public interest in the enforcement of IP rights increased as a result of including, in every national and regional training activity, a component on the dangers and health and safety risks for consumers of counterfeit products (e.g. food, medicines, spare parts, etc). This paved the way to closer cooperation between the public and private sectors, as well as consumers associations. Similarly, the economic and cultural implications of counterfeiting and piracy were also addressed.

**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 WIPO enforcement web site, with links to consumer surveys and studies, kick-started the development of information material at the national level.

Quarterly on-line enforcement newsletters on global enforcement events 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.

263. The Secretariat convened and provided support to the Second Session of the Advisory Committee on Enforcement (ACE). During this Session, in line with the adopted thematic approach, presentations were made by senior judges and high-level government officials from various regions, and discussions focused 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.

264. WIPO also provided advice on cooperation issues at both national and international levels, as well as between the public and private sectors, and organized practical training activities for national and regional law enforcement agencies.

**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 or attended by WIPO.

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

265. Cooperation with a number of IGOs and NGOs pertaining to their specific IP enforcement related programs was strengthened during the biennium.

266. Within the framework of its cooperation with the European Commission, WIPO provided assistance in the implementation of four training events on the enforcement of IP rights under the TAIEX program, and the CARDS (Community Assistance for Reconstruction, Development and Stabilization) regional projects for IP protection in the Western Balkans. In addition, WIPO participated in meetings organized by, *inter alia*, the International Chamber of Commerce and the International Bar Association, as well as in the enforcement sessions of the International Association for the Protection of Intellectual Property (AIPPI) Executive Committee and the AIPPI Forum.

**Performance Indicator(s)**

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

Major activities included contribution to, and participation in, the following events:

- The first and second Global Congress on Combating Counterfeiting and Piracy, organized by the World Customs Organization (WCO) and Interpol with the support of WIPO, and its regionally focused activities in Rio de Janeiro, Rome, and Shanghai.
- The WHO Satellite Workshop on Counterfeit Medicines.
- The first meeting of the WCO Task Force on IPR Protection and other meetings of the WCO IPR Strategic Group.
- The OECD/WIPO Counterfeiting and Piracy Expert Meeting on Measurement and Statistical Issues and the G8-Expert Meeting in London on Reducing Piracy and Counterfeiting.
- The WIPO/WTO Colloquium for Teachers of IP.
- Annual Session of the United Nations Economic Commission for Europe (UNECE) IP Advisory Group.
- WIPO-UNECE-WCO Subregional Seminar on Enforcement of IP Rights.
- Two sessions of discussions on the draft Hague Convention on Exclusive Choice of Court Agreements, and the Diplomatic Conference thereon.
- IP Crime Day during the Interpol International Conference on Financial Crime.

<b>Total expenditure (000 Swiss francs) for sub-program 07.3 in the 2004-2005 biennium:</b>	<b>2,202</b>
---	--------------

<b>Total expenditure (000 Swiss francs) for Main Program 07 in the 2004-2005 biennium:</b>	<b>6,264</b>
--	--------------

## **MAIN PROGRAM 08 - Cooperation with Developing Countries**

267. The 2004-2005 biennium witnessed a strategic shift in the priorities and direction of WIPO's development activities. While retaining traditional institutional, human resources and legal support activities, greater emphasis was placed on close cooperation 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 and public policy 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.

268. 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 Member States; Member State-driven activities from the initial design to implementation; and, the use, where possible, of local and regional experts.

269. 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.



270. A wide range of activities was organized during the biennium, including on: development of national IP strategies and action plans; legislative advice including flexibilities under the TRIPS Agreement; the use and management of IP as business assets; awareness-building, studies and research work, study visits and other training; automation assistance; and, advice regarding enforcement and collective management of copyright and related rights. Seminars, workshops, and colloquia on various aspects of IP were held at the national and regional levels bringing together about 28,092 participants. Some 534 missions and 131 study visits were organized and software was provided to 74 countries. Five nationally and one regionally focused action plans were implemented. Developing countries and LDCs received legal advice from WIPO in the form of, *inter alia*, 54 draft laws, 65 comments, and 19 consultations. About 900 persons participated in training courses and seminars on IP, specifically organized for LDCs.

### **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.

271. Activities undertaken aimed at enhancing the understanding of the growing importance of IP as a tool for economic growth and sustainable development. They included meetings at the national and regional levels, as well as advisory and expert missions to sensitize policy-makers, government officials, industrialists and other stakeholders on the various uses of IP for technological, social and cultural development.

#### **Performance Indicator(s)**

*Number and nature of initiatives undertaken at the national level:*

##### Africa

- WIPO/OAPI Sub-regional Workshop on IP: IP and Economic, Social and Cultural Development.
- Six meetings on IP as a tool for economic development and an OAPI/WIPO/EPO/INPI Ministerial Round Table.
- Two workshops on: Management of IP Rights in Universities and Research Institutions and Development; and Valorization of Research Results.
- A national and regional workshop on IP as a tool for developing national branding strategies.
- Two Regional Workshops on Corporate Governance for Heads of Collective Management Organizations with the aim of promoting best practices in the proper use of IP in development.
- Four regional workshops and seminars on IP enforcement, and two national seminars on the various aspects of copyright and IP enforcement.
- Participation in an Advisory Board on Reform of the Science, Technology and Innovation System in Nigeria.

##### Arab States

- Nine national seminars on IP.
- Five national seminar on IP for Diplomats.
- Four advisory missions: two on the protection of pharmaceutical products and IP aspects in trade agreements; and, two on IP with the Egyptian Association for the Protection of IP.

##### Asia and Pacific

- Ten national seminars on the following topics: Promoting the Utilization of the Industrial Property System (Vientiane); Copyright and Collective Management (Phnom Penh); Technology Information as a Tool for

Development (Tehran); the Madrid, The Hague and PCT Systems (New Delhi, Mumbai, Chennai); IP and Trademarks (project) (Kathmandu); and, the PCT System (Hanoi).

- One Regional Training Course on Creating Value from Copyright Works and Related Rights in the Music Industry (Singapore).
- Sub-regional roundtable on PCT (Beijing).
- Inter-Regional Symposium on Strategic Use of Trademarks (Beijing), organized jointly with the IP and Economic Development Division.
- 57 advisory missions by 59 WIPO experts: 19 on the industrial property system; four on the copyright system; nine on global issues; six on automation; and, 19 on bilateral consultations.
- Various activities aimed at raising IP awareness, improve IP administration and use of the IP system for economic growth, including the translation of WIPO treaties and publications into local languages in Cambodia, China, Iran (Islamic Republic of), Malaysia, Myanmar, Pakistan, the Philippines, Sri Lanka, Thailand and Viet Nam.

#### Latin America and the Caribbean

- Nine regional and national seminars on IP (addressing IP Office officials, judges and prosecutors).
- 19 national and sub-regional seminars on enforcement of IPRs.
- One regional seminar on copyright and related rights.
- Nine sub-regional seminars on: IP jurisprudence; industrial designs and geographical indications addressed to IP Offices; and, trademark applications and international classifications.
- Six regional and sub-regional seminars on patents and examination techniques / information technology.
- One sub-regional expert meeting on border measures.
- Two national seminars on traditional knowledge, gender and folklore and handicrafts.
- 30 programming missions to coordinate and plan cooperation activities or to provide advice and guidance to national IP Offices.
- Seven missions to coordinate joint cooperation for Latin American and Caribbean Countries (with Spain, and the European Patent Office (EPO)).
- 29 missions to participate in activities organized by IP Offices, including participating as a speaker (on trademarks, general IP concepts, enforcement).
- 61 expert missions undertaken by international/regional experts or consultants, as follows: 50 to national IPOs within the framework of technical cooperation activities aimed at modernizing and automating their IP systems, including installation and follow-up at national IP and copyright Offices of the Intellectual Property Automation System for Trademarks and Patent Administration (IPAS), the Copyright Information System (GDA), subscription of Internet connection for one IP Office, purchase of office equipment for seven IP Offices, and, shipping of computers to nine IP Offices in Latin American and Caribbean Countries; four on enforcement of IPRs; two on distinctive signs; and, five on advice/recommendations/guidance/training on general IP-related matters.
- Eight study visits by IP Office officials to other IP Offices of the region.
- Financing of six government officials to participate in IP-related regional events in other countries.
- Compilation, classification and digitalization of trademarks at a national IP Office.
- Signature and implementation of a Memorandum of Understanding between WIPO and the Spanish Patent and Trademark Office (OEPM), aimed 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.

272. The formulation of national IP policies and strategies remained a priority for developing countries. In its assistance to governments, WIPO therefore focused on the promotion and deepening of the understanding of the public policy implications of IP issues to enable policy-makers to formulate and implement proactive policies in line with the goals and

objectives of their national development plans. A series of national and regional events were organized to this end.

273. As a result, an increasing number of developing countries have initiated a process of IP policy development and strategy formulation to stimulate local innovation, indigenous technology development, culture, TK, health, copyright and related rights in the digital era, information technology and the creation and use of IP assets. Support was also provided to governments to deal with IP policy issues related to the negotiation of bilateral trade agreements, and their subsequent national implementation.

274. 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), including flexibilities under that treaty, 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 Issues, and on Topical IP Issues.
- A Ministerial Round Table on National Industrial Property Systems provided guidance for national strategy plans on the basis of a Peer Review Panel Session.
- Participation in the following meetings: a Ministers Meeting on Public Health; a sub-regional workshop on IP and Public Health; a Round Table for Lusophone Countries on Promotion of IP and on Copyright Protection and Cultural Industries; a sub-regional Symposium on a Concerted Approach to Enhancing Copyright Collective Management and Cultural Industries for the Countries of the Indian Ocean, Burundi and Rwanda; and, meetings of the African Union (AU), the United Nations Economic Commission for Africa (ECA) and the New Partnership for Africa's Development (NEPAD) to integrate IP in Africa regional development strategies.
- Briefings of African Ambassadors and Permanent Representatives to the United Nations (UN) in New York on WIPO's activities in Africa in support of 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.

##### Arab States

- Three expert missions to provide advise on issues associated with the protection of pharmaceutical products.
- One Regional Consultation for Arab Countries on the Protection of Broadcasting Organizations.
- One Regional Seminar on Copyright and Collective Management.
- Two Sub-Regional Seminars on the Enforcement of IPRs for the Gulf Cooperation Council Countries, and two on Trademarks and the Madrid System.
- Eight national seminars on the following topics: IP for Government Officials; WIPO Treaties for Government Officials; Copyright and Related Rights; a WIPO/WTO seminar on IP and the TRIPS Agreement.
- Four Roving Seminars on Copyright Protection and Piracy.
- Seven Study-Visits to an IP Office and four to a Copyright Office in Arab Countries.
- Two WIPO/CISAC Joint Expert missions to the Moroccan Copyright Office.

##### Asia and Pacific

- WIPO-CISAC Regional Colloquium for the Judiciary on Copyright and Related Rights (Singapore);
- Three Regional Seminars on IP and Genetic Resources, TK and Folklore (Daeduk), on Collective Management (New Delhi), and IP Protection of New Technologies (Daejeon).
- Regional Symposia were organized on: copyright in education institutions and libraries (Hong Kong

Special Administrative Region (Hong Kong SAR)); emerging issues of copyright protection in the digital environment (New Delhi); Protection and Enforcement of IPRs (Kuala Lumpur); IP for Development and Inauguration of the WIPO Office (Singapore); and, Policies and Strategies for Copyright/Promotion of Cultural Industries (Hangzhou, China).

- WIPO-ASEAN Forum on Policy Issues on the International IP Agenda (Jakarta).
- Training Courses on Enforcement of IPRs (Tokyo) and on Enforcement of Copyright and Related Rights (Tokyo).
- A national workshop on the TRIPS Agreement (Yangon) and a national seminar on Enforcement of IPRs (New Delhi).
- Participation in the following events: The Asia-Pacific Economic Cooperation Intellectual Property Rights Experts' Group (APEC IPEG) 20<sup>th</sup> Meeting (Seoul); the National Seminar on IP Piracy organized by the Indonesian Copyright Collection Agency (Karya Cipta Indonesia (YKCI)) (Jakarta); and, the ASEAN Senior Economic Officials (SEOM) Consultations (Manila) and 4<sup>th</sup> Annual Conference (Seoul).
- Six study visits on various aspects of IP administration, including automation, benefiting 23 delegates from China, Democratic People's Republic of Korea, Iran (Islamic Republic of), Mongolia, Myanmar and Pakistan.
- Five advisory missions on IP strategy and legislative advice conducted by five WIPO experts.
- Several discussions with, *inter alia*, Ministers in charge of health, commerce and industry, law, culture, and science and technology.

#### Latin America and the Caribbean

- One regional meeting for Heads of IP and Copyright Offices of Latin American countries.
- Two WIPO-ECLAC regional High-Level Courses on Negotiation Aspects and Techniques of IP and on technology management and IP.
- One WIPO-ECLAC Regional Forum on IP Policies, Science, Technology and Innovation.
- One national seminar on technology transfer, IPRs and business policy.
- 30 missions aimed at: signature and implementation of the WIPO/ECLAC Agreement; advice to GRULAC Representatives in New York; advice to Governments regarding policy issues related, *inter alia*, to national IP strategies, modernization of national IP systems, copyright legislation, science and technology; representing WIPO or participating as speaker in national or regional events (WTO regional meeting, science and technology, general concepts of copyright, e-commerce); participation in the 30<sup>th</sup> session of ECLAC.
- 11 expert missions as follows: to participate in working group or programming meetings on the implementation of regional or national IP-related projects; addressing national authorities on the importance of IP as a tool for economic development; representing WIPO or participating as speaker in national or regional events (WTO regional meeting for Caribbean countries, high-level biotechnology forum for Caribbean countries, and, national event on copyright).
- Signature of a Cooperation Agreement between WIPO and the Economic Commission for Latin America and the Caribbean (ECLAC) which includes a work plan foreseeing the joint organization of activities particularly in areas relating to IP and its impact on economic development, such as meetings and training programs and the development of investigation works.
- Cooperation with Caribbean Countries within the framework of the Caribbean Cooperation for Development Project signed in 2003.
- Initiation of studies on technology management within the framework of the WIPO-ECLAC Agreement.
- Legal and technical advice to two countries on institution building (creation of an autonomous national IP Office) and for assistance to the Government on the drafting of implementing regulations for the national legislation.
- Legislative advice provided to five governments on laws on copyright, patents and trademarks.

**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.

275. Enhanced links and cooperation mechanisms were forged among the various IP stakeholders and users, IP Offices, academia, R&D institutions, SMEs, chambers of commerce and businesses, copyright collective management societies, as well as the creative community, to foster the effective use of the IP system and IP assets for economic growth,

sustainable development and wealth creation. These improved arrangements enabled rightholders to better identify, develop, protect and manage the innovations and knowledge they create, own or have access to.

276. By facilitating the establishment of links between IP enforcement authorities and IP Offices, WIPO contributed to the improvement of the level of IP protection at the national and regional levels.

**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 African countries to demonstrate the utilization of geographical indications for promoting agricultural products and crafts. A cooperation plan on the implementation of the project was signed by WIPO, the African Intellectual Property Organization (OAPI), and the National Industrial Property Institute (INPI) of France. The Ministry of Agriculture, Food, Fisheries and Rural Affairs of France recently joined the group in charge of implementing the project which is in its pilot phase in four countries. Technical criteria for the selection of the product were elaborated and each of the four countries selected two products in cooperation with the professionals in the field and the authorities. A guide on the methodology of filing a geographical indication for the applicant was elaborated and a Ministerial Conference adopted a plan for future action.
- 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), the African Intellectual Property Organization (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 research and development institutions are involved in the project.
- Missions were undertaken on the outreach program to promote the use of patent information in entrepreneurship development and transfer of technology, and workshops were organized on licensing of IP assets and on promoting filing of patent applications, as well as on searching and drafting patent claims.
- An IP policy paper was launched at Moi University (Kenya), the objective of which is to create a linkage between the Kenya Industrial Property Institute (KIPI) and the University.
- Workshops were held on Competitiveness of SMEs.

Arab States

- Three advisory missions in relation to: the Conference on the Legal Aspects of the WTO Agreements; Developing Countries; and, the Institute for Diplomatic Studies.
- A Regional Seminar on IP: A Power Tool for Economic Growth.
- National seminars on the following topics: IP for Law Students and Faculty Members of the University; the Importance of IPRs in Enhancing the Competitiveness of Industrial Enterprises; IP for Journalist and Members of the Media; Industrial Property for Entrepreneurial, Commercial and Research and Development Purposes; Copyright and Related Rights for Lawyers and Judges; IP and the Protection of Pharmaceutical Products; Industrial Property for Members of Parliament and Judiciary; and, Counterfeiting and Piracy in the Audiovisual Sector.
- Two International Symposia on IP: A Strategic Tool for Economic Growth.

