

**Report of the  
Director General to the  
2018 WIPO Assemblies**

Intellectual property (IP) activity around the world continues to intensify at a rapid pace. This intensification may be observed across the economy and society in rising numbers of IP applications; increased policy and business attention to intangible assets and to IP as a means of protecting such assets; more frequent media, social and political attention to IP; and a higher frequency and public profile of IP disputes at the level of both enterprises and States.

The increasing prominence of IP has brought with it heightened interest in the services and programs of the Organization on the part of Member States, users in the enterprise and research sectors and the general public. It is a pleasure to report on developments in relation to these services and programs over the period of the last 12 months since the WIPO Assemblies in October 2017.

# Financial Performance and Situation

1. The revenue of the Organization comes principally from fees derived from the services that the Organization delivers under its Global IP Systems – the Patent Cooperation Treaty (PCT), the Madrid System for marks and the Hague System for designs. The increasing demand for those services, coupled with prudent and focused management of expenditure, has produced a stable and sound financial position for the Organization. The results for the immediate past biennium of 2016-2017 saw an overall surplus of CHF 55.9 million. It is too early to predict results for the current year of 2018, but, if present trends continue, the year should end with the Organization recording a surplus in a similar range to those produced in the immediately preceding years.

2. The biggest single component of the revenue of the Organization is the PCT, which accounts for nearly 72% of total revenue. It is followed by the Madrid System, which is the source of nearly 17% of total revenue. The Global IP Systems altogether account for around 90% of revenue. Member State contributions provide 4.3% of total revenue, while voluntary contributions, from several generous donors, provide 2.9%.

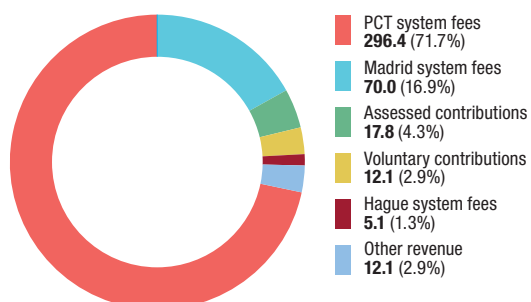
3. The major component of expenditure in the Organization is personnel which, in 2017, accounted for 58% of total expenditure. The second largest item was contractual services, which were responsible for 22.6% of total expenditure. Over the past decade, personnel has been contained and has slightly decreased as a share of overall expenditure, while the share of contractual services has increased. This reflects a conscious effort, as requested by Member States, to limit the rise in personnel costs, with their associated long-term liabilities, especially after-service health insurance, while using to a greater extent more flexible arrangements through the engagement of outside contractors and service-providers. An appropriate mix of internal and external resources also enables the Organization, in the spirit of open innovation, to take advantage of the expertise that exists outside the Organization, while maintaining core expertise internally. For many information-technology applications, for example, design work is done internally, while development is done externally.

4. In addition to the positive financial results, financial management has delivered a series of improvements designed to enhance efficiency and assurance. These include the strengthening of the internal control environment; the enhancement of the risk-management framework; the establishment of a road map (2018-2023) for strengthening the anti-fraud governance framework; the development of a more modern payment platform for users of WIPO services, thereby better integrating financial management with the Global IP Systems; and vesting core and strategic cash assets in accordance with the new Investment Policy approved by the Member States.



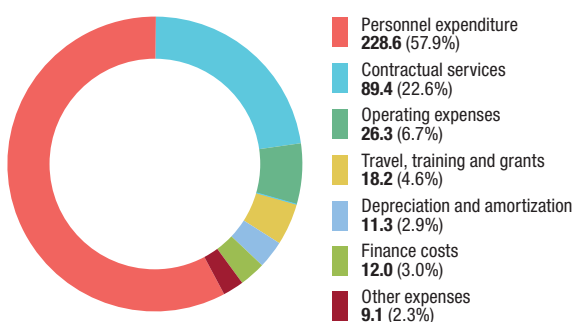
### Composition of 2017 Revenue on an IPSAS Basis

(in millions of Swiss francs)



### Composition of 2017 Expenses on an IPSAS Basis

(in millions of Swiss francs)



### WIPO Funds-in-Trust

Contributions 2017 and estimated contributions 2018<sup>1</sup>

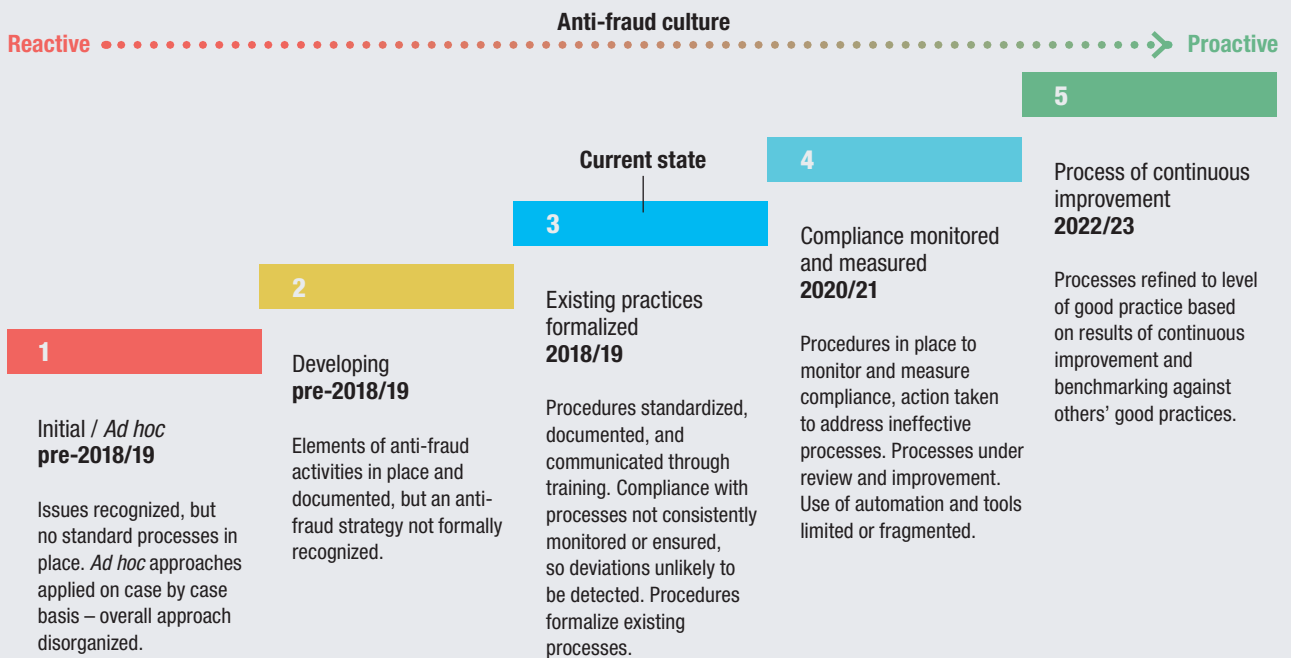
(in thousands of Swiss francs)

Fund-in-Trust (FIT)	Contributions 2017	Estimated contributions 2018
Australia	696	–
China	298	300
France/IP	300	300
Ibero-American Program for Industrial Property	19	60
Japan		
Japan/Copyright	469	469
Japan/IP/Africa	1,600	1,600
Japan/IP	3,830	3,830
Sub-total, Japan	5,899	5,899
Republic of Korea		
Republic of Korea (IP)	633	700
Republic of Korea (Copyright)	686	350
Republic of Korea (Education)	451	340
Republic of Korea (BRIP)	227	125
Sub-total, Korea	1,997	1,515
Spain	180	170
<b>TOTAL</b>	<b>9,389</b>	<b>8,244</b>

1. Closed FITs (UNFIP in Feb 2018; Portugal in May 2018). The figures do not include interest and exchange rate adjustments. These funds generally provide for activities spanning a period of time exceeding or overlapping with a single biennium. List excludes JPOs and specific contributions for professional officers.

## Anti-fraud roadmap

March 2018



# Global IP Systems

5. The Global IP Systems of the Organization continued to shine as examples of successful international cooperation.

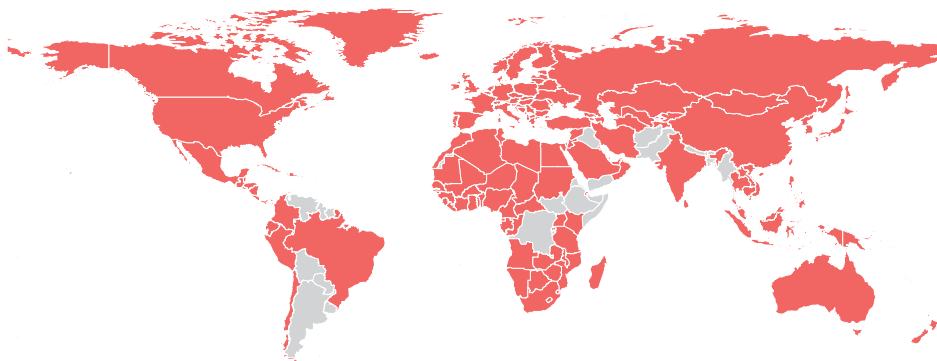
## Patent Cooperation Treaty (PCT)

6. Since the last WIPO Assemblies, the PCT has marked two important anniversaries: the 40<sup>th</sup> anniversary of the entry into force of the Treaty (on January 24, 2018) and the 40<sup>th</sup> anniversary of the beginning of the operation of the Treaty (on June 1, 2018). From very modest beginnings, the PCT has grown into the central pillar of the international patent system, the primary vehicle for applicants seeking patent protection internationally and one of the best examples of successful multilateral work-sharing and cooperation in the intellectual property sphere, far exceeding even the most optimistic expectations of its founders.

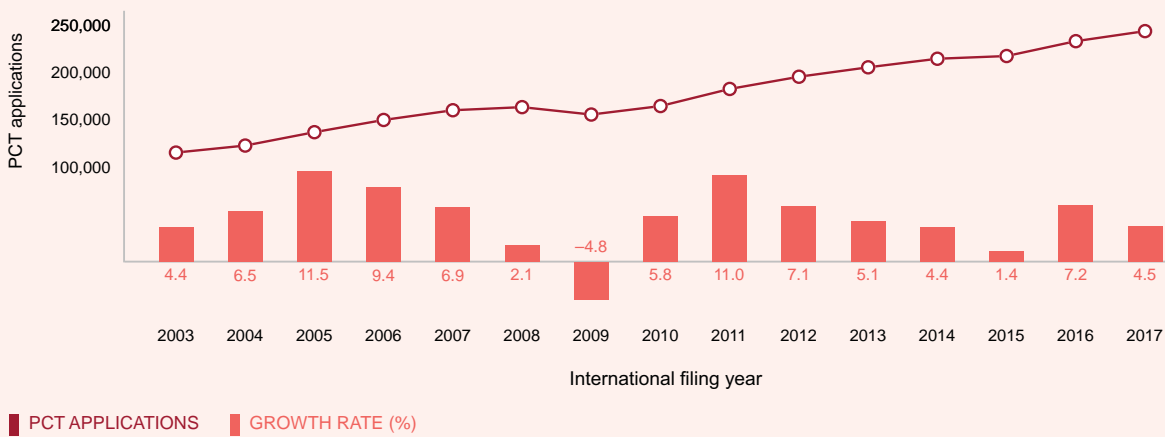
7. Year after year, the PCT continues to hit major milestones and break records. In its 40 years of operations from June 1978, the number of international applications filed has steadily increased from 459 in its first year to more than 243,500 in 2017. The number of applications in 2017 represented a 4.5% increase over 2016, recording the eighth consecutive year of growth in the PCT. Provisional figures for the first part of 2018 show another year of steady growth.

