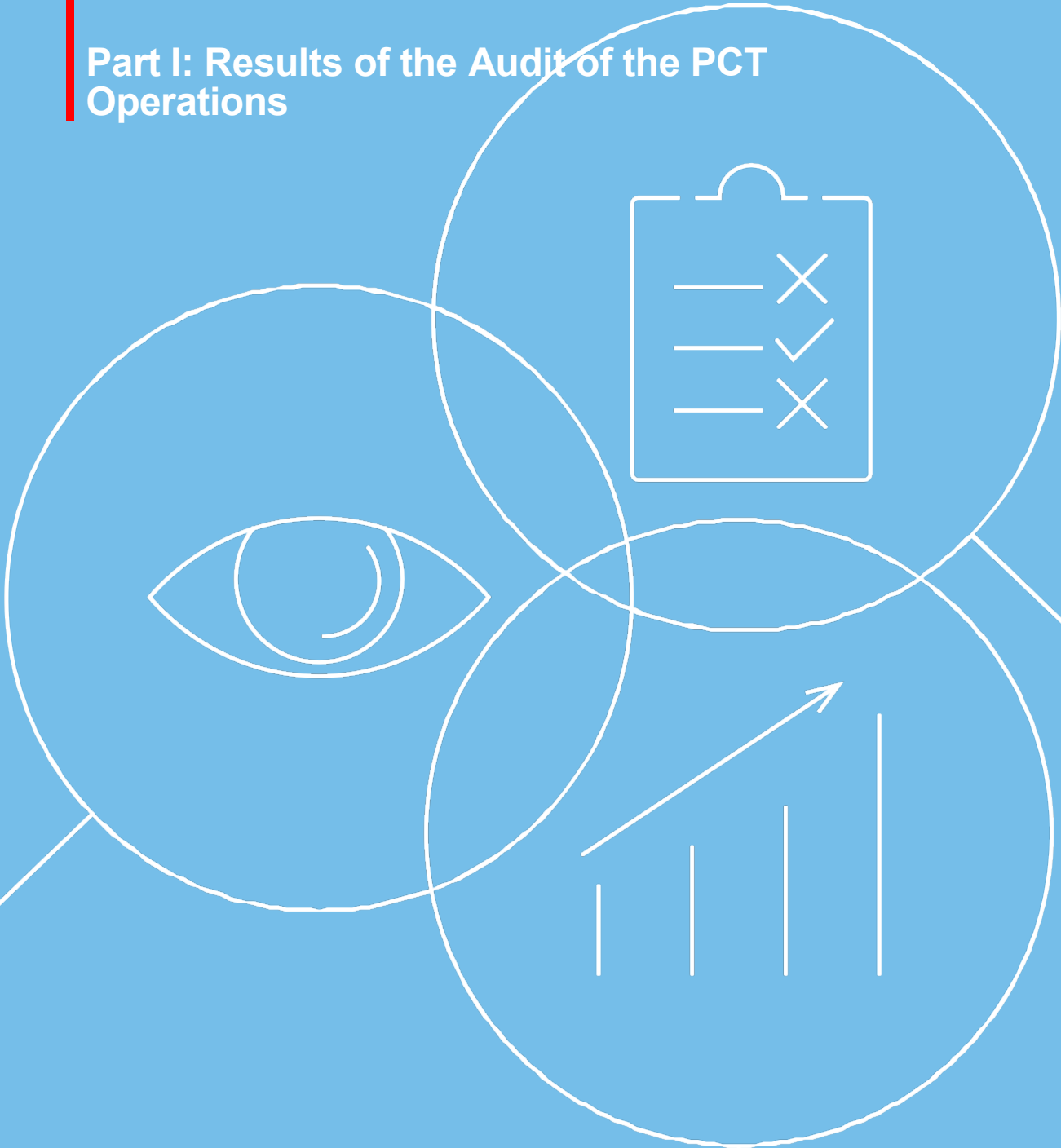


Audit and Evaluation of the Patent Cooperation Treaty (PCT) Operations and Customer Relations

