

WIPO



A/43/INF/7

ORIGINAL: English

DATE: September 21, 2007

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WORLD INTELLECTUAL PROPERTY ORGANIZATION
GENEVA

ASSEMBLIES OF THE MEMBER STATES OF WIPO

Forty-Third Series of Meetings Geneva, September 24 to October 3, 2007

WIPO – THE PAST DECADE AND BEYOND

prepared by the Secretariat

1. Ten years ago, in 1997, WIPO faced a world undergoing radical and rapid transformation – from the profound effects of the internet on communications, commerce and culture to the changing topography of an increasingly knowledge-based global economy.
2. The challenge that confronted the Organization and its new leadership was to ensure that the evolution of WIPO kept pace with that transformation and took the best possible advantage of the opportunities it presented. It was vital that the Organization maintained and enhanced its role as a vehicle for positive change and renewal that allowed its stakeholders to explore and exploit the quickly changing IP environment.
3. The Director General set out, at that time, the principles and goals through which he sought to galvanize the Organization and strengthen its effectiveness as a tool with which to realize and develop the needs and ambitions of its member States, and to respond to the urgent needs of the world's IP community.

4. This overview examines those goals and their realization over the intervening decade.

Key among them were:

- Optimal accountability and transparency – allowing member States to obtain a clear grasp of the handling of the Organization’s finances, as well as the greatest possible insight and input into the planning and implementation of its policies and activities.
- Greater interaction and dialogue – engaging the full constituency of WIPO stakeholders in discussions of core issues of fundamental importance, ranging from accelerating technological change to the development of the framework of the international IP system and emerging issues of global concern.
- A more structured and focused approach to developing national IP infrastructure – tailoring the Organization’s response in order to meet specific national needs, focusing on crucial core goals, such as human resource development and the building of sturdy, durable institutions, in order to provide a solid foundation for the on-going process of change.
- Intensified and determined action to bridge the gap between developed and developing countries – ensuring that all countries are equipped to use the IP system to forge national creativity and innovation into assets that contribute to sustained economic growth and to a greater presence in the expanding global marketplace.
- Enhanced efforts to protect IP assets – strengthening the push to address counterfeiting and piracy that threaten the economic well-being of nations.
- Greater synergy with partners outside the Organization – optimizing WIPO’s response to the needs of the United Nations and its institutions and other intergovernmental organizations, as well as the community of non-governmental organizations and civil society.
- A more representative and better trained Secretariat – seeking a closer match between the geographic profile of the staff body and that of the Organization it serves, as well as ensuring that staff members receive and develop the skills required to allow meaningful delegation of responsibility.

5. The last 10 years at WIPO have been absorbed with the challenging and rewarding task of attaining these goals. With such a diverse community of IP stakeholders, whose priorities and aspirations are sometimes disparate and not always aligned, this required seeking a middle ground, providing the smoothest possible path towards common goals and collective successes.

6. In enhancing accountability and transparency, the first step was to establish clarity in WIPO's operations, and a new, strategic, results-based program and budget – introduced in 2000/2001 – was central to that process. Targeting and control of WIPO's budgetary and financial operations were, thereafter, consistently and steadily enhanced and fine-tuned, through a process of internal examination and external consultation as well as a review of best practices in the field. The new architecture that resulted includes such features as annual performance reports tied to specific indicators and strengthened internal, management functions, including a Controller; an Internal Audit and Oversight Division, operating in a landscape shaped by a new Internal Audit Charter; as well as a Contracts Review Committee and a Procurement and Contracts Division. External input and guidance were also constantly sought, through an increasingly formalized consultation process with member States regarding the crafting of the program and budget and, most recently, with the setting up of the new external WIPO Audit Committee.

7. In a similar vein, great efforts were made to streamline the governance of the Organization. A process of constitutional reform was implemented and the overall structure strengthened by the setting up, in 1998, of four standing committees to channel member States' input. The creation of other bodies, helping to shape policy in key areas, followed; these included the Intergovernmental Committee on Intellectual Property and Genetic Resources, Traditional Knowledge and Folklore (IGC), the Advisory Committee on Enforcement and, most recently, the Provisional Committee on Proposals Related to a WIPO Development Agenda.