Asia and Pacific

- Three national seminars on SMEs (Colombo, Kathmandu, Thimphu).
- Regional workshops on Information Technology and Automation of IP Offices (Makati) and on IP for Managers of SMEs and SMEs Support Institutions (Shanghai).
- A Regional Symposium on Private-Public Cooperation (Colombo).
- A Regional Seminar on the Role of IP Institutions to Promote Innovation (Daeduk).
- Roundtable on Integrated Management of IP (Islamabad).
- Training Course on Industrial Property Administration (Tokyo) and Information Technology in Industrial Property Administration (Tokyo).
- 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 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 107 computer hardware/software and other office equipment for the South Pacific Forum and 12 countries, namely Bhutan, Cambodia, Democratic People's Republic of Korea, India, Indonesia, Iran (Islamic Republic of), Lao People's Democratic Republic, Myanmar, Nepal, Pakistan, Sri Lanka, and Thailand.
- Financial support for the participation of five delegates in the Regional Consultation on Protection of Broadcasting Organizations (Manila) and the International Symposium on IP in the Fashion and Textile Industry (Caserta).

#### Latin America and the Caribbean

- Three sub-regional or regional meetings on global protection systems as competitiveness tools and to promote competitiveness (one regional and one sub-regional), and IP in university policies (one regional).
- Six national meetings on the following topics: collective management of copyright and performers' IPRs; IP and the economy of the audio-visual sector; geographical indications; IP and its incidence for SMEs; and, the use of patent documentation for technological development.
- The following missions were undertaken: programming missions to plan cooperation activities in the framework of the Regionally Focussed Action Plan (RFAP) on collective management; participation in two Regional Consultations on the Protection of Broadcasting Organizations; participation in seven national events (broadcasting and copyright, geographical indications, IP for artisans); and, participation in eight regional meetings organized by other partner institutions (IGOs and NGOs).
- Five expert missions as follows: one to hold consultations with media companies for the creation of an awareness video on regional creations; to participate as speaker in four events not organized by WIPO (on copyright, general concepts of IP addressed to universities, and technological inventions).
- Funding of five participants to participate in the Regional Consultation on the Protection of Broadcasting Organizations and of five participants in other events of interest to their respective governments.
- Elaboration of seven national studies on SMEs by local experts.
- Further implementation of the RFAP on Collective Management of Copyright and Related Rights for Central American Countries and the Dominican Republic (RFAP/CA), and in particular the implementation of the software "SGS" developed by SGAE for the management of their operations, which is regulated under the WIPO/SGAE Agreement.
- Legal and technical assistance on fees and techniques of negotiation with users addressed to the collective management societies of Central American countries (in the framework of RFAP/CA).

**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.

277. The development of human resources remained a priority, given the need to create and strengthen national and regional capacities for the protection of IP rights, the management and exploitation of IP assets and the implementation of enforcement mechanisms.

#### **Performance Indicator(s)**

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

#### Africa

- Training related to the automation of 13 industrial property Offices and software programs installed in five industrial property and 10 copyright Offices.

- WIPO funded the participation of 372 officials in different meetings organized on various IP issues.
- 14 study visits were organized for 24 officials of copyright and industrial property Offices.
- Training workshops was organized for searchers, examiners, and patent and trademark agents.
- 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 "IP 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 been accomplished in five countries and was extended to the member countries of the Common Market for Eastern and Southern Africa (COMESA) and the Central African Economic and Monetary Community (CEMAC).
- A peer review panel session of national industrial property systems was organized.
- A project for drafting a harmonized regional instrument for the protection of TK and TCEs, the first draft of which has been submitted to the ARIPO Administrative Council and Council of Ministers and to the OAPI Administrative Council.

#### Arab States

- Arab Regional Conference on the Teaching of IP Law.
- Sub-Regional Seminar on Teaching IP in the Arab Countries.
- Eight national seminars on: IP for Parliamentarians and Journalists; Enforcement of IPRs for Judges and Prosecutors; Enforcement of IPRs for Customs Officials; the Paris and Berne Conventions; Geographical Indications; and Trademarks.
- Workshop on Patent Licensing.
- Two expert missions to assist at a Conference on Biotechnology for Sustainable Development, and to provide advice on archiving knowledge and expertise.
- 15 study-visits for judges to WIPO headquarters and 24 study-visits to industrial property Offices in Egypt and Morocco.
- Completion of the installation of the Software for the Management of Automated Systems for fourteen countries (Bahrain, Egypt, Jordan, Kuwait, Lebanon, Libya, Morocco, Oman, Qatar, Saudi Arabia, Sudan, Syria, Tunisia, Yemen).

#### Asia and Pacific

- National workshops were organized on the following topics: Enforcement (Hanoi and Ho Chi Minh); Madrid System (Tehran); IP for professors of faculties of laws (Tehran); Enforcement of Copyright and Related Rights (Colombo); Copyright System and the National Creative Industry (Katmandu); Roundtable on Copyright-based Business: Case of Publishing Industry (Ho Chi Minh); Effective Use and Protection of Industrial Designs (Karachi and Sialkot); WIPO Successful Technology Licensing (STL) Training (Jakarta); Role of IP Education (Foshan); and Roundtable on University-Industry Partnerships (Tokyo).
- A Regional Workshop on the Economic Benefits of the Protection of Trademarks (Bangkok) and a Sub-Regional Workshop on the Economic Importance of Trademarks and the Madrid System (Islamabad).
- International Patent Licensing Seminar (Tokyo).
- Sub-Regional Roundtable on Copyright-based Business: Case of Publishing Industry (Hanoi).
- Financial support for the participation of four delegates in the Third International Forum on Creativity and Inventions (Cape Town), the WIPO/InWent/EPO Workshop on Innovation (Germany), and the International Symposium on IP Research and Education (Geneva).
- Financial support 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).
- 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).
- Eight study visits benefiting 43 delegates from Cambodia, China, India, Indonesia, Malaysia, Nepal, Thailand, Pakistan and Sri Lanka.
- Six long-term fellowships benefiting four students from China, Pakistan and Viet Nam.
- 13 advisory missions on IP administration, information and education, patent and trademark examination, and collective management and enforcement of copyright and related rights.
- A study on the economic contribution of copyright-based industries in the Philippines.

Latin America and the Caribbean

- 18 national, sub-regional or regional workshops, training courses or meetings on the following topics: performers' IPRs; copyright and related rights; commercialization of inventions; IP and new technology information; IP and the digital environment; strengthening of collective management; and creation, production and exploitation of audiovisual works.
- The following missions were undertaken: three coordination missions regarding cooperation with Spain and NGOs in the field of copyright and collective management; participation as speaker in eight events organized by other institutions on general concepts of IP and copyright; and one mission regarding the evaluation of IP assets.

**Total expenditure (000 Swiss francs) for sub-program 08.1 in the 2004-2005 biennium: 28,330**

## 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.

278. Information and documentation available in the Collection of Laws for Electronic Access (CLEA), the electronic database of IP legislation, continued to be widened. Some 3.8 million hits were registered for 2005 indicating its continuous success with the user community.

**Performance Indicator(s)**

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

The CLEA database recorded 3,746 bibliographic entries and 2,952 full text documents relating to the laws of 120 countries, the European Community, the Andean Community, OAPI and ARIPO, the texts of Treaties administered by WIPO and not administered by WIPO. The structure and interface of CLEA were improved.

Some 3.8 million hits were registered for 2005. Reliable user statistics for 2004 were not available, due to some technical modifications of the database.

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

279. Legislative assistance was provided to developing countries and LDCs, mainly consisting of draft laws and comments on draft or enacted laws, followed by advisory consultations with government officials.

280. 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.

**Performance Indicator(s)**

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

Developing countries and LDCs received legislative advice from WIPO in the form of 54 draft laws and 65 comments on draft or enacted laws. In addition, 19 advisory consultations took place, including on a list of issues for the South Pacific region.

The demand has consistently increased due to concerns as regards flexibilities, in particular with regard to compulsory licensing provisions, limitations and exceptions in copyright, patentability, the implementation of the Doha Declaration, and parallel importation.

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

281. Activities included a range of services for modernizing the business and administration processes of IP Offices and collective management organizations, including advice on global trends and best practices, business needs analysis, workflow simplification, the introduction and / or enhancement of customized automation solutions, and establishment of national IP databases.

282. Some of the main focus areas included: identification and analysis of the specific needs and the state of readiness of the Offices for automation in terms of information technology infrastructure and human and financial resources; the strengthening of the capacity of Office staff through knowledge transfer and training; close monitoring and follow-up during the initial critical months after deployment of automation systems; and periodic sustainability evaluations to ascertain the impact of assistance provided to the Offices.

283. The expected results for the biennium were achieved by taking a global approach to modernization assistance and following a strategy of using tested and proven automation products, services and best practices across all regions.

**Performance Indicator(s)**

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

Automation software was deployed and became operational in IPOs in 35 countries: Asia and the Pacific (two); Africa (eleven); Latin America (eleven); Arab region (seven); certain countries in Europe and Asia (four).

Automation needs assessments and/or advisory visits were carried out in Offices in 36 countries: Asia and the Pacific (eleven); Africa (six); Latin America (ten); Arab region (four); certain countries in Europe and Asia (five).

Automation follow-up visits/post deployment evaluations and actions were carried out at Offices in 36 countries: Asia and the Pacific (one); Africa (13); Latin America (13); Arab region (six); certain countries in Europe and Asia (three).

A Technical Workshop on IP Office Automation was held in Harare, Zimbabwe, where 11 IP Office focal points participated, mainly from the African region.

**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.

284. In addition to the support extended under its main assistance program for developing countries, WIPO implemented specific solutions suited to the needs of LDCs. Activities consisted, *inter alia*, of creating and strengthening capacities for the protection of IP rights, the management of IP systems and institutions and the exploitation of IP assets to foster economic growth and sustainable development. The importance attached by Member States to WIPO's assistance to LDCs was highlighted by the Seoul Ministerial Declaration adopted by the Ministerial Conference on Intellectual Property for Least Developed Countries, which was held in October 2004, in cooperation with the Government of the Republic of Korea. The Declaration requested WIPO to further strengthen its technical assistance to LDCs in the field of IP.

285. Furthermore, 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, Brussels, May 2001, continued to constitute the framework for WIPO activities in the biennium, with the recommended five areas of action, namely: human resources development, information technologies, TCEs and folklore, SMEs, and the establishment of collective management societies. Special emphasis was placed on the following deliverables: country specific studies on TK and TCEs; country-specific events for LDCs co-organized with WTO, ITC and UNCTAD as well as ARIPO and OAPI; establishment of IP Advisory Services and Information Centers; and, publication of a Training Manual on technology licensing for LDCs in cooperation with ITC.

**Performance Indicator(s)**

*Number of fora for policy makers and users' groups, and feedback received:*

A Second Annual Forum on IP, in Sudan, was organized 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.

A National Seminar on the Role of Invention and Innovation in the National Economic Development of Ethiopia: Challenges and Prospects, Ethiopia, was attended by senior Government officials, research and higher learning institutions, public and private enterprises, professional societies, holders of patents and utility models, and members of the Ethiopian inventors' and audio-visual publishers' associations.

The Training and Advisory Program on Intellectual Property Rights in the Global Economy for Least Developed Countries, Sweden, was attended by senior officials from 17 English speaking LDCs involved in IP policy.

Presentations made by WIPO at the 7<sup>th</sup> and 8<sup>th</sup> WTO Introductory course for French and English speaking LDCs respectively, attended by senior officials from LDCs.

Forum on IP: A Power Tool for Economic Growth, Sudan, attended by Ministers and Vice-Ministers and senior Government officials, with the theme: Integrating IP into the National Development Strategy and establishing a National IP Organization.

Participants' feedback from the above events was most encouraging, and several recommendations were made that such activities be organized on a periodic basis to stimulate interest and use of IP systems.

*Number and nature of initiatives at the national level:*

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

- IT equipment and Internet connectivity were installed in 48 IP Offices 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 existing copyright societies were strengthened.
- In the area of TK, folklore and GR, 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 number of guidelines, policy papers, country profiles and other reference materials were prepared on IP issues for LDCs, including:

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

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

286. Particular consideration was given to the implementation of joint activities with the International Confederation of Societies of Authors and Composers (CISAC), IFRRO, the International Council of Authors of the Graphic and Plastic Arts and Photographers (CIAGP), the Iberolatinoamerican Federation of Performers (FILAIIE) and other organizations or institutions.

287. 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).

288. WIPO also participated in, and co-organized, several meetings at the national and regional level to increase the use of CMOs by creators, artists and users, including: a meeting 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 in Brazil and Paraguay; and a training course in Chile. WIPO also provided training in collective management and mechanisms for appropriate follow-up activities with a view to increase revenues of artists and creators. Important training courses on performers’ rights and societies were held in Madrid, in cooperation with the Iberolatinoamerican Federation of Performers (FILAIIE) and the Spanish Performers’ Society (AIE) for all existing Latin American CMOs in this field, and in Tokyo together with the Japanese Center for Performers’ Rights Administration (CPRA) and the Japan Council of Performers’ Organizations (GEIDANKYO).

289. 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, Uganda and Zambia 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.

290. The need to integrate digital technologies effectively into collective management operations was considered in all the activities, as well as access to international databases and data distribution networks. Specific discussions and meetings were held on this topic with some European CMOs in order to facilitate compatibility of rights management systems in developing countries with international technical standards and systems.

291. Strategic issues meetings and training for the member societies of the Caribbean Copyright Link (CCL) continued, the objectives of which were to gain an insight into the respective performance of CCL member societies, to define the future direction and strategies and to continue developing those societies.

292. CMO training activities were 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 the work of CMOs in the long-term, and increase royalty distribution to rights owners, as has already happened in certain countries.

293. WIPO published the following publications: a booklet jointly produced with CISAC and IFRRO entitled *From Artist to Audience*, explaining the system of collective management of copyright and related rights in the field of the key cultural industries; a booklet entitled *The setting-up of new copyright societies*; and, a book entitled *La gestion collective dans la vie musicale*, available in French only.

**Performance Indicator(s)**

*Number of collective management organizations created or strengthened:*

Three CMOs for related rights owners (performers) were established in Costa Rica, the Dominican Republic, and Paraguay, and two copyright societies in Cape Verde and Ecuador.

In total, 54 countries benefited from assistance intended for policy-makers and CMOs in addressing and facilitating the role of such organizations, in ensuring the effective commercial exploitation of works, the proper distribution of revenues to creators and artists, receiving training sessions dealing with theoretical and practical issues of collective management of copyright and related rights.

<b>Total expenditure (000 Swiss francs) for sub-program 08.2 in the 2004-2005 biennium:</b>	<b>15,170</b>
---	---------------

<b>Total expenditure (000 Swiss francs) for Main Program 08 in the 2004-2005 biennium:</b>	<b>43,500</b>
--	---------------

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

294. During the period under review, activities continued to enhance the effective use of IP systems in the countries concerned, with a view to favorably influencing technological, economic, social and cultural development. These concentrated mainly on human resource

development, awareness-raising and enhancing cooperation at the regional and international levels.

295. With the aim of assisting national authorities achieve more efficient management and use of IP systems, WIPO cooperated with nine governments in the development and implementation of Nationally Focused Action Plans (NFAPs), seven bilateral cooperation programs and two memoranda of understanding.

296. In 2004-2005, ten countries in the region became members of the European Union as of May 1, 2004, and other countries are candidates to accession. As a consequence, coordination with the European Union with respect to IP technical assistance matters was enhanced, with WIPO providing specialized expertise inputs to 44 events organized and financed by the Technical Assistance Information Exchange Office (TAIEX), Directorate General Enlargement in the 10 Central European, Baltic and Mediterranean new member countries of the European Union.

297. WIPO also cooperated with the European Union's Community Assistance for Reconstruction, Development and Stability (CARDS) Program to the Western Balkan countries. In this respect, WIPO provided speakers to 15 events financed by the CARDS Program and organized study visits for officials from four countries.

298. Furthermore, coordination with organizations active in the region was further enhanced, such as the European Patent Office (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 (OHIM), United Nations Economic Commission for Europe (UNECE), United States Patent and Trademark Office (USPTO), United Nations University Institute of Advanced Studies (UNU-IAS), United States Agency for International Development (USAID), United Nations Economic and Social Commission for Asia and the Pacific (UNESCAP), World Customs Organization (WCO), Coalition for Intellectual Property Rights representing the private sector, and International Federation of Societies of Authors and Composers (CISAC). The enhanced cooperation with these institutions had a multiplying effect on technical assistance provided by WIPO to all 31 countries in the region.