Part I: Results of the Audit of the PCT Operations

Internal Oversight Reports



IOD Ref: IA 2022-05
Internal Audit Section



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LIST OF ACRONYMS

AIMS	Administrative Integrated Management System
EPO	European Patent Office
ERM	Enterprise Risk Management
FWA	Flexible Working Arrangements
IB	International Bureau
ICT	Information and Communication Technology
ICTD	Information and Communication Technology Department
IOD	Internal Oversight Division
IP	Intellectual Property
IPEA	International Preliminary Examination Authority
ISA	International Searching Authority
ISD	Information Systems Division
IT	Information Technology
OCR	Optical Character Recognition
PCT	Patent Cooperation Treaty
PTS	Patent and Technology Sector
RO	Receiving Office
SIAD	Security and Information Assurance Division
SLA	Service Level Agreement
WIPO	World Intellectual Property Organization
WMS	Work Management System

EXECUTIVE SUMMARY

1. The Patent Cooperation Treaty (PCT) Operations Division, within the Patent and Technology Sector (PTS), is the operations hub of the international patent system established under the PCT system. The staff members in the Division are responsible for examining international patent applications and providing customer services related to applications.
2. The Internal Oversight Division (IOD) notes that the PCT Operations Division embarked on a workforce transformation in 2022, aimed at, among others, transforming the workforce from being application-driven (process-focused) to an applicant/client-driven approach (needs-focused). Further, the Division implemented a Work Management System that facilitates its work through a web-based platform which provides relevant PCT statistics and access to relevant information and learning resources for staff members.
3. While acknowledging these positive initiatives and actions, IOD also notes additional opportunities to further enhance governance, risk management and internal controls. The transformation of the PCT Operations Division and associated risks needs to be managed accordingly so that the process yields the envisaged benefits. Managing the transformation process and PCT pilot teams accordingly will help the Division in responding to the evolution of business demands, providing better quality services to the users, and better alignment with the areas of strategic focus.
4. There are opportunities for the PCT Services to enhance its tools and systems. For example, transitioning to a web-based version of eDossier will enhance the security and maintainability of the system. IOD notes that there is currently a project underway to make improvements to the eDossier. The planned improvements are part of the Resilient and Secure Platform - Software Transformation Project scheduled to be completed in 2025. The PCT Services uses the Optical Character Recognition (OCR) service to extract and repurpose data on patent applications from original paper filings, scanned electronic filings, and PDF filings. The current process and procedure of processing patent application files using the OCR Quality checker, an application, within the OCR Service, is repetitive, strenuous and time-consuming. Further, the OCR has some technical limitations. Going forward, PCT Services should work towards decreasing the number of filings that require the use of the OCR Quality checker. This will require PCT Services to intensify its engagement and outreach campaigns with specific Receiving Offices (RO) and Intellectual Property (IP) Offices.
5. In light of the challenges and delays in semi-automating the work distribution using the planning tool, the PCT Operations should review the business case for the continued investment of resources in developing this tool. The Functional Development and Support Section, within the PCT Operations Division, plays a critical role in bridging the gap between the business areas and IT solution providers. However, the section does not have adequate staff members with the required internal systems' knowledge and skill required to translate business needs into Information Technology (IT) solutions. Going forward, staff profiles and resources should be reviewed and aligned with the needs of the Section.
6. The PCT Information Systems Division can enhance its client orientation and internal service management model by developing a feedback mechanism that would systematically and consistently capture internal clients' feedback. This practice can provide relevant information to be incorporated during the refinement of the IT Operating Model, following stage four of the planned Information and Communication Technology (ICT) transition (incorporation of PCT IT systems), and can also serve as a good practice going forward.

7. Finally, IOD is cognizant of the ongoing ICT reorganization and the work of the ICT Transition Task Force, which aims to shift the responsibility for IT systems underpinning the PTS to the Information and Communication Technology Department (ICTD), tentatively by January 2024. IOD notes that the resulting new IT Operating Model includes establishing a central demand management process. IOD emphasizes the need to incorporate an internal agreement or commitment, to among others , help clarify roles and responsibilities, establish mutually acceptable and optimal service levels, and set the basis for continual improvement, which will further support internal service management practices in the Organization.