8. These initiatives have resulted in significant advances. There has been a major breakthrough in the discussions on a development agenda for WIPO. A landmark agreement on 45 proposals marked the culmination of a debate, which has lasted almost three years, during which member States deliberated on various developmental aspects of intellectual property. This debate, itself, has been a most significant development for the global IP community. It provided an opportunity to reflect on the current IP environment and to look at innovative ways and means of ensuring that the system operates in a fair and equitable manner, so that its benefits are available to all users. The active involvement of member States, intergovernmental organizations and non-governmental organizations in this debate and the deep insights provided by them were commendable.

9. Notable forward movement was also made in the area of traditional knowledge and traditional cultural expressions. There is increasing acceptance that the IP system should foster innovation and creativity in a traditional context, as well as recognition that there are distinct characteristics of traditional knowledge systems that suggest that adapted or new forms of protection may be needed. Further, the practical and legal recognition of traditional knowledge in the patent system is being enhanced, which would contribute to reducing the likelihood of inappropriate grant of patents.

10. These, and many other new initiatives taken in the first 10 years, were geared to ensuring the preparation and successful implementation of activities of optimal relevance for member States, which dove-tailed as tightly as possible with their existing needs and concerns as well as with their hopes for the future. A future that – given the growing importance of intellectual property in defining policy at the national and international levels – could only be

constructed through enhanced solidarity among all stakeholders, as was noted by the Director General during his acceptance speech at the start of his leadership, when he stressed that the “WIPO program of cooperation for development, and the pursuit of a greater impact of that program, [was] essential to the interests of all member States, whether developed or developing.”

11. To engender and reinforce that solidarity within the Organization, an understanding was sought of the requirements of individual member States, in order to provide each of them with a customized response to their concerns. This required a significant increase in the Organization’s capacity to respond to the specific and varied requests for assistance coming from its rapidly expanding membership.

12. A key goal was to increase awareness of, and access to, the benefits offered by the intellectual property system. To this end, there has been increasing emphasis on the strategic use of intellectual property to enable countries and individuals to convert their creative resources into economic assets, thereby generating wealth and achieving prosperity. In this regard, several new areas of importance have been mapped out for developing countries and countries with transition economies. These include economic and public policy issues relating to intellectual property regimes; creative industries; small and medium-sized enterprises (SMEs); and the fostering of development through innovation. An Office of Strategic Use of Intellectual Property for Development has been created to work on these areas in a systematic manner.

13. Policy-makers have a vital role to play in guiding the evolution and growth of the IP system in member States. Therefore, there has been a greater focus on supporting and advising policy-makers on issues of policy concern. The emphasis is on assisting them to make use of the flexibilities available under the international IP system, supporting the development of national IP strategies, enhancing interregional dialogues on issues of particular relevance to developing countries and countries with economies in transition and initiating a wide range of empirical research projects on intellectual property and economic development. The aim is to ensure that policy-makers are well equipped to strike the correct balance between the interests of the right holder and those of the public, when taking crucial decisions on the IP system.

14. Tools have also been developed to enhance the understanding of the IP system by innovators, research institutions, SMEs and the creative industries. Targeted training programs have been developed and implemented, in areas such as negotiating technology licenses, drafting patent applications and marketing protected technology. The SME website has continued to grow and new tools have been developed for the creative industries to enable them to make effective use of the IP system.

15. A number of other issues also received focused attention by specialized units. These include traditional knowledge and traditional cultural expressions; life sciences; copyright collective management; and enforcement. The Organization’s internal structure has been progressively revamped to address these specific issues which are of immediate need or of potential wide-ranging impact for member States.

16. The above efforts have been made against the backdrop of the work being carried out for developing countries by the regional bureaus to strengthen national intellectual property infrastructure through technical assistance and capacity building. Nationally focused action plans (NFAPs) were introduced to structure this process for each concerned member State. In recent years, two critical areas of national IP infrastructures have received particular attention. Firstly, there has been increased assistance in modernizing the management systems of IP offices, including forecasting of demand for services, optimal allocation of resources, and staffing matters. Secondly, there has been a sustained program of establishing automated systems in IP offices, greatly assisting them in delivering enhanced, higher-quality IP services.

