



***A Medium Term Strategic Plan for WIPO, 2010 – 2015
Consultation Paper***

First draft presented to Member States by the Director General on May 27, 2010

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I FOREWORD BY THE DIRECTOR GENERAL

The Medium Term Strategic Plan (MTSP) provides an opportunity for the Organization to take a step back from its daily preoccupations and to engage in the process of setting strategic directions for the next six years. The course of those directions will depend largely on the changes that it is expected will affect the circumstances and context in which intellectual property and the Organization operate. There are many such changes and they appear to be rapid, profound and complex. I should like to highlight a few of these changes, in particular, as having a special impact on the world of intellectual property.

The changing landscape

The first is the set of changes that are described by the term “the knowledge economy”, chiefly the increased value of the share of knowledge in production. Knowledge-intensive and technology-intensive industries are estimated to have accounted for 30 percent of global economic output, or some USD 15.7 trillion, in 2007. The increased importance of the share of knowledge has spurred a steady intensification in investment in the creation of new knowledge. Worldwide, some USD 1.1 trillion was invested in research and development (R&D) in 2007, up from some USD 525 billion a decade earlier in 1996. The intensification of investment in the creation of new knowledge has, in turn, fuelled demand for rights over knowledge. In 2007, 1.85 million patent applications, 3.3 million trademark applications and 621,000 industrial design applications were filed around the world.

The capacity of intellectual property offices to cope with this increase in demand is stretched, as is apparent from the untenably large backlog of unprocessed patent applications. There is no indication that the underlying causes of the demand surge will abate. On the contrary, all indicators suggest that investment in the creation of new knowledge will continue to increase. This trend emphasizes the importance of WIPO’s global systems - the Patent Cooperation Treaty (PCT), the Madrid System for trademarks and the Hague System for industrial designs - as agreed mechanisms for enhancing the world’s capacity to cope with rising demand (Strategic Goal II (Provision of Premier Global IP Services)).

A second set of changes is geographic. The locus of technology production is shifting. There are many indicators that confirm this development. In the world of patents, it is quite apparent. In 1994, China, Japan and the Republic of Korea accounted for 7.6 percent of international patent applications filed under the PCT. In 2009, they accounted for 29.2 percent of those applications. The top five sources of international patent applications are now, in order, the United States of America, Japan, Germany, the Republic of Korea and China. The top five patent offices in terms of numbers of applications received are now, in order, the patent offices of the United States of America, Japan, China, the Republic of Korea and the European Patent Office,

The change in the geography of science and technology has, of course, many implications. Amongst them, from the point of view of WIPO, is the increased linguistic diversity of the technology that patent offices use as a basis for determining whether an invention is patentable and that enterprises and research institutions use to identify freedom to operate or to determine what rights, if any, may be opposed to them in their intended operations. This linguistic diversity calls attention to the need for patent offices to cooperate in searching technology, since no Office is capable of covering the full range of languages, (Strategic Goals II (Provision of Premier Global IP Services) and IV (Coordination and Development of Global IP Infrastructure)). It also calls attention to the skill profiles of WIPO staff working, in particular, in the PCT, Madrid System and Hague System (Strategic Goal IX (An Efficient Administrative and Financial Support Structure to enable WIPO to deliver its Programs)). These skill profiles have to reflect the language capacity to process applications in the languages in which they are received.

A third trend of change is the internationalization of science and technology production. Again, there are many indicators of this trend. In the area of science, in 2007, 21.9 percent of scientific

articles were internationally co-authored, three times as many as in 1985. In technology, 15 percent of international applications filed under the PCT from OECD countries concerned inventions made outside the country of filing (- a measure of the delocalization or internationalization of R&D).

This trend also has many implications. They include the capacity of countries, in terms of both the technical infrastructure (Strategic Goal IV (Coordination and Development of Global IP Infrastructure)) and the human capacity (Strategic Goal III (Facilitating the Use of IP for Development)) to participate in the growing collaboration in knowledge production, as well as the strategic approach and regulatory environment that countries might wish to adopt to attract R&D investment (Strategic Goal III (Facilitating the Use of IP for Development)).

Globalization, in the sense of the increased movement of people, products and capital, the internationalization of science and technology and information and communication technology (ICT) have all influenced innovation models. Generally speaking, they have provided the impetus for a fourth trend of change, namely, "open innovation" or the tendency for firms to look outside themselves to satisfy their innovation needs, whether through traditional means, such as licensing, sub-contracting, R&D contracts or joint ventures, or through newer means, such as the use of problem-solvers on the Internet or open source cooperation.

Open innovation or, more generally, changing patterns of innovation, has implications for capacity to take advantage of the new models of innovation (Strategic Goals III (Facilitating the Use of IP for Development)) and for the need for greater understanding of its impact on IP (Strategic Goal V (World Reference Source for IP Information and Analysis)).

A fifth set of changes are those that relate to the impact of digital technology and the Internet on the production, distribution and consumption of cultural works. The impact is profound and signals a fundamental challenge for the institution of copyright. The objective of that institution is clear: to provide a market-based mechanism that extracts some value from cultural transactions so as to enable creators to lead a dignified economic existence while, at the same time, ensuring the widest possible availability of affordable creative content. The question is not so much the objective of the system, but the means of achieving that objective amid the convergence of the digital environment. Many experiments in better achieving the objective are going on around the world, both in terms of legislative solutions and in terms of new business models. As news, literature and films join other forms of content in migrating to the Internet, the time available for developing an accepted solution is not much longer than the time span of WIPO's Medium Term Strategic Plan.

The crisis of copyright concerns essentially the question of the financing of culture in the 21st Century. It is fundamental to several Strategic Goals (I (Balanced Evolution of the international Normative Framework for IP), III (Facilitating the Use of IP for Development), V (World Reference Source for IP Information and Analysis) and VI (International Cooperation on Building Respect for IP)).

Many of the questions that have preoccupied the Organization in the past century have concerned the conditions for the grant of IP rights. These remain important questions, but another area of change is the emphasis that is also being placed on the use of IP rights after their grant. It is this latter area that has attracted attention in the fields of transfer of technology, competition law, health, the environment, collective management of copyright, the intersection of the finance system and IP (the valuation of intangibles, securitization, insurance and so forth) and the role of IP in development. The shift in emphasis reflects an acknowledgement that IP is a market-based mechanism. As such, the grant of IP titles can only ever tell part of the story. The capacity to use IP rights after grant tells the other part.

The new emphasis on the use of IP has implications for many of the Strategic Goals of the Organization (I (Balanced Evolution of the International Normative Framework for IP), III (Facilitating the Use of IP for Development), IV (Coordination and Development of Global IP Infrastructure), V (World Reference Source for IP Information and Analysis), VI (International

Cooperation on Building Respect for IP) and VII (Addressing IP in relation to Global Policy Issues).

A final area of change to mention concerns the knowledge gap, the digital divide and poverty reduction. The Millennium Development Goals (MDGs) foresee positive change in all these areas. As the Organization's Development Agenda makes clear, the focus on development pervades all substantive Strategic Goals, not just Strategic Goal III (Facilitating the Use of IP for Development). In all areas of the Organization's work, progress must be made on improving the participation of the developing, least developed and transition countries in the international IP system and in the social and economic benefit of innovation and creativity. This, in turn, will be reflected in a positive contribution to the achievement of the MDGs.

In addition to the pervasive focus of development in all of the substantive Strategic Goals, the demand for development-related services from the Organization has an important impact on the enabling Strategic Goals VIII (A Responsive Communications Interface between WIPO, its Member States and all Stakeholders) and IX (An Efficient Administrative and Financial Support Structure to enable WIPO to deliver its Programs). In particular, it seems clear that the opportunities for growth in WIPO's Global IP Systems, which are the source of 93 percent of the income of the Organization, are limited. Certainly, it would seem that the rate of growth in those Systems is much more modest than the rate of growth in demand for development-related services from the organization. In the medium term, consideration will need to be given to the use of extra-budgetary sources for financing the new growth in demand that exceeds the growth in revenue.

The foregoing description of some of the main change factors affecting IP and the Organization is hardly exhaustive. It covers only the main elements that seem to be shaping the future world that the Organization must serve.

The MTSP process

In the Revised Program and Budget for 2008/09, Member States adopted nine new strategic level goals for WIPO. These Strategic Goals provide the starting point and the approved strategic framework for elaboration of the MTSP.

This consultation paper launches the consultative process through which the Secretariat will work with Member States to develop the MTSP before submitting a final document for approval. This is a joint endeavor. Shared ownership of the MTSP by Member States and the Secretariat – built on a shared understanding and unified commitment to what we are trying to achieve - will be essential for its successful implementation.

For the purpose of the proposed plan, we have taken the medium term to cover a period of six years, from 2010 to 2015, thus spanning three Program and Budget biennia including the current one. The approved MTSP will guide the preparation of the Program and Budgets for the 2012/13 and 2014/15 biennia, so ensuring that these, from the start, clearly follow the strategic directions agreed by the Member States. In this way, the MTSP will fulfill the purpose for which it was originally proposed in the 2006 "new mechanism" to increase the involvement of Member States in the preparation and follow-up of the program and budget.