8. International applications were received from applicants based in 126 different countries, one more than in 2016. Having passed 50,000 for the first time in 2016, the number of different applicants using the PCT (based on the first-named applicant) increased by 6.2% to more than 55,000 last year. The business sector accounted for 84.8% of all published PCT applications, followed by individuals (8%), the university sector (5.4%) and the government sector (1.9%).

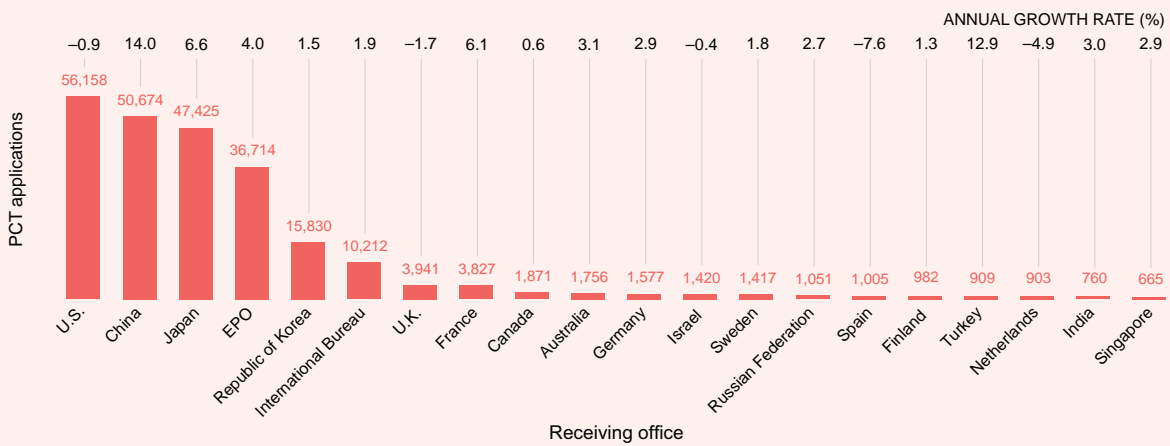
### PCT Member States



### Trend in filings of PCT applications, 2003–2017



### PCT applications for the top 20 receiving offices, 2017



9. In 2017, 49.1% of all applications came from countries located in Asia, the same as the combined share for Europe (24.9%) and North America (24.2%). If current trends continue, Asia will very soon be the source of more than half of all PCT filings. China recorded another year of remarkable growth (13.4% more applications in 2017 than 2016) and moved into the second spot as a source of international patent applications. Overall, the United States of America continues to be the top source of applications, followed by China, Japan, Germany and the Republic of Korea.

10. Following the extension of appointment by the PCT Assembly in 2017 of all twenty-two existing International Searching and Preliminary Examining Authorities until the end of 2027, the International Bureau signed new agreements with all those authorities, with effect from January 1, 2018. In addition, the PCT Assembly in 2017 appointed the Intellectual Property Office of the Philippines as the twenty-third International Searching and Preliminary Examining Authority.

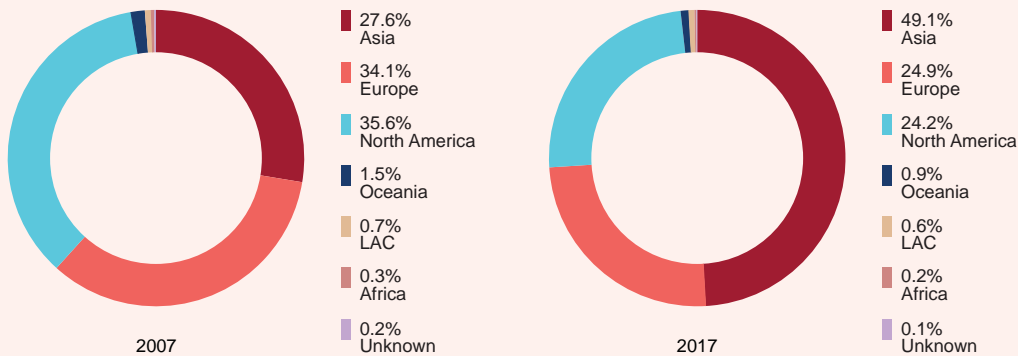
11. Work continues to ensure that the PCT is effective as a major source of information about technology flows. As reported last year, an amendment to the PCT Regulations came into force requiring designated and elected Offices to send information on national phase entry, republication and grant of individual international applications. The system now has information on national phase entries at 63 national or regional Offices, with reliable and regular feeds established from 32 Offices; the International Bureau is working closely with other Offices to ensure a regular supply of high-quality data. The data are made available both directly online in PATENTSCOPE and also via bulk data transfers to other patent information providers. This offers significant improvements in opening up access to technical information in different languages and in helping to identify technologies that are in the public domain in a particular State, in line with Development Agenda Recommendation 31.

12. The electronic environment of the PCT, ePCT, is best known for its browser-based environment, which offers real-time access to patent information and processing services. ePCT online services have been significantly improved for both applicants and Offices, with highlights including easier signature arrangements for applicants and workflow arrangements for Offices, which allow significantly improved tracking of processing and the ability to assign tasks to individual users. The service is now open to users from 76 Offices: 73 in their capacity as receiving Office; 22 in their capacity as International Searching and Preliminary Examining Authority; and 28 in their role as designated or elected Office. ePCT now allows for filing to 55 receiving Offices (including that of the International Bureau) of which 43 use a server that is hosted for the Office by the International Bureau. In addition to the browser-based environment, ePCT web services are now available and already in use for real-time machine-to-machine exchange of documents and data with Offices and applicants, opening up new possibilities for more efficient collaboration and shared services.

13. Efforts continued to improve the financial flows within the PCT System and to reduce exposure to income losses caused by exchange rate fluctuations when fees are transferred in different currencies between the International Bureau and Offices of PCT Contracting States in their capacities as receiving Offices, International Searching Authorities or International Preliminary Examining Authorities. A pilot project with a number of receiving Offices and International Searching Authorities relating to the possible introduction of a “netting structure” for all PCT fee transactions commenced on April 1, 2018. This project will allow transactions



### Distribution of PCT applications by region, 2007 and 2017



in a single currency between the International Bureau and an Office to offset one another. Should the pilot project deliver positive results, the International Bureau intends to extend the netting structure to further interested receiving Offices and International Searching Authorities and to submit proposals to the PCT Contracting States to formalize the arrangements in a consistent framework set out in the PCT Regulations and Administrative Instructions. Furthermore, should the pilot be successful, it is the International Bureau's intention to invite several Offices which act as both a PCT receiving Office and as an Office of a Contracting Party to the Madrid and/or the Hague Systems to consider joining an expanded netting process which would include all transfers of funds to and from WIPO.

14. The International Bureau continued its efforts in 2017 to improve the coordination of training of substantive patent examiners between donor and beneficiary Offices, following agreement at the PCT Working Group in 2015. Initiatives include conducting annual surveys of training activities undertaken by Offices; compiling of e-learning resources and self-study material by Offices for substantive patent examiners, and making such resources and material available on a dedicated WIPO website; and, last but not least, based on input from IP Offices, developing a competency framework and learning management system aimed at better identifying training needs of examiners in beneficiary Offices and enabling donor Offices to respond to such needs in a more targeted way.

15. An important service provided by the PCT system is the translation of abstracts (summaries) and international search opinions. The volume of PCT-related translations completed by the Organization in 2017 reached 142 million words, more than double that of 2010. Of this staggering volume, translation from Asian languages into English constituted 88 million words. To address this increasing workload, a worldwide network of external translation suppliers is being continually expanded and technology proactively adopted. This has meant that, despite the dramatic increase in workload, there has been no increase in

internal staffing over this seven-year period. WIPO Translate has been adopted for the English into French language combination where the use of post-editing has enabled significant financial savings. Application of this technology to deal with the explosion of the Asian languages is likely to be more challenging. Technologically, the Organization is at the cutting-edge. We are exploring practical applications of artificial intelligence in areas such as automatic translation quality estimation. We already provide advanced resources such as the WIPO Pearl terminology database. Coping with the continuing increase in the Asian languages and overall growth is, however, likely to require some expansion of internal staffing at some stage, as outsourcing, which currently stands at 93%, is at the maximum acceptable level.

16. In terms of productivity and quality of the formalities examination of PCT international applications, the International Bureau further increased its output, despite a decrease in staff from 284 in 2016 to 282 in 2017. In particular, the productivity of formalities examination increased by 12.1%, as compared to 2016, and the aggregate quality index increased from 95.1% in 2016 to 97.1% in 2017.

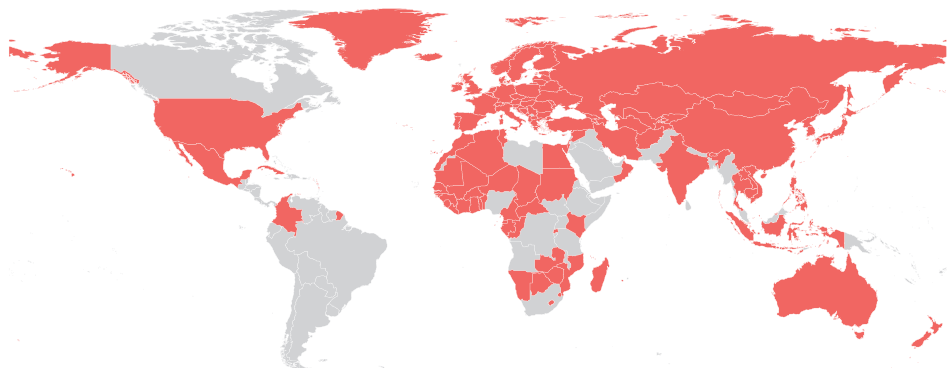
17. The Resilient and Secure Platform initiative, funded under the Capital Master Plan, aims at increasing the security and resilience of the PCT ICT environment. A design exercise has been completed. We are now validating the design via various proof-of-concept initiatives that would drive a tendering process in late 2018, with implementation planned to start in 2019.

## The Madrid System

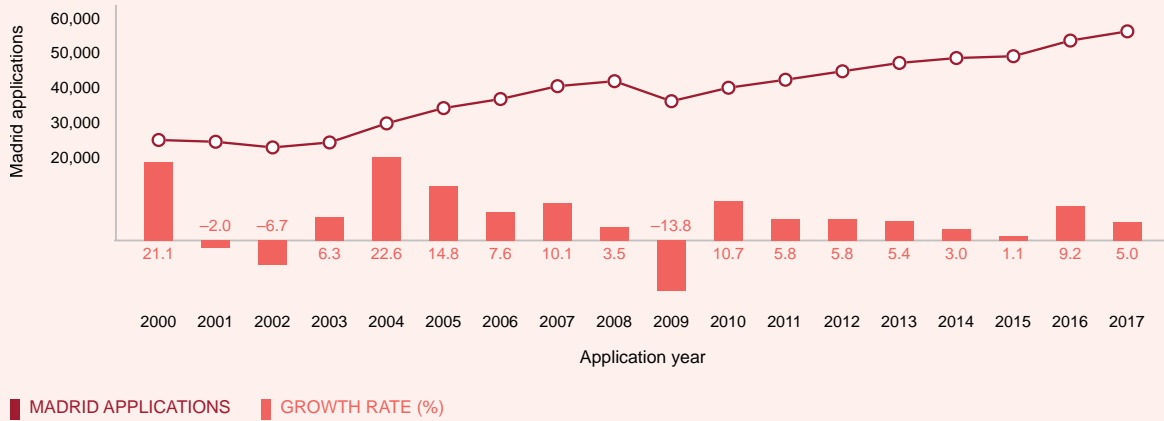
18. The Madrid System witnessed a landmark in 2017 when it welcomed its 100<sup>th</sup> member, Indonesia, bringing geographical coverage to 116 countries. The expansion of the geographical coverage of the System continues to be a primary strategic goal. The International Bureau is working with a significant number of potential new members that are at various stages of maturity in their consideration of, and accession to, the Madrid System.