17. These efforts in the area of capacity building, were reinforced by the work of the WIPO Worldwide Academy (WWA). Set up in 1998, the Academy, in addition to offering traditional, face-to-face training, also targeted distance learning as the most resource-efficient means of transmitting IP knowledge. Its free introductory course, launched in 1999, in English, with 150 virtual students is now given in 7 languages and some 6,700 students have signed up for the latest course. New, specialized, fee-paying courses are also being added to the Academy's on-line curriculum. The other, more traditional programs range from post-graduate specialization courses to the recent, very successful executive business program.

18. In seeking to realize the goal of greater interaction among stakeholders, a stronger interface with civil society was sought by the Organization. This was grounded in the belief that infusing awareness of the benefits of intellectual property, and its potential for enriching our lives, is an effective means of allaying concerns and dispelling misconceptions about the IP system as a whole. Deeper understanding of the relationship between intellectual property and our increasingly knowledge-based society as well as of the IP challenges arising from the dizzying and accelerating cycle of innovation is essential for the healthy and effective development of the IP system and for a more secure, mature and nurturing environment for the innovators and creators of the future.

19. The designation of April 26 as World Intellectual Property Day was symbolic of this quest for new and effective forms of public outreach. In seeking to further its message to a wider public, the Organization has taken many initiatives, from a stream of targeted and telling publications, through a multilingual, prize-winning website, all of which seek to make the WIPO presence felt through increasingly accessible, easily digestible information about the intellectual property system and the Organization's role in crafting and caring for it.

20. Another vital goal was that of enhancing the key activities carried out under the WIPO global protection treaties, which continue to be the Organization's major income earners – generating almost 268 million Swiss francs in 2006. Over the last ten years, these operations have benefited from major efficiency gains through the application of information technology. The first fully electronic online filing of a PCT application, for example, took place in 2002, and, by last year, 57% of applications were filed in this way, either wholly or in part. Similarly, users of the Madrid system recently welcomed the addition of on-line renewal to the already existing on-line registration service.

21. Internally, the offices of the global protection services are now all fully electronic, making these systems efficient, cost-effective and very good value. The efficiency gains have translated into fee reductions – an additional attraction for users. PCT international filing fees paid to WIPO have decreased by around a third since 1998 for a typical application, while applicants from least developed countries have seen their international fees reduced by 75% under the PCT, and the basic registration fees under the Madrid system reduced by 90%.

22. These efforts to make filing and registration more efficient, easier, cheaper, safer and more flexible, allied to the imperatives arising from our increasingly knowledge-based economy, have generated a sustained increase in the use of WIPO global protection services. In the last 10 years, filings of international applications under the PCT have climbed from some 55,000 in 1997 to over 145,000 in 2006. The annual number of applications filed, doubled from 1998 to 2004; and it is foreseen that it will double again in six or seven years. In addition, recent statistics show that, while filings from developing countries in general are keeping pace with overall PCT growth, certain countries have shown a sharp increase in applications, in one case, of up to 56%, reflecting a growing change in the “geography of innovation”.

23. Considerable ground has been covered towards achieving the specific goal of increasing membership and use of the Madrid system. Growth in registrations quickened on the accession of the United States of America and of the European Community to the Madrid Protocol. Annual registrations have almost doubled since 1997, from around 19,000 to over 37,000 last year.

24. Other services have been offered by WIPO to stakeholders in the IP system. The Uniform Domain Name Dispute Resolution Policy (the UDRP) for resolving domain names disputes, initiated by WIPO and applied by its WIPO Arbitration and Mediation Center, for example, is part of a new, more supple approach to regulating a rapidly changing world, providing a practical, acceptable solution to an urgent problem threatening wide-ranging and potentially disruptive consequences for trademark owners. Some 1,823 UDRP disputes were filed with WIPO in 2006, an increase of 25% over 2005, and bringing to 10,177 the total number filed since the service started in December 1999. An impressive 97% of those have been resolved. The WIPO dispute resolution procedure serves a wide range of users, and has involved parties from 137 countries. Other services to the WIPO constituency include the Collection of Laws for Electronic Access (CLEA), a unique, on-line, searchable collection of IP legislation, as well as fully searchable databases of applications and registrations under the Hague, Madrid and PCT systems.