The MTSP marks an important milestone in the development of WIPO's results-based management framework. The Outcomes under each Strategic Goal will establish a jointly agreed frame of reference, through which the Secretariat will be held accountable to Member States for our performance against agreed objectives. As such, the MTSP is an integral element of the WIPO Strategic Realignment Program (SRP), as part of which it will make a substantive contribution to the core value of accountability for results. Moreover, underlying the strategies across every area of the MTSP are the four core values, which define the objectives of the SRP:

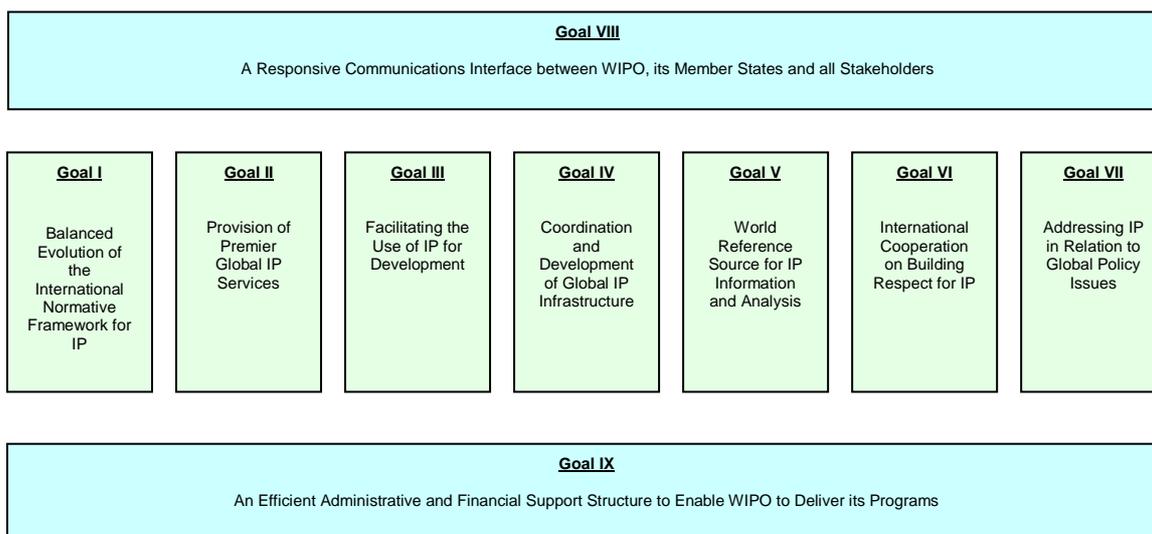
- *Customer service orientation*: we increase our responsiveness to global stakeholders and our customers our satisfied with our services;

- *Working as one*: we work as an integrated, responsive and efficient entity that is fit for purpose and delivers value for money;
- *Accountability for results*: we take ownership for our performance and achieve results;
- *Environmental, social and governance responsibility*: we perform in an ethical manner and care about our staff, community and the environment.

The work of producing this first MTSP is rendered more difficult by the fact that it is being developed at a time when global economic recovery remains fragile. We cannot predict with confidence how long the decrease in the demand for WIPO's Global IP Systems may last, with obvious consequences for the income for the Organization; nor how the cycle of investment in R&D will be affected in the medium term.

Our capacity as an Organization to embrace the challenges and opportunities presented by the trends and developments in the external environment will determine the relevance and the future of WIPO. I place the greatest importance, therefore, on this opportunity to strengthen dialogue with Member States at the strategic level, and to work together to develop shared strategies and targets in pursuit of our Strategic Goals.

The New Strategic Framework

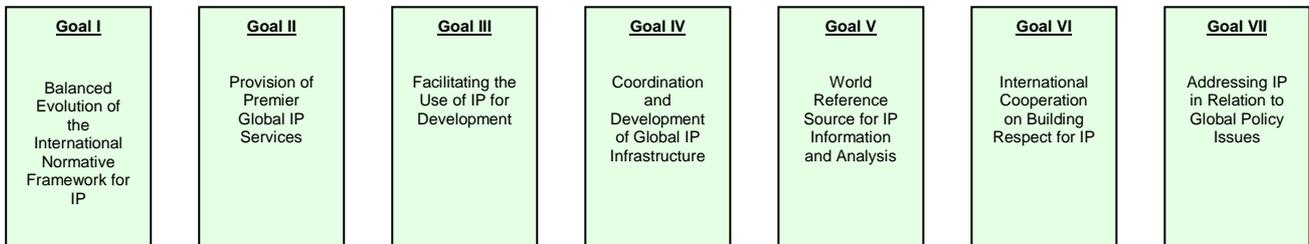


The new strategic framework was adopted by Member States in the Revised Program and Budget for 2009. It remains unchanged in the approved Program and Budget for the 2010-2011 biennium. The nine Strategic Goals, therefore, provide the approved strategic framework for the MTSP.

Strategic Goals I to VII deal with the substantive business of the Organization.

Strategic Goals VIII and IX are the enabling goals, aimed at providing sound management and governance and effective two way communications to support the achievement of the substantive goals and ensure accountability to Member States.

II THE SUBSTANTIVE GOALS



STRATEGIC GOAL I Balanced Evolution of the International Normative Framework for Intellectual Property

This Strategic Goal aims to ensure that the development of international IP law keeps pace with the rapidly evolving global technological, geo-economic, social and cultural environment. A balanced evolution is critical to ensuring that the international intellectual property system continues to serve its fundamental purpose of encouraging innovation and creativity and providing a framework for trading intellectual assets; that it takes into account the needs and interests of countries at different stages of development; and that it strikes the right balance between (i) the rights of creators and IP owners and the rights of users and the public and (ii) the encouragement of innovation and creativity and the diffusion of the social benefit of innovation and creative works. WIPO's work conducted under this Goal will be guided by the recommendations of the Development Agenda.

OUTCOMES

1. Timely agreements amongst Member States on legislative and practical measures to adjust the existing international IP framework and to introduce new elements in that framework in response to changed technological and economic circumstances.

2. Adoption of agreed solutions at the international level, in particular, in respect of outstanding discussions and negotiations relating to

- **audiovisual performances**
- **broadcasting**
- **access to published works by visually-impaired persons**
- **traditional knowledge, traditional cultural expressions and the relationship between IP and genetic resources**
- **other areas agreed amongst Member States as appropriate subjects for attention within the international IP framework.**

CHALLENGES AND OPPORTUNITIES

Intellectual property (IP) is covered by a complex web of national, bilateral, plurilateral, regional and multilateral agreements. In today's digitally driven and globalized world, however, the subject matter addressed by IP - new technologies, novel designs, brands and creative works - is no longer bound by territorial borders. Frequently, any attention that needs to be given to the subject matter requires an international approach in order to be effective (this, for example, is almost inevitably the case for matters relating to behavior on the Internet). WIPO, the custodian of 24 multilateral treaties and four major global service systems, has the ongoing challenge of promoting balanced multilateral solutions to ensure that the international normative architecture remains relevant, that it serves its purpose of encouraging innovation and creativity worldwide; and that it facilitates participation by all countries in the benefits of technological and cultural advances.

The past decade has been marked by a lack of progress in the normative work of the Organization, with Member States unable to reach agreement in several areas. The lack of progress in norm-making contrasts sharply with the rapid pace of technological change, which, in many instances, calls for attention in the normative framework. Failure on the part of the Organization to provide the forum for giving attention to needed adjustments and changes entails a number of risks. The role of the Organization in economic rule-making will wither. Multilateral approaches may be replaced by bilateral or plurilateral ones. Solutions may be developed by default by the market or by technology, rather than by public policy.

Addressing this challenge requires the Secretariat to provide an impartial and professional environment, which facilitates the decision-making of Member States, in order to arrive at multilateral solutions and enable rules to be set across the full spectrum of technological development, from the latest advances in digital technology to traditional knowledge systems. The opportunity now exists to build confidence among Member States by improving mutual understanding of normative questions, thus preparing the ground for future advances in normative discussions.

The dynamic global economic and social environment requires that the evolving international IP system in all areas carefully balance the interests of all stakeholders, including countries at different stages of development, rights holders, and the public.

Against this background, some of the specific challenges and opportunities facing the Organization in the medium term in the main areas of normative activity (patents, copyright, trademarks, geographical indications, industrial designs and traditional knowledge) may be summarized as follows:

- i. *Patents.* New technologies in the life sciences, synthetic biology, nanotechnology, materials science, environmental science and energy are being developed and deployed at a rapid pace. There is a pressing need to keep pace with these developments to understand what, if any, actions may be needed in the international arena to address the developments.
- ii. *Copyright.* Digital technology and the Internet means that creative content – and new forms of cultural expression – are available globally to an unprecedented extent, through both legal and illegal means, while copyright law and enforcement remains territorially based. Technological and market-driven changes have resulted in severe stress on the institution of copyright in its current form and are raising fundamental questions about the future financing of culture, which need to be addressed at a high level.
- iii. *Marks.* The traditional approach to the creation, use and legal protection of trademarks, industrial designs and geographical indications (including unfair competition) is undergoing fundamental change. Investment in the development and maintenance of brands – as the vectors that tie intangible reputation and goodwill to tangible products and services – is becoming a key aspect of intellectual property policy.
- iv. *Designs; Geographical Indications.* The variety of legal and administrative approaches to the protection of industrial designs and geographical indications that exists in Member States constitutes a major challenge for coherence in a world in which economic behavior is increasingly global.
- v. *Traditional Knowledge, Traditional Cultural Expressions and Genetic Resources.* The consensual adoption of the mandate of the Intergovernmental Committee (IGC) for 2010-2011 presents a historic opportunity for the global community to achieve explicit international recognition of, and respect for, traditional knowledge (TK) and traditional cultural expressions (TCEs) as intellectual property, and for developing an appropriate means of dealing with the interface between IP and genetic resources (GR). The balanced protection of TK, TCEs and IP in relation to GRs would represent a significant normative shift in IP and recognize the universality of the IP system. The first milestone challenge under the new mandate, will be for the IGC to agree and to submit the texts of an international legal instrument (or instruments) to the WIPO General Assembly for the Assembly to decide on the convening of a Diplomatic Conference. While many Member States voice high expectations of the social, cultural and economic benefits resulting from the appropriate protection of TK, TCEs and IP in relation to GRs, successful outcomes involve addressing a complex set of legal, administrative, policy, political and operational issues.