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

<b><u>Expected Result:</u></b>	Conformity of national laws of the countries concerned with relevant international standards and trends.
--------------------------------	--

299. 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. Legal advice was provided with regard to draft IP laws of six countries and a new version of the Model Copyright Law for the CIS countries. Consultations were also held with a number of governments on the modernization of their IP legislation and accession to WIPO administered treaties. During the biennium, 42 countries acceded to WIPO administered treaties.

Performance Indicator(s)

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

Six national laws reflected WIPO's advice.

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

300. Some 600 officials from industrial property and copyright administrations, the judiciary, the legal profession, police and customs received training in two sub-regional and two national seminars as well as during consultation meetings and study visits, to enhance their 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 reported measures which are being taken in this respect.

**Expected Result:** Enhanced efficiency of IP administrations.

301. Numerous national IP administrations strengthened their infrastructures and increased their efficiency as a result of bilateral cooperation programs, 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:*

A number of governments reported on the satisfaction expressed by their users.

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

302. Several events attended by, or organized in cooperation with, WIPO, the completion of a study and the translation and customization of a WIPO SME brochure in 13 countries in cooperation with the TAIEX, Directorate General Enlargement, increased the awareness of the role of IP assets and their management in creating and sustaining business success in domestic and international markets for all types of SMEs.

Performance Indicator(s)

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

A number of governments reported measures which are being taken in this respect.

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

303. Capacity building projects, seminars and consultations as well as other technical assistance activities contributed significantly to the modernization of organizations for the collective management of copyright and related rights.

304. In this respect, the creation and translation of the Russian version of the Africos software for collective management organizations in the CIS countries as well as the translation of the Guide for the Africos software were important deliverables.

**Performance Indicator(s)**

*Number of modernized collective management organizations:*

The Africos software was deployed in 10 collective management organizations.

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

Impact information not 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.

305. 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 1,600 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 achieving this result. Furthermore, studies on the contribution of copyright-based industries to the economy were undertaken in several countries.

**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 available.

**Total expenditure (000 Swiss francs) for Main Program 09 in the 2004-2005 biennium: 4,922**

## MAIN PROGRAM 10 - The WIPO Worldwide Academy

306. The development of human resources is a crucial strategic component in efforts to modernize and utilize effectively the IP system for economic, social, cultural and technological development. The Academy contributed to this goal through its three main programs: Distance Learning, and Professional and Policy Development.

307. With respect to Distance Learning, during the period under review, one new advanced course was piloted, three courses were revised, and work began on the development of several new courses. In 2005, the total number of distance learning students surpassed 10,000 for the first time.

308. The Professional and Policy Development programs continued to be enhanced and customized to meet the various diverse needs of Member States.

309. In 2004-2005, a framework Agreement of Cooperation with the University of Bucharest, Romania was concluded and a Diploma Program on Intellectual Property at the Indira Gandhi National Open University (IGNOU) University (India) was launched.

### 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.

310. The development of new course content, leading to the creation of a comprehensive IP curriculum, continued to remain a priority. 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)), a new course on Plant Varieties Protection (DL-205) was developed and a pilot session launched jointly with UPOV. In close cooperation with other WIPO Divisions, work began on the development of several new courses on specific topics, namely: patents, crafts and visual arts (for SMEs), IP dispute resolution, and copyright licensing.

311. The Electronic Commerce (DL-202) and Biotechnology (DL-204) courses were reviewed. The Traditional Knowledge (DL-203) course continued to undergo important modifications.

#### **Performance Indicator(s)**

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

The development of several new courses was initiated on: patents, crafts and visual arts (for SMEs), IP dispute resolution (The WIPO Arbitration and Mediation Center), and copyright licensing. A pilot session of a new course on Protection of Plant Varieties (DL-205) was launched.



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

2004: 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

2005: Feedback from users of advanced courses DL-201, DL-202, DL-205 respectively:

Rating of course content: Excellent: 40.2 per cent, 38 per cent, 26 per cent  
Very good: 35.2 per cent, 41.8 per cent, 56 per cent  
Good: 18.6 per cent, 13.9 per cent, 18 per cent  
Fair/Poor: 6 per cent, 5.4 per cent, 0 per cent

Rating of tutorial support: Excellent: 38 per cent, 30.2 per cent, 55 per cent  
Very good: 35.7 per cent, 42 per cent, 25 per cent  
Good: 15 per cent, 14 per cent, 20 per cent  
Fair/Poor: 19 per cent, 13.8 per cent, 0 per cent

*Feedback from users on the usefulness of the certificate:*

2004: 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

2005: Feedback from users of advanced courses DL-201, DL-202, and DL-205 respectively:

- Course met their personal objectives for enrolling: 96 per cent, 91 per cent, 100 per cent
- Course made an impact on their institution: 51 per cent, 63 per cent, 74 per cent
- Course completion rate: 75 per cent, 83 per cent, 80 per cent

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

312. With a view to broadening the range of distance learning courses, a Primer on intellectual property (DL-001) was offered, which differs from other distance learning courses in that it does not require registration, tutorial support or a final exam. To facilitate completion of the General Course on Intellectual Property (DL-101), a dynamic and rigorous evaluation system was applied to the final exam. Using the distance learning platform, the final evaluation system comprised of multiple-choice questions which provide immediate student feedback. Tutorial assistance for DL-101 was given by Academy Fellows and colleagues from other sections of WIPO. In 2005, the combined number of participants in the Primer (DL-001), the General Course (DL-101) and the three advanced courses (DL-201, DL-202, and DL-205) surpassed 10,000.

313. Having reached higher academic standards in the advanced courses, the Academy applied a fee-paying system, which generated approximately 50,000 US\$ during the biennium.

**Performance Indicator(s)**

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

- 2004:
- DL-001 Primer on IP: open without restriction in English, French, Portuguese and 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
- 2005: As above, except for:
- DL-201 Advanced Course on Copyright: One session in English, French, Spanish (Portuguese, Arabic, Chinese and Russian translated but not uploaded)
  - DL-205 Plant Variety Protection: Pilot session in English

*Number of participants completing each course offered:*

- 2004:
- DL-001(four languages): 850 (open course, available online as of September)
  - DL-101(seven languages): 4,991 (representing 50 per cent of total registered participants)
  - DL-201(two languages): 52 (representing 81 per cent of total registered participants)
  - DL-202 (one language): 49 (representing 80 per cent of total registered participants)
- 2005:
- DL-001(four languages): 2,500 (representing 50 per cent of total registered, open course)
  - DL-101(seven languages): 4,051 (representing 45 per cent of total registered participants)
  - DL-201(three languages): 173 (representing 75 per cent of total registered participants)
  - DL-202 (one language): 178 (representing 83 per cent of total registered participants)
  - DL-205 (one language): 46 (representing 80 per cent of total registered participants)

*Evaluation feedback by course participants:*

		<u>2004</u>	<u>2005</u>
Feedback from DL-101 participants:		%	%
Course met personal objectives:		98	96
Rating of course content:	Excellent/very good:	77	69
	Good:	18	21
	Fair:	4	6
	Poor:	1	4
Rating of tutorial support:	Excellent/very good:	93	85
	Fair:	7	7
	Poor:	-	8

<b>Total expenditure (000 Swiss francs) for sub-program 10.1 in the 2004-2005 biennium:</b>	<b>4,455</b>
---	--------------

## **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.

<b><u>Expected Result:</u></b>	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.
--------------------------------	---

314. Professional training programs providing intermediate and advanced level training to technical staff of IP offices from developing countries and countries in transition continued throughout the biennium. The Distance Learning Course remained a pre-requisite for participation in the Interregional Intermediate Seminars on Industrial Property and Copyright and Related Rights.

315. The WIPO-SWEDEN Course and Copyright and Related Rights was upgraded to a more advanced level, and the title, target audience and format changed. With respect to the latter, four phases were introduced, namely: needs assessment; course in Stockholm; project elaboration; and follow-up training in the respective developing country. The course was followed, in 2005, by the WIPO-SWEDEN Advanced Training Course on Industrial Property in the Global Economy.

**Performance Indicator(s)**

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

In 2004 and 2005 respectively, some 216 and 169 officials from developing countries and countries in transition were trained.

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

2004-2005: Interregional Intermediate Seminar on Industrial Property:

- 96 and 97 per cent of participants, respectively, rated the seminar as “very useful”;
- 100 per cent of participants would recommend the program to other persons;
- The professional needs of 81 and 97 per cent of the participants, respectively, were fully met and the needs of 19 and 13 per cent of the participants, respectively, were partially met.

Interregional Intermediate Seminar on Copyright and Related Rights:

- 91 and 94 per cent of participants, respectively, rated the seminar as “very useful”;
- 100 per cent would recommend the program to other persons;
- The professional needs of 82 and 84 per cent of the participants were fully met and the needs of 18 and 16 per cent of the participants, respectively, were partially met.

The training courses offered in cooperation with the Swedish Government were highly rated by participants, in particular with respect to the focus on needs assessment and project implementation at the national level.

**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.

316. 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 IP Offices 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 Program continued its partnerships with 25 national and regional IP Offices.

*Feedback from partner institutions:*

Partner institutions with whom joint courses were organized were very satisfied with the skill level of the participants, thanks to the DL-101. Each course offered met its objectives.

**Total expenditure (000 Swiss francs) for sub-program 10.2 in the 2004-2005 biennium: 3,436**

### **Sub-program 10.3 - Policy Development, Education, 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.

317. In 2004-2005, Academy sessions continued to be 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.

318. Following positive feedback from previous participants of the WTO Trade Policy Course, four WIPO seminars on IP (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:*

- 2004:
- International Symposium on Emerging Issues in Copyright and Related Rights, Washington, D.C. (14 participants from 14 countries).
  - IP, Education and Training, IP Protection of Scientific Research Results and Technical Achievements, Beijing and Shanghai (in English and Chinese, 320 participants).
  - Workshop on IP as a Tool for Development, Bangkok (in English, 63 participants).
  - National Seminar on IP and Development, Minsk, Belarus (in English, 250 participants).
  - WIPO-WTO Colloquium on IP, Geneva (in English, 19 professors from 19 countries).
- 2005:
- WIPO Academy on IP, Geneva (in English, 26 participants from 23 countries).
  - Academy on IP for Ambassadors from Certain Countries in Europe and Asia, Geneva (in English, 16 participants from 16 countries).
  - Academy on IP for Diplomats from Asian Countries, Geneva (in English, 12 participants from 12 countries).
  - WIPO/KIPO Academy for Heads of IP Training Institutions, Daejeon (in English, 17 participants from 17 countries).
  - WIPO-WTO Colloquium on IP, Geneva (in English, 19 participants from 19 countries).

- Colloquium on IP, Kitwe, Zambia (in English, 125 participants).
- High-level Seminar on IP for the Western Part of China, Lanzhou (200 participants).
- Study visit of 15 heads of IP Offices from China, Geneva.

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

Information not available.

**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.

319. Pursuant to the Academy's mission to equip senior enforcement officials with knowledge and skills in the enforcement of IP rights, 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:*

- 2004:
- Colloquium on the Protection and Enforcement of IP, Lusaka, (in English, 110 participants).
  - Colloquium for Romanian Judges, Geneva (in English, seven participants).
  - Seminar for 102 participants from developing countries and countries in transition attending the WTO Trade Policy Course, Geneva (in English, French and Spanish).
- 2005:
- WIPO-USPTO Academy for the Judiciary on the Enforcement of IP Rights, Washington, D.C. (13 participants from 13 countries).
  - Colloquium on IP for Judges, Geneva (in English, 14 participants from Sudan).
  - Colloquium on the Protection of IP, Kosti, Sudan (180 participants).
  - Seminars for a total of 109 participants from developing countries and countries in transition attending the WTO Trade Policy Courses, Geneva (in English and French).

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

320. 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 universities and other institutions in various countries.

**Performance Indicator(s):**

*Number of educational materials and curricula made available:*

- 2004: 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; IP Office, Serbia and Montenegro; University of Cape Town, South Africa; Zambia Police Headquarters; and the Law Association of Zambia.
- 2005: One Collection of Research Papers and one Collection of Documents on IP published. IP materials were provided to the following institutions: University of Botswana, Botswana; Instituto de

Direito do Comercio Internal e Desenvolvimento (IDCID), Brazil; Institute of Patent Attorneys (IPA), India; Registration Office for Companies and Industrial Property, Iran (Islamic Republic of); Tarbiat Modarres University, Iran (Islamic Republic of); University of Nairobi, Kenya; Kenya Industrial Property Tribunal, Kenya; University Hassan II, Morocco; Université Abdou Moumouni, Niger; University of Lagos, Nigeria; University of Bucharest, Romania; University of Cheikh Anta Diop de Dakar, Senegal; University of Dar es Salaam, United Republic of Tanzania; Institute of Human Rights, IP and Development Trust (HURID), Zambia; and Midlands State University, Zimbabwe.

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

321. 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 International Labour Organization (ILO), and the Government of Italy. Some 39 students graduated from the LL.M. program in the biennium. 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.

322. Acknowledging the critical role of cooperation with other institutions, 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.

323. The WIPO-UNISA Specialization Program in Intellectual Property, jointly run with the University of South Africa, College of Law, Center for Business was effectively administered through distance learning. The program is designed for academics and professionals having IP knowledge and/or possessing practical experience. The curriculum focuses on the special circumstances prevailing in developing countries, and approaches IP against the background of international conventions and the developing country obligations.

**Performance Indicator(s)**

*Number of agreements concluded and joint programs launched and implemented. Evaluation feedback on the effectiveness of those programs:*

- 2004:
- Master of Laws in Intellectual Property/Post-graduate Specialization Course on IP, Turin (in English, 18 participants from 17 countries).
  - Master of Intellectual Property and Human Rights Program, Lund University, Sweden
  - University of Bucharest, Romania: Diploma Program in IP was launched. A total of 16 students followed the course.
  - WIPO-UNISA Specialization Program in IP, jointly run with UNISA (in English, 33 students graduated, representing a 56 per cent completion rate).
  - Three seminars on IP for a total of 100 students from various countries and universities
- 2005:
- Master of Laws in IP / Post-graduate Specialization Course on IP, Turin (in English, 21 participants from 19 countries).
  - Master of IP and Human Rights Program, Lund University, Sweden.
  - Launch of the Diploma Program on IP, IGNOU, India (in English and Hindi, 100 participants).
  - WIPO-UNISA Specialization Program in IP, jointly run with UNISA (in English, 48 students graduated, representing a 70 per cent completion rate).
  - Intensive Seminar on Intellectual Property for Law Students, Geneva (in English, 12 participants);
  - National Seminar on Education and Training, Dushanbe, Tajikistan (100 participants).
  - Five seminars on IP for a total of 82 students from various countries and universities.

**Expected Result:** Increased research on IP.

324. 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.

325. 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

*Number and quality of research papers published and reviewed by the Academy:*

Publication of a Collection of IP Research Papers.

**Total expenditure (000 Swiss francs) for sub-program 10.3 in the 2004-2005 biennium: 2,175**

**Total expenditure (000 Swiss francs) for Main Program 10 in the 2004-2005 biennium: 10,066**

## **MAIN PROGRAM 11 – Intellectual Property for Development and Prosperity; Creation of IP Culture**

326. Practical research methodologies, based on a country and sector specific approach, were developed, in order to improve the analysis and understanding of the relationship of IP and economic development, and to generate useful and practical data and tools to assist policy and decision-makers when formulating IP-based strategies for national and regional economic development.

327. Member States increasingly emphasized the adoption of IP-based strategies to promote the use of IP assets for economic growth and social development. In response, the Intellectual Property and New Technologies Division was created in April 2004, with the main aim of supporting Member States, in particular developing countries and countries in transition, to enhance and strengthen their capacity for local development, ownership, management, use and commercialization of IP as an economic asset to benefit nationals. To this end, work during the biennium focussed on developing and offering very practical tools addressed to policy-makers at the national, regional and international level, as well as to decision-makers and managers at academic and research institutions.

328. A total of 45 Members States were assisted in various ways on IP strategies and capacity building for local IP asset development, management and exploitation, in cooperation with other national, regional and international governmental organizations. In all projects and activities priority was given to developing and using local expertise. In this regard, 156 developing country local experts participated in the development of case studies and training materials and conducting programs. A total of 1,285 developing country and country in transition participants, of which 194 were policy and decision-makers, were trained in

cooperation with other WIPO sectors and with the support of 94 governmental and non-governmental institutions and organizations.