19. The expanding geographical coverage of the Madrid System, gradual improvement in the world economy and significantly increasing use from applicants in Asia are driving the number of international applications to new highs. The number of international applications filed in 2017 rose to 56,200, an increase of 5% over 2016, marking the eighth consecutive year of expansion.

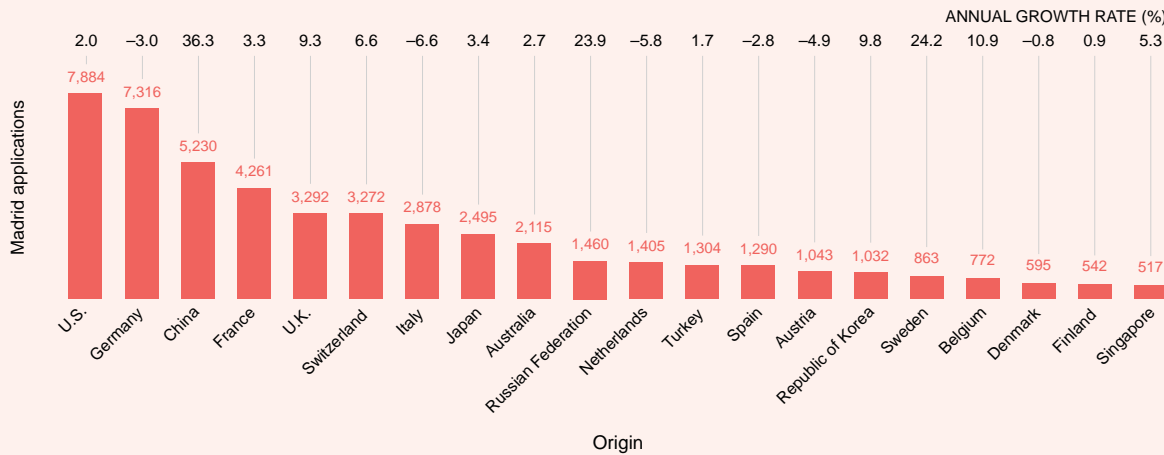
### Members of the Madrid System



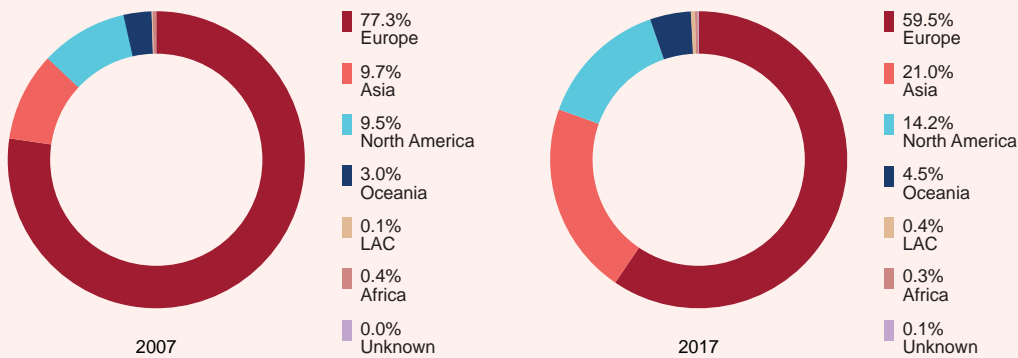
### Trend in international Madrid applications, 2000–2017



### International Madrid applications for the top 20 origins, 2017



### International Madrid applications by region, 2007 and 2017



20. For the fourth year in a row, the United States of America was the origin of the largest number of international trademark applications in 2017, followed closely by Germany, China, France and the United Kingdom. Applications from China grew at the fastest rate (an increase of 36.3%) in 2017, followed by Sweden (+24.2%), the Russian Federation (+23.9%), the Republic of Korea (+9.8%) and the United Kingdom (+9.3%). Use of the Madrid System in Asia has increased significantly, with the region's share of Madrid filings more than doubling over the past ten years.

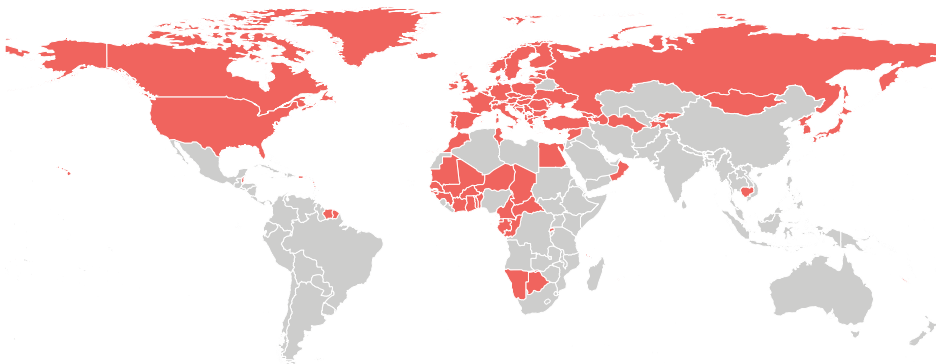
21. The designation in applications of Contracting Parties where protection is sought provides important business intelligence regarding commercial interest in, and plans for, the development of markets for products around the world. The European Union, China and the United States of America were the three most designated members in international applications, followed by the Russian Federation, Japan, Switzerland, Australia, India, the Republic of Korea and Mexico.

22. The Madrid System is growing in importance and is steadily becoming the central node of trademark registration worldwide. Through the Madrid Working Group, Contracting Parties are constantly engaged in finding ways to modernize and to improve the legal framework for operations under the Madrid System for the benefit of users. At the same time, the International Bureau is preparing to launch a major project to develop a new IT environment for the Madrid System, building upon and integrating the various IT elements that exist today. The delivery of the new project will bring major improvements in the quality of services under the Madrid System for both Offices and users, as well as productivity gains within the International Bureau, thereby enabling the growth in staff numbers to be managed as usage of the system continues to grow.

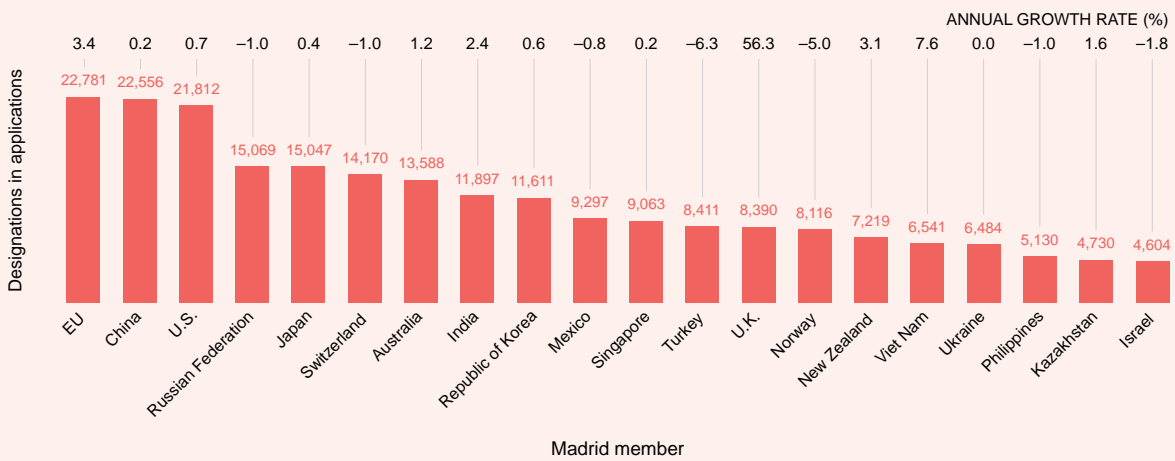
## The Hague System

23. The Hague System continued its expansion and transformation into a more important component of the international intellectual property architecture. Since the 2017 Assemblies, Canada, the Russian Federation and the United Kingdom have acceded to the Geneva Act (1999), the latest expression of the Hague System, bringing the number of Contracting Parties to that Act to 55 and the total number of Contracting Parties in the System to 69. There is an active pipeline of countries where concrete steps for joining the Hague System are being made, including several major economies.

### Members of the Hague System



### Designations in international applications for the top 20 designated Madrid members, 2017



### Key numbers from the Hague System, 2017

<b>5,213</b> (-6.3%) International applications	<b>19,429</b> (+3.8%) Designs contained in international applications
<b>5,041</b> (-3.7%) International registrations	<b>19,241</b> (+9.3%) Designs contained in international registrations
<b>19,603</b> (-7.9%) Designations in international applications	<b>79,464</b> (+5.6%) Designs contained in designations in international applications
<b>19,090</b> (-2.1%) Designations in international registrations	<b>79,344</b> (+15.0%) Designs contained in designations in international registrations
<b>3,297</b> (+4.7%) Renewals of international registrations	<b>13,652</b> (+3.0%) Designs contained in renewals of international registrations
<b>34,667</b> (+6.9%) International registrations in force	<b>140,127</b> (+6.2%) Designs contained in international registrations in force



24. As foreseen in last year's report, following two successive years of double-digit growth (a 40.6% increase in the number of applications in 2015 and a 35.5% increase in 2016), demand stabilized in 2017. In 2017, 5,213 international applications were filed, a decrease of 6.3% compared to the previous year. The number of designs contained in those applications, however, rose by 3.8% to reach 19,429.

25. Applicants based in Germany continued to account for the largest number of designs filed under the Hague System, followed by applicants from Switzerland, the Republic of Korea, the United States of America, France, Italy, Japan, the Netherlands, Belgium and Turkey. By region, as a consequence of the expansion of the system to embrace new countries, the relative share of filings from Europe has declined and the shares of Asia and North America have risen.

26. The recent accessions of the Republic of Korea (in 2014), Japan and the United States of America (in 2015) – all major economies where novelty examination is undertaken – continued reshaping the system in 2017, not only in terms of the contents of international applications, but also in the number of refusals. The number of refusals received increased dramatically in 2017, to reach a record of 3,389 units, a 1600% increase over just two years before.

27. A new IT platform for the Hague System is a major priority and is at an advanced stage of development, with core back-end components planned for deployment in late 2018. The new IT system is based on modern technology to deal with increased data granularity, and is expected to enhance the quality of service offered by the International Bureau.

28. As the Hague System has been developed and revised over the course of 90 years, work remains to be done to achieve a single system and to eliminate complications arising from the application of multiple Acts of the Hague Agreement. Within the Hague membership there remain three countries, namely, Belize, Morocco and Suriname, which are not yet covered by the Geneva Act (1999). Ideally, we will reach the point where all members of the Hague Union are party to the Geneva Act (1999).