STRATEGIES

The following strategies will be pursued in the medium term:

- i. The creation of opportunities to improve communication and understanding of issues and the provision of an environment conducive to cooperation and negotiation among Member States, IGOs and NGOs.
- ii. The identification of areas of common interest to all Member States that are potentially sufficiently mature and appropriate for multilateral negotiation.

Patents

- iii. In the *Standing Committee on the Law of Patents* (SCP):
 - continue to support Member States through balanced studies on current and emerging patent-related issues, providing informed analysis of policy options and a trusted forum for debate;
 - strengthen efforts to deepen understanding of the role of, and the principles underpinning, the patent system, including the use of flexibilities provided for in the system, and the challenges it faces.

Copyright and related rights

- iv. In the *Standing Committee on Copyright and Related Rights* (SCCR):
 - continue to support the work of Member States on improved access for visually impaired persons, on the protection of audiovisual performances and on the protection of broadcasting organizations;
 - promote accession to, and implementation of, the 1996 WIPO Treaties by the majority of Member States;
 - explore the scope for discussion of new issues with important global consequences, such as orphan works or the need for increased cooperation between copyright owners and Internet intermediaries in the making available of legitimate creative content; and encourage consideration of self-regulatory, as well as formal solutions.
- v. *Stakeholder Platforms*. WIPO will continue to support the development of the Stakeholders' Platform for visually impaired persons, and to enable this parallel work to feed into the deliberations of the SCCR. The scope for additional *ad hoc* stakeholder platforms will be explored - based on the voluntary participation of interested stakeholders from the public and private sector - as a means of developing practical solutions to specific problems involving the creation of, access to, and use of digital content.
- vi. *Global Reflection*. A high-level global reflection process will be initiated on the future of copyright and the financing of culture in the digital environment, the scope and impact of which can not be addressed in a timely and adequate manner by way of negotiation in a routine standing committee format. The process would include multi-stakeholder input and fact finding to examine the challenges and opportunities presented by the legal, market and technological conditions prevailing in developed and developing countries.

Brands and designs

- vii. In the *Standing Committee on the Law of Trademarks, Industrial Designs and Geographical Indications* (SCT):
- support wide Member State participation in the SCT as the main vehicle for the development of brand-relevant IP rights. Maintain a flexible approach to the format of potential outcomes of SCT work in different areas, ranging from use of soft law instruments to international treaties;
 - explore the opportunity to advance work on the convergence of industrial design registration procedures in the form of an international design law treaty comparable to the Singapore Treaty (trademarks);
 - explore the scope for work on the protection of trademarks on the Internet;
 - explore alternative avenues for multilateral cooperation in the area of geographical indications, such as the establishment of an intergovernmental network for exchanging experience and sharing of information on geographical indications;
 - develop the existing institutional framework, in particular the Singapore Treaty and Paris Union Assemblies, to facilitate work in certain more specific and advanced areas;
 - supplement work within the established institutional framework by regular thematic meetings, providing an informal forum for Member States and interested parties to explore topics where new multilateral normative development could be appropriate, including unfair competition.

Traditional Knowledge

- viii. In the *IGC*:
- facilitate international negotiations towards reaching consensus on the text of an international legal instrument or instruments;
 - support work on practical mechanisms (such as databases, model contracts and protocols, including dispute resolution procedures) to contribute towards the protection of TK, TCEs and IP in relation to GRs and/or their appropriate use;
 - seek to clarify the contribution of IP to the conservation, sustainable use and equitable benefit-sharing in GRs, as components of biodiversity, and of the role of IP in the fair and appropriate exploitation of GRs for economic and technological development.
- ix. *Capacity Building*. WIPO will provide tailored, specialized capacity-building and technical support to a wide range of community, national and regional initiatives and projects, including for the effective implementation in national and regional legal systems of international instruments that may be adopted.
- x. *International Cooperation*. WIPO will also cooperate with other relevant multilateral fora and international organizations, in order to clarify the specific contribution of IP expertise and WIPO's activities to broader international moves towards the enhanced preservation, promotion and protection of TK, TCEs and IP in relation to GRs.

STRATEGIC GOAL II Provision of Premier Global IP Services

This Strategic Goal addresses the core services of WIPO, which are also the income-generating businesses of the Organization. The aim is to make WIPO's global systems and alternative dispute resolution services the systems of first choice for users through attractive, cost-effective services which provide added value for users.

OUTCOMES

- 1. Increased demand for, and income from, WIPO's IP services by the offering of competitive products, which are cost-effective, efficient and attractive to users.**
- 2. Increased use of WIPO's IP services by developing and least developed countries.**
- 3. IP stakeholders consistently rely on WIPO-facilitated mediation, arbitration and other alternative dispute resolution mechanisms and policy advice for the efficient and effective resolution of IP disputes.**

CHALLENGES AND OPPORTUNITIES

The global intellectual property systems that WIPO provides form the basis of the financial stability and growth of the Organization. Together these services - particularly the Patent Cooperation Treaty (PCT), the Madrid System for the International Registration of Marks (the Madrid System), the Hague System for the International Registration of Industrial Designs (the Hague System) and the WIPO Arbitration and Mediation Center - generate some 93% of the Organization's revenue.

Each of these services has the advantage of being voluntary. But that advantage also places them in a competitive market, where users have a choice of possibilities for achieving the objective of the service. In order to maintain the services provided by WIPO as the systems of choice in their respective domains and, thereby, to expand the revenue basis of the Organization, it will be necessary in the medium term to ensure that the services meet the challenges of the changing circumstances with which they are confronted. These challenges include the increasing demand for international protection; the changing geographical composition of demand, necessitating different language skills within the Secretariat and enhanced use of technology in translation services; the transition to an electronic environment for the movement of data around the systems; and the need for assistance to developing countries in participating in that electronic environment.

An additional challenge has been posed by the global financial crisis and the consequent fall in filing rates under the PCT and the Madrid System in 2009 for the first time in WIPO's history. This has had a significant fiscal impact, particularly in light of the considerable resources necessary to perform the functions of the International Bureau, most of which are fixed costs.

The increasingly technological basis of production and the greater use of technology in every day life, which have fuelled the increase in demand for IP titles, have also increased the likelihood of disputes over intellectual property. Increased internationalization of trade and commerce has given more and more of these disputes an international character. Demand for the alternative dispute resolution services and tools provided by the WIPO Arbitration and Mediation Center continues to rise accordingly.

Key challenges and opportunities in the medium term for the different global services provided by WIPO include the following:

PCT (Patents)

- i. The variable quality and timeliness of international searches, despite their significant cost, threatens to erode goodwill with PCT customers. The lack of consistent quality and timeliness results, in large part, from the mounting pressure faced by patent offices in discharging their workloads in the face of rising demand.
- ii. The geography of demand in the PCT system continues to change at a very rapid speed. International applications from Japan, the Republic of Korea and China have, in particular, increased substantially as a component of overall PCT applications, amounting to over 29% of such applications in 2009.
- iii. In consequence of the changing geography of demand, prior art is increasingly linguistically diverse. This diversity has many consequences. It makes it increasingly improbable that any one office of the world is capable of searching and examining the complete record of prior art. It also makes it more difficult for enterprises and institutions to determine freedom to operate and to avoid unintentional infringement of rights. Finally, it has important consequences for the composition of the workforce in the International Bureau and the systems and tools used by the International Bureau.
- iv. Information technology offers the opportunity to deliver added value for users, which will increase the attractiveness of the PCT. Examples of such added value include secure file access, which should also have benefits for processing productivity (through electronic interaction between the International Bureau and the user) and machine translation tools.
- v. The participation in the PCT as users by developing countries and least-developed countries is at a low level and very few PCT applications originate in these countries.

Madrid System (Marks)

- vi. The geographical coverage of the Madrid System is still limited (84 Contracting Parties) and large areas of the world remain outside the System. In addition, there is still scope for increasing the use of the System within those countries that are already participating in the System. There is, thus, a big opportunity for growth. An international system with comprehensive coverage and high rates of use would contribute greatly to orderly global markets.
- vii. The participation of developing and least developed countries and emerging economies is relatively low. Branding offers an under-utilized tool for expanding markets for the products of these countries.
- viii. The dual treaty structure of the Madrid System (Madrid Agreement and Madrid Protocol) is overly complex and complicates its practical operation and its attractiveness to users. The opportunity exists for simplification, which would be likely to heighten the use of the System.
- ix. There is considerable scope for stream-lining and re-engineering the business processes and operations of the International Bureau in this area in order to introduce greater efficiencies and to increase productivity. A number of recurring operations of the service have yet to be automated. Use of electronic communications with users and Offices is uneven. In addition, information technology offers a number of tools that need to be deployed in the form of terminology databases, translation memories, work-flow management systems and machine assisted translation.

- x. Greater emphasis needs to be placed on customer service, particularly, customer service that reflects that changing needs and patterns of use of branding. A more responsive customer service will increase the attractiveness of the System to users.

The Hague System (Industrial Designs)

- xi. Like the Madrid System, only to a more significant extent, the Hague System fails to enjoy global membership (57 members). The Geneva Act of 1999 was introduced to remedy this failing by incorporating a number of features that would accommodate the national procedures of a wider range of Contracting Parties. The Geneva Act is now starting to gather momentum and every effort must be made to capitalize on this momentum and expand the System into a truly global system.
- xii. As the geographic scope of the Hague System broadens, a number of the features of the Geneva Act that were introduced to accommodate divergent national practices will be implemented for the first time. The international procedure will consequently become more complex, which risks detracting from its attractiveness to users.
- xiii. If the aim of increasing the use of the System is successfully accomplished, the human resources deployed in the administration of the System will need to be correspondingly built up in a manner that is responsive to the characteristics of the user base.
- xiv. As the System grows, so the sophistication of the IT support services will need to increase in order to achieve appropriate levels of productivity. In particular, the user interface of the system and the availability of e-business tools will need to be extended.