329. The Creative Industries Division was created in June 2005 to streamline WIPO's activities towards providing a better service to countries wishing to assess their creative potential. In addition to research, revealing the scope of creative outputs, the aim was to undertake capacity-building activities in developing countries, to contribute to the development of methodology tools for measuring the impact of the IP system on creativity, as well as to offer an input in the international debate on the conceptualization of the creative industries, highlighting their IP component.

330. 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.

331. In the biennium, work continued 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.

332. The development and refinement of public outreach activities and public information materials continued 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 creating, marketing, and disseminating outreach materials. Cooperation with Member States in mounting national public outreach campaigns continued, resulting in a much broader dissemination of core IP messages, as well as greater recognition of WIPO and its work.

## **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.

<p><b><u>Expected Result:</u></b> Improved analysis and understanding of the relationship of IP to economic development.</p>
--

333. Further to the decision of the WIPO Assemblies in September 2004, a series of Inter-sessional Intergovernmental Meetings was organized to consider proposals presented by Member States on establishing a development agenda for WIPO. In this connection, WIPO organized a Seminar on Intellectual Property and Development jointly with UNCTAD, WHO, UNIDO and WTO, attended by representatives of Member States, IGOs and NGOs.

334. A country or sector specific approach was applied as the main strategy for demonstrating the economic benefits of the IP system to ensure that the specific circumstances of a given country were adequately taken into consideration. The programs endeavored to show innovators, businesses, public research institutions and academia the most effective ways to assess and exploit IP assets.



335. To assist policy-makers and decision-makers in formulating targeted strategies for national or sectorial economic development based on IP asset development, management, protection and exploitation, expertise within the Secretariat was combined with the knowledge and practical experience of external experts, trying to use, as far as possible, local expertise available in developing countries and countries in transition.

336. Regarding creative industries, the development of internationally recognized methodologies for assessing the impact of the IP system on development, progressed at an expert meeting in Geneva, in November 2005, aimed at developing a methodology for assessing the impact of copyright piracy, and at an international expert meeting, organized jointly between WIPO and the OECD on measuring counterfeiting and piracy. These two meetings produced a detailed outline for further research and methodology development to be implemented in 2006.

337. WIPO also participated in an international meeting on developing satellite accounts for cultural industries within the system of national accounts, which can significantly facilitate the tracking of creative outputs in statistical terms. This work, pioneered by the Convention Andrés Bello in Colombia, is being pursued in cooperation with UNESCO, ECLAC, academia, and the national statistical offices of the Latin American countries.

**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 Bhutan, Brazil, Belgium, Canada, China, Ecuador, Germany, Hungary, India, Indonesia, Italy, Jordan, Lebanon, Panama, Republic of Korea, the Russian Federation, Switzerland, Thailand 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 IP as a Tool for Developing Business and Research Strategies (Barbados).
- WIPO National Seminar on the Strategic Use of IP to Improve the Competitiveness of Ecuadorian Businesses in National and Foreign Markets (Ecuador).
- WIPO Workshops on IP as a Tool for Developing National Branding Strategies (Botswana, Jamaica and Tanzania).
- First WIPO-ECLAC High-Level Regional Center on Negotiation Aspects and Techniques in the Field of IP in Latin America and the Caribbean (Chile).
- WIPO Arab Regional Meeting on IP as a Power Tool for Economic Growth (Jordan).
- WIPO National Seminar on Omani Traditional Values in a Globalized World: the IP Challenge (Oman).
- WIPO/International Association for the Protection of Intellectual Property (AIPPI) International Symposium on IP: A Strategic Tool for Economic Growth (Egypt).
- WIPO-ECLAC Policy Forum on IP, Science, Technology and Innovation (Chile).
- WIPO Andean Seminar on the Use of IP as a Tool to Enhance the Competitiveness of the Business Sector (Peru).
- WIPO/OECD Conference: Measuring the Economic Impact of Counterfeiting (WIPO headquarters).
- WIPO Inter-Regional Symposium on the Strategic Use of Trademarks for Economic Development (China).
- WIPO-ASEAN Sub-Regional and WIPO National Seminar on the Strategic Use of IP for Development (Indonesia and Malaysia respectively).
- Second WIPO-ECLAC Regional High-Level Course on Technology Management and IP (Chile).
- WIPO-ECLAC-Initiative for Policy Dialogue (IPD) Round Table on IP and Technology Management (Chile).
- WIPO/Middle East Center for Culture and Development (MECCAD) Workshop on IP as an Engine for Promoting Cultural Industries (Jordan).
- WIPO National Workshop on the Economic Importance of Patents (Mexico).

The meetings addressed issues of relevance to the region, country, sector and industry, and their respective 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, such as the World Bank, OECD, UNESCO, UNIDO, UNCTAD, WHO, WTO 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.

A total of 45 Members States were assisted in different ways on IP strategies and capacity building for local IP asset development, management and exploitation, in cooperation with other national, regional and international governmental organizations, such as UNCTAD; New Partnership for Africa Development (NEPAD); UNESCO; Science and Technology Initiative for Africa; EPO; European Community Assistance for Reconstruction, Development and Stabilization (CARDS) Project for Western Balkan Countries; OAPI; *Secrétariat exécutif de la Communauté économique et monétaire de l'Afrique centrale* (CEMAC); ARIPO; Indian Ocean Commission (COI); Association of Southeast Asian Nations (ASEAN) Secretariat; NGOs and professional associations such as Licensing Executives Society International (LESI); the Geneva International Academic Network (GIAN-RUIG); Association of University Technology Managers (AUTM); and, InWENT Capacity Building International.

Research-based activities relating to how IP-based strategies, policies and practices work in practice to promote the use of IP assets as a tool for economic development resulted in the following deliverables:

- A database on IP strategies, policies and practices, organized by 38 different categories of contents (the result of compiling and analyzing concrete examples and models from Member States).
- An IP Audit Tool (WIPO publication No.927E) (a guide and checklist for undertaking, at the national or regional level (public sector), a comprehensive assessment of the national framework for dealing with IP and related issues, with a view to enhance the quantity and quality of IP rights and assets obtained by nationals in Member States and to get economic and development benefits from the use of the IP system. A total of 34 Member States benefited from WIPO's technical assistance and training programs, to support them in their process of conducting a national IP audit or/and in formulating and implementing national IP strategies and policies.
- A case study on IP valuation and its relationship to funding, in particular for research institutions and early stage technology-based businesses was launched.
- Research to design a two and a half year demonstration project which consists of the development, testing and evaluation of a model based on the creation of two networks of R&D institutions in the health sector (tropical diseases) with an IP shared service (IP Hub) each. This model is being implemented in six Central African countries (Cameroon, Chad, Equatorial Guinea, Republic of Congo, Republic of Central Africa and Gabon) and in Colombia with the support of the Geneva International Academic Network Foundation (GIAN-RUIG). The R&D Network with IP Hub model can be a strategy to support local researchers and R&D institutions in managing, protecting, owning and exploiting their research results in order to build institutional sustainability. One of the main achievements of this project was to build a synergic partnership among the 11 national, regional and international governmental and non-governmental partner organizations to support the 32 academic and research institutions involved. This project has received extra-budgetary funding and practical expertise input from the partner institutions.
- A feasibility study was launched conducted by seven local experts and six national working groups on the establishment of a network of IP-related Business Development Services providers in the ASEAN region to whom inventors, research institutions and SMEs from the 10 ASEAN countries can turn for specific services in their efforts to create, protect and exploit IP assets.

With the assistance of national, regional and international institutions involved in the development of economic and development policies, fact-finding missions, national and regional meetings and activities focussing on IP strategies, policies and practices to support economic and development goals at the country level were organized. Specifically, advisory and fact-finding missions were undertaken to Barbados, Cameroon, Colombia, Croatia, Dubai, Madagascar, Mauritius, Mozambique, Serbia and Montenegro, and Uganda.

Each of the 11 national, 15 regional and five international events, organized and/or attended by WIPO showed why IP asset development, ownership and exploitation by nationals have the potential to create local value and how the incorporation of IP strategies and policies into national and regional economic and development planning can support development. Issues addressed in these events in order to support Member States in

developing and implementing IP-based strategies included: selection at the national level of economic fields and industries which have, or can have, comparative advantages (targeting); support and funding local R&D in those selected target areas in order to build technology clusters and rings; the link between IP valuation and funding; funding of IP protection; IP policies for research institutions, among others, to support technology transfer from the public to the private sector and to address brain drain and gain, etc.

Initiatives were undertaken in 11 countries to support research on the economic contribution of the copyright-based industries (three in Africa, two in Asia, three in Latin America and three countries in Central and Eastern Europe) based on the WIPO *Guide on surveying the economic contribution of the copyright-based industries*. Projects were successfully launched in two countries while the other projects will be launched in the course of 2006. Studies were performed by expert teams in the countries involved and were developed as international partnerships with a multi-stakeholder participation coordinated by WIPO.

An international exchange was launched on fine-tuning and improving the methods for international studies on the economic contribution of the copyright-based industries in developing countries, focusing on data collection issues and the development of multiple indicators. This work is done in close cooperation with UNESCO, UNIDO and other international governmental and non-governmental organizations as appropriate.

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

338. 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.

339. WIPO's cooperation with the academic community in reputed universities and academic centers 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.

340. Priority was also given to strengthening the capabilities of innovation and business support infrastructures, public research institutions and academia to establish and use policies and practices to develop, manage, protect, own and exploit IP assets effectively and with a view to creating local ownership of IP assets and institutional sustainability. This was done through the development of local professional competencies, such as patent drafting, strategic counseling relating to IP and marketing, IP asset management, technology transfer and licensing negotiation, to address IP issues, so that local research institutions and businesses can take better advantage of IP for their activities and expand them further.

341. To effectively contribute to the international debate on the conceptualization of the creative industries and their IP component, WIPO participated in several international conferences at which specific contributions were made reaching an audience of 2,000 policy makers and experts in the field of creative industries.

342. WIPO also initiated the preparation of two publications on IP issues in the creative industries. In August 2005, an Agreement for services relating to the importance of the copyright sectors in developing countries, which aims at providing support and technical assistance to countries willing to undertake specific work for the promotion of their creative industries, was signed between WIPO and the United States Patent and Trademark Office

(USPTO). WIPO continued to cooperate with the Government of Brazil in the establishment of an International Center for the Creative Industries in Salvador de Bahia, Brazil. A number of partnerships and projects were established or discussed with the Governments of Finland, the Netherlands and the United Kingdom.

**Performance Indicator(s):**

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

WIPO completed a Study on IP Management in Health R&D in Indonesia. The study will help the country to align R&D processes in health with IP and to foster the phytopharmaceutical market, a sector with significant growth potential.

Another study in the field of IP Management in Health R&D was conducted in Jordan, which will allow for the tracing of common features and distinctive characteristics that developing countries face in this area.

In the context of promoting the effective and efficient use of the IP system in the African Region, an IP impact assessment project was completed in Kenya.

WIPO and the ASEAN Secretariat jointly implemented a study to compile success stories of business enterprises in the region pertaining to IP portfolio management. Two case studies were identified from each ASEAN Member State, namely, Brunei, Cambodia, Indonesia, Lao People's Democratic Republic, Malaysia, Myanmar, Philippines, Singapore, Thailand and Viet Nam.

A "Study on Leveraging IP to Foster Tourism Systems in Lebanon" was finalized in 2005 on the role of IP in promoting investment in culture-based tourism.

In the context of using the IP system as a tool for developing national branding strategies, WIPO assisted the Jamaica IP Office and the Royal Government of Bhutan in the development of a nation-branding program.

An expert mission was organized to Ecuador, where artisans were seeking protection for the geographical indication used on handmade straw hats of Montecristi, to raise public awareness on how the use of distinctive signs could help generate socio-economic benefits.

A study on Geographical Indications in Sri Lanka was launched at the end of 2005, with the objective of assessing how the protection of geographical indications could accelerate growth in the tea, cinnamon and sapphires sectors.

A study was launched to identify the IP potential of the biotechnology industry in India. The study is expected to demonstrate the increasing importance of IP rights in this sector.

A macro-level study, "Study on the Economic and Strategic Value of Patents and Trademarks", was initiated to give an overview of the value and importance of IP in the 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 was initiated on "The Economic Opportunities of the Madrid System."

In the framework of the "R&D Networks and IP Hubs" project, teaching materials and guides were developed and tested as a set of practical IP training modules and tool kits to develop local expertise in three key practical IP asset management areas, namely, technology transfer and licensing negotiation, patent drafting and research results management and commercialization. In this context, a total of 103 local researchers, lawyers and managers were trained.

Preparation and customization of a patent agent training module, which include a manual and distance learning exercises and tutorial in English, French and Spanish, in six Central African countries and Colombia.

Development of a comprehensive technology transfer and licensing training-of-trainers program and curricula "Successful Technology Licensing (STL)", including a practical training kit, a STL guide (WIPO publication No. 903), and a set of standard training materials to be customized eventually to the specific needs of a country or region. The STL training program is available in English, French, Spanish, Serbian and Portuguese. A total of 537 people from 32 different countries were trained on technology transfer and licensing issues.

A study on "Intellectual Assets and Value Creation", to explore the economic potential of IP and other intangible assets at the firm level, is being jointly prepared by WIPO and OECD. The study will provide an overview of current industry practices with regard to IP management and valuation across several countries along with policy guidelines. Another study with the OECD on "Measuring the Economic Impact of Counterfeiting" is expected to develop a methodology to quantify the losses and possible gains of counterfeiting.

WIPO contributed to studies undertaken to assess the economic contribution of the copyright-based industries in Brazil, Hungary, Latvia, Russia, and Singapore. The surveys were completed in Hungary, Latvia, and Singapore, while the projects initiated in the other two countries are to be finalized in 2006.

Contributions to the international debate on the conceptualization of the creative industries and their IP component were made at the following events: the Global Alliance for Cultural Diversity Conference: Partnerships on the move, organized by UNESCO; the Creative Economy Conference organized by the EU Presidency; the Second International Conference *Jornada Expresiones Vivas* in Barcelona; and, WIPO Workshop on Practical IP Issues in Developing a Business Plan, Belfast.

The following publications on IP issues in the creative industries were initiated:

- IP in the book publishing industry; a reference material for publishers on the IP issues involved in setting up a publishing enterprise. In this context, a regular dialogue took place with publishers from developing countries, including meetings with the Caribbean Publishers Network (CAPNET), African Publishers Network (APNET), and the Federation of Indian Publishers (FIP), held on the margins of the Frankfurt Book Fair.
- a WIPO publication, in which the studies assessing the economic contribution of copyright-based industries to the national economy, based on the WIPO Guide and carried out in Canada, Hungary, Latvia, Singapore, and United States of America will be presented. The publication will be the first in the Creative Industries Series and is due in the first quarter of 2006.

In December, a two-day Workshop on IP as an Engine for Promoting Cultural Industries within the framework of the Second World Culture Forum, was held in Jordan. The Forum provided an opportunity for addressing a broader audience and for discussing IP issues in the context of culture and its contribution to development.

<b>Total expenditure (000 Swiss francs) for sub-program 11.1 in the 2004-2005 biennium:</b>	<b>2,260</b>
---	--------------

## 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.

<b>Expected Result:</b> IP is increasingly perceived as a policy priority in empowering inventors, creators, academics, entrepreneurs and SMEs.
---

343. IP is increasingly perceived as a policy priority by stakeholders in Member States as is evident from the increasing number of requests received for organizing not only awareness creation, but also capacity building events, at the national, regional and international level on various facets of IP for SMEs.

344. Some 6,800 persons participated in some 99 events worldwide, which were either organized or attended by WIPO. This was in addition to a wide range of beneficiaries who accessed the WIPO SMEs web site, with an average of some 60,000 and 117,000 page views per month in 2004 and 2005 respectively. The number of subscribers to the SMEs e-newsletter, in the six UN languages, increased to 19,179 in 2005, an increase of 193 per cent compared to the previous biennium.

345. In 2004 and 2005, cooperation with a range of external partners was further strengthened for the translation and/or customization of publications including: three short guides in the new “Intellectual Property for Business Series” of WIPO (*Making a Mark* on trademarks, *Looking Good* on industrial designs, and *Inventing the Future* on patents), in nine Eastern European countries, two countries in the African region, one in the Arab region, one in Asia and one in Latin America; and certain publications such as *Negotiating Technology Licensing Agreements* and *Marketing Crafts and Visual Arts: the Role of Intellectual Property: a Practical Guide*. This initiative was funded by contributions made available by TAIEX, France, Italy, Japan, the Republic of Korea and Spain as well as regular WIPO funds. In addition, some national partners have translated and/or customized the short guides, at no direct cost to WIPO. In all, 62 countries have either completed the national translation and/or customized the short guides and other information material. Furthermore, a book *Capitalizing on IP* was finalized for publication in the forthcoming biennium.