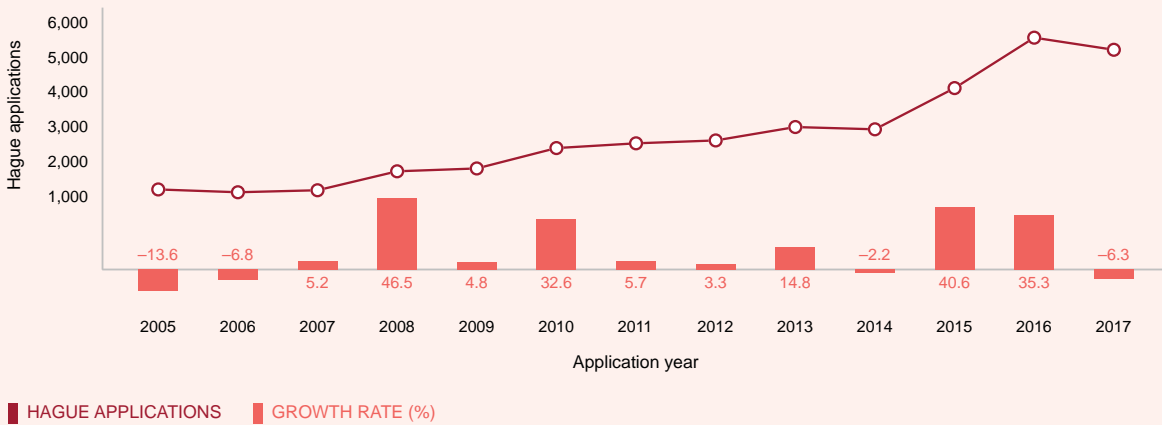
## **WIPO Arbitration and Mediation Center**

29. The Arbitration and Mediation Center provides time- and cost-efficient alternatives to court litigation of IP disputes. The Center administers cases and provides policy expertise in alternative dispute resolution (ADR), including in the area of Internet domain name disputes.

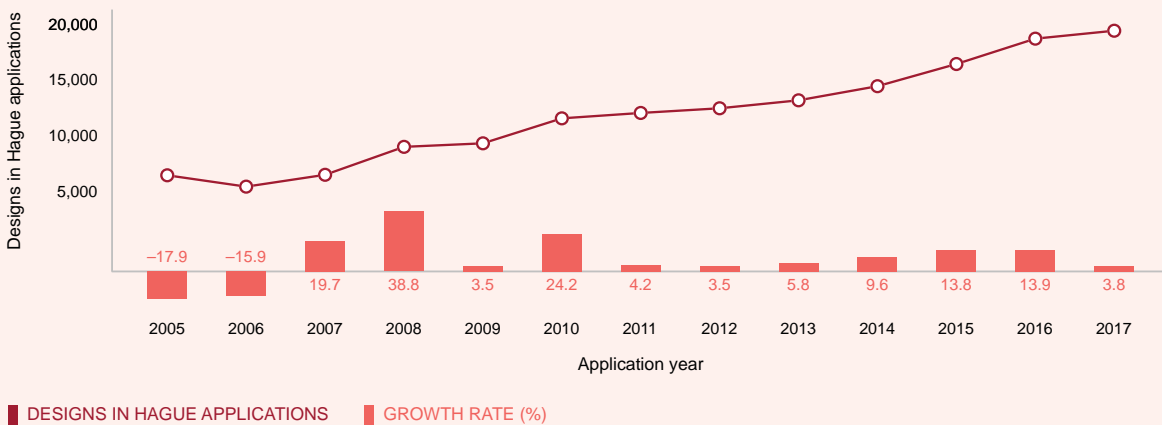
### **Domain Names**

30. As brand owners face the possibility of further abuse of their trademarks in domains – both old and new – they continue to rely on WIPO's anti-cyber-squatting dispute resolution procedures. By combating opportunistic domain name registration practices, WIPO's services remedy trademark infringement in the Domain Name System (DNS), thus curbing consumer deception.

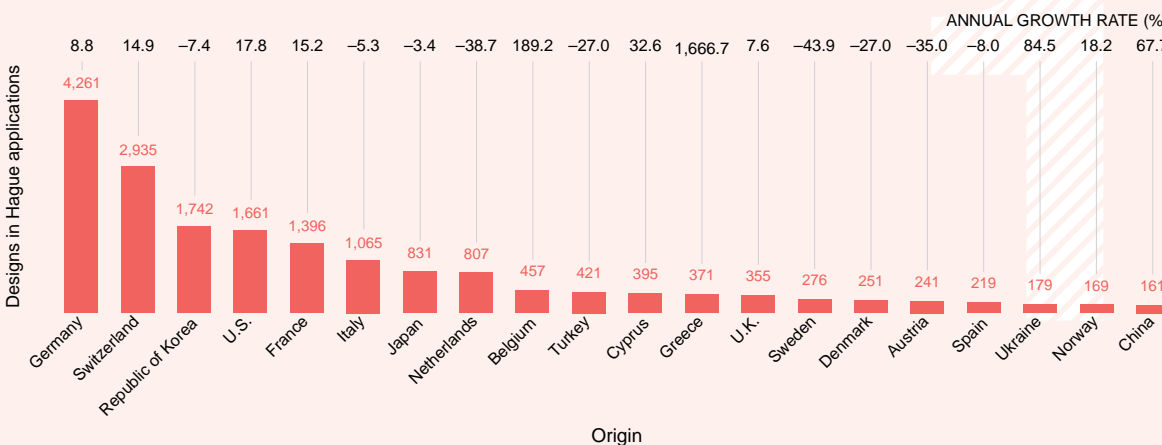
### Trend in Hague international applications, 2005–2017



### Trend in the number of designs contained in Hague international applications, 2005–2017



### Designs contained in Hague international applications for the top 20 origins, 2017



31. Since the Center administered the first case under the WIPO-initiated Uniform Domain Name Dispute Resolution Policy (UDRP) in 1999, total WIPO case filings have passed the 41,000 mark, encompassing over 76,000 domain names.

32. For the second consecutive year, in 2017 the number of WIPO cybersquatting cases filed exceeded 3,000. More than 1,700 such cases were received by WIPO in the first six months of 2018.

33. WIPO UDRP cases in 2017 involved parties from 112 countries, underlining the global character of the procedure administered by WIPO. The top three sectors of complainant activity were banking and finance (12% of all cases), fashion (11%), and Internet and IT (9%). Cases were decided by 298 WIPO panelists from 45 countries, with 15 different languages of proceeding.

34. Registrations in newly opened generic Top-Level Domains (gTLDs) routinely figure in UDRP cases. With over 1,200 new gTLDs operational, cases involving these domains represented some 12% of WIPO's 2017 case load.

35. Country code Top-Level Domains (ccTLDs) accounted for 17% of all WIPO filings in 2017. With the addition of .EU (European Union) and .SE (Sweden) in 2017, and .GE (Georgia) in 2018, over 70 ccTLD registries use this WIPO service.

36. WIPO is actively monitoring a process initiated by the Internet Corporation for Assigned Names and Numbers (ICANN) to review the UDRP and other rights protection mechanisms.

## **IP Disputes**

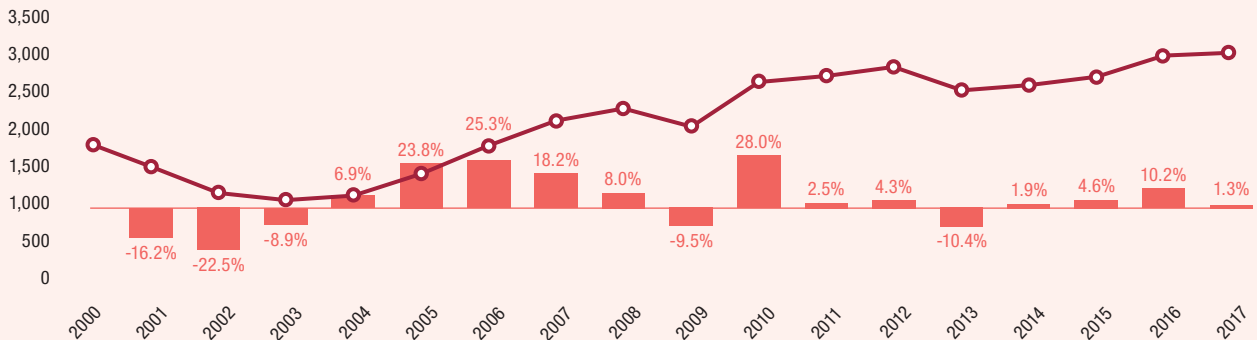
37. The procedures offered under the WIPO Arbitration, Mediation and Expert Determination Rules aim to facilitate the development and use of IP without the undue disruption caused by prolonged and costly litigation.

38. 2017 saw strong filings of mediations and arbitrations administered under WIPO Rules, with cases in relation to patents, trademarks (including pending trademark oppositions), copyright (including collecting societies), ICT, research and development (R&D), life sciences, film and media, and distribution and franchising. Since receiving its first case, the Center has now administered over 560 mediations, arbitrations and expert determinations, with values in dispute ranging from USD 20,000 to USD 1 billion.

39. The Center collaborates with interested IP and Copyright Offices (IPOs) for stakeholder awareness of IP ADR options, including the provision of resources that can help parties resolve their disputes pending before such Offices. Since the 2017 Assemblies, the Center has entered into collaborations with IP authorities in additional Member States, including the National Institute of Industrial Property (INPI) of Argentina, the China National Intellectual Property Administration (CNIPA), the National Register of Costa Rica, the Dominican Republic National Copyright Office (ONDA), the Kenya Copyright Board (KECOBO), the Korean Intellectual Property Office (KIPO), the Ministry of Culture of the Republic of Lithuania, the Patent Office of the Republic of Poland (UPRP), the Romanian Copyright Office (ORDA), the Federal Service for Intellectual Property of the Russian Federation (ROSPATENT), the Intellectual Property Office of the Republic of Serbia, and the Swiss Federal Institute of Intellectual Property (IPI).



## WIPO domain name case filing, 2000–2017



40. Reflecting this growing cooperation, the Center in 2018 published a second edition of the *WIPO Guide on Alternative Dispute Resolution for IPOs and Courts*. The guide provides a broad overview of ADR for IP disputes and presents options for interested IPOs and courts to integrate ADR into their existing processes. The guide also outlines the Center's collaborations and provides examples of related model documents.

## Lisbon System

41. Cambodia became the first State party to the Geneva Act of the Lisbon Agreement following the deposit of its instrument of accession on March 9, 2018. The Geneva Act of the Lisbon Agreement will enter into force upon ratification or accession by five Contracting Parties.

42. Since last September, 49 new international applications have been received under the Lisbon System, bringing the total number of registrations in force under the Lisbon System to 1,006.

43. Following the payment of subventions under Article 11(3)(iii) of the Lisbon Agreement by Lisbon Union members, which amounted to a total of CHF 1,323,488, the deficit of the Lisbon Union for the 2016-2017 biennium was limited to CHF 75,550.

44. In June 2018, the Working Group on the Development of the Lisbon System issued a recommendation to the Lisbon Union Assembly to introduce in the Common Regulations under the Lisbon Agreement and the Geneva Act of the Lisbon Agreement a reduction to 50 per cent of the prescribed amount of fees to be paid by least developed countries (LDCs), as an incentive for their accession to and use of the Lisbon System. The Working Group also decided to further discuss different options concerning the financial sustainability of the Lisbon Union.