25. Norm-setting, at the heart of the Organization’s mandate, attained some notable successes, reflecting the heightened importance and presence of intellectual property considerations on the world stage. These included a new act of the Hague Agreement in 1999, offering an even more flexible, cost-effective and user-friendly means of protecting industrial designs; the adoption, in 2000, of the Patent Law Treaty, which simplified and streamlined procedures for obtaining and maintaining patent protection and rendered them more cost-effective; the entry into force in 2002 of the WIPO Copyright Treaty and the

WIPO Performances and Phonograms Treaty, setting out a legal framework to safeguard the interests of creators in cyberspace and facilitating the creation, distribution and control of works within the digital environment; and the adoption in 2006 of the Singapore Treaty on the Law of Trademarks, dealing mainly with procedural aspects of trademark registration and licensing and creating a level playing field for all economic operators in this sector. Overall, the Organization's treaty structure expanded in a process of gradual adaptation to the new technical realities of the times.

26. That adaptation involved enhanced solidarity among states in adjusting to the increasing presence of intellectual property issues on the world stage and to the importance being attached to intellectual property as the currency of the future. This was manifested by a willingness to join with others in attaining common goals, resulting in a significant increase in the membership of WIPO treaties. Since the end of 1997, 18 new members acceded to the WIPO Convention; 28 to the Paris Convention; 36 to the Berne Convention; 43 to the PCT; and 52 to the Madrid Protocol. The strengthened commitment to international norms is central to WIPO's work. Such accessions are the mortar which strengthens and stabilizes the international intellectual property system and allows it to grow, giving stakeholders a predictable framework within which to function.

27. As far as the commitments regarding the Secretariat itself are concerned, the areas of human resources, medical care, career development, internal justice and staff welfare were targeted, with new or restructured departments or units being put in place to oversee these key functions. Progress towards a consolidated headquarters' building, which began in 1998, with the purchase both of land for an additional new building and of the former premises of the World Meteorological Organization, continues and will result in improved efficiency in the Organization's operations and provide space for rational growth. As for the Secretariat's geographical spread, 96 countries are now represented among today's 868 staff members.

28. But what of the future? While seeking to consolidate the achievements of the last 10 years, as well as extend and strengthen the Organization's position as the pivot of the international IP system, several issues of particular import claim attention.

29. In the coming biennium, for example, there is a need to enhance the relevance and effectiveness of development-related activities; intensify efforts to forge consensus, and make further progress, in the area of norm-setting; enhance the efficiency and accessibility of the global protection services; and further strengthen the administrative systems of the Organization.

30. In addressing the effective implementation of the agreed proposals emanating from the discussions on the WIPO Development Agenda, the Organization can build on a number of initiatives it has taken in recent years. These include the strengthening of activities to promote the strategic use of IP for development, assisting developing countries and least developed countries in meeting their obligations under the WTO's Agreement on Trade-Related Aspects of Intellectual Property Rights and in using the flexibilities available under that Agreement, and expanding opportunities for countries to derive economic gain from their IP assets.

31. The Organization will continue to be guided by member States while conceiving and planning innovative projects and activities to enhance the capacity of different sectors to make effective use of the IP system. It will seek to diversify its practical tools and projects, to target specific groups around the world with specific needs and interests. Economic analysis of different policy options in the field of intellectual property will continue to be central to a better understanding of the interaction between intellectual property and development and to guide policy-makers in this field. In addition, a range of public policy issues of particular concern to policy-makers will be studied in depth to find appropriate ways of using the IP system to support other policy goals, taking into account international commitments and flexibilities in the field of intellectual property.