346. Cooperation within WIPO was further strengthened through jointly organized studies and events worldwide to promote the use of IP tools in sectors such as innovation, business, science and technology, R&D, universities, professional associations, and SMEs.

347. In 2005, two public events were organized: *Compasso di Oro*, an Italian exhibition of distinguished designs, at WIPO; and “Creators in Perpetual Movement”, an exhibition with the Swiss watch industry federation.

348. With respect to the WIPO award program, a total of 131 WIPO Awards for Inventors were bestowed in 2004-2005 in national and international competitions or fairs to inventors; 20 WIPO Trophies for Innovative Enterprises were awarded to enterprises in six countries; and, 40 WIPO Creativity Awards were offered to authors and creators in recognition of creations in various categories of art such as music, literature, poetry, film and design.

**Performance Indicator(s)**

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

- Participation in 53 national seminars, workshops and other awareness/training events on IP for SMEs in the African, Arab, Asia and the Pacific, and Latin American regions, and in certain countries in Europe and Asia, with a total of some 4,300 participants.
- Participation in 35 seminars, orientation programs, ministerial conferences, press conferences, post-graduate courses in 11 industrialized countries for an overall audience of about 2,100 participants.
- Four workshops on IP for the business community at WIPO headquarters in Geneva, attended by some 400 participants.
- Presentations in meetings on IP for SMEs organized in Geneva by other WIPO sectors and UN organizations.
- One-day business oriented program on IP for SMEs for a group of 60 students of the Indian Institute of Planning & Management.
- A total of 131 WIPO Awards for Inventors were bestowed in 2004-2005 in national and international competitions or fairs to inventors.
- 20 WIPO Trophies for Innovative Enterprises were awarded to enterprises in six countries.
- 40 WIPO Creativity Awards were offered to authors and creators.

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

- Publication of 13 articles in the WIPO Magazine and 40 articles in the SMEs e-newsletter focussing on different aspects of IP and SMEs.

- Completion of six national studies on SMEs and IP in Argentina, Bhutan, Morocco, Mongolia, Nepal and Sri Lanka.
- Translation of the guides on trademarks and industrial designs into Romanian and Turkish, which were printed and distributed by the respective national IP Offices, and completion of a new guide *Inventing the Future* on patents within the IP for Business Series in English.
- Two guides were published jointly with ITC: *Secrets of Intellectual Property: A Guide for Small and Medium-Sized Exporters*, in English and Spanish; and, *Exchanging Value - Negotiating Technology Licensing Agreements: A Training Manual*.
- Technical assistance for the development of two guides on IP, for the Indian Toy Industry and the Indian Machine Tools Industry, was provided with funding by UNIDO.

**Expected Result:** Better awareness and understanding, and greater use of the IP system among R&D institutions and universities to disseminate and commercialize research results.

349. The WIPO University Initiative Program continued to expand during the biennium. At the end of 2005, more than 50 universities were participating in the Program, had established university IP coordinators and received the WIPO University Initiative Documentation Kit. In 2005, the Program received over ten new requests for participation. Two regional workshops on IP awareness building for universities were organized in Croatia and Guatemala, in 2005, in cooperation with the Spanish Patent Office and the European Patent Office respectively.

350. Within the framework of the WIPO Patent Information Services (WPIS) program, WIPO processed, in 2004-2005, with the assistance of donor countries, some 2,442 state-of-the-art search requests from developing countries, including 383 requests for search and examination reports on patent applications under the International Cooperation for the Search and Examination of Inventions (ICSEI) program.

351. In addition, some 1,361 online search requests were received from developing countries and respective online searches were performed by the International Bureau. Copies of patent documents were delivered at the requests of a number of developing countries.

352. WIPO also organized a series of seminars and workshops in several developing countries, attended by representatives from universities, industry associations, inventors associations, SMEs, chambers of commerce and staff of industrial property Offices, on WIPO services, access to patent information, online databases, and economic development through transfer of technology.

**Performance Indicator(s)**

*Number of R&D institutions and universities which have established IP policies or coordinators to facilitate the development, protection and management of IP assets based on research results:*

At the end of 2004, the newly edited WIPO University Initiative web site was launched.

At the end of 2005, more than 50 universities had joined the WIPO University Initiative network. Each participating university had nominated a university IP coordinator. In addition, at least one IP Focal Point from each national IP office had been nominated. In 2005 alone, some 13 additional universities joined the Program.

**Total expenditure (000 Swiss francs) for sub-program 11.2 in the 2004-2005 biennium: 6,860**

### 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.

353. In order to finalize the development of an efficient and transparent administrative framework for the WIPO partnership program, discussions continued with other UN organizations as well as with other not for profit entities that have similar partnership programs. The advice offered by these organizations has been useful in finalizing the details of WIPO's own partnership program.

354. WIPO participated in various meetings and discussions 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 Chamber of Commerce (ICC), the International Trademark Association (INTA), the European Communities Trade Mark Association (ECTA) and the *Fédération mondiale des femmes chefs d'entreprise* (FCEM), as well as with consumer groups. As a result, a growing number of NGOs were applying for observer status to WIPO and/or for accreditation in WIPO meetings, hence strengthening the dialogue between WIPO and NGOs.

**Performance Indicator(s)**

*Adoption of Guidelines for cooperation with the private sector:*

WIPO continued its work of refining and redrafting the guidelines in order to ensure that the final Private Sector Partnership Guidelines would make the program a model of transparency and effectiveness.

WIPO was referred to in a compendium prepared by the United Nations Non-Governmental Liaison Service (NGLS) entitled *UN System Engagement with NGOs, Civic Society, the Private Sector and Other Actors*.

**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.

355. The exploration of the use of extra-budgetary private sector resources to assist WIPO in helping Member States achieve the full benefits of the IP system continued. Many public institutions and various private sector stakeholders expressed interest in participating in projects with WIPO. Continued discussions were held with the UN Foundation to explore the most efficient ways of receiving resources from third parties. Additionally, the Private Sector Partnership is exploring its potential role as a facilitator between potential donors and program beneficiaries.



**Performance Indicator(s)**

*Positive reactions from Member States and the private sector:*

In missions undertaken to New York and Washington, D.C., IP stakeholders expressed a continued willingness to work with WIPO in the creation of partnerships to help foster a climate in which all Member States can take full benefit from the IP system. In response to this support, WIPO began exploring new and innovative partnerships with the private sector and private universities. Contacts with Member States have also indicated continued support for a well-focused Partnership Program.

*Amount of contributions accepted and number of projects approved:*

Several project proposals were being considered under the partnership program for implementation in the 2006-2007 biennium, including with the *Fédération mondiale des femmes chefs d'entreprise* (FCEM).

<b>Total expenditure (000 Swiss francs) for sub-program 11.3 in the 2004-2005 biennium:</b>	<b>964</b>
---	------------

## **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.

<b><u>Expected Result:</u></b> Attractive, accessible, and user-friendly information products on IP-related subjects.
---

356. Work continued on developing and refining WIPO's outreach activities, with an increased range of new and updated information products aimed at both general and target audiences. Some 258 new products were issued and another 109 updated during the biennium, ranging from legal and technical guides, to training manuals, to publicity and awareness-raising materials. The content of the *WIPO Magazine* continued to expand, with an increased focus on the successful use of IP in developing countries, and on a more dynamic presentation of WIPO's activities and services. Two new free publications, *Understanding Industrial Property* and *Understanding Copyright and Related Rights* addressed the demand for a more detailed introduction to IP for non-specialists. Sales of the comprehensive *WIPO Intellectual Property Handbook* increased by 35 per cent, while page views of the online version increased by 71 per cent in 2005.

357. New outreach products were created for specific target audiences, and, in particular, efforts were stepped up to increase young people's understanding of IP. *Learn from the Past, Create the Future: Inventions and Patents*, marked a new departure as the first in a series of lively curriculum materials created by WIPO for schools. The workbook received positive feedback from Member States and NGOs, including requests for translations into local languages, and requests for links to the pdf-version from a number of educational web sites. An explanatory brochure on the value of IP, aimed at older students, was also produced. The benefits to creators and consumers of copyright and related rights and of collective management of copyright were explained in an eye-catching brochure produced jointly with two private sector partner organizations. Work began with a respected academic publisher on a project to co-publish a substantial new text book to fill a major gap in the market for reference materials for IP professionals.

358. The WIPO web site received on average four million and 14.5 million page views per month in 2004 and 2005 respectively, demonstrating its central importance as an outreach and communications medium. Work began in-house on a major redesign of the web site in order to improve its effectiveness, both in facilitating access to the information and services provided by WIPO, and in communicating the Organization's activities and corporate values. The launch of the new site is planned for 2006. Drafting also neared completion of a comprehensive set of web-based, practical guides for Member States and NGOs on conducting IP outreach campaigns, to be published in 2006 in a new outreach area of the WIPO web site.

**Performance Indicator(s)**

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

258 new products were issued and another 109 were updated.

24 requests from Member States for translation of 16 WIPO general information products, which will result in 63 new language versions when completed.

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

41,048 WIPO publications were sold in 2004 – 2005.

Some 1,000 World IP Day kits of promotional materials were distributed each year to Member States, NGOs, and IGOs.

*Number of conferences and seminars for which publicity materials were prepared:*

344 different publicity materials were produced for conferences and seminars.

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

Average number of recorded page views per month climbed from four million in 2004 to 14.5 million in 2005.<sup>4</sup> Press releases, SME resources, and the "About IP" areas of the web site were maintained in all six languages. Translations of official documents were added into the documents database. Monitoring of the "About IP" sample area in 2005 showed 66 per cent of visits to the English language version, followed by French (12 per cent) and Spanish (10 per cent). Visits to the Chinese language version were significantly lower in 2005 than recorded in 2004. The introduction of an RSS newsfeed facilitated the efficient dissemination of WIPO information to subscribers.

**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.

359. The number of WIPO products made available free of charge increased during the period, with some 82 publications available for downloading via the electronic bookshop on the WIPO web site at the end of 2005. At the same time, production and distribution costs of free products were saved by promoting demand for the electronic versions over print publications, and by tighter controls over bulk orders dispatched for events. The numbers of printed copies distributed was thereby reduced by 20 per cent compared to the previous biennium, to nearly 450,000. Electronic subscriptions to the WIPO Magazine accelerated from the launch of the online version in mid-2002 to reach over 8,000 by the end of 2005. Use of the online publication, *The WIPO Guide to Intellectual Property Worldwide* increased by 81 per cent in 2005 over the previous year, with 333,448 total page views for the biennium.

<sup>4</sup> Better software enabled web site statistics to be captured more accurately in 2005 than previously.

360. An agreement was concluded between WIPO and the GooglePrint service, enabling Google users searching IP terms also to be directed to electronic versions of WIPO publications containing those terms. Users are given access to a limited number of pages in those publications, plus a link to the WIPO electronic bookshop. As well as expanding access to all WIPO's free information products, this technology increases visibility and sales opportunities for the paid publications.

**Performance Indicator(s)**

*Number of WIPO products distributed free of charge:*

449,371 products were distributed free of charge.

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

82 titles representing 345 publications in the different language versions.

**Expected Result:** Increase in marketing activities for WIPO products.

361. A thorough analysis of the information technology system used for marketing and distribution of publications was begun in the biennium to streamline the work process. A new payment system was introduced, requiring payment in full in advance of dispatch of publications.

362. Total income from sales decreased by 37 per cent compared to the previous biennium. This followed policy decisions to make more WIPO products available free of charge on the web site in order to reach a wider audience, and as a result of the discontinuing of sales of the previously high revenue-generating PCT Pamphlets. With a view to striking a balance between making publications available for free and maintaining revenue from sales, efforts were begun to identify products which could be sold in added-value versions online.

**Performance Indicators**

*Number of events attended:*

WIPO attendance of events for marketing purposes decreased, as it was not considered being cost effective. However, WIPO publications continued to be promoted through intermediaries at selected international events (e.g., International Trademark Association (INTA), San Diego, September 2005; Meeting on Trademarks in Prague, October 2005; and as part of the UN Stand at the Frankfurt Bookfair, September 2005).

*Number of countries in which WIPO sales agents are located:*

11 countries.

*Sales volume through WIPO sales agents:*

32,000 Swiss francs.

*Income generated from advertisements in WIPO periodicals:*

375,287 Swiss francs.

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

13,536 subscribers to the English, French and Spanish lists, i.e., a 64 per cent increase over the previous biennium.

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

A total of 4.64 million Swiss francs was generated from the sale of publications, of which 7.4 per cent (344,529 Swiss francs) was via the e-bookshop sales.

**Expected Result:** Greater public understanding of IP and WIPO.

363. The celebration of World Intellectual Property Day in 2004 and 2005, with messages targeting particularly young people, saw increasing participation by Member States and organizations. Some 60 Member States and organizations reported back to WIPO on the activities they organized around the “Encouraging Creativity” theme in 2004, and over 110 on the “Think, Imagine, Create” theme in 2005. WIPO provided IP Offices with kits of promotional materials, including posters, CD-Roms, publications and a message from the Director General. Over 50 IP Offices each year requested and received copies of WIPO’s World IP Day television spots.

364. Video and multimedia productions increased in volume and quality, with significant cost savings achieved by carrying out 90 per cent of production in-house. Four television spots conceived and produced by WIPO were aired over the two year period by CNN, BBC World and some 80 national networks. Video interviews with prominent creators and IP users were screened at WIPO seminars to communicate key messages on copyright and creativity.

**Performance Indicator(s)**

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

Production of all categories of film and multimedia products increased in support of the activities of many sectors. Products included: six CD-ROMs, 11 Flash animations, 14 video interviews, two major video messages, seven clips, 15 videos for webcast, and 13 videos on WIPO conferences and exhibitions.

107 orders were met from IP Offices for broadcast tapes/videos/DVDs of the *Creative Planet* series and the IP Day television spot.

<b>Total expenditure (000 Swiss francs) for sub-program 11.3 in the 2004-2005 biennium:</b>	<b>8,658</b>
---	--------------

<b>Total expenditure (000 Swiss francs) for Main Program 11 in the 2004-2005 biennium:</b>	<b>18,742</b>
--	---------------

## **MAIN PROGRAM 12 - Resources Management**

365. This program covers financial operations, human resources and knowledge management, and conference, languages, printing, procurement, travel and building services.

366. During the period under review, emphasis continued to be placed on improving efficiency and enhancing cost-effectiveness, in particular, through greater use of IT tools. Administrative procedures were also further streamlined and efforts continued to reduce overall operational expenditure through cost-cutting measures.

367. An important achievement was the successful implementation 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.

368. The streamlining of human resources administrative systems continued, and enhancements were made to the existing computerized on-line staff information system, leading to greater efficiency in administration of staff benefits and entitlements. The Organization's staffing requirements were, to a great extent, met through internal re-deployment.

369. Fixed-line and mobile telephone telecommunication charges decreased by 30 per cent compared with the previous biennium. 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.

370. In 2004, a study on cost reduction options for the new construction project was prepared. In 2005, the WIPO Assemblies approved the revised construction project and the proposal to finance the project with external funding.

## **Sub-program 12.1 - Financial Operations**

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

<p><b><u>Expected Result:</u></b> Enhanced efficiency of financial operations.</p>
--

371. Sound financial management continued, with accurate records kept of all income and expenditure, and monthly and annual accounts 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, and it is expected that the accounts for the 2004-2005 biennium will be closed on schedule. The Financial Management Report for the 2004-2005 biennium is in production and will be sent, together with the relevant audit report, to Member States in 2006.

372. The distribution of the Madrid Union supplementary and complementary fees was closely followed-up throughout the biennium, as were the monthly distributions of the individual fees related to the Madrid Protocol and the Hague Union State fees.

373. All steps of the Administration Information Management System (AIMS) project were successfully completed with the implementation of all modules, i.e., Billing, General Ledger, Accounts Payable and Accounts Receivable. The expenditure and income modules went live as planned. On the income side, considerable progress was made in the adaptation of the system to users' operational needs and efforts continue to further enhance efficiency in this area.

374. A number of interfaces were developed with other sectors including, on the expenditure side, payroll, budget and electronic funds transfer interfaces and, on the income side, PCT,

PCT receiving office, trademark, publication, industrial design, domain name, bank and current account interfaces. These interfaces considerably improved efficiency as a result of the automation of many daily operations enhancing information exchange between various WIPO sectors.

375. Staff training continued to enable finance staff members to complement WIPO's IT support team and maximize departmental operational independence.

**Performance Indicator(s)**

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

The migration to production of the expenditure and income modules was successful and on schedule.

The training of income users was intense and the IT maintenance team was consolidated with specific training provided for certain Finance staff members.