# The International Legal Framework

## Current Status of Existing Treaties

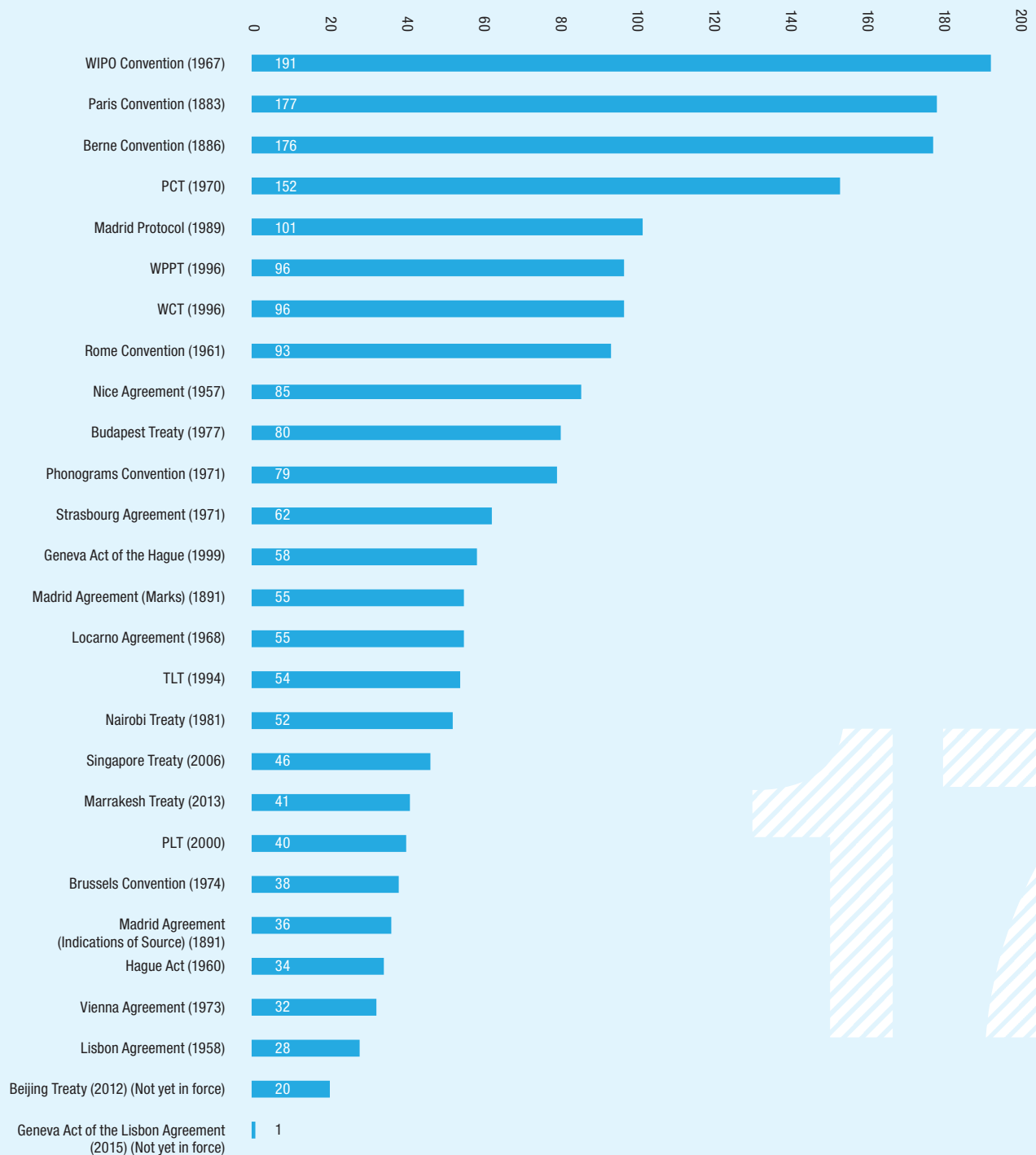
45. The rate of accessions to WIPO-administered treaties slowed slightly as compared to the previous reporting year, with 28 accessions received since September 2017 (the period ending September 2017 saw 34 accessions). However, interest in the international intellectual property legal framework remained high, with many countries requesting certified copies of treaty texts and additional information on the substantive advantages of accession to the various treaties for submission as part of their domestic ratification processes. For the fourth consecutive year, most of the 28 accessions were from developing countries.

46. As in the previous year, the majority of treaty activity occurred in the area of copyright, with copyright treaties accounting for 18 of the 28 accessions. More than one third (10 out of 28) concerned the Marrakesh Treaty to Facilitate Access to Published Works for Persons who are Blind, Visually Impaired or Otherwise Print Disabled. It is our hope that the rapid pace of accessions to copyright treaties will soon lead to the entry into force of the Beijing Treaty on Audiovisual Performances, which now enjoys 20 of the 30 accessions or ratifications required for such entry into force.

47. At the request of Member States, the International Bureau has, over the last year, also continued its special focus on the constitutional reform process that Member States began nearly two decades ago with the unanimous adoption, in 1999 and 2003, of amendments to the WIPO Convention and other WIPO-administered treaties. The 1999 amendment to the WIPO Convention would limit the number of mandates of Directors General to two fixed terms of six years each. The 2003 amendments to the WIPO Convention and to other WIPO-administered treaties would: (i) abolish the WIPO Conference; (ii) formalize the unitary contribution system and the changes in contribution classes that have been practiced since 1994; and (iii) establish annual (rather than biennial) ordinary sessions of the WIPO General Assembly and of the other Assemblies of the Unions administered by WIPO. None of these amendments has yet entered into force because the Director General has not yet received the requisite number of notifications of acceptance of the amendments from WIPO Member States.

48. Subsequent to discussions of this issue in the Program and Budget Committee, and to communications between Member States and the Secretariat, the Organization has in the last year received four additional notifications of acceptance of these amendments. With these recent notifications, the Director General has received, to date, 53 out of the 129 notifications needed for the 1999 amendment, and 19 out of 135 notifications needed for the 2003 amendments. The Organization looks forward to the continued receipt of the requisite notifications and to the entry into force of these important amendments.

### Accessions to WIPO-administered Treaties 1970-September 2018



## Budapest Treaty

49. The Budapest Treaty on the International Recognition of the Deposit of Microorganisms for the Purposes of Patent Procedure, to which 80 States are party, performs an essential function in relation to patenting in the field of the life sciences by limiting the deposit of microorganisms used in an invention to one of a number of international depository authorities (IDAs), rather than in every contracting State. In 2017, 5,657 deposits were made with IDAs under the treaty, a record number that was some 10% higher than the number of deposits in 2016. The total number of deposits made under the Budapest Treaty has now passed one hundred thousand deposits (107,690).

50. In February 2018, the Moroccan Coordinated Collections of Microorganisms (CCMM) became the first African institution to acquire the status of IDA under the Budapest Treaty. The depository is located in Rabat, Morocco and will accept all types of bacterial strains, including actinomycetes, fungi and yeasts. Currently 47 institutions in 26 countries have the status of IDA – 27 in 16 countries in Europe, 13 in 5 countries in the Asia Pacific, 5 in 3 countries in North America, one in South America and one in Africa.

## Committees

### 51. Standing Committee on the Law of Patents (SCP).

The SCP held two sessions since the last WIPO Assemblies. During these two sessions, the SCP continued to address the following five topics: (i) exceptions and limitations to patent rights; (ii) quality of patents, including opposition systems; (iii) patents and health; (iv) the confidentiality of communications between clients and their patent advisors; and (v) transfer of technology. The Committee made steady progress on all of those five topics.

### 52. Standing Committee on the Law of Trademarks, Industrial Designs and Geographical Indications (SCT).

The convening of a diplomatic conference for the proposed Design Law Treaty (DLT), one of the main items on the SCT's agenda, has been delayed for several years as Member States continue their search for agreement on two remaining outstanding issues. During the 2017 WIPO General Assembly, Member States came very close to agreeing on a consensus text and decided to continue considering the convening of a diplomatic conference at the 2018 Assemblies. Echoing the words of the SCT Chair, it is hoped that Member States will make a concerted effort and display the necessary flexibility to overcome this final hurdle this year. At its session in November 2017, the SCT agreed on

a member-driven work plan on geographical indications, which is now in the implementation phase. The Committee is also considering two new proposals by Member States on country names and country brands, as well as pursuing further work on new technological designs.

### 53. Intergovernmental Committee on Intellectual Property and Genetic Resources, Traditional Knowledge and Folklore (IGC).

Subsequent to the renewal by the 2017 General Assembly of the IGC's mandate for the 2018-2019 biennium, the IGC is midway through an intense program of work. Good progress has been made, particularly in the area of genetic resources. The General Assembly in 2019 will take stock of progress made, and based on the maturity of the texts, including levels of agreement on objectives, scope and nature of the instrument(s), decide on whether to convene a diplomatic conference. Many Member States have great expectations of the IGC's negotiations, which, should they lead to a concrete outcome, could benefit indigenous peoples, local communities and other stakeholders and have significant implications for intellectual property policy, law and practice.

### 54. Advisory Committee on Enforcement (ACE).

The ACE addresses the challenges and vulnerabilities in IP protection arising from globalization and digitalization, while taking into account socio-economic interests and development-oriented concerns. The record number of participants in the twelfth session in September 2017 attests to the strong confidence that WIPO Member States and other stakeholders have in the Committee as the global forum for policy dialogue on IP enforcement and building respect for IP.

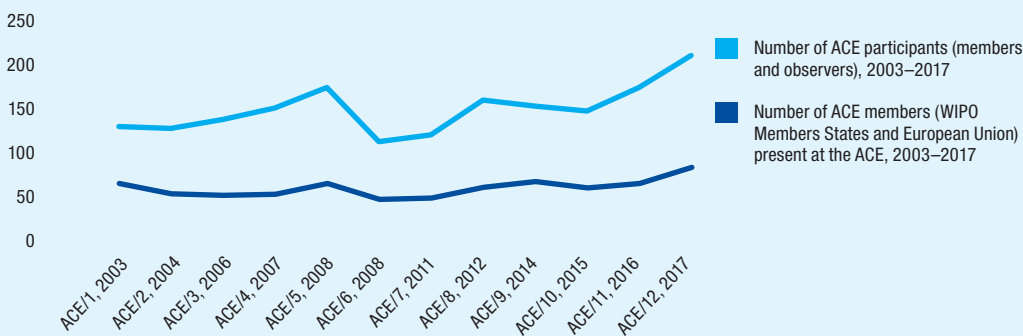
## Engaging the Judiciary

55. Following the announcement during the last WIPO Assemblies of a new orientation to address the requests of Member States with respect to the judicial administration of IP, the Organization has embarked upon an ambitious program of work that combines its long-standing judicial capacity-building activities with a broader and more systematic approach to engaging with national judiciaries. This evolution is spurred by a growing recognition of the crucial role played by judiciaries in confronting the legal challenges arising from technological innovation that often outpaces legislative and policy developments, and of the value of transnational dialogue in adapting to the increasingly cross-border nature of IP disputes. WIPO's new initiative seeks to enable and galvanize this important dialogue, under the direction and guidance of an Advisory Group of Judges, and coordinated by a new Division for the Judicial Administration of IP.