The Lisbon System (Appellations of Origin)

- xv. The Lisbon Agreement is now over 50 years of age and enjoys a membership of less than 30 Contracting Parties. Success in efforts to establish a global registry for geographical indications have so far eluded negotiators at the World Trade Organization (WTO), so the difficulty of the task of transforming the Lisbon System into a system that enjoys wide international participation should not be under-estimated. Nevertheless, the mandate from the Lisbon Union Assembly to the Working Group on the Development of the Lisbon System provides an opportunity to identify ways to improve the System so as to make it more attractive for States and users.
- xvi. An IT strategy needs to be deployed in the medium term to ensure that current investments are leveraged in the creation of a fully electronic registration and notification procedure.

WIPO Arbitration and Mediation Center (Alternative Dispute Resolution)

- xvii. Disputes can immobilize intellectual property assets, with resultant loss of productivity and social enjoyment of innovation. Great diversity exists in national court practices around the world, creating uncertainty for business and the possibility of disruptive and costly litigation. In a world in which transactions for the generation and use of IP are increasingly international in character, an opportunity exists to expand the use of the services of the WIPO Arbitration and Mediation Center as neutral, cost-effective alternatives to litigation.
- xviii. Considerable change is occurring in innovation models, with open innovation, the tendency for firms to look outside themselves to satisfy their innovation needs, becoming more popular. A feature of open innovation is the contractual engagement of multiple participants in relation to common knowledge-generation and knowledge-sharing projects.

Since, again, many of these projects are international in character, the opportunity for the increased use of neutral, international dispute-resolution services is substantial.

- xix. The WIPO Arbitration and Mediation Center operates in a market with multiple competitors, even if it remains the only international center dedicated to intellectual property. Survival in that market will depend upon the efficient, high-quality and knowledgeable provision of services.
- xx. The Domain Name System is set to undergo considerable change, including broad expansion of the number of generic top level Domains (gTLDs) and the introduction of internationalized (non-Latin script) gTLDs and domain names. The impact of these changes on both intellectual property and the Uniform Dispute Resolution Procedure (UDRP) is uncertain. The WIPO Arbitration and Mediation Center needs to continue to play a pro-active role in proposing procedures and solutions to the Internet Corporation for Assigned Names and Numbers (ICANN) to reduce any adverse impact of the changes on intellectual property or on the effectiveness of the UDRP as an instrument for combating cyber squatting.

STRATEGIES

While the strategies for each of the Services differ, they have in common four principal aims:

- to expand the service so that its coverage is global and, to this end, to enhance market research, awareness, simplification of procedures and the addition of value;
- to ensure adequate investment in the renewal and expansion of the use of the services;
- to increase the participation of developing, least developed and transition countries in the Services and in the benefits that they offer; and
- to establish clear IT strategies based on the differing stages of development of the IT infrastructure and services in each area.

Specific strategies for each service are detailed below.

PCT

- i. Study PCT users, non-users and potential users, seeking to understand better their behavior and the factors which influence PCT use.
- ii. Examine existing PCT fee structures and pricing models with the goal of making the PCT system more accessible to applicants, and in particular to SMEs and to those in developing and least developed countries.
- iii. Study the internal efficiency and cost-effectiveness of processing international applications at the International Bureau, with the aim of reducing the processing and associated costs.
- iv. Strongly encourage the International Searching and Preliminary Examining Authorities to improve the quality of their work products and the timeliness of their delivery; and support investigations of PCT collaborative search and examination.
- v. Study current PCT training, awareness-building and outreach efforts in order to maximize effectiveness and to ensure they are meeting the needs and expectations of PCT users.
- vi. Continue to develop and deploy technologies which will make the PCT more useful and efficient and its delivery mechanisms more effective.

- vii. Strive to increase both the quality and quantity of PCT and PCT-related information available to the public.

Madrid System

- viii. Identify factors hindering accessions to the Madrid Protocol. Engage more actively with non-Madrid Member States in identifying and addressing their specific concerns. Develop tailored strategies to enlarge the geographical coverage, and outreach programs to communicate more effectively the potential impact of accession to the Madrid Protocol in specific national contexts.
- ix. Work with the Contracting Parties to determine if the necessary IP policies and legal provisions are in place to fully implement the System, and assist these Parties in developing and applying the necessary measures to achieve this objective.
- x. Encourage Contracting Parties to examine the benefits of simplifying the System by moving to an environment based solely on the Madrid Protocol. Support the three Member States which are members of the Madrid Agreement, but not the Protocol, in acceding to the Protocol.
- xi. Engage in an ongoing assessment of operations to deliver a more streamlined and efficient service.
- xii. Foster a highly customer oriented corporate culture and monitor customer satisfaction.
- xiii. Complete the IT Modernizations Phases I, II, and III, including the establishment of an external strategic partnership for the execution of Phase III, able to assume responsibility for the ongoing support of the resultant system.

The Hague System

- xiv. Conduct regular analysis of the statistics on use of The Hague System compared to national/regional systems in order to inform promotional activities to win back former users and attract new right holders.
- xv. Focus on prospective Contracting Parties whose accession to the Geneva Act would be likely to stimulate greater use of the System or further accessions.
- xvi. Simplify The Hague System and make it more attractive to first-time users and prospective members by:
 - encouraging the remaining members which are party to the Hague Act (1960) but not the Geneva Act (1999) to accede to the Geneva Act by 2015;
 - facilitating the extinction of the London Act (1934);
 - further developing the legal framework in order to ensure that the Common Regulations and Administrative Instructions remain in step with users needs.
- xvii. Continue to develop an e-filing system for international applications and extend the offering of online services.

The Lisbon System

- xviii. Use the surveys and studies undertaken by the Working Group on the Development of the Lisbon System to determine the issues to be solved and the time-frame for further steps.
- xix. Create an Electronic International Register. Roll out electronic communication with competent authorities of all interested Lisbon member states.

WIPO Arbitration and Mediation Center

- xx. Enhance awareness of IP Alternative Dispute Resolution options, including in economies with emerging needs in this regard.
- xxi. Increase market research into the needs of users of dispute-resolution services and understanding of the factors that influence the decision to use ADR.
- xxii. Increase the attractiveness of dispute resolution services offered by the WIPO Arbitration and Mediation Center by :
 - adapting the Center's procedures and case infrastructure to the evolving needs of users, including through IT-based business solutions.
 - working with IP owners, users and institutions to establish tailored procedures specifically adapted to the particular features of recurrent disputes in their areas of activity.
- xxiv. Engage with areas of IP policy where there is likely to be a high volume of international IP transactions and a need for neutral, efficient and cost-effective dispute-resolution services, such as standard material transfer agreements under the International Treaty on Plant Genetic Resources for Food and Agriculture or transfer of technology agreements in relation to environmentally friendly technologies.

STRATEGIC GOAL III Facilitating the Use of IP for Development

The goal of facilitating the use of IP for social, cultural and economic development drives WIPO's multiple technical assistance and capacity building activities, which are delivered through programs in every sector of the Organization. Covering all these activities, the medium term focus of this cross-cutting Strategic Goal is to assist developing countries, least developed countries (LDCs) and transition economies to make effective use of the IP system in the context of their economic circumstances and in promotion of their national development goals.

The WIPO Development Agenda, which derives from recognition of the importance of improving the capacity of developing countries and LDCs to participate in the benefits of the knowledge economy, plays a central role in ensuring that all areas of WIPO's activities contribute to this Strategic Goal.

OUTCOMES

- 1. A strong focus on development throughout the Organization, with full integration of the development dimension in the work of all relevant Programs.**
- 2. The widespread adoption of National IP and Innovation Strategies and corresponding national IP legal frameworks in consonance with corresponding national development goals and priorities in developing countries, LDCs and countries in transition, as well as with international IP treaties and agreements, taking due account of available flexibilities.**
- 3. Enhanced human and technical infrastructure of IP institutions, including SME support institutions, in developing countries, LDCs and countries in transition, providing modernized, user-friendly services and with the capacity to manage and use IP effectively for development.**

CHALLENGES AND OPPORTUNITIES

An overall objective for WIPO is to empower developing countries, LDCs and countries in transition to use the IP system in an informed and effective way, thereby ensuring that it contributes meaningfully to their economic, social and cultural development.

In order to achieve this objective, a number of challenges need to be addressed, notably:

- i. *IP policy coherence.* IP is a cross-cutting issue, which impacts on areas as diverse as innovation promotion, market regulation, the production, performance and distribution of cultural works and, in turn, on trade, health, the environment, food security and access to knowledge. IP policy, therefore, has to be either linked with related policies or built into larger national policy issues, such as industrial and innovation policies. A major challenge is how best to help developing countries, LDCs and countries in transition to achieve coherence between their IP and related policy issues, or to situate IP policy in the context of their broader national priorities. Central to this is the development and implementation of IP policies that encourage both innovation and diffusion of technological advances.
- ii. *Appropriate legislative and regulatory frameworks.* An ongoing challenge is to support the efforts of governments to establish a secure and balanced national legal environment, which protects the rights of IP owners and provides incentives to inventors and creators, while facilitating access to knowledge. Beyond basic rights and obligations, this includes the formulation and incorporation into national legislation of flexibilities to accommodate public

policy concerns. The challenge is to design development-oriented IP laws and regulations, taking into account specific national requirements.

