

WIPO



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**REPORT BY THE INTERNATIONAL BUREAU ON THE ESTABLISHMENT AND
OPERATION OF WIPONET**

Document prepared by the International Bureau

INTRODUCTION

1. This document provides a brief report on the progress achieved with regard to the establishment and operation of WIPONET and other related tasks undertaken by the International Bureau thus far and seeks approval on the future steps for WIPONET project implementation.

WIPONET PRIME CONTRACTOR SELECTION PROCESS

2. Following the issuing of the Request for Proposals (RFP), the International Bureau developed a robust bid evaluation methodology which could ensure the highest degree of objectivity, fairness, and confidentiality in the selection of a prime contractor. The evaluation methodology, which was based on the PCT IMPACT evaluation methodology, consisted of twelve (12) inter-dependant steps, including detailed technical evaluation, risk analysis, establishment of short-listed vendors and contract negotiations.

3. After issuing the RFP in February 1999, WIPO organized, in April 1999, a conference to provide clarifications on the requirements of the RFP to the interested bidders. Given the magnitude of the project and the diverse field of expertise required to meet the WIPONET requirements, bidders were encouraged to form consortiums to respond to the RFP. At the same conference, the majority of the bidders requested an extension in the closing date for the submission of the bids, which was accepted and the closing date was extended to June 1999.
4. In response to the RFP, a total of five (5) bids were received from different vendors who presented their bids by forming consortiums. After scrutiny for mandatory compliance and other administrative procedures during which one of the bidders was disqualified, the WIPONET Evaluation Team spent three and a half months to complete a thorough review of the bid submissions and vendor presentations to reach a short-list of vendors to be retained for further negotiations.
5. In general, the bids are very substantive and of high quality and provide sound solutions based on the state-of-the art-technologies. Innovative solutions have been proposed to overcome the “last mile” challenge, particularly in the developing countries.

CONNECTION WITH TSVPN

6. As approved by the Working Group at its first session, the International Bureau launched a Pilot Project to establish a connection between the International Bureau and the Trilateral Secured Virtual Private Network (TSVPN). The Project, after connectivity trials, performance measurements and trials for secure document exchange between the four TSVPN partners, was successfully completed in June 1999. The International Bureau plans to make use of the TSVPN to support the exchange of PCT priority documents in early 2000.

REGIONAL INFORMATION SESSIONS

7. As approved by the Working Group at its first session, the International Bureau organized a number of regional information and outreach sessions on WIPONET. These sessions were organized in conjunction with the International Bureau’s regular intellectual property related information dissemination events, such as regional conferences on e-commerce, which besides cost savings, helped in highlighting the role of WIPONET in the overall context of the Organization’s core mandate. Such events were organized at Yaounde and Mombassa for the African region, at Beijing and Kuala Lumpur for the Asian region, at Buenos Aires and Bridgetown for the Latin American and Caribbean region.
8. In addition, the International Bureau held a number of briefing sessions at different meetings held at the WIPO headquarters, such as the Assemblies of the Member States of WIPO, the Standing Committee on Information Technology, the Permanent Committee on Cooperation for Development Related to Intellectual Property, the International Conference on Electronic Commerce and Intellectual Property, and for individual intellectual property offices and delegations.

WIPO_{NET} PILOT PROJECTS

9. As approved under the Program and Budget for the biennium 1998-99, the International Bureau launched two WIPO_{NET} Pilot Projects to assess the technical and functional aspects of WIPO_{NET} and to acquire necessary experience in providing WIPO_{NET} services to the Member State offices. These Pilot Projects were implemented at two regional intellectual property offices in Africa, namely, the African Regional Intellectual Property Organization (OAPI), based at Yaounde, Cameroon, and the African Industrial Property Organization (ARIPO), based at Harare, Zimbabwe.

10. At the time of the preparation of this document, the Pilot Projects at OAPI, which started in November 1998, had been completed successfully. The Pilot Project at ARIPO, which started in October 1998, however awaited Internet connectivity.

11. The experience gained in the implementation of these projects has come as a useful tool for the International Bureau to focus on the particular aspects of WIPO_{NET} implementation in the Member States, in particular, in the developing countries. Chiefly, the aspects that need careful consideration in the future planning and bid evaluation process are:

(a) the last mile. At both these Pilot Project sites, leasing of the dedicated line and commissioning of the services of a reliable internet service provider (ISP) has proved to be a formidable task. At ARIPO, in particular, considerable delays have been experienced in finding a solution.

(b) site preparation. Running of equipment requires a well-established infrastructure such as office space, suitable power supply system, telecommunication infrastructure etc. within an intellectual property office. In the case of the two Pilot Project sites, in particular at OAPI, the project experienced slight delays as the office administration prepared for the basic infrastructure.

(c) training of users. At both these project sites, the users required considerable training to take the advantages of an automated system and to be able to use Internet. Accordingly, extensive training was provided to the staff at these two offices under the Pilot Projects.