**Expected Result:** All financial operations are executed with probity.

376. 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. The 2004-2005 intermediate audit gave rise to a number of recommendations that were attended to immediately, with a number of follow-up actions taken. The auditors expressed their satisfaction with the follow-up process.

**Performance Indicator(s)**

*Satisfactory report by external auditors:*

Satisfactory report and audit opinion by the External Auditors on the accounts for the 2002-2003 biennium. Auditors expressed satisfaction with follow-up to recommendations made in the 2004-2005 intermediate audit.

*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 monthly payrolls; and timely payment of suppliers.

*Accounting conforms to applicable regulations, rules and standards:*

Operations were performed in conformity with the authorizations given by competent bodies of the Organization and in line with WIPO's Financial Rules and Regulations.

*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.

377. All available funds continued to be fully invested. The Investment Advisory Committee met on a regular basis and agreed that, with capital safeguarded, the best option was the placement of investment funds with the Swiss Central Bank, which yielded an average of 2.53 per cent and a total of 8.4 million Swiss francs for the biennium.

**Performance Indicator(s)**

*Return obtained on invested funds:*

Return on investments totaled 8.4 million Swiss francs, corresponding to an average rate of interest of 2.53 per cent per annum for the biennium.

**Expected Result:** Full transparency, accountability and effective use of resources.

378. 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, and discussed at the WIPO Assemblies in September 2005. The 2004-2005 Financial Management and Audit Reports will be sent to Member States in July 2006.

**Total expenditure (000 Swiss francs) for sub-program 12.1 in the 2004-2005 biennium: 12,865**

## **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.

379. The limits on recruitment, introduced in late 2002, remained in place throughout the biennium. During the period under review, only 39 new people (compared to 246 in 2002-2003) joined the Organization: 10 fixed-term staff and 29 temporary employees, of which five recruits were Junior Professional Officers. There was an additional temporary

recruitment of 20 translators under Special Service Agreements. In 2004-2005, 45 competitions were announced (44 at Professional and one at General Service level), 50 staff were appointed following competition, and 11 internships were offered under the WIPO *ad hoc* internship program. Some 6,000 job applications were received and approximately 2,500 contract extensions for temporary employees processed.

380. The reduced level of recruitment limited the impact of new appointments on gender balance and geographical distribution of staff. Reduced recruitment also saw efforts increasingly directed towards redeployment of existing short-term resources to satisfy ongoing Organizational demands. In this connection, an Intranet-based Jobshop was initiated. In addition, the maximum length of contract for short-term general service employees was increased to 11 months and three weeks.

**Performance Indicator(s)**

*Number of staff recruited meeting WIPO requirements and within established time frames:*

43 Professionals and seven General Service staff were appointed.

Additional staffing needs were met with the recruitment of 11 consultants and employees with Special Labor Contracts, 18 General Service and translator short-term employees, 20 employees under Special Service Agreement and 11 internships.

*Improved geographical distribution:*

At the end of 2005, staff represented 96 different nationalities compared to 94 at the end of 2003.

*Higher proportion of women at senior professional and higher category levels:*

At the end of 2005, the proportion of women at P4 level and above was 28 per cent compared with 27 per cent at the end of December 2003.

**Expected Result:** Timely and efficient administration of the benefits and entitlements of all regular staff through the Personnel Management Information System (SIGAGIP/HRAccess).

381. Staff members received their entitlements in a timely and satisfactory manner. The stabilization of the number of regular staff and short-term employees made it possible to consolidate activities related to the administration of staff benefits and entitlements. In addition, the ongoing process of enhancing the existing computerized on-line information system on individual staff and groups of staff members, for use by program managers, supervisors and individual staff members, continued in 2004-2005.

382. Some 780 education grant-related claims were processed, reflecting an increase of 9.1 per cent compared to the previous biennium. Furthermore, 786 Swiss identity cards and United Nations "Laissez-passer" were issued; 1,736 attestations and work certificates were prepared; 1,824 periodical performance reports were scrutinized and in-grade annual step increases were authorized; 594 claims for dependency allowances were handled; and, 824 rental subsidy claims were calculated and confirmed for payment.

383. The strengthening of staff administration procedures to support the various program activities continued throughout the biennium. This was also reflected in the creation of more



flexible arrangements for leave, notably the introduction of special arrangements to facilitate the reintegration of staff members returning from long-term sick leave.

384. All tasks related to the administration of social security coverage of staff, temporary employees, WIPO retirees and their families were effectively carried out, as was the administration and 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 (UNJSPF) and the WIPO (Closed) Pension Fund.

385. During the period under review, 25 staff members and employees joined the United Nations Joint Staff Pension Fund (UNJSPF) and 114 separation cases were calculated, bringing the total number of participants to 1,151. Regarding the WIPO (Closed) Pension Fund, cost containment measures towards payment of pension supplements were introduced during 2005, which concerned 62 retired staff. The sale of the *Carouge* building property of the WIPO (Closed) Pension Fund, also took place in 2005.

386. A call for tenders for medical insurance in 2004 resulted in the renewal of Van Breda's contract and 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. 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. With some 285 entries and 323 withdrawals, the group medical insurance scheme counted 3,010 insured persons at the end of 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.

387. WIPO continued its active participation in the reform process of the pay and benefits system, which is being undertaken within the United Nations common system. The Staff Regulations and Staff Rules of the Organization (including the salary scales for the different categories of regular staff) were amended to reflect 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 :*

The text of 11 Regulations and Rules were amended and 21 Office Instructions related to staff administrative issues were issued.

**Expected Result:** Classification of posts in accordance with the standards used within the United Nations Common System.

388. Some 53 posts in the Professional and General Service categories (approximately six per cent of all posts) were subject to a classification exercise and a complete revision of all descriptions of posts in the Organization began. To assist with this task, an external classifier with in-depth knowledge of the United Nations classification standards was hired. At the end of 2005, all posts in the Organization were classified in accordance with the standards established by the International Civil Service Commission (ICSC) for each category of posts in the United Nations common system. In 2004, a new computerized system for classification standards of posts in the Professional and Special categories (the “New Master Standard” - NMS) was also implemented.

**Performance Indicator(s)**

*Percentage of posts classified and reclassified according to the UN Common System standards:*

100 per cent of posts are classified in accordance with the standards.

**Expected Result:** Improved standards of service for staff and temporary employees.

389. Practices and procedures with respect to staff and short-term employees' working conditions were enhanced, and conditions of employment of temporary employees improved. The period of entitlement to full pay while on special leave for maternity purposes increased from eight to 12 weeks, and compassionate and paternity leave were introduced.

390. During the period under review, an initiative was launched with respect to a new performance appraisal system, which will apply to staff members and short-term employees. A periodical report system was implemented for General Service short-term employees. Procedures for the dealing with claims relating to harassment in the workplace were also issued.

391. Counseling of staff confronted with personal and/or family related problems continued during the biennium, and activities continued with respect to the Children's Club, domestic employees issues, contacts with retirees, housing, and assistance to staff on administrative issues with external entities. Relevant information continued to be updated, with emphasis on updating the Intranet web site, and work began on projects relating to dependencies, financial problems and staff-well being.

**Performance Indicator(s)**

*Feedback from program managers and other staff and employees:*

Enhanced flexibility on working hours and leave was well received by staff at all levels.

**Expected Result:** Timely and accurate information and advice to staff on their rights and obligations.

392. A client-oriented approach, combined with ongoing enhancements to the existing computerized on-line staff information system continued. As a result, the number of direct requests decreased by 28.8 per cent compared with the previous biennium.

393. Legal advice was provided 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:*

Staff at all levels found 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.

394. The Organization continued to provide training to enhance management, communication, IT and language skills. In total, 37 per cent of WIPO staff members participated in training activities, which represented 0.37 per cent of the total mass salary. During the biennium, IT training was conducted in-house (92 participants) and externally (16 participants), and technical training was provided to 12 IT specialists. In addition, 66 staff members participated in the WIPO Worldwide Academy's on-line IP training, specific management training continued to be provided on an *ad hoc* basis, 130 staff members attended courses related to their professional needs, and language courses were offered to 1,434 participants.

395. Due to financial constraints, however, it was necessary to reduce the overall number of training activities. Expenditure for language courses decreased by 20 per cent by reducing course hours, and IT training was suspended in the second semester of 2004. Other planned programs, such as Trademarks Management and Time Management training, were postponed.

**Performance Indicator(s)**

*Feedback from participants and from their supervisors:*

Overall assessments of training courses showed a high rate of satisfaction, based on feedback from supervisors and staff.

*Number of staff members mastering two or more working languages recognized by WIPO:*

1,434 participants benefited from language courses in Arabic, Chinese, English, French, German, Japanese, Russian and Spanish, as well as oral and written expression courses, and intensive courses in French and English. Proficiency Examinations in English, French and Spanish were organized for 117 WIPO staff of which 56 passed.

**Expected Result:** Appropriate healthcare for staff, retirees and delegates.

396. All healthcare requests by staff, retirees and foreign delegates, as well as requests for pre-travel briefing and post-travel debriefings, were dealt with in a satisfactory manner. Important measures were also taken to contain and avoid the widespread dissemination of the identified Coxsackie virus, and a WIPO Preparedness Pandemic Plan in the event of an Avian Flu outbreak was prepared.

397. As a result of the expansion of the healthcare providers' network, staff and their family members were able to enjoy a broader access to healthcare at competitive rates. This was an important element in the Organization's cost containment policy.

**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: conducted 10,882 consultations and interventions for staff members and short-term employees, retirees, Member States' delegates and official guests of WIPO; addressed 73 emergency cases; administered 632 vaccinations; delivered 17 medical clearances; and, carried out 105 pre-travel briefings for missions with delivery of traveler's kits.

**Expected Result:** Higher awareness to the benefits of health management techniques and a healthy working environment, and a better access to these benefits

398. Continued implementation of health promotion programs, preventive measures, hygiene policy, and clinical and occupational medicine, contributed to an improvement in staff well-being, working conditions and environment. Several public health promotions were launched focusing, in particular, on disease prevention, ergonomics in the workplace, smoking cessation and diet. A total of twelve food hygiene inspection tests were conducted in the two WIPO cafeteria kitchens during the period under review.

**Performance Indicator(s)**

*Significant reduction in the number of cases of illness linked to the working environment; feedback from program managers and staff:*

In 2004, the number of sick leave days decreased with 18 per cent compared to 2003.

In 2005, the number of sick leave days increased with 15.7 per cent compared to 2004, mainly due to the Coxsackie virus.

**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.

399. 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. During the period under review, the number of IP-related holdings grew by approximately 800 new books.

400. 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.

401. A major collection revision and inventory of the book and the journal collections was undertaken, which greatly improved access to the printed collection. The book scanning, aimed at preserving the Historical Books Collection, resulted in a special e-library of more than 100 e-books covering the core historical IP literature. The Books.Google service was also successfully implemented.

402. As part of the Knowledge Management activities, an in-house electronic newsletter *Synergia*, introduced in 2003, was further developed and 20 issues were published during the biennium to approximately 150 subscribers. 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.
- 25,130 books, with 800 items being added to the collection in 2004 and 2005.

*Number and types of e-services and new services:*

- 24 e-services (databases) were available, including five services from the public web space (the UN System Electronic Information Acquisition Consortium services provide access to Proquest, Science Direct, Oxford Reference, the Economist Intelligence Unit (EIU) and the World Bank e-library services).

*Usage statistics of the Library services, including e-Library services, and feedback from users:*

- Number of visits: 10-15 per week on average.
- Number of external reference and research requests: 150.
- Number of internal reference and research requests: 200.
- *Synergia*, the in-house newsletter of WIPO Knowledge Workers had a readership of 150 persons.
- Feedback from both internal and external users was positive, including 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).

**Expected Result:** Incorporation of knowledge management initiatives in the work of the Secretariat and enhanced collaboration and information access by WIPO staff.

403. Several initiatives were taken to improve the online collaboration internally, with the creation of over 100 “virtual desks”.

**Performance Indicator(s)**

*Effectiveness of knowledge management initiatives based on user feedback:*

Although user feedback on the virtual desk initiative was very favorable, continuous use remained limited.

**Expected Result:** Effective contribution to Intranet content and design combined with initiatives to increase staff contribution and use of WIPO Intranet site.

404. Due to budgetary constraints, only a limited contribution was made to the WIPO Intranet content and design.

**Performance Indicator(s)**

*Usage of the services and user feedback:*

N/A

**Expected Result:** IP-related information services provided to the Member States.

405. IP-related research and reference services were provided to high profile researchers, specialists and other clients from developing countries.

**Performance Indicator(s)**

*Usage of the services and user feedback:*

Some 150 research/reference requests were dealt with. User feedback was very positive.

**Total expenditure (000 Swiss francs) for sub-program 12.2 in the 2004-2005 biennium: 17,537**

### **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.

406. Logistical and servicing arrangements were undertaken for conferences and meetings in Geneva and elsewhere, including interpretation and provision of documents. During the period under review, use of WIPO's conference rooms increased by some 20 per cent compared to the 2002-2003 biennium. A new database system for the recruitment and administration of interpreters was implemented. In addition, a new feature on the WIPO Internet site enabled delegates and the general public to search easily for information about meetings, and internal procedures for the preparation and servicing of meetings and mailing of documents were streamlined.

**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:

	<u>2004</u>	<u>2005</u>
Meetings in Geneva	63	88
Meetings elsewhere (for which documents were provided)	105	128
Freelance interpreters contracts issued	430	591
Freelance interpreter workdays	1,538	1,644
Participants at meetings in Geneva	4,360	5,864
Other meetings (visits, internal, <i>ad hoc</i> , etc.)	1,298	1,554

**Expected Result:** Increasingly effective and efficient distribution of meeting documents and availability thereof on the WIPO web site.

407. The publication of meeting details and documents on WIPO's Internet site was greatly enhanced through the provision of a comprehensive documents database, powerful search facilities and complementary weekly e-mails to interested subscribers. Delegates, staff and the general public can now quickly access and research information about meetings held in Geneva and elsewhere, as well as the corresponding meeting documents.

**Performance Indicator(s)**

*Timely and accurate distribution of documents:*

	<u>2004</u>	<u>2005</u>
Documents distributed (all languages)	3,882	3,912
Official circulars and other notifications sent	541	634
Packages of documents prepared and sent	135,472	168,608

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.

408. Cost containment and rationalization measures for the telecommunications infrastructure (equipment, maintenance and leasing of lines) and lower operating costs, following negotiation of preferential rates with suppliers, resulted in substantially lower than budgeted charges.

**Performance Indicator(s)**

*Overall charges for telecommunications usage remain at the level of the 2002-2003 biennium, despite greater usage:*

Overall telecommunications costs were reduced by 30 per cent. Infrastructure costs were 33 per cent lower in 2004-2005 than in 2002-2003. Costs for fixed-line and mobile telephone communications decreased by 36 per cent and 12 per cent respectively, reflecting continuing efforts to secure lower tariffs in the highly competitive telecommunications market.

**Expected Result:** Effective and efficient records management, archives, mail and messenger-driver services.

409. Services were provided in a timely, efficient and cost-effective manner. Some 127,000 items of incoming and outgoing correspondence, including faxes and emails, were registered centrally (a further 213,000 incoming parcels and letters, mostly addressed to the PCT sector, were also handled). All the incoming mail was subjected to security checks. Messenger-driver links were provided for the various buildings occupied by WIPO. For the outgoing mail, competition in the market place, combined with the large number of mail items (over 2.4 million during the biennium, compared with 2.1 million in 2002-2003), enabled substantial economies in mailing costs.

410. Work continued on the classification, preservation (including scanning of historically important documents) and reorganization of the central archives, enabling improved searching for material. However, budgetary constraints as well as delays in the introduction of an Electronic Documents Management System (EDMS), resulted in a substantial backlog of paper documents pending digital scanning, registration and archiving. The EDMS would modernize the processing of correspondence and establish a fully electronic environment for the production, management, archiving and retrieval of documents. In the interim, initiatives concentrated on developing image scanning of current correspondence and documents and the introduction of facsimile server technology for the electronic receipt, filing, indexing and distribution of messages received through the WIPO central facsimile and e-mail addresses.

411. 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 and distributed within one day of receipt, despite the enhanced security checks.

*Cost-effective use of mail and other delivery services:*

Whereas the overall number of items of outgoing mail increased (2,450,000 items in 2004-2005, compared to 2,127,000 in 2002-2003), the overall weight of mail declined sharply (from 723 tons in 2002-2003 to 388 tons in 2004-2005), due mainly to greater use of electronic formats, leading to significantly less total mailing costs. Extremely competitive postal rates continued to be obtained for the various destinations worldwide and different mailing types. Postal expenditure in 2004-2005 was six million Swiss francs compared to 8.2 million Swiss francs in 2002-2003.