- iii. *Technical infrastructure.* While some progress has been made in building the capacity and efficiency of many national and regional IP institutions responsible for the granting and administering of IP rights, much further work remains to be done in developing the technical infrastructure of these institutions, thereby contributing to their productivity and their capacity to benefit from global public assets and knowledge networks. Such infrastructure will also enable IP Offices to develop additional services that support local industry and tertiary institutions.
- iv. *Human capital.* The requirements for training and capacity building programs in the area of IP are particularly complex due to the multiple elements involved in the protection and commercialization of intangibles. A broad range of human capital is required for the effective use of IP, including legal practitioners, trained examiners, administrators of IP services, and experts who can advise on leveraging the system to enhance innovation and improve business competitiveness. A further challenge of developing human resources is the need for interdisciplinary expertise, able to address issues at the intersection of law, economics, business and technology. The objective is to help develop a critical mass of trained human resources with the knowledge and skills to deal with the totality of the above requirements.

The goal of facilitating the use of IP for development applies to diverse countries with widely differing levels of development and different levels of IP infrastructure. Many countries with economies in transition, for example, have recorded significant progress in their ability to utilize IP to help accelerate their economic, social and cultural development. In respect of these countries, the challenge for WIPO is to provide more specialized assistance to meet their particular needs, as well as to promote the exchange of experiences, lessons learned and best practices between such countries.

The Development Agenda provides a unique opportunity to reach beyond WIPO's traditional technical assistance programs and to ensure that the Development Agenda principles and recommendations are integrated into the work of the entire Organization. Within the medium term, WIPO has the task of translating the Development Agenda aspirations into reality. The challenge will be to ensure that the human and financial resources dedicated to the Development Agenda deliver results that can be evaluated and demonstrate real impact.

STRATEGIES

In addressing the above challenges, WIPO's strategic approach in the medium term will be guided by the following key elements:

- i. *Assistance in integrating IP policies in national development plans and national innovation strategies.* At the request of individual Member States, WIPO will assist in developing a country-led National Innovation Strategy, that is, a cross-disciplinary package of policy elements and recommendations to boost innovation performance, which would provide a framework for strengthening the linkage of IP policies with other components of innovation policies, including education, investment and trade policies, and science and technology policies. At the same time, each country's National Development Plan would be used to provide a framework within which to determine how IP could contribute most directly to a country's development process. WIPO will also develop and make available on request methodologies to enable systematic needs assessments and gap analyses for National Innovation Strategies to be carried out.
- ii. *Assistance in establishing a development-oriented regulatory framework,* i.e., legislation which provides for the basic legal framework that defines rights and obligations of the IP owners, as well as provisions to achieve balance between incentives and rewards for innovators and access to new knowledge by users, such as through the use of flexibilities and effective enforcement mechanisms. This assistance will be demand-driven, country-specific and

delivered with appropriate expertise. If requested by countries, assistance in accession to international treaties that will facilitate participation in global processes and entry to international markets, such as through the PCT and the Madrid and Hague Systems, will be extended.

- iii. *Developing institutional and technical infrastructure.* IP offices will be assisted in implementing their plans to evolve into more development-linked and service-oriented authorities, able to help spur domestic innovative activity and eventually entrepreneurial and economic progress. Assistance will also be provided in setting up Technology and Innovation Support Centers and start-up IP academies, either within or outside the IP offices, in strengthening technology transfer offices in R&D institutions and universities, in introducing public programs dedicated to the use of IP systems, and in promoting public-private partnerships that stimulate the transfer of and access to technology.
- iv. *Capacity building.* WIPO will continue to provide assistance to improve the capacities of institutions to deliver IP services, be it through automation and improved business processes, or building human resource capacity through training for professionals and targeted user groups. Start-up IP academies will be used as vehicles for localizing training and educational initiatives.
- v. *External Offices.* A review of the role and function of WIPO's external offices will be conducted and recommendations developed in order to optimize the contribution of existing external offices to the achievement of the Strategic Goals of the Organization and to develop policy guidelines governing the establishment of any further external offices.
- vi. *Development Agenda.* The implementation strategy for the Development Agenda will continue to be twofold:
 - to adopt a project-based approach where appropriate, and
 - to mainstream the principles of the Development Agenda Recommendations into the work of all Sectors of the Organization through the Program and Budget and work planning processes.

The cross-cutting nature of the Development Agenda requires effective coordination, both internally and externally. The Medium Term Strategic Plan, Program and Budget, and Program Performance Reports provide one element of that coordinating framework, but which requires further strengthening for the purpose of accountability and improved decision-making based on empirical information.

As a priority strategy in the medium term, WIPO will also develop tools to enable the Committee on Development and Intellectual Property (CDIP) to fulfill its responsibility for ensuring that the Development Agenda is effectively implemented. These tools will include an effective evaluation and reporting function (both self-evaluation and independent evaluation), a results-based management approach which fully embraces the development perspective, and a strengthened capacity to conduct country level impact assessment studies which enable the Secretariat and Member States to understand better the impact of the Organization's activities on development. This latter requirement is closely linked to the work on economic studies on IP and development within Strategic Goal V (World Reference Source for IP Information and Analysis).

STRATEGIC GOAL IV Coordination and Development of Global IP Infrastructure

Information and Communication Technology (ICT) has created opportunities for greater efficiencies in the international IP system, more effective access to the output of the system and increased participation in the system by least developed, developing and transition countries. The aim of this Strategic Goal is to strengthen the infrastructure of least developed, developing and transition countries, to enhance international cooperation in infrastructure and data flows throughout the system, and to develop global IP databases and voluntary platforms for increased technical cooperation.

The coordination and development of global IP infrastructure also contributes to Strategic Goal III (Use of IP for Development), Strategic Goal II (Provision of Premier Global IP Services) and Strategic Goal V (World Reference Source for IP Information). It includes a number of Development Agenda projects.

OUTCOMES

- 1. Automated systems have been deployed in IP Offices, and Technology and Innovation Support Centers have been established in a significant number of least developed, developing and transition countries.**
- 2. WIPO global databases have expanded content, coverage and services, and are used by a wide range of stakeholders.**
- 3. An array of platforms for enhanced voluntary, technical international cooperation are available and used.**

CHALLENGES AND OPPORTUNITIES

Information and communication technology (ICT) has radically transformed the way in which the IP system functions. At a basic level, ICT has changed the processes through which users interact with IP Offices (e-filing, and electronic notifications and communications), as well as the internal procedures of IP Offices (electronic processing and dossiers). The introduction of ICT at this basic level has, in turn, created the possibility of greatly enhanced interaction between IP Offices throughout the world and between those Offices and WIPO. It has also given rise to a wide array of tools and assets that make the benefits of the IP system (including its record of technical and economic intelligence) accessible to a broad public. ICT has, in short, created the technical architecture of the IP system as an addition to the legal architecture of the system.

The transformation brought about by ICT presents a number of very significant opportunities:

- ICT opens the way for increased efficiency and productivity in IP Offices, thereby freeing resources to concentrate on the delivery of additional services (such as advisory or search services) to local industry;
- Automation within IP Offices enables platforms between Offices to be created for those who wish to engage in voluntary arrangements, such as IP data exchange, the Digital Access Service of WIPO for priority documents, or the work-sharing or quality-enhancing arrangements planned or underway in Latin America, ASEAN and between the Vancouver Group of Australia, Canada and the United Kingdom;

- ICT infrastructure within IP Offices also enables those Offices to participate to a greater extent in digital global public assets and knowledge networks.

In order to take advantage of those opportunities, however, a number of obstacles need to be overcome. In least developed and many developing countries, basic elements of IP infrastructure are often missing and IP Offices need assistance to put those elements in place. The lack of modernized systems, particularly a reliance on paper-based work-flow, limits the ability of IP Offices in many developing countries to participate actively in the international IP system, to benefit from its outputs, or to deliver world-class services to their local constituencies. This aggravates the knowledge gap.

Additionally, platforms reflecting agreed international cooperation require greater technical standardization in respect of data capture, data exchange and data publication such as the standards that are developed by WIPO; as well as common tools for accessing data, such as the classification systems maintained by WIPO for patents (International Patent Classification), trademarks (Nice and Vienna Classifications) and industrial designs (Locarno Classification).

The Development Agenda creates additional opportunities to accelerate work in pursuit of this goal through the development and implementation of concrete, high impact projects, for example, in the areas of access to patent information, bridging the digital divide and supporting a robust public domain.

STRATEGIES

The following strategies will be adopted in pursuing the implementation of this Strategic Goal:

- (i) Strengthening infrastructure at the national level in the least developed, developing and transition countries through the implementation, in a demand-driven manner, of digitization, automation and modernization programs. WIPO will offer a modular IT system that, at the option of the using office, will deal with the office's automation needs for internal processing, connection into international systems, notably, the PCT, the Madrid System and the Hague System and reporting obligations, notably statistics, laws and national-phase entry data. In addition, WIPO will continue its highly popular program of establishing, again on a demand-driven basis, Technology and Innovation Support Centers (TISCs) to enable least developed, developing and transition countries to have greater access to public scientific and technical data collections.
- (ii) Through the digitization, automation and modernization programs in least developed, developing and transition countries and through arrangements with other countries and stakeholders (such as publishers and other commercial providers), the content and coverage of WIPO's global databases in the areas of technology, brands and designs will be progressively extended (also in support of Strategic Goal V).
- (iii) Further common tools and standards for data capture, data exchange and data publication will be developed and, in particular,
 - efforts will be made, in cooperation with other instances, where appropriate, to strengthen, and to establish truly international coverage for, WIPO's classification systems in patents, trademarks and designs;
 - efforts will be deployed to have wider acceptance and use internationally of WIPO Standards;
 - customized search tools will be developed for facilitating access to WIPO's databases, especially for non-specialists;

- services associated with global databases (such as patent landscape reports and patent legal status checks) will be enhanced to improve access to information and to support a robust public domain.
- (iv) Platforms, with voluntary participation, for increasing cooperation between IP Offices and for enhancing the efficiency of the IP system and the availability of its public benefit will be built on a demand-driven basis.