### Geographical distribution of ACE/12 presentations



### ACE participants, 2003–2017



56. The opening year of this new orientation has seen the launch of the WIPO Master Class on IP Adjudication, the first instalment of which was delivered in collaboration with the Supreme People’s Court of China in Beijing, and provided experienced IP judges from 15 countries with the opportunity to engage in highly-interactive peer-to-peer discussion on approaches to remedies in IP disputes. The inaugural WIPO Intellectual Property Judges Forum will expand upon this design in November 2018, to bring together over 100 judges at WIPO Headquarters in Geneva to exchange their experiences of addressing common challenges to novel IP questions.

57. At the same time, the Organization’s existing judicial capacity-building activities, which enjoy sustained high demand from Member States, continue to be implemented by the relevant sectors of the Organization, including the WIPO Academy, the Regional Bureaus and the Building Respect for IP program, with greater linkage and coherence among the diverse aspects of the training provided. A pivotal element of WIPO’s role in supporting national judiciaries will be the creation of an online information resource to provide access to judicial decisions on the domestic implementation of IP law. The Organization has launched, in collaboration with a number of judiciaries, work on the compilation of select precedent-setting decisions from a set of pilot countries, with the intention of releasing the resource to public access in 2019. This resource will evolve, and will rely upon strong cooperation from Member States.



# Global Infrastructure Driving a Global Knowledge Network

58. The Organization has made continuous investment in ICT infrastructure in coordination with Member States for the purpose of creating globally connected digital networks for IP Offices and IP users. The past year has seen major advances in bringing these various investments into a coherent network, delivering major benefits.

59. Global infrastructure is creating a WIPO Knowledge Network which is based on curating IP data from Member States to create truly global databases and to generate more value-added IP intelligence and knowledge, as depicted in the figure opposite. WIPO's strategic systems such as classifications and data standards, combined with multilingual capabilities, are essential to enhancing our responsiveness to the challenges of the growing volume of IP big data, complexity and linguistic diversity. The WIPO Knowledge Network will provide the world with an invaluable public good, since IP data are the most comprehensive, well-structured and up-to-date records of human intellectual endeavor that can also be used train artificial intelligence (AI) tools.

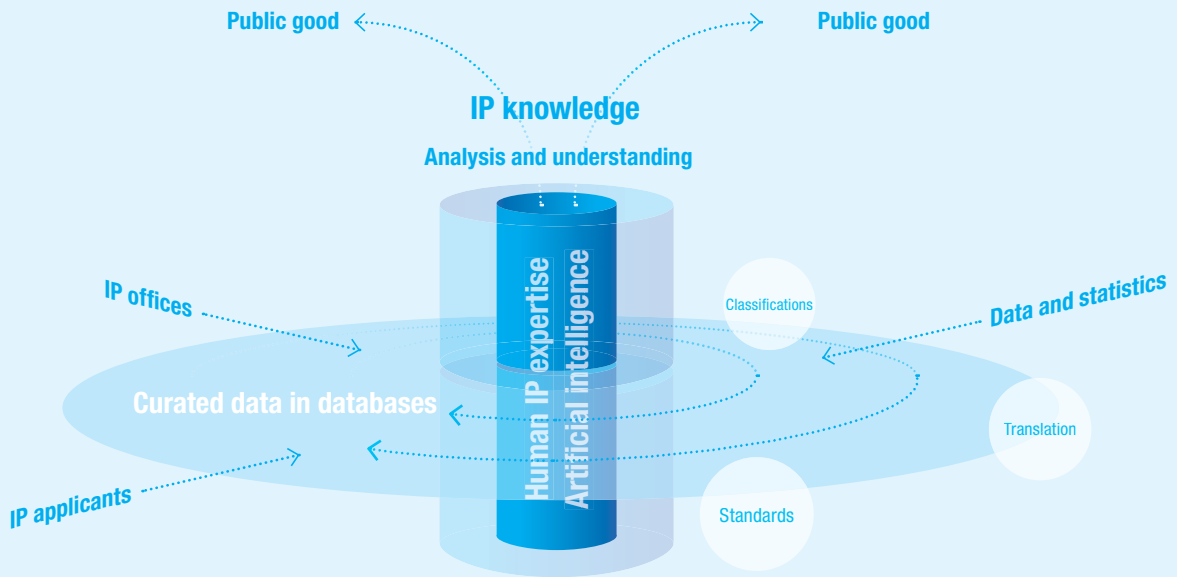
## Global Databases

60. WIPO has become a leader in data-driven and interlinked technical infrastructure in the world and is a major global source and repository of IP information. During the period of this report, WIPO continued to make progress in the coverage of its global databases. We also started to explore how machine learning could be applied to improve ease of search and access to data. A dedicated research center was established, focusing initially on neural machine translation and image classification and similarity search.

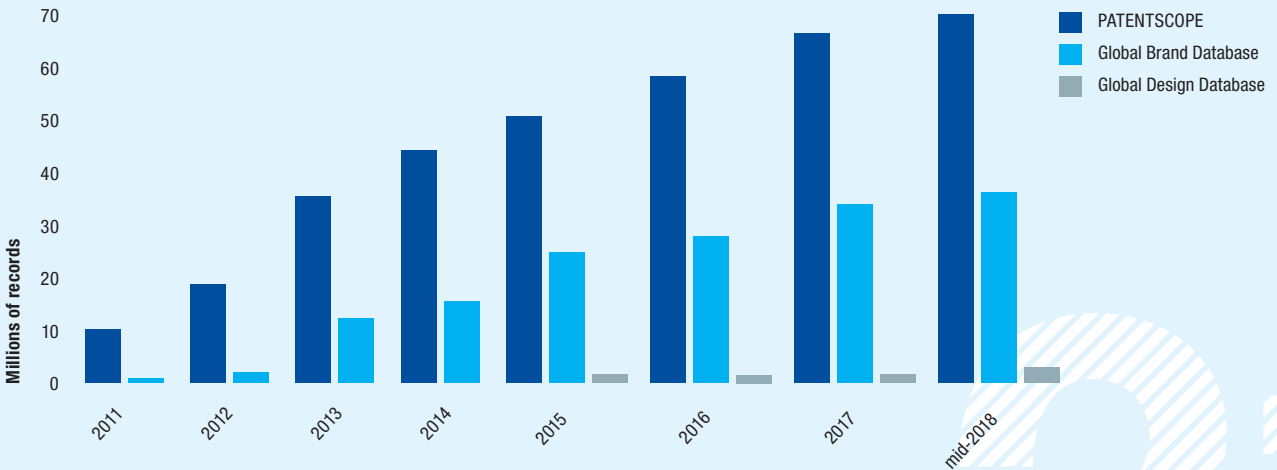
61. The Organization continued to provide updated IP data and reference through four global databases, allowing policy-makers, IP stakeholders, researchers and the general public to use IP data and reference sources as knowledge and intelligence. The number of data records contained in the global databases at WIPO surpassed 100 million. They provide unique "IP Big Data", the basis for the Organization's machine learning technologies.

**62. PATENTSCOPE.** An increasing number of national IPOs are contributing their patent data for inclusion in the PATENTSCOPE database (52 national IPOs in addition to three regional IPOs (the African Regional Intellectual Property Organization (ARIPO), the Eurasian Patent Office (EAPO) and the European Patent Office (EPO)). In the past year, a notable addition was the collection of the IP office of India. We improved the usability and security of PATENTSCOPE, as well as training in respect of it. Two pieces of functionality were further developed in PATENTSCOPE. The search facility for chemical compounds was extended from

## WIPO Knowledge Network

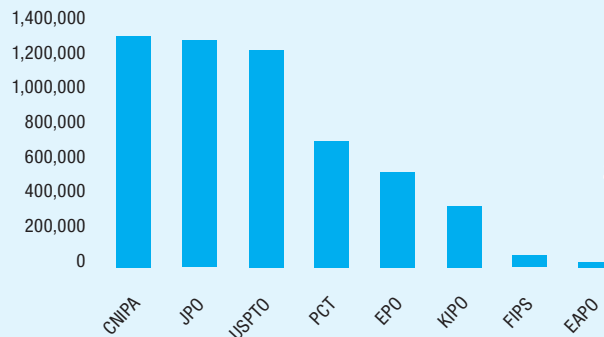


## Evolution of records contained in the global databases, 2011–2018



## Chemical compounds in PATENTSCOPE

Number of documents for which chemical compounds were discovered and indexed in PATENTSCOPE per national collection



the patent data collections of the United States Patent and Trademark Office (USPTO) and the PCT to include the collections of the China National Intellectual Property Administration (CNIPA), the Japan Patent Office (JPO), the EPO, the Korean Intellectual Property Office (KIPO), the Federal Institute of Industrial Property of Russia (FIPS) and the EAPO, in the corresponding original languages. In addition, the integration of WIPO CASE and Global Dossier was extended to include the public dossier contents of the USPTO.

63. A project to assist national IP offices with the production of full text data for their patent front-file collections was launched and 19 offices have been trained to use the WIPO technical solution so far. The full text so obtained will also be incorporated into PATENTSCOPE in the future.

**64. Global Brand Database and Global Design Database.** The Global Brand Database holds trademark data from the Madrid System, appellations of origin data from the Lisbon System and emblems protected under Article 6*ter* of the Paris Convention, as well as 39 national trademark collections and the regional trademark collection of the EUIPO. The coverage of the Global Brand Database increased by six collections over the period of this report. The innovative image-based search function of the Global Brand Database, which allows users to search for visually similar images and figurative elements of trademarks around the world, has been highly appreciated by IPOs and users.

65. The national industrial designs collections of France, Jordan and Mongolia, as well as old Hague collection records published before 1999, were added to the Global Design Database over the period of this report. More National Offices are expected to join the project.

**66. WIPO Lex.** Since 2017, Member States have played a leading role in ensuring timely quality updates of legal data in their national profiles. As a result, WIPO Lex has witnessed a tremendous improvement in coverage of IP legal data from all countries around the world and a dramatic increase in its global audience, which reached over 3.7 million users in 2017. The network of WIPO Lex national focal points regularly provides detailed information on IP laws and treaties of their States, and the International Bureau updates the database following that input. Quality control is guaranteed through a periodic review every six months by Member States of all the changes introduced into the database.

67. In 2017, the number of users reached 3.7 million, while the number of sessions reached 4.9 million and the number of page views 8.3 million. Compared to 2016, the number of users increased by 83%, the number of sessions by 72% and the number of page views by 56%. These trends were confirmed in the first half of 2018 and we expect the number of users globally of WIPO Lex to surpass 4 million for the whole year.

68. Developments in 2017 and 2018 show that WIPO Lex is playing a significant role in satisfying a growing demand for legal data in developing countries, thereby contributing to the Sustainable Development Goals (SDGs) and the bridging of the Digital and Information Divide.