**Expected Result:** Translations of documents in more working languages.

412. Translation services were provided in all six official UN languages, as well as in German, Portuguese and Italian, with the high quality of translated, edited, proof-read and revised documents being maintained while ensuring the briefest turnaround in document dissemination. The overall demand for translation services increased compared to the



previous biennium, and a large portion of this additional demand was met through outsourcing given a 16 per cent reduction in size of the in-house translation team.

413. It should be noted that over the biennium, increasing demands were received from Member States for documentation to be made available for WIPO meeting held in Geneva in all working languages, i.e. Arabic, Chinese, English, French, Russian and Spanish. However, this was not possible due to severe budgetary restrictions.

414. The Language Service benefited from the use of a number of IT tools, including Computer Assisted Translation (CAT) tools with an extensive translation memory system, terminology databases that was further developed and made accessible to each translator, as well as tools and resources available on the Internet. These tools enabled the translation services to maintain a high productivity.

**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.

*Volume of translations produced consistent with productivity standards:*

Translations, and edited or proof-read documents, represented an output of some 55,000 standard pages of text, including 110 translations of laws, regulations, model or draft laws received from, or prepared for, 56 countries or group of countries, and documents for most of the 151 meetings held at WIPO headquarters and 233 elsewhere.

The volume of translation, editing, proofreading and revision work reflected an excellent level of overall productivity.

**Expected Result:** Production of increased volume of printed material in-house including PCT pamphlets, publications and documents.

415. During the biennium, the production of material printed in-house decreased by approximately 66 per cent due mainly to increased production of CDs and DVDs replacing paper versions of documentation wherever possible. At the same time, the outsourcing of the printing of certain publications was discontinued, due to increased specialized in-house capacity and an increase in color printing, in particular for the WIPO Magazine and Marks Gazette.

**Performance Indicator(s)**

*Increased output of the internal printing plant, including color printing:*

During the biennium, the production of material printed in-house decreased to 141,127,388 pages in 2004-2005 from 213,395,337 in 2002-2003. Color printing facilities were used to produce 8,606,257 pages in 2004-2005, compared to 4,107,371 pages in 2002-2003.

**Expected Result:** Cost-effective production of high quality publications in paper and electronic form.

416. 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 43,698 DVDs and CDs were produced and dispatched on time, compared to 6,006 in 2002-2003.

*Reduction of costs through outsourcing (and insourcing as appropriate) of publication:*

Some 286 purchase orders were raised for outside suppliers (as compared with 466 in 2002-2003), reflecting the increased use of in-house production.

**Total expenditure (000 Swiss francs) for sub-program 12.3 in the 2004-2005 biennium: 39,674**

## **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.

417. Procurement services to obtain materials, products, and services in support of WIPO's activities continued to be provided. During the biennium, some 2,643 internal purchase orders were issued, and 105 contracts for a total value of approximately 118 million Swiss francs were established following an invitation to 654 suppliers to bid. Some 66 such contract cases were presented to nine sessions of the Contracts Review Committee in 2004-2005.

**Performance Indicator(s)**

*Level of prices and quality of materials, goods and services contracted for:*

- A reduction of 575,000 Swiss francs in termination charges was negotiated, related to the migration from SITA-IBM to ICC for WIPOnet.
- Award of a three-year contract for the rental of multifunctional machines (copier/facsimile/scanner) with savings of more than 200,000 Swiss francs per year in reduced rental costs for photocopiers and reduced procurement and maintenance costs related to local area and network printers.
- Award of a contract for the outsourcing of translation services for the PCT for a total amount of 1.7 million Swiss francs.
- Award of a three-year contract for the provision of toner cartridges, with savings of more than 50,000 Swiss francs per year, equivalent to 20 per cent of the previous global expenses.
- Stringent controls on the distribution of consumables continued to be exercised.
- Maintenance and ongoing update of the supplier database.
- Negotiations resulted in a reduction of the BPS claim in relation to the ex-WMO Building, from 1.4 million Swiss francs to 700,000 Swiss francs.

**Expected Result:** Efficient and cost-effective travel arrangements in accordance with accepted security standards.

418. 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.

419. To enhance administrative efficiency, a proposal for an automated travel authorization system was developed.

**Performance Indicator(s)**

*Timely processing of all travel authorizations and entry-visa applications:*

Timely processing of 2,326 travel authorizations and 1,458 entry-visa applications.

*Reduction of the average time needed for processing travel authorizations:*

Proposal submitted for the introduction of an automated travel authorization system to reduce time needed to process travel authorizations.

*Amount of savings resulting from special fares and arrangements with airlines:*

Savings of 3,013,677 Swiss francs resulting from special fares negotiated with airline companies.

**Expected Result:** Effective management of WIPO premises including effective provision of building security.

420. Rental policies were revised based on actual and expected future needs of the Organization. Occupation of the ex-WMO building enabled WIPO to substantially reduce rental costs by vacating the following buildings: *Sogival* and IBM, as well as associated storage and parking spaces; Union Carbide; *Budé* and parking spaces rented at the Hotel Intercontinental; *Casai*; IOM; and, *Colombettes* depot. The *Chambésy* building, due to be returned on December 31, 2006, was vacated and negotiations took place with the owner to explore the possibilities of handing over the building before this date.

421. Since the vacation of these buildings led to a deficit in parking spaces for staff relocated to, or close to, WIPO headquarters, an extra 55 parking spaces were rented at the Nations car park.

422. The relocation of PCT staff and occupation of the ex-WMO building was completed in February 2004. Alarms, video surveillance and the extension of the external access control system were activated. Monitoring and control of the latter was handed over to the PCT. A new lock system was established along with the relevant access plan. Contractor guarantees concerning outstanding faults in the WMO building were followed up.

423. Other building improvements were undertaken, notably the fitting-out of two conference rooms on the 13<sup>th</sup> floor of the AB building and a training room for the WIPO Worldwide Academy in the P&G building. Shelving was also erected in the storage units of *Sablières* I and II, to meet archiving needs of the PCT, and in the depots of the Finance Department, in the *Giuseppe-Motta* building.

424. Regular maintenance work was carried out on existing installations, and one defective air conditioning engine and obsolete electrical equipment were replaced in the AB building. Waterproofing of the GBII building was undertaken.

425. In 2005, a new contract was awarded for the cleaning of WIPO premises. In addition, specifications were drawn up and a comparative analysis undertaken of offers for the gardening services and for the replacement, in 2006, of out-of-date electricity panels in the AB building and complementary power supply devices.

426. Regarding security services, the host country authorities were requested to assess the security conditions for WIPO buildings in Geneva, in 2004, in light of the global threat of terrorism to UN personnel and assets. The subsequent report judged the existing measures to be appropriate for the level of risk at the time. However, it was recognized that improvements to perimeter security could be made.

427. In 2005, security staff from the UN War Crimes Tribunal for the former Yugoslavia (ICTY) were asked to make an initial assessment of WIPO, in the context of the UN Department of Safety and Security Service recommended range of Headquarters Minimum Operating Security Standards (H-MOSS). The Report concluded that significant improvement of existing measures was required. Positive action has been taken to meet this challenge as a priority in the 2006-2007 biennium.

428. In 2005, physical preventative security was reinforced with the addition of a daily mobile foot patrol for surveillance of AB, GBI, GBII, ex-WMO and P&G buildings and parkland.

429. Closer security coordination was established with the UN Office in Geneva, and other specialized agencies within Geneva, to identify and mitigate assessed risk to WIPO staff, information and assets.

**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 averaged 91 per cent during the biennium. At the end of 2005, some 130 workspaces were empty out of a total of 1,450.
- In 2004, some 330 PCT staff were relocated, which completed the transfer of the PCT services to the ex-WMO building, comprising 455 places.
- Some 1,310 office transfers were carried out, either in order to vacate buildings no longer used or as a result of reorganization of certain services.
- At the end of 2005, administrative buildings were located at four different sites (compared to ten before), two of which were in close proximity to WIPO Headquarters.
- Rents and charges totaled 28,060,000 Swiss francs in 2004-2005. This represents a reduction of 17 per cent compared to the 2002-2003 biennium.
- No major security incidents occurred in 2004-2005.

**Total expenditure (000 Swiss francs) for sub-program 12.4 in the 2004-2005 biennium:**

**65,578**

## 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.

430. In January 2004, WIPO terminated the contract with the General Contractor 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 General Contractor finished the preparatory work and closed the construction site.

431. Moreover, the Organization felt 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 presented in a report in 2004. Following acceptance of the options by WIPO, new drawings and specifications were prepared for an Open International Tender, completed in 2005, with a study for an additional basement.

432. The honoraria for the architects and engineers relating to the original project that was abandoned were paid further to the agreements signed by all parties, as was the work carried out by the General Contractor under the contract that was terminated.

433. In 2005, the WIPO Assemblies approved the revised construction project and the proposal to use external funding from a bank for this new project. In this connection, rules, procedures and specifications were established for the management of the project in accordance with guidelines recommended by the External Auditors and decided upon by Member States.

### **Performance Indicator(s)**

*Progress of the building projects within time and budget constraints imposed:*

- Confirmation by WIPO of the termination of the General Contractor's contract on January 12, 2004.
- Termination of preparatory work.
- Presentation of report by architects and engineers on project cost savings on July 7, 2004.
- Revision of project budget to 125.5 million Swiss francs, including additional basement.
- Approval by Member States of the revised construction project, including additional basement, and the proposal for external financing of the new building.
- Payments made for preparatory work, honoraria and operating expenses for a total sum of 6,708,970 Swiss francs.

**Total expenditure (000 Swiss francs) for sub-program 12.5 in the 2004-2005 biennium: 7,854**

**Total expenditure (000 Swiss francs) for Main Program 12 in the 2004-2005 biennium: 143,508**

## MAIN PROGRAM 13 - Information Technology

434. Cost containment remained the key focus throughout the biennium, with non-staff expenditure totaling 28.55 million Swiss francs against the revised 2004-2005 IT non-staff budget of 30.55 million Swiss francs. Against the initial 2004-2005 non-staff budget of 58.18 million Swiss francs, this represents a saving of 29.63 million Swiss francs. In 2005, savings made in mainframe expenditure in 2004 were used to renew 40 per cent of the Organization's workstations; a prerequisite for the migration to Windows XP.

435. During the period under review, the last major IT project, Administrative Information Management System (AIMS), entered into operation. The majority of WIPO's major IT initiatives over the past seven years are thus 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.

<p><b>Expected Result:</b> IT activities meet their stated objectives and support the overall vision of WIPO and its Member States.</p>
---

436. The IT Policy Board met five times 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.

437. In 2004, the AIMS project delivered all the components within its defined scope, with an overall implementation cost below the originally approved budget (9.1 million Swiss francs against a budget of 10.9 million Swiss francs). The income component of the project had a small delay due to resource constraints imposed on the project in 2003, and complex functional requirements which required the customization of the software and the development of 17 interfaces with existing systems in other business areas.

438. Considerable progress was made during 2005 to stabilize AIMS by resolving most of the production problems logged by users as well as implementing several enhancements. In addition, a proposal to improve administrative processes, including an electronic Travel Authorization and Purchase Order, was approved.

439. The internal IT team made significant progress in taking over most parts of the AIMS system support from the external implementation and support partner. Overall user satisfaction with the new system improved and the transition into the new biennium was accomplished smoothly.

440. A comprehensive internal independent evaluation of the WIPOnet Project was completed in mid 2004, which included a survey soliciting feedback from IP Offices. The evaluation report made 27 recommendations relating to current IT practices and future IT initiatives.

441. A number of information security policies were developed, approved and implemented whilst some existing policies were reviewed. The internal and external vulnerability verification facilities, as well as the regular web applications security checks, permitted the maintenance of an adequate level of vulnerability management. This was confirmed by the absence of significant malicious attacks (virus, malicious programs, system compromise, etc.), despite of the ever growing number of malicious exploits. The perimeter defense systems rejected about 500 malicious activity attempts daily.

442. Staff productivity 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 (spam). On a daily basis, about 30,000 such unsolicited mail messages are detected and automatically deleted, representing approximately 77 per cent of all incoming messages, of which more than 200, or about 2.3 per cent, are virus contaminated.

**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.

443. Reasonable progress was 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. Some areas still need improvement in terms of human resources, however, as certain core business systems still continue to be supported by individuals rather than by teams.

**Performance Indicator(s)**

*Quantifiable cost and/or performance benefits derived from the coordination of equipment purchase or resource sharing:*

One example is the use of the Storage Area Network purchased under the IMPACT Project as a shared storage for many of WIPO's internal business applications (e.g. e-mail).

*Increase in the number of IT staff able to work on different IT systems:*

Little progress was made in this area.

*Completion of and adherence to IT Technical Guidelines:*

Competing program execution priorities delayed the implementation of the Technical Guidelines. It is hoped that this will be addressed during the 2006-2007 biennium. However, staff training, as a first step, started in late 2005 on the IT Infrastructure Library (ITIL), to facilitate the implementation of an IT service management framework.

**Expected Result:** Existing systems are updated and remain relevant to WIPO's changing requirements.

444. Only essential changes were made to operational systems.

**Performance Indicator(s)**

*Number of work plans and change control procedures for system modifications or enhancements:*

Preliminary work started on change control procedures.

*Number of new user requirements implemented:*

No non-essential changes were made.

*Feedback from users:*

No negative feedback was received.

**Expected Result:** Efficient support to Member State organs dealing with IT matters.

445. The SCIT Plenary met in February 2004 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).

446. The SDWG held three meetings, in January and November 2004, and in September 2005. The SDWG considered and adopted a new WIPO Standard ST.36, which recommends the 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 ten existing WIPO Standards, including those which required modification to be in line with the reform of the IPC. Other achievements of the SDWG included the elaboration, approval and distribution of three questionnaires on correction procedures used in patent offices, on the harmonization and identification of the parts of patent specifications, and on the formats for figurative elements of marks currently in use by industrial property offices. The SDWG also approved a project for the renewal of the WIPO *Handbook on Industrial Property Information and Documentation*, including its new contents and a new publication platform.

447. The Secretariat provided support to the work carried out by the SDWG, including the preparation of working documents, as well as the corresponding draft reports. The Secretariat also gave support to, and coordinated the work of, ten SDWG Task Forces (seven of which were led by the Secretariat), as well as of eleven meetings of the SDWG Task Forces.

448. Some 226 Annual Technical Reports (ATR) on patent, trademark and industrial design information activities in 2003 and 2004 were prepared by industrial property Offices, and processed and published on the WIPO web site using the new ATR Management System.

449. On the basis of requests received from SDWG delegates, the SDWG established three new tasks concerning the preparation of an XML standard for the electronic processing and exchange of trademark data, the current WIPO Standard ST.50, and the citation practices in



patent offices. The SDWG also established two new tasks for the revision of two WIPO standards at the request of 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.

<b>Total expenditure (000 Swiss francs) for sub-program 13.1 in the 2004-2005 biennium:</b>	<b>15,178</b>
---	---------------

## **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.

<b><u>Expected Result:</u></b> Modern IT infrastructure and improved user support to maximize staff productivity.
---

450. The main emphasis in the 2004-2005 biennium was 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.

451. 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) was also expanded and secured to accommodate the full deployment of the ex-WMO Building.

452. As part of the data storage and backup consolidation strategy, the Storage Area Network (SAN) equipment was redeployed as a centralized, enterprise-level resource. The principal objective of this initiative was to contain backup, storage and system administration costs through economies of scale.

453. As a result of this strategy, the AIMS system was deployed using the SAN technology. Additionally, WIPO's e-mail servers, all of the Oracle Databases, as well as the majority of Windows-based Application Servers have now been migrated to the centralized storage and backup facility.

454. With respect to backup consolidation, more systems were migrated to the Tape Robot based centralized backup services. By the end of the biennium, the volume of automatic daily backups amounted to 1.8 Tbytes, corresponding to nine million files. On average 120 automatic backup sessions were launched daily with an aggregate duration of 70 hours.

455. All of WIPO's networked desktop workstations were upgraded to a more recent version of the centralized workstation management software (ZEN) in preparation for the Windows XP migration.

456. The disparate PrintShop network segments were consolidated and securely linked to the WIPO Intranet, in order to facilitate the transfer of large amounts of data to and from the PrintShop facilities.

457. Most of the Organization's photocopiers were replaced by multifunction devices (each comprising a photocopier, a network printer and a scanner) as part of a new contract leading to substantive cost savings and a significant expansion of network printing and scanning facilities. These devices will effectively replace WIPO's aging network printer park without the need to invest in new network printers.

458. The migration of the e-Works electronic forms management system to a thin-client based platform with a web interface was successfully completed. This new and more robust system now allows the use of electronic forms to be extended to more complex administrative processes.