STRATEGIC GOAL V World Reference Source for IP Information and Analysis

WIPO is the generator and repository of outstanding collections of technology disclosures, brand data, and technical and legal IP information. These collections provide a window onto what is happening in important sectors of the economy and in the IP system. They are of immense value to policy-makers; industry, business and other users of the IP system; and the interested public. That value has been recognized also in the Development Agenda, where there is strong demand for the Organization to provide empirical economic analysis and studies.

The value of WIPO's data reference collections, however, depends upon the collections being accurate, up-to-date and responsive to the needs of stakeholders, as well as freely and universally accessible. WIPO is in a unique position to serve as a host and portal to the world's most comprehensive and valuable collections of IP information. Under this strategic goal, WIPO would strive to realize the potential of that unique position.

OUTCOMES

- 1. Availability of a comprehensive range of IP content, in the fields of technology, brands, laws and treaties and economic statistics and analysis, as well as tools for navigating and accessing that content, for the use of policy-makers, users and the interested public.**
- 2. More effective achievement of the underlying policy goals of intellectual property in the international context, such as market order through the avoidance of confusingly similar identifiers, or systematic, publicly available records of technology disclosures, through the availability of databases, search engines and tools.**

CHALLENGES AND OPPORTUNITIES

In the discharge of its functions, WIPO generates very significant collections of data. Generally, those data are generated in three ways:

- Considerable data are generated as a by-product of the services that the Organization provides through the PCT, the Madrid System, the Hague System, the Lisbon System, Article 6^{ter} of the Paris Convention and the WIPO Arbitration and Mediation Center. In each of these instances, the constitution of a public record of the legal status of rights or of the technology disclosed is an essential part of the service.
- Data are also generated as a consequence of certain legal obligations assumed by Member States in various treaties, such as the transmission of statistics under the Paris Convention, national phase entry data under the PCT, laws under the TRIPS Agreement (in respect of which WIPO has a cooperative agreement with the WTO), or as a result of international legal transactions, such as the deposit of instruments of accession to treaties for which the Director General of WIPO is the depositary.
- Various cooperative arrangements between Member States or with interested parties in the enterprise sector are also the source of valuable data. This category includes the arrangements for international classifications for patents, trademarks and designs; the establishment of WIPO standards; the availability of data from national patent and trademark collections which WIPO assists in digitizing, commercial patent databases

and databases of scientific and technical periodicals which are made available, in certain circumstances, by information vendors and publishers.

These data collections are of immense value as sources of economic and legal intelligence for policy-makers, for users of the IP system and for the interested public. Specifically, the data collections are of fundamental importance:

- *For policy-makers*, in providing an empirical basis for decision-making. Examples of this are knowing the patterns of patenting and of technology flows in and out of a country, which is able to be known through the PCT and the PATENTSCOPE® service; knowing whether a particular technology, such as a pharmaceutical product, is under patent protection in any particular country, again available through the PATENTSCOPE® service; or knowing whether a particular legal provision, such as an exception, is found in national laws and, if so, which national laws, - knowledge which will be available through WIPO Lex, WIPO's global database of laws and treaties.
- *For users*, as important tools to assist in obtaining intellectual property protection or avoiding unintentionally infringing the rights of others. Examples of this function of the data collections are determining freedom to operate in a particular technological area; searching to determine whether a proposed brand is not already in use as a trademark of another person; classifying an invention or a design for the purpose of making an application.
- *For the interested public*, as important ways in which the social benefit of the intellectual property system can be optimized. Examples of this function are the availability of the PATENTSCOPE® service as a means of determining freedom to operate in a particular technological space, or the identification of ownership of particular technologies or brands.

All of the foregoing functions and purposes of WIPO's data collections have become more important as intellectual property itself has assumed more value and significance in the knowledge economy. At the same time, the functions and purposes have become more achievable as a consequence of improvements in information and communications technology. The purpose of this Strategic Goal is to realize the full potential of these data collections for policy-makers, users and the interested public. Each of the component data collections is developed under different strategic goals (for example, by the Global IP Services under Strategic Goal II and by Global IP Infrastructure under Strategic Goal IV). Under Goal V they are grouped as a coherent whole, with a common aspiration of excellence and comprehensiveness, in a way that will enhance the Organization's reputation as the source of global reference data for IP and enhance the quality of its offerings.

In pursuing this Strategic Goal, WIPO confronts a number of significant challenges:

- i. As international data collections, the quality of WIPO's collections depends upon cooperation from its Member States. The transmission of statistical data or data concerning entry into the national phase under the PCT, for example, have long been both statutory obligations and activities of the Organization, but universal transmission has not been achieved because appropriate infrastructure and capacity is not always available in all countries. In this respect, activities conducted under Strategic Goal III (Facilitating the Use of IP for Development) and Strategic Goal IV (Coordination and Development of Global IP Infrastructure) should contribute greatly also to the advancement of the present Strategic Goal.
- ii. Both the establishment of raw data collections and the provision of services and analyses on the basis of the data collections are recent activities of the Organization. The human capital of the Organization needs to be strengthened further. The recent appointments of a Chief Economist and a Chief Information Officer have assisted in this regard, but

additional skill sets and resources need to be built under each of these positions in order to achieve this Strategic Goal.

- iii. Both the development and the maintenance of important data collections are resource-intensive. The financial sustainability of the collections is a challenge. In the medium term, consideration needs to be given to the possibility of leveraging revenue-producing services on the basis of the data collections in order to make them sustainable. Naturally, any such services would need to preserve the character of the data collections as free global assets, or else the purpose of this Strategic Goal would be defeated. But possibilities exist that need to be considered. One example of a possible is advertising, which has used for decades in WIPO's publications and would not interfere with the character of the collections as free global assets.

STRATEGIES

The following strategies are helpful to fully realizing WIPO's potential under this strategic goal:

- i. The creation of a single, user-friendly portal on WIPO's website as the access point to WIPO's various data collections. These include PATENTSCOPE®, a data collection of technological disclosures under the patent system, as well as scientific and technical journals; the database of international registrations of marks under the Madrid System; the database of international registrations of designs under the Hague System; the database of international registrations of appellations of origin under the Lisbon System; WIPO standards; the International Patent Classification, the Nice Classification and the Locarno Classification; the WIPO Statistics Database; the collection of IP laws and treaties (WIPO Lex); domain name decisions; and WIPO's growing terminology database.
- ii. The progressive expansion of the data collections through their conscious development.
- iii. The development of synergies between the Organization's modernization and automation program for developing countries (under Strategic Goal IV (Coordination and Development of Global IP Infrastructure), so that national office IT systems automatically generate the data that needs to be transmitted to WIPO, either pursuant to statutory obligations or pursuant to voluntary arrangements.
- iv. Cooperation with national offices to use, wherever possible, federated searches to provide comprehensive coverage of data collections available throughout the world.
- v. The progressive development of a World IP Report, with its statistical appendices, into an annual report that would constitute the world annual reference report for IP.
- vi. The expansion of the WIPO Statistics Database to cover other data fields relating to innovation and creativity.
- vii. The conduct and publication of studies to better understand the relationship between IP protection and economic development.
- viii. The development of a network of economists in national offices and intergovernmental organizations concerned with IP, and the establishment of cooperation amongst them in work programs relating to economic analysis.

STRATEGIC GOAL VI International Cooperation on Building Respect for Intellectual Property

Respect for intellectual property is a basic tenet of membership of WIPO. Building respect for IP embodies a broader approach than that covered by the enforcement of IP rights alone. It calls for a focus on international cooperation where WIPO can make a difference. This is a broad, cross-cutting goal, supported by many different areas of WIPO's activities. The WIPO Advisory Committee on Enforcement (ACE) serves as a mechanism for Member States to coordinate work towards this goal.

OUTCOME

1. A positive change in terms of respect for IP based on international cooperation and a balanced policy dialogue that takes into account development oriented concerns.

CHALLENGES AND OPPORTUNITIES

Concerns expressed by Member States - regardless of their classification on the development scale – confirm the continuing, devastating implications of counterfeiting and piracy on health, safety, innovation and economic development, and the steady growth in the sales of fake goods via the Internet. These problems confront *all* countries across the globe, as reflected in the continuous requests from Member States for practical cooperation and assistance in their national efforts to address the impact of counterfeiting and piracy. Yet discussions in multilateral fora tend to be dominated by a perception that IP enforcement is a North-South issue.

At the same time, an ever-growing number of multilateral, plurilateral and bilateral initiatives and trade negotiations are seeking to address counterfeiting and piracy from various angles. In this political climate, one of the major challenges for WIPO will be to engage all Member States and stakeholders in a balanced and constructive policy dialogue at the Advisory Committee on Enforcement (ACE). This will require providing a trusted forum for discussions, within which the elements that create respect for IP are carefully analyzed and defined in all their complexities.

A balanced, development-oriented approach, in consonance with Recommendation 45 of the Development Agenda, and going beyond purely operational law enforcement, will also need to guide the Secretariat's work in the context of its assistance to Member States.

The Secretariat will, moreover, have to build extensively on, and further engage in, close cooperation with the many other international initiatives to ensure balance and transparency; to enhance the efficacy of the various endeavors; and to avoid a duplication of work.

STRATEGIES

Against that background, the medium-term strategy can be summarized as follows:

- i. Within the framework of the ACE, WIPO will work towards steering and servicing an informed and balanced policy dialogue, taking into account Recommendation 45 of the WIPO Development Agenda.