#### WIPO Lex Top 10 origins of users, by number of sessions

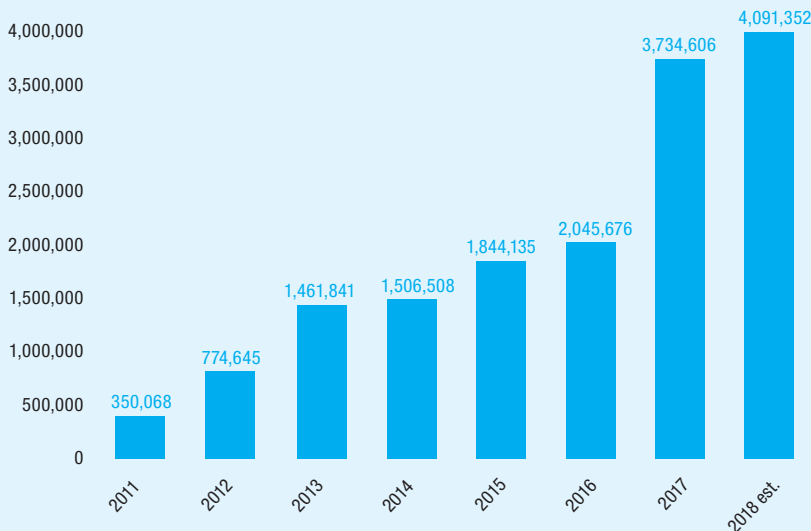
January–May 2018

	Country	Number of sessions	% Increase (vs 2017)
1	Mexico	193,379	31.22%
2	Philippines	136,657	29.87%
3	Colombia	116,812	30.16%
4	Peru	112,521	160.03%
5	Venezuela	112,075	152.00%
6	Indonesia	87,664	67.14%
7	United States	90,530	-11.72%
8	Ecuador	74,032	126.01%
9	India	75,431	43.42%
10	Morocco	72,422	10.06%

**69. Advanced Technology Applications Center (ATAC).** ATAC was established to explore the applicability of machine learning to improve access to and handling of IP data within the global databases and the programs and services of the Organization. Three main areas of research are being pursued: the further development of neural machine translation as applied to IP texts; the exploration of image classification and image-similarity search for trademarks using neural networks; and the exploration of speech-to-text within the context of WIPO meetings and conferences. The outcome of this research will benefit the functionality of the Organization's global databases and will be shared at a later stage with IP offices of Member States who participate in projects with Global Databases.



## WIPO Lex users, 2011–2018



## International Classifications

WIPO administers four international classifications established by treaties (the International Patent Classification (IPC), the International Classification of Goods and Services for the Purposes of the Registration of Marks (Nice Classification), the International Classification of the Figurative Elements of Marks (Vienna Classification) and the International Classification for Industrial Designs (Locarno Classification)). The IPC and Nice classifications have significantly increased their rate of revision to try to keep pace with the acceleration of technological development and product life cycles. IPC2018.01 was published in a timely manner using the IPC Revision Management Solution. In 2018, 1,458 amendments, including 681 new subdivisions, were introduced into the IPC and they will enter into force on January 1, 2019 as IPC2019.01.

In the Nice Classification, Member States adopted 676 modifications, including 389 new entries for improvement and clarification of the list of Goods and Services, which brought the total number of entries in English to almost 10,000. The Class Headings revision, which started in 2015, continued to be expanded to other classes (14 Classes were modified this year) and is expected to simplify the classification work by giving clearer guidance to users.

Within the Locarno Classification, Member States adopted 823 modifications and created 19 new sub-classes, which will be reflected in the 12<sup>th</sup> edition that will enter into force on January 1, 2019. A new publication platform for the Locarno Classification was developed and made available, offering more user-friendly functionality and enhanced search capability.

The Vienna Classification saw the eighth edition, reflecting 156 modifications, enter into force on January 1, 2018.



## Standards and Classification

**70. WIPO Standards.** IP data cannot be searched by machine-assisted search tools unless the data are recorded in accordance with common technical standards for metadata, format and structure, such as those established in WIPO Standards. A new version of ST.96 (Ver.3.0) was published that has expanded its coverage to all Madrid and Hague Systems data transactions and has added new XML components related to national, regional and international patent search reports. A new WIPO standard on web services is under development in order to support communications among machines or applications. This new standard will greatly facilitate automation of data exchange and dissemination in a more efficient manner across IPO IT systems. Another important new WIPO standard for the exchange of industrial design legal status data is also under preparation. With regard to a project to develop a common software tool to support applicants and IPOs in implementing WIPO Standard ST.26 at the same time and in a harmonized manner around the world, the proof-of-concept phase was completed and the implementation phase has been started in collaboration with IPOs.

## IP Office Business Solutions

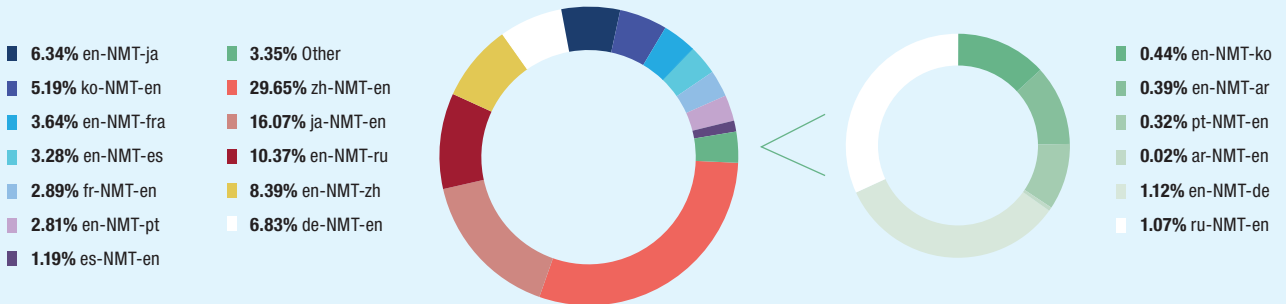
**71. IPAS Office Suite.** The IPAS Office Suite provides a complete solution for the business operations of IP offices, including modules for online filing (WIPO File), back-office administration (Industrial Property Administration System, IPAS), paperless processing (WIPO Scan and EDMS) and for online publication and dissemination of IP information (WIPO Publish). Deployment of the IPAS Suite enables IP offices to significantly improve the quality and timeliness of the services they provide to local and international business. A total of 81 IP offices now use IPAS. During 2017, several offices deployed the WIPO File module and started to offer full online services to their users. Many offices have benefitted from assistance in digitizing their paper files, enabling them to improve the quality and timeliness of search and examination and to disseminate their IP information online.

72. The impact of the IPAS suite is measured using a “service level indicator”. The indicator is an aggregate of 20 measures of the level of service provided by the office that are enhanced by using the suite, such as provision of online services, automation of business processes, or digitization of files. The indicator is steadily increasing in all regions, showing the impact of WIPO’s assistance on the business climate for IP in developing countries.

**73. WIPO CASE.** The WIPO CASE system enables patent offices to securely share search and examination documentation related to patent applications in order to facilitate work sharing programs. WIPO CASE is linked to the IP5 Global Dossier system to create a global network of offices sharing patent search and examination information. During 2016–2017, the number of participating offices grew from 21 to 29, of which 12 have agreed to operate as providing offices, sharing their patent dossier content with other offices. From 2017, dossier content from several WIPO CASE providing offices has been made available to the public via the WIPO PATENTSCOPE service and the Global Dossier.

**74. WIPO DAS.** After a period of stability, interest in the WIPO DAS service is growing. The system enables applicants and offices to meet the requirements of the Paris Convention for certification in an electronic environment.

### WIPO Translate language pairs



### Number of characters processed by WIPO Translate per week, 2016–2018



### Image-similarity search for the WWF logo



Traditionally, applicants have been obliged to request certified paper copies of documents from one office and then submit those documents to other offices. DAS allows applicants to simply request the first office (known as the Depositing Office or Office of First Filing) to make priority documents available to the system and then to request other offices (known as the Accessing Offices or Offices of Second Filing) to retrieve those documents via the service. The exchange of documents then takes place electronically between the offices. During 2016 and 2017, the number of participating offices increased from 11 to 15, and several other offices are now working with the International Bureau to implement the service.

**75. WIPO Connect.** We have completed the development of the first phase of the WIPO Connect system, which enables Collective Management Organizations (CMOs) to manage documentation and the distribution of royalties for copyright musical works. The system has been deployed in a pilot phase in three CMOs and is being progressively rolled out to others that have requested it. The second phase of the development (covering performers' rights) is nearing completion and will be ready for deployment in the course of 2018.

## Technology and Innovation Support Centers (TISCs)

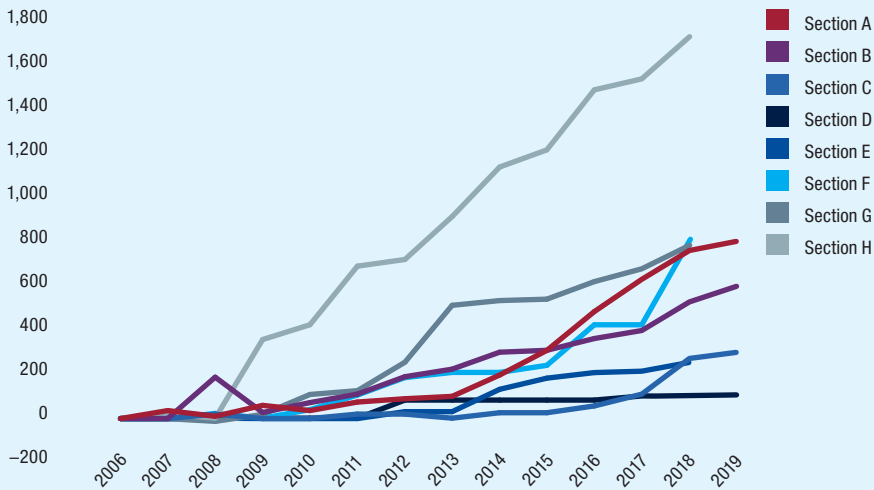
**76. National and Regional Networks.** Technology and Innovation Support Centers (TISCs) promote and support access to technological information and provide related innovation support services to local users in host institutions such as universities and research centers. National TISC projects are ongoing in 76 Member States, up from 62 this time last year. Of the current national networks, 30 are considered sustainable according to defined sustainability criteria which reflect their institutionalization, operationalization and the provision of a diversified portfolio of services, including value-added services. There are now 642 TISCs worldwide which offer the various services indicated in the table opposite and which received over 700,000 inquiries globally last year. New requests continue to be received with an additional 18 Member States requesting assistance in establishing national TISC networks. Two regional TISC networks continue to develop among the ASEAN Member States and in the CATI-CARD network in Central America

and the Dominican Republic, further sharing and leveraging national innovation support service strengths to assist others in the region.

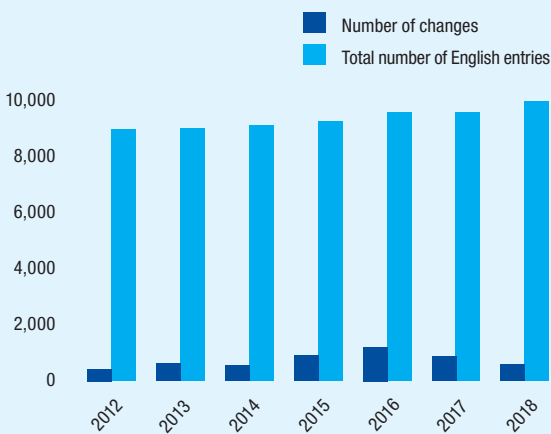
**77. TISC Clinics.** TISC Clinics offer an increasing suite of services, ranging from search services, tools and platforms through to analytics (see below), IP commercialization and patent filing services. The latter is offered in conjunction with the Inventor Assistance Program (IAP), which provides *pro bono* legal assistance to eligible under-resourced inventors and small businesses. TISCs play a vital role in reviewing both inventors and inventions according to the national eligibility criteria before either can enter the national IAP. A total of 43 requests have now been received within the IAP in the existing IAP countries of Colombia, Morocco and the Philippines, which were joined by Ecuador and South Africa last year.