459. At the request of the Office of the PCT, eight new servers enabling an internal Optical Character Recognition (OCR) capability were installed, tested and put into production.

460. During the biennium, the Helpdesk processed a total of 33,645 requests, including 1,552 office moves, 1,698 PC hardware repairs, 781 monitor repairs, 1,576 printer related interventions and 256 laptop PC configurations.

461. A total of 110 training days were provided by the Helpdesk to 86 staff, all of which took place during the first half of 2004. Due to budget restrictions, training of IT staff was greatly reduced throughout 2004, although some ITIL training took place in late 2005. Such training is expected to continue in the new biennium.

**Performance Indicator(s)**

*Actual expenditure does not exceed budget:*

Non-staff expenditure within biennial budget.

*Delivery of activities according to work plans:*

Due to staff resource limitations, only high priority tasks were addressed.

*Number of quality targets met:*

System availability of various office automation systems and network services approached the preset availability targets of 98-99 per cent, on a 24 hour by seven day basis. These values are considered very satisfactory, given that corrective intervention on these systems is only carried out during working hours.

*Number of network, hardware and software components upgraded to industry standard, where appropriate:*

At the end of 2005, some 750 new PC workstations and 100 new PC monitors were purchased, in line with WIPO IT Replacement Policy standards. The new PCs will be deployed as part of the Windows XP Migration Project in 2006. As part of the server consolidation process, a total of 21 new servers were deployed in the course of the biennium with approximately 30 old servers being retired.

*Usage statistics for network services:*

Examples of the usage of the WIPO network:

- e-Works, the electronic forms management system, handled a total of 16,219 and 28,256 documents in 2004

and 2005 respectively, comprising: 7,162 and 17,938 Leave Requests; 8,975 and 10,176 Medical Appointments; and, 82 and 142 New IT material requests.

- the WIPO Intranet responded annually to over 7,5 million page requests.

*Number of staff trained in appropriate technologies:*

During the biennium, each IT Technical Service staff member received on average three days of technical training.

**Expected Result:** Reliable and stable operation of WIPO's IT systems and services.

462. During the reporting period the WIPO physical network was available almost 100 per cent and the critical office automation and network services were on average available 98.2 per cent.

463. The 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.

464. Regarding WIPO's email system, the total size of WIPO mailboxes was kept under 220 Gbytes in 2004 and 280 Gbytes in 2005 as a result of policies aimed at controlling the growth of mailboxes. In 2004, some 39,100 e-mail messages (including SPAM) were sent or received per day, corresponding to a daily volume of 1.97 Gbytes. In 2005, on average 9,687 email messages (excluding SPAM) were sent or received per day, corresponding to a daily volume of 2.51 Gbytes.

**Performance Indicator(s)**

*Number of service level agreements with user areas and feedback from users on the implementation of those agreements:*

Competing program execution priorities have delayed the implementation of service level agreements.

*Performance against agreed targets:*

98.5 per cent of SPAM (unsolicited mail) has been suppressed automatically.

*Percentage of uptime for systems:*

Average system availability of the ICC Mainframe System in 2004 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. The corresponding figures for 2005 were 99.94 per cent and 99.91 per cent respectively.

Availability of PCT Systems was 99.75 per cent and of Oracle databases and other business systems 99.89 per cent.

The WIPO e-mail system, comprising five servers and three gateways, was available 97.2 per cent, calculated on a 24 hour basis.

*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.

465. At 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 assisted in obtaining Internet connectivity with a local Internet Service Providers (ISPs) for a one year transition period.

466. By the end of June 2004, WIPOnet Kits had successfully been deployed to 105 IP Offices. There was a total of approximately 1,100 WIPOnet Registered Users, mostly IP Office staff, of which 245 were representing Focal Points and Alternate Focal Points from 222 IP Offices in 157 Member States, who received WIPOnet training in the 22 regional workshops that were organized and delivered by WIPO.

467. 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 uptime for systems:*

99.95 per cent.

*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.

468. During the transfer to ICC, and based upon an evaluation of the use of the WIPOnet Services, some under-utilized services were decommissioned and the security architecture was simplified in order to remove any potential impediment that may have existed for some users.

469. Technical assistance provided by regional experts and WIPO staff improved the efficiency of the services offered to Member States and enhanced the effective use of available financial resources.

**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.

470. WIPOnet services include web hosting, email, on-line discussion forums and File Transfer Protocol services.

**Performance Indicator(s)**

*Usage statistics for individual services:*

E-mail: 16,500 messages per month.

*Number of registered WIPOnet users using WIPO web services:*

12

*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 IP Offices for communication and other general IT purposes. However, IP Offices expressed a need for some IP specific services.

**Expected Result:** Enhanced dissemination of IP information.

471. 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 online 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.

472. In 2005, several database-driven applications were launched, namely, the WIPO Members & Observers database, the Lisbon Express database (Appellations of Origin), WIPO Electronic Case Facility (ECAF) and IP Statistics database. Other new features on the site included the WIPO RSS news feed and PCT online file inspection. A number of tools were introduced to improve services offered by the Internet Services Section: Opinio (online survey tool), HTML Transit (server software for html conversion), and Urchin Web analytics (for web statistics). Several sites were created and others re-designed to improve navigation and to include additional language versions, totaling a number of 35 sites. Web support and technical assistance was provided to CLEA, distance learning, and other systems. A Content Management System for the Intranet was implemented.

**Performance Indicator(s)**

*Number of hits on WIPO hosted web sites:*

About 90 and 176 million web page request in 2004 and 2005 respectively.

*Number of pages of information posted in WIPO web servers:*

Compared to the previous biennium, there was a 20 per cent increase in the number of documents posted.

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:*

Some 860,000 and 1,071,431 PCT publications as well as 410,000 and 452,000 Madrid registrations were available on the web at the end of 2004 and 2005 respectively.

Number of documents on the WIPO web site: English: 48,610; French: 15,300; Spanish: 10,000; and Arabic, Russian and Chinese: 1,000.

<b>Total expenditure (000 Swiss francs) for sub-program 13.2 in the 2004-2005 biennium:</b>	<b>31,548</b>
---	---------------

### 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.

<b><u>Expected Result:</u></b> Reliable and stable operation of the PCT information systems and services.
---

473. The stability and availability of PCT Information Systems was satisfactory during the reporting period. 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 2004 and January 2005, and the introduction of the eighth edition of the IPC, critical fixes to production systems, day-to-day system operations activities and automation of some production tasks.

**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:

- 2004: 270,563 scanned documents (total of 5,842,048 pages)  
2005: 280,305 scanned documents (total of 6,274,201 pages)
  - Electronic Priority documents:  
2004: 45,472 uploaded electronic priority documents (total of 2,332,765 pages);  
2005: 160,800 uploaded electronic priority documents (total of 7,690,000 pages);
  - E-filed international applications:  
2004: 17,324 applications were received and processed  
2005: 33,130 applications were received and processed
- Published or republished applications:  
2004: 157,335 applications  
2005: 164,563 applications.

Communications by the COR systematic media batch :  
2004: Rule 87 CD/DVDs: 2,912; Art. 20 CD/DVDs: 2,251  
2005: Rule 87 CD/DVDs: 4,737; Art. 20 CD/DVDs: 2,333

- COR online requests:  
2004: 1,517 CDs and 200 DVDs.  
2005: 1,228 CDs and 176 DVDs

*Percentage of uptime for systems:*

As per sub-program 13.2 Performance Indicators.

*Time taken to resolve user-support calls:*

An average of 40 user support calls were processed per week for operations support with an average of four hours response time each.

*Availability of system and user documentation:*

System and user documentation has been continuously updated.

**Expected Result:** Fully electronic publication.

474. During the reporting period, the full text of more than eight million pages of PCT pamphlets was captured using Optical Character Recognition (OCR) and used for WIPO's Patent Search system.

475. In 2005, the development of an in-house system to perform OCR was started. This new function will be used to provide search quality text of published International Applications. In addition, the OCR system will be used to facilitate certain data entry processes when handling International Applications. Beta testing of the OCR system started in the first half of 2005. At the request of the Office of the PCT, eight new servers enabling an internal OCR capability were installed, tested and put into production.

476. Work progressed on expanding the online accessible PCT data collection to add current bibliographic data for all published documents since 1978, as well as images for all published PCT applications and images for application related documents.

**Performance Indicator(s)**

*Quality of electronically produced publications:*

100 per cent of publication deadlines were met in 2004 and 2005.

Positive user feedback was received on the quality of PCT publications (pamphlets, the Gazette, and COR output).

Data availability was expanded to include publications dating back to 1978 (previously data availability covered from 1996 to date).

*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 and 2005, the COR system was fully available to support publication and communication to all users.

In 2005, a new PCT Online File Inspection and PCT portal, *PatentScope*, was made available.

**Expected Result:** A wider range of services to PCT applicants and IP Offices.

477. Despite reductions in resources for programming and support, various additional services were 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 included the establishment of a procedure and web site supporting PCT Receiving Offices in preparing for electronic filing and the deployment of the PCT-ROAD system, which enables physical media-based electronic filing for PCT Receiving Offices. Approximately 8,000 applicants are registered as users of PCT-SAFE, and nine PCT Receiving Offices take advantage of the PCT-SAFE Electronic filing functionality.

**Performance Indicator(s)**

*Number of transactions available to applicants under PCT-SAFE:*

11 builds and three patches of the PCT-SAFE client were released in 2004 and 2005, including various PCT updates, bug fixes and minor functional improvements.

*User feedback on quality and range of services offered:*

Feedback from system users 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.

478. The Intellectual Property Digital Library (IPDL) was expanded to include the PCT on-line file inspection facility. The PCT Electronic Gazette was modified to enable search of and access to data, based on the new WIPO published application data format, to be more in line with standards, especially ST. 36. The IPDL infrastructure was upgraded to increase reliability of the publication process in preparation for fully electronic publication. Direct access to the COR database was implemented for retrieval of bibliographic data, streamlining data retrieval and removing potential inconsistencies due to varying data sources.

**Performance Indicator(s)**

*Extent of data included in libraries:*

PCT Online File Inspection (OFI) system was added. New ST. 36 format added to PCT Electronic Gazette.

*Availability of importing and/or searching mechanisms:*

Direct interface to COR database for bibliographic data in PCT OFI.

*User feedback by interested parties including IP Offices:*

Feedback from users was extremely positive regarding increased availability of PCT documents through the PCT OFI system.

**Expected Result:** Optimization of data exchange processes with respect to IP Offices and other relevant parties.

479. 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.

480. During the reporting period the Communication On Request (COR) System was enhanced enabling the Secretariat to communicate documents to Offices not only on paper but also on CD, DVD or through PCT EDI. A new functionality in the COR was introduced allowing Offices to order documents online through a web-based interface. In 2005, the system was expanded to include delivery of several extra documents.

481. In 2005, a strategy based on cooperation plans was initiated and resulted in the formalization of data exchange activities with eight countries.

**Performance Indicator(s)**

*Number, type and quality of data exchange processes between the International Bureau, IP Offices and other relevant parties:*

The new Online-COR system was used by 31 offices.

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, some 26,000 priority documents arrived on CD and were subsequently processed electronically by the Secretariat.

By the end of 2005, nine Offices were using EDI network transfer for regular operational use.

*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.

<b>Total expenditure (000 Swiss francs) for sub-program 13.3 in the 2004-2005 biennium:</b>	<b>15,116</b>
---	---------------

<b>Total expenditure (000 Swiss francs) for Main Program 13 in the 2004-2005 biennium:</b>	<b>61,842</b>
--	---------------

#### IV. CONCLUSION

482. The information contained in this Report illustrates the efforts undertaken by the Secretariat to achieve the objectives and expected results foreseen in the Program and Budget for the 2004-2005 biennium.

*483. 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
AIPPI	International Association for the Protection of Intellectual Property
ARIPO	African Regional Industrial Property Organization
ASEAN	Association of Southeast Asian Nations
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
COP	Conference of Parties
COR	Communication on Request
DNA	Deoxyribonucleic Acid
DNS	Domain Name System
DVD	Digital Versatile Disc
ECAF	Electronic Case Facility
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
FAO	Food and Agriculture Organization
GR	Genetic Resources
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
JIU	Joint Inspection Unit
LDCs	Least Developed Countries
NEPAD	New Partnership for Africa Development
NGO	Non-Governmental Organization
NPL	Non-patent Literature
OAPI	African Intellectual Property Organization
OCR	Optical Character Recognition
OECD	Organisation for Economic Development and Cooperation
PAC	Policy Advisory Commission
PCT	Patent Cooperation Treaty
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
RFAP	Regionally Focussed Action Plan
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

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
UNIDO	United Nations Industrial Development Organization
UNCITRAL	United Nations Commission on International Trade Law
UPOV	Union for the Protection of the New Varieties of Plants
USPTO	United States Patent and Trademark Office
WCO	World Customs Organization
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

## INDEX

	Page
I. INTRODUCTION	1
II. CONTRIBUTION IN THE 2004-2005 BIENNIUM TO WIPO STRATEGIC GOALS	2
III. BIENNIUM PERFORMANCE REPORT, BY MAIN PROGRAM	15
<b>MAIN PROGRAM 02 - Direction and Executive Management</b>	<b>15</b>
Sub-program 02.1 - Office of the Director General	15
Sub-program 02.2 - Policy Advice, Advisory Commissions, Internal Oversight and External Relations	16
Sub-program 02.3 - Strategic Planning, Budget Control and Legal Affairs	21
Sub-program 02.4 - Liaison Offices and External Coordination	24
<b>MAIN PROGRAM 03 - Patents and the Patent Cooperation Treaty (PCT) System</b>	<b>29</b>
Sub-program 03.1 - Development of International Patent Law and Services	30
Sub-program 03.2 - The PCT System	34
Sub-program 03.3 - International Patent Classification (IPC)	39
<b>MAIN PROGRAM 04 - Trademarks, Industrial Designs and Geographical Indications</b>	<b>41</b>
Sub-program 04.1 - Development of International Law and Services	42
Sub-program 04.2 - International Registration Systems	44
Sub-program 04.3 - International Classifications In The Fields Of Trademarks And Industrial Designs	50
<b>MAIN PROGRAM 05 - Copyright and Related Rights</b>	<b>52</b>
Sub-program 05.1 - Development of International Copyright Law	53
Sub-program 05.2 - Copyright-Based Business and Culture Development	56
<b>MAIN PROGRAM 06 - Arbitration and Mediation Center</b>	<b>60</b>
Sub-program 06.1 - Arbitration and Mediation Services	60
Sub-program 06.2 - Domain Name Policies and Procedures	61
<b>MAIN PROGRAM 07 - Selected Issues of Intellectual Property</b>	<b>62</b>
Sub-program 07.1 - Genetic Resources, Traditional Knowledge and Folklore	63
Sub-program 07.2 - Intellectual Property and Life Sciences	68
Sub-program 07.3 - Intellectual Property Enforcement Issues and Special Projects	70
<b>MAIN PROGRAM 08 - Cooperation with Developing Countries</b>	<b>72</b>
Sub-program 08.1 - Empowerment for Development	73
Sub-program 08.2 - Special Support Areas	80
<b>MAIN PROGRAM 09 - Cooperation with Certain Countries in Europe and Asia</b>	<b>84</b>
<b>MAIN PROGRAM 10 - The WIPO Worldwide Academy</b>	<b>88</b>
Sub-program 10.1 - Distance Learning	88
Sub-program 10.2 - Professional Training	90
Sub-program 10.3 - Policy Development, Education, Teaching And Research	92

<b>MAIN PROGRAM 11 – Intellectual Property for Development and Prosperity; Creation of IP Culture</b>	<b>95</b>
Sub-program 11.1 - Intellectual Property Policy and Development	96
Sub-Program 11.2 - Innovators and SMEs	101
Sub-Program 11.3 - Cooperation with the Private Sector	104
Sub-Program 11.4 - Public Outreach	105
<b>MAIN PROGRAM 12 - Resources Management</b>	<b>108</b>
Sub-program 12.1 - Financial Operations	109
Sub-program 12.2 - Human Resources and Knowledge Management	111
Sub-program 12.3 - Conference, Languages And Printing Services	118
Sub-program 12.4 - Procurement, Travel and Building Services	122
Sub-program 12.5 - New Construction	125
<b>MAIN PROGRAM 13 - Information Technology</b>	<b>126</b>
Sub-program 13.1 - IT Policy And Systems Development	126
Sub-program 13.2 - IT Networks, Operations And Services	129
Sub-program 13.3 - PCT Information Systems	134
<b>IV. CONCLUSION</b>	<b>137</b>

[End of Annex II and of document]