- ii. Empirical studies and research will be conducted and analyzed to assist the ACE in assessing the socio-economic impact of counterfeiting and piracy; in fully understanding the socio-economic reasons that fuel counterfeiting and piracy; and in identifying elements that will help build respect for IP rights, taking account of development-oriented concerns.
- iii. The ACE may require considerable time to examine the myriad of issues at stake before moving to the second phase, namely, agreeing on constructive strategies to address the problems. In this regard, an initial focus on the particular industry segments where counterfeiting and piracy present the greatest risks for public welfare would help provide the needed common ground for collective action.
- iv. WIPO will continue to develop the legal and technical assistance it provides to Member States in the light of the socio-economic and technological complexities underlying counterfeiting and piracy, both nationally and across borders, and will be guided by the findings of the research produced at the ACE. For instance, WIPO will respond to the growing number of requests by Member States to develop research-based strategies for disposing of seized counterfeit goods in a development and environmentally friendly way.
- v. Differentiated and more specialized technical assistance services will be provided to reflect the widely differing needs and levels of knowledge of law enforcement officials in many developing and least developed countries and transition economies. Services will continue to include assistance to enable law enforcement officials to implement obligations under Part III of the TRIPS Agreement.
- vi. The Secretariat will continue to engage closely with other international organizations and the private sector, and will assume a leadership role in building strategic international cooperation on IP issues. This will include working towards ensuring further integration of development oriented concerns in joint projects.
- vii. As noted above, work in this area is cross-cutting and touches on many different programs of the Organization. Close cooperation is, in particular, needed with the work on copyright and related rights within the Standing Committee on Copyright and Related Rights owing to the special challenges thrown up by the digital environment and the widespread prevalence of digital piracy.

STRATEGIC GOAL VII Addressing IP in Relation to Global Policy Issues

This Strategic Goal reflects WIPO's potential to serve as the leading intergovernmental forum for addressing the intersection between IP, innovation and global public policy issues. It implies proactive and substantive engagement with UN, intergovernmental and non-governmental organizations in order to contribute to the search for shared solutions to the major challenges facing humanity, including climate change, food security, public health, the protection of biodiversity and meeting the Millennium Development Goals. The most immediate impact of many of these global problems is borne by developing and least developed countries (LDCs), and the programs under this Strategic Goal will be closely involved in the realization of a number of development objectives.

OUTCOME

1. WIPO recognized as the leading intergovernmental forum for addressing the interface between IP and global public policy issues.

CHALLENGES AND OPPORTUNITIES

Technology has, historically, provided the means by which humanity has addressed social and environmental challenges. In a broad sense, it has offered ways to improve our response to isolation and distance, to inadequate agricultural productivity, to threats to public health, to lack of readiness for hurricanes and typhoons, and so forth. Not surprisingly, rights that restrict use of new technologies may engender controversy. On the other hand, if there are no new technologies, there will be, not only no controversies, but also no improvements to our capacity to respond to challenges. Balance between incentivizing investment in new technologies, on the one hand, and giving access to the social benefit of the new technologies, on the other hand, is a key principle.

Because of our increased reliance on technology, the discussion concerning the interface between IP and global public policy issues can be contentious and difficult. The importance of the issues at stake, and the common interest in improved information tools to support and guide policy debate and in clearer linkages between policy debate and technical analysis, provide both an opportunity and a challenge for WIPO.

The challenge is to ensure that WIPO can contribute its distinctive IP expertise to these crucial policy debates and, in doing so, work in partnership with a host of agencies and processes within the United Nations system and in other inter-governmental fora. Successfully addressing this challenge presents an opportunity to establish WIPO as the first point of reference on the interface between public policy issues and IP. To achieve this goal, WIPO needs to ensure that its contribution is of the highest quality, that it is targeted accurately, and that it is supported through partnership building and the productive management of an extensive network among the intergovernmental and non-governmental community and other relevant external stakeholders. It must also look at leveraging these networks and partnerships to support WIPO's work through joint activities and resource mobilization (see also Strategic Goal III (Facilitating the Use of IP for Development) and VIII (A Responsive Communications Interface between WIPO, its Member States and all Stakeholders)).

In recent years, major IP discussions have taken place outside WIPO and without its active participation. In order for WIPO to establish itself as the central forum for addressing the interface between IP and global policy issues, it must ensure the trust of potential partners by providing significant contributions that not only move the debates forward in terms of better understanding of the issues, but also generate confidence as to their impartiality.

STRATEGIES

The following strategies would guide WIPO's approach in this area:

- i. Developing partnerships and collaborations for the use of IP as a policy tool to achieve public welfare outcomes by promoting innovation and diffusion of key technologies, especially to deal with climate change, to respond to pandemic threats and the burden of neglected diseases, and to boost the production of crops for food, feed, and fiber;
- ii. Developing voluntary innovation structures to serve public interest outcomes, through such mechanisms as collaborative innovation, more effective licensing schemes, public-private partnerships for pharmaceutical development, commons-based peer production in agricultural biotechnology, patent commons and pooling initiatives, and dispute-resolution mechanisms designed to minimize interference with the intended functioning of such structures;
- iii. Developing sound information tools on the basis of patent data in sectors of technology of public policy interest in a form that is useful for practical policymakers (in collaboration with the work undertaken under Strategic Goal IV (Coordination and Development of Global IP Infrastructure) and Strategic Goal V (World Reference Source for IP Information and Analysis)).

III THE ENABLING GOALS

Goal VIII

A Responsive Communications Interface between WIPO, its Member States and all Stakeholders

Goal IX

An Efficient Administrative and Financial Support Structure to Enable WIPO to Deliver its Programs

STRATEGIC GOAL VIII A Responsive Communications Interface between WIPO, its Member States and all Stakeholders

This Strategic Goal signals the high priority which the WIPO Secretariat attaches to effective communication as an essential enabler of success in every aspect of its work, and to customer service as a core, corporate value. WIPO provides diverse services to its customers - first and foremost among which are the Member States. Such services include support to the Committees in their normative activities, capacity-building services to developing countries, information and technical services, as well as the global IP registration, filing and dispute resolution services.

OUTCOMES

- 1. Enhanced understanding of the role of IP in encouraging creativity and innovation.**
- 2. Greater trust in WIPO as the source of information about IP issues, questions, and policies.**
- 3. Higher levels of customer satisfaction by means of a strengthened WIPO service-oriented culture.**

CHALLENGES AND OPPORTUNITIES

Once perceived as a largely technical matter, intellectual property now figures high on public and political agendas worldwide. This change is a normal consequence of the advent of the knowledge economy, in which the component of production represented by knowledge has vastly increased in value. With that increased value has come greater interest in, and contestation about, property rights in knowledge. In policy fora, among civil society, in the press and on the Internet, a vigorous, and often polemical, debate is underway. The debate covers a vast range, reflecting the breadth of the subject-matter on which IP operates - questions of consumer choice and cultural policy, access to music and other cultural works, access to medicines and the role of innovation in the transition to a carbon-neutral or carbon-free economy, to mention only part of the range.

But while public awareness of IP has increased, knowledge and understanding of the issues remain uneven. Information gaps abound, and too often are filled by partial sources, sometimes leading to polarized views of IP and to inaccurate perceptions of WIPO's role. The public debate represents both a challenge and an opportunity for WIPO.

As scrutiny of the IP system continues, WIPO must demonstrate the ability to anticipate and address controversial issues in an open, neutral manner. Meanwhile, the widespread recognition of the importance of IP and innovation in the knowledge-based economy creates the opportunity to raise WIPO's global profile as the Organization best placed to facilitate informed, multilateral dialogue among all stakeholders and as the primary, trusted provider of international IP expertise, information and services. This requires a communication strategy that is closely aligned to WIPO's Strategic Goals V (World Reference Source for IP Information and Analysis), VII (Addressing IP in relation to Global Policy Issues) and IX (An Efficient Administrative and Financial Support Structure to enable WIPO to deliver its Programs (as regards notably the language services and policy of the Organization)). It also depends upon WIPO having an in-depth knowledge of the dynamics of the discussions and negotiations in other fora to ensure the effective delivery of IP messages to the relevant target groups.

The global spread of Internet access and the exponential growth of new media offer major opportunities for WIPO to extend its reach to new audiences and so to increase access to knowledge and to build understanding in different communities.

Communication is also an essential part of service delivery. As a provider of global IP services in an increasingly competitive environment, WIPO must improve its relationship with, and knowledge of, its diverse clients and stakeholders. This requires building a strong culture of customer service throughout the Organization, as well as developing the infrastructure needed to better serve, track and maintain satisfied clients.

In sum, WIPO must address several key challenges in communications in the medium term. These include:

- i. The polemical nature of the debate on major IP issues and the lack of balanced, objective public information about the use, impact and evolution of the IP system.
- ii. A lack of public awareness and understanding of WIPO's role, activities, and services, together with the absence of a strong, recognizable WIPO brand or consistent corporate identity.
- iii. An internal culture in which customer service has not been prioritized.
- iv. Inadequate internal coordination mechanisms and procedures for communications, leading to disparate communications-related activities and to inconsistent quality of output across the Organization.
- v. A need to address internal training to remedy the shortfall in staff with key communication skills, including content creation, editing, publishing, web management, marketing and brand development.