32. The strengthening of national IP infrastructure will be a continued priority for the Organization. NFAPs can provide the conceptual underpinning for an approach that emphasizes the building of national IP capacities in well-defined areas, in a specified time-frame. The aim should be to ensure that there is tangible progress in addressing a country's critical IP infrastructure issues in a finite time period. This would entail the delivery of customized assistance programs, which have robust, built-in performance indicators against which progress can be rigorously assessed.

33. A key area for development cooperation is the building, and strengthening, of national and regional capabilities for IP teaching and training. A knowledgeable, and active, community of IP professionals and practitioners is a pre-requisite for a country's ability to utilize the IP system in an optimal manner. A greater emphasis on upgrading IP teaching and training institutions is, therefore, essential. This may be achieved through direct cooperation programs of the WWA, and through an intensification of efforts to link developed and developing country IP training and teaching institutions in cooperative relationships.

34. There is also a need to deepen mutual understanding among WIPO member States and other constituents. Only when the various IP interlocutors understand the pressures and constraints under which each of them labor, can a fully effective and fruitful discussion be hoped for. In the international arena, with its great diversity of participating voices, the channels of communication must remain open at all times, if true progress towards a more equitable and harmonious future is to be aspired to.

35. The Organization is currently discussing several issues that all member States consider important but to which they would not necessarily assign the same priority. It is important that these issues be discussed in a climate of creative compromise, where rather than holding each other hostage to fixed imperatives, states are able to instill sufficient flexibility into their dialogue to allow them to successfully maneuver round the awkward corners that have to be navigated in almost every international debate. Such a process is at work in the discussions on the WIPO Development Agenda – and that same spirit would, ideally, extend to all aspects of WIPO's work.

36. Other debates are taking place within the Organization that have the potential to enrich the international intellectual property system for the ultimate good of all its participants but, in some cases, these require a long-term perspective. A determined effort should be made to facilitate progress in these important areas, for example, by breathing fresh life into the discussion on substantive patent law. Work towards preparing a strategic blueprint for the future evolution of the patent system is essential if that system is to remain faithful to what it was set up to be – a “facilitator” of innovation and creativity, contributing to the empowerment of all nations and individuals.

37. Similarly, intensified progress should be aimed for within the IGC and its ground-breaking work in exploring the interface between intellectual property and traditional knowledge and traditional cultural expressions. This rich and detailed work offers a firm foundation for building appropriate consensus in this area.

38. In the areas of marks and copyrights there is both considerable scope, and need, for the further development of international norms. Specific areas have been identified by the Standing Committee on the Law of Trademarks, Industrial Designs and Geographical Indications (SCT) for further development of the international law on marks and designs. These will require in-depth consideration. Likewise, in the area of copyright, Member States would benefit from continued action on normative issues.

39. Continued serious engagement with the issues addressed by the Advisory Committee on Enforcement is also a priority. Without the application of enforcement measures, the international IP system offers an empty promise of reward to the world’s innovators and creators and the Committee is making steady progress towards finding some durable solutions to the complex questions involved.

40. Additional improvements in the quality, cost-effectiveness and accessibility of the international registration systems remain high on the agenda of the Organization. A wide range of measures will be required including rationalization of operational procedures, more rigorous quality control mechanisms, alignment of staff to address the changing geography of demand, appropriate outsourcing and intensified use of modern information technologies. This will be necessary to address the expectations of the users of the registration systems for consistent, high-quality services.

41. The continued strengthening of organizational and administrative processes is key for the Organization. The broad range of initiatives that are either under way, or have been proposed, need to be actively followed through. These include the implementation of measures related to improved performance management, targeted staff and career development, and alignment of staff with WIPO’s strategic goals. The implementation of the proposed system for the re-engineering of major administrative processes by establishing integrated and automated systems, would be a key component of these efforts. The overall guidance of Member States on these matters shall be of crucial importance.

42. In the final analysis, the future of the IP system depends on the commitment of those participating in it. To ensure its healthy and constructive evolution, individual advantage has to take second place to the collective good. Such a symbiotic system ultimately can only survive if all its constituent parts flourish and receive the nourishment they need.

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