FUTURE DIRECTION FOR WIPO_{NET} IMPLEMENTATION

12. While the bid evaluation process remains confidential, the International Bureau wishes to inform the Working Group that the study of the financial and administrative components of the bids reveals that although the cost quoted by the different vendors for the initial deployment of the network is fairly close to the estimates, the quoted recurring operating costs of the network are far higher than the budget allocation for this purpose. In addition, some of the administrative aspects proposed by all the vendors, such as the duration of contract, do not conform to the current WIPO practices.

13. In order to adapt to these circumstances, in particular, the financial constraints with regard to the running costs, the International Bureau suggests that the best option to implement WIPONET without further delay would be to modify certain parts of the technical specification of WIPONET and to achieve WIPONET roll-out in a gradual manner. This would include an implementation based on the original RFP, while deferring the installation of the backbone and VPN components, reduced quantity of hardware and Helpdesk facility for the intellectual property offices, and if necessary, insourcing the data center equipment installation and operations. This approach may indeed present advantages in the rapidly changing field of technology and declining costs of telecommunications. The initial deployment would target those offices with no Internet connectivity, followed by the provision to all the intellectual property offices of uniform connectivity to the maximum extent possible.

14. As a result of the extension in the deadline for the submission of the bids and the longer than expected time spent on the bids evaluation, the International Bureau presents the following revised schedule for the implementation of the WIPONET project:

<i>Event</i>	<i>Estimated Date</i>
Start Negotiation with Shortlisted Bidders	December 1999/January 2000
Contract Finalization	Q2 2000
Start Rollout	Q2 2000
IPO Connections begin	Q3 2000

BUDGET MATTERS

15. Owing to the delay in the award of the contract for WIPONET, funds allocated to the project in the 1998/99 biennium from the Special Reserve Fund have remained unspent. At current estimates, they amount to SFr 10 million. Under the Financial Rules and Regulations of the Organisation unspent balances at the end of a biennium are returned to central funds and not automatically carried over into future biennia. A reappropriation of the WIPONET unspent balance remains crucially important if activities outstanding from the 1998/99 biennium are to be carried out.

16. Once deployment of the WIPONET infrastructure begins, the International Bureau will be responsible for meeting pre-determined running costs related to the intellectual property offices concerned. As work has not yet begun on the Program and Budget for the 2002/03 biennium funds have not been allocated to cover running costs. Despite the absence of concrete costings at this stage in the project it would be prudent for the SCIT to recommend to the Program and Budget Committee that funding be assured in following biennia, thus ensuring that the project begun in 2000/01 will be supported financially in the longer-term. Initial estimates, based on WIPONET deployment in fifty intellectual property offices over the next two years, suggest a figure of approximately SFr 20 million for running costs in the 2002/03 biennium.

17. The WIPONet forecasted project costs can be summarized as follows:

BIENNIUM	BUDGET	COMMENT
1998/99	SFr 11.6 m	Estimated underspend of SFr 10m
2000/01	SFr 11.5 m	Will become SFr 21.5 m if unspent balance reappropriated
2002/03	SFr 20 m	Amount covers running costs for 50 intellectual property offices only. More funds will be needed if Member States approve further deployment
1998-2003	SFr 43.1m	Figure only covers deployment and running costs for 50 intellectual property offices.

IPO NEEDS ANALYSIS

18. An additional task foreseen within the scope of the WIPONET project is the analysis, from a business perspective, of the future requirements of the intellectual property offices beyond the initial connectivity phase. This would ensure that any enhancements to WIPONET in terms of facilities and services match the future requirements of the intellectual property offices. The International Bureau is currently considering an expansion in the scope of this requirements analysis to cover the Office Automation requirements of the intellectual property offices as indicated in the Strategic Plan (Project 1 – Automated intellectual property offices) and as contained in the Information Technology Plan approved by the SCIT at its third Plenary Session held in June, 1999. This would have the advantage of taking a holistic approach to the analysis of the business requirements of the intellectual property offices and the information gained from this exercise would be available for all future Information Technology initiatives in this area. The project would be managed by the Information Technology Business Management Unit and funding, estimated at SFr 1.5 million, will be found within the existing budget for Program 12 in the 2000/01 Program and Budget.

19. The Information Infrastructure Working Group recommends that the SCIT Plenary:

(a) approve the WIPONET project implementation approach and revised implementation schedule as contained in paragraphs 13 and 14 above;

(b) recommend to the Program and Budget Committee that:

(i) the Program 12 (SRF) unspent balance for the 1998-99 biennium be reappropriated to WIPONET for the 2000-01 biennium; and

(ii) funds be made available in future biennial program and budgets to meet the running costs resulting from WIPONET project deployment; and

(c) approve the needs analysis project approach suggested in paragraph 18, above.

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