STRATEGIES

The strategies employed to meet these challenges and exploit opportunities in the medium term will include:

- i. *Internal Organization.* The systematic integration of communications awareness and practices into the International Bureau's work and culture at all levels, including by:
 - developing and disseminating clear objectives, policies and coordination mechanisms with regard to communications so as to ensure that the Organization's voice is coherent and consistent.
 - establishing Organization-wide procedures, guidelines and standards for publications, web publishing, communications with the press and the public, to ensure that all WIPO information products meet standards of quality, impact, and need.
 - ensuring proactive senior and mid-level management participation in, and support of, the achievement of identified communications and external relations objectives.
- ii. *Honest Broker.* A sustained effort to build trust in WIPO's communications and to promote informed dialogue by providing information-rich, balanced, explanatory material to address identified gaps in information or understanding about IP and about WIPO's work. This includes effective cooperation with other IGOs and NGOs.
- iii. *Audience and Media Differentiation.* Differentiation of target audiences and enhanced communication delivery through the Internet, publications, film and the media. Exploitation of the diverse possibilities offered by new media. Significant further development of the WIPO website to increase accessibility and language diversity. Optimization of the communications value of major WIPO events and projects.

- iv. *Outreach Tools.* Extension of the reach and impact of WIPO's public awareness-raising output – and the creation of a multiplier effect – by providing capacity-building tools and assistance to member states and stakeholder groups, particularly in developing countries, wishing to conduct national or regional awareness-raising campaigns.
- v. *Brand and Corporate Identity.* Developing a strong WIPO brand and corporate identity to help achieve widespread recognition of WIPO as an organization dedicated to encouraging innovation; and as the premier provider of international IP services and information.
- vi. *Service-oriented Culture.* Promotion of a service-oriented culture through a bottom-up/top-down approach, including establishing and training customer service focal points throughout the Secretariat to respond promptly and effectively to all enquiries.
- vii. *Integrated Customer Relationship Management.* Development and implementation of a uniform customer service infrastructure, including telephone and email tracking, standardized data collection and database, and an integrated customer relationship management (CRM) system.
- viii. *Internal Capacity Building.* Acquisition – through training, redeployment and recruitment – of the core skills and expertise needed to deliver the above.

STRATEGIC GOAL IX An Efficient Administrative and Management Support Structure to enable WIPO to deliver its Mandate

Strategic Goal IX is the second of two enabling goals. It reflects and responds to the needs of the Organization as a whole for an administrative, financial and management support structure focused on enabling program delivery, with efficiency and transparency as guiding principles. This strategic goal also covers the broad institutional reform (the Strategic Realignment Program) that will enable WIPO to provide better, more efficient and cost-effective support and to achieve enhanced performance.

OUTCOMES

- 1. A service-oriented, resource-effective and integrated administration that is supportive of and responsive to the changing needs of the Organization and its customers through an enabling regulatory framework, modern infrastructure, best-practice based systems and processes and a skilled and professional workforce that benefits from diversity.**
- 2. An empowering management and learning culture with a strong focus on performance, achievement of results, accountability, transparency and integrity at the organizational, program, and individual staff level.**
- 3. An environmentally and socially responsible Organization that performs in an ethical manner and cares about its staff, community and the environment.**

CHALLENGES AND OPPORTUNITIES

In order to achieve its substantive goals, the Organization must have

- well managed and appropriately skilled human capital, which is
 - acting within a robust and enabling regulatory framework
 - using efficient administrative procedures and systems
 - backed by an appropriate level of financial resources.

The achievement of each of these desired characteristics presents a challenge in the medium term for which the Strategic Realignment Program (SRP), with its four core values, and this Medium Term Strategic Plan (MTSP) propose the future path.

In the construction of well managed and appropriately skilled human resources, many challenges will need to be addressed, in particular, the need for a balanced geographical and gender representation among the staff; the gap between the current staffing competencies and the competencies required for the Organization's future needs; the low rate of attrition, which limits the possibilities for rejuvenating and re-skilling the workforce; the need for an extensive training program for developing staff and managements skills in support of the new focus on performance; and the need for policies to promote work/life balance.

The challenges that need to be addressed in order to establish a comprehensive enabling regulatory environment include the need for the implementation of an internal control system; the need for a best-practice-based administrative and management structure in accordance with RAA (Responsibility, Authority and Accountability) principles; and a set of Staff Rules and Regulations that conform to best practices.

Many issues must be addressed in order to improve the efficiency of administrative procedures and systems, including the need for a comprehensive IT Strategy for the Organization that is responsive to evolving business needs and embraces a robust IT Security plan; the need to automate many of the currently manual and time-consuming processes for administration; the need for a monitoring and performance assessment system to enable managers to monitor, manage and report on their program and to ensure that all available financial and human resources continue to support the expected results; the need to modernize existing conference services, including the greater use of digital technologies for the recording of meetings and enhanced electronic distribution methods for documents in order to reduce the paper-based handling of documents; and the need for an effective and comprehensive language policy, corresponding to the Organization's needs and covering meetings, publications and the WIPO website.

The medium term may see pressure on WIPO's financial resources. The opportunities for the growth of existing revenue-producing services are limited. On the other hand, the increased interest in IP as a consequence of the knowledge economy is fuelling rates of growth in demand for capacity-building and other development services that are likely to exceed the rates of growth in revenue. The Organization may need to pursue more vigorously extra-budgetary sources in order to meet the growing demand.

Orchestrating large-scale change in any organization is inherently difficult and requires time. Ensuring that strategic change is translated into the culture and day-to-day behavior of the Organization is a major challenge that requires a longer-term perspective and commitment, as well as leadership from the senior management team. Overcoming natural resistance to change and building ownership requires careful, two-way internal communication; leading and sponsoring of change initiatives from the top; and benefiting from the knowledge, expertise and experience of the staff working for the Organization in the design and implementation of such change. Understanding and communicating with Member States and external stakeholders is equally a critical success factor for ensuring that the corporate culture reflects stakeholder needs and embraces a customer-oriented focus in the delivery of services. These communication challenges are also addressed under Strategic Goal VIII.

STRATEGIES

In order to respond to the above challenges and needs, broad complementary approaches are required. In the past year, significant efforts have started in internal reforms to enhance the Organization's administrative and managerial capabilities. These efforts will continue and intensify in the coming years. However, the continued successful implementation of these strategic approaches will require the commitment and active support of WIPO's stakeholders.

The main strategies envisaged in the 2010-15 timeframe are:

- i. Establishing a strong management culture with a focus on performance, results and risk management, at the organizational, program and individual staff level, by providing managers with the tools and training to use meaningful performance information in support of managerial decision-making.
- ii. Establishing a best practice-based administrative and management structure in accordance with RAA principles (Responsibility, Authority and Accountability), which enables integrated resource management and the implementation of policies and procedures in a consistent and cohesive manner.
- iii. Ensuring that the right people are in the right jobs and are motivated to deliver results, through the realignment of structures and human resources, supported by better job design and by a performance management and staff development process.

- iv. Continuing the reform of the human resources management policies and processes to ensure best-practice recruitment (including gender balance in line with UN common system best practice and improved geographical representation in the professional and higher categories), classification, a culture of learning and an environment that fosters ethical behavior.
- v. Building and maintaining confidence in the new Performance Management and Staff Development System (PMSDS) by ensuring that it is applied fairly, objectively and consistently across the Organization.
- vi. Improving service delivery and reducing transaction costs across the administration and management functions through streamlining and re-engineering the management and administrative processes and supporting them with a robust, integrated and state-of-the-art Enterprise Resource Planning (ERP) System and clearly defined service level agreements (SLAs).
- vii. Reviewing and strengthening the procurement and travel policy, process and associated procedures, including the use of demand forecasting, better planning, the development of alternative sourcing strategies and the negotiation of framework agreements for commonly used goods and services.
- viii. Developing and implementing a comprehensive ICT strategy that tracks and exploits advances in information technology and responds to business needs.
- ix. Developing and mainstreaming environmentally friendly practices, including “green” procurement, that will help the Organization reduce its carbon footprint and move towards carbon neutrality.
- x. Identifying and implementing actions to move WIPO steadily towards an environment that is accessible to the physically, cognitively and visually impaired.
- xi. Elaborating a comprehensive language policy, which responds to the needs of Member States and is financially sustainable, covering meeting documents, interpretation, publications and the WIPO website.
- xii. Reviewing and streamlining the policies and procedures governing the production and distribution of meeting documents; streamlining the accreditation process of delegates and visitors at conferences, meetings and special events to enable WIPO to offer a more secure and user-friendly registration process for delegates and visitors.
- xiii. Reviewing and streamlining the policies and procedures governing records management and archiving services, including the introduction of electronic archiving and retrieval technology in order to facilitate access to the institutional memory of the Organization.
- xiv. Developing and implementing a strategy for space utilization, which ensures the most cost-effective management and use of WIPO’s premises, including conference and meeting facilities, and which takes account of the needs of the Organization, as well as its Member States, in the holding of a wide variety of intergovernmental and stakeholders meetings.
- xv. Providing support to further improve and diversify the income earning capacity of the Organization, through enabling and fostering business development and partnerships, planning, diversification and growth.

ANNEX 1

Consultation Process – Next Meetings

<ul style="list-style-type: none"> – Official First Draft Consultation Paper published – DG Briefing for Ambassadors: launch of consultations 	<p>May 27 09.00 – 10.30</p>
<ul style="list-style-type: none"> – Informal open consultation meeting with Member States – <i>Presentation led by the Senior Management Team</i> 	<p>June 3 10.00 – 13.00</p>
<ul style="list-style-type: none"> – Informal open consultation meeting with Member States – <i>Led by the Senior Management Team</i> 	<p>June 25 10.00- 13.00 15.00 – 17.00 <i>(duration tbc)</i></p>
<ul style="list-style-type: none"> – <i>Revised draft published</i> 	<p><i>Early July</i></p>
<ul style="list-style-type: none"> – <i>Further consultations, revisions as required</i> 	
<ul style="list-style-type: none"> – Consideration of draft MTSP by the formal session of the PBC 	<p>September 2010 PBC</p>
<ul style="list-style-type: none"> – <i>Submission for approval by Assemblies</i> 	<p><i>September 2010 Assemblies</i></p>