**78. Patent Analytics.** TISC Clinics also offer patent analytical services and associated value-added services, such as the drafting of patent landscape reports (PLRs). In order to develop and reinforce the skills necessary for TISCs to carry out these services, based on the *Manual on Open Source and Free Tools for Patent Analytics*, patent analytics training was conducted last year, while online testing was introduced to improve quality assurance and skills assessment of the participants. The PLR on marine genetic resources is the first to use only open source tools to map scientific and patent publications in the ASEAN region. It includes a unique geolocation of marine organisms and is currently being published. A searchable PLR database was launched in May 2017, hosting over 210 PLRs that can be retrieved online, while further work on patent analytics is ongoing with the preparation of a *Handbook on Patent Analytics*. There continues to be strong interest in PLRs prepared by WIPO and other organizations, with 15,700 unique views recorded on the WIPO PLR websites, 42,474 downloads of PLR PDFs and 45,460 unique views of the *Manual on Free and Open Source Tools for Patent Analytics* from June 2017 to June 2018.

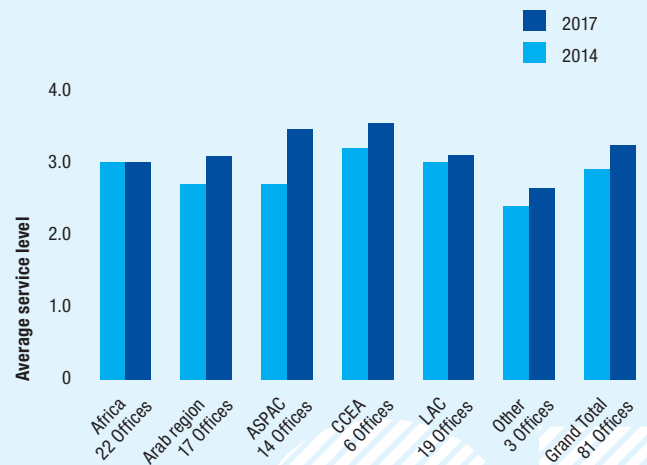
### Evolution of the International Patent Classification by section



### Evolution of the Nice Classification



### IP office service levels, 2014 vs 2017



### Number of TISCs providing different types of services

Total number of TISCs	642
Access to patent, scientific and technical databases	578
Assistance and advice in using databases	557
Search – State of the art	279
Search – Novelty, patentability	264
Assistance in licensing, tech transfer	266
Search – Freedom to operate, clearance	210
Search – Validity	209
Assistance in patent drafting	151
Assistance in commercialization	152



# The year in numbers

## Financial situation

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**CHF 55.9 million**  
budget surplus 2016/17

**CHF 413.5 million**  
total revenue 2017

## Administration and management

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**250 conference days**  
managed in Geneva

**101 events**  
for Member States

**21,000 visitors**  
welcomed safely

## Human resources

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**118 Member States**  
represented on staff

## International legal framework

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**28 accessions**  
to WIPO treaties

**10 Marrakesh**  
accessions

**191** Member States

## Communications

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**112 million**  
page views of WIPO website

**631 events**  
for World IP Day

**134 countries**  
supporting World IP Day

## Global reference sources

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**127 economies**  
in Global Innovation Index

**132 IP offices**  
taking part in Statistics Survey

## Global IP Systems

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**40<sup>th</sup> year**  
of PCT System

**116 countries**  
covered by Madrid System

**19,429 designs**  
in Hague System applications

**3,074 disputes**  
on domain names referred  
to AMC

## Global infrastructure

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**70 million records**  
in PATENTSCOPE

**142 million words**  
translated in PCT documents

**3.7 million users**  
of WIPO Lex

## Development

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**10<sup>th</sup> year**  
of Development Agenda

**66,500  
participants**  
trained by WIPO Academy

**642 TISCs**  
in operation

**862 technical  
cooperation  
events**

## Public-private partnerships

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**76 languages**  
covered by ABC Global  
Book Service

**131 research  
collaborations**  
through WIPO Re:Search

**3,500 entries**  
in WIPO GREEN database

# Development

79. In line with Recommendation 12 of the WIPO Development Agenda, development has been main-streamed and the whole of the Organization addresses development considerations in the delivery of its programs. Development cooperation activities span all sectors of the Secretariat, notably:

- the Global IP Systems, where special programs address the needs of developing, least developed and transition countries in the use of those systems, including through discounts and capacity-building;
- the divisions responsible for patents, trademarks, designs, geographical indications, copyright, building respect for IP and Small and Medium Enterprises (SMEs), where legislative and policy advice is provided for countries requesting it;
- the extensive programs in the Global Infrastructure Sector, including IPAS, TISCs and WIPO Connect, which have been detailed above;
- economic studies and analyses provided by the Economics and Statistics Division; and
- public-private partnerships.

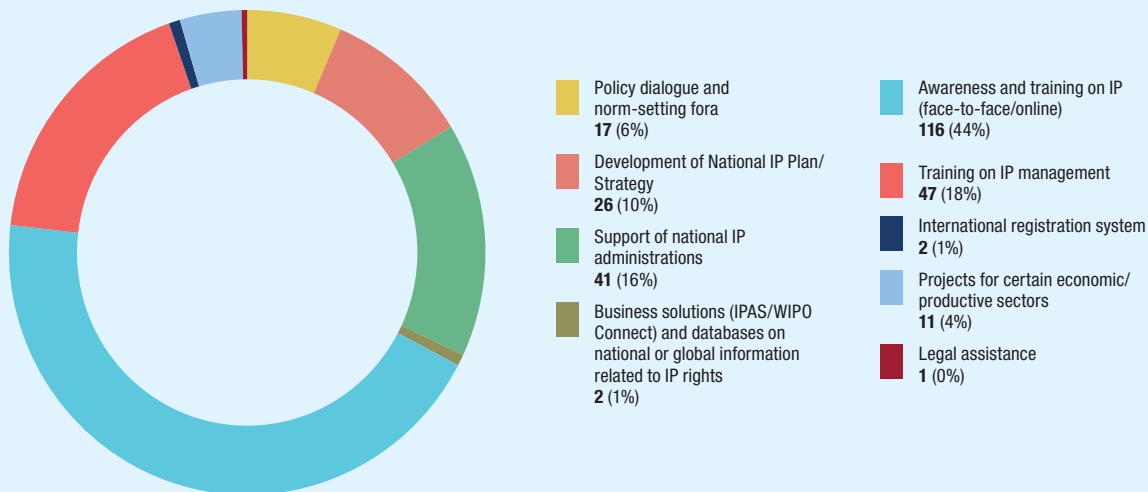
In addition, there is the Development Sector, with its regional bureaus, least-developed country division and Academy, as well as the copyright development division and the transition-countries part of the developed and transition countries division, which are dedicated to coordination of the Organization's programs, the development of national strategies and capacity building.

## Technical Assistance

80. In 2017, the Organization organized 862 technical cooperation events for the benefit of developing and least developed countries, reaching over 135 countries. Of these, the Development Sector organized 263 activities, which were mostly (around 90%) held in developing countries. These included awareness and training on IP administration for government officials (44%) and on IP management for right holders (18%), development of national IP strategies (10%), events on policy dialogue (6%) and projects for specific economic sectors (4%). Regarding South-South Cooperation (SSC), during the period 2016-2017, WIPO facilitated the organization of 76 activities with a value of CHF 2.9 million. This included CHF 2.3 million from WIPO's regular budget and CHF 566,000 from Funds-in-Trust provided by developing countries.



## Development Sector technical assistance activities, 2017



### National IP Strategies

81. In addition to continuing to provide technical assistance to developing countries in the formulation of national IP strategy documents, WIPO assisted a number of countries in evaluating the performance of existing strategies with a view to improving the implementation of concrete action plans. At the ASEAN regional level, the development of a monitoring and evaluation framework was launched to measure progress in the implementation of the ASEAN regional action plan. Development cooperation plans have been drafted for implementation in Thailand, Sri Lanka and Pakistan. In the Arab region, Heads of IP offices met to discuss the value of developing national IP strategies in the context of encouraging innovation through better use and exploitation of national IP assets. The regional meeting, co-organized by WIPO, the League of Arab States, the Egyptian Patent Office, and the Academy of Scientific Research and Technology of Egypt (ASRT), highlighted the importance of the gender dimension in IP-related issues, and of encouraging women's innovation in the Arab region. In the African region, five countries have initiated the elaboration, validation and implementation of national IP policies and strategies, amongst which three countries – Gambia, Guinea Bissau and Rwanda – have validated their IP policy or strategy. By the end of 2017, national IP strategies and development plans had been adopted in 46 countries, of which 20 were in LDCs, a 21% increase as compared to 2015. The number of countries implementing national IP strategies or development plans saw a 62% increase (55 countries, of which 24 are LDCs) compared to 2015.



### Promoting IP as a Strategic Tool for Exports

82. In the Latin America and Caribbean region, WIPO continued to implement initiatives aimed at encouraging the use of IP as a strategic tool to promote exports and investments. In this regard, WIPO promoted a number of interinstitutional partnerships between IP offices and Export and Investment Promotion Agencies (EIPAs), significantly increasing the number of inter-institutional links with EIPAs in Latin American countries, from five in 2016 to 16 in 2017. Recognizing that EIPAs are essential partners for the promotion and use of WIPO-administered treaties, WIPO engaged in activities and discussions with EIPAs and IP offices on the use of the IP system in the context of international competitiveness and on the advantages of the international registration systems managed by WIPO.

### Least Developed Countries

**83. Appropriate Technologies.** The transfer of technologies using patent documentation is an area of work where LDCs benefited from the use of technical and scientific information to address national technological capacity-building through the identification of national development needs. Technology transfer and technological capacity-building activities in Ethiopia, Rwanda and Tanzania achieved several key outcomes, including the identification of six development needs and the preparation of six technology reports and six business plans. These are being implemented by the respective Governments in the areas of agriculture: solar coffee drying in Ethiopia; sea weed harvesting for semi-processing of carrageenan in Tanzania; food security and national diet diversification, through aquaculture, in Ethiopia, Rwanda and Tanzania; and health, through the distillation of drinking water in Rwanda.

**84. Specialized Training for LDCs.** WIPO enhanced its cooperation with the Government of Sweden (through the Swedish Patent and Registration Office (PRV) and the Swedish International Development Cooperation Agency (Sida)) and jointly organized additional training programs on project-based human resource capacity-building on IP and the national technological base in LDCs. Since the last report to the WIPO Assemblies, three training programs have provided training for approximately 75 senior officials from LDCs.

### WIPO Academy

85. Over the last 12 months, the WIPO Academy saw record levels of participation in its courses. Over 66,000 people participated in WIPO Academy courses in 2017, which is 20% higher than in 2016 and 49% higher than in 2015. As this year marks the Academy's celebration of the 20<sup>th</sup> anniversary of its establishment in 1998, it demonstrates emphatically the impact it has made in terms of the development of human capacity in intellectual property through the half a million participants who have completed its courses. These courses are offered globally and in a range of languages, with a particular focus on developing countries, least developed countries and countries in transition. Notable among the Academy's achievements is the increase in participation by women in the WIPO Academy's courses. Across all Academy courses, there are now more women enrolling than men.

86. The WIPO Academy continued to develop innovative ways of responding to the increasing demand for IP education and training and the trend for greater specialization, as well as to the ever-evolving range of professionals from both the private and public sector seeking to build their IP skills and knowledge. New Joint Master's Degree programs were developed in the last 12 months, responding to the demand for specialization. One program is with the Jagiellonian University in Krakow, Poland, with a focus on IP and new technologies, and the other is with the University of San Andrés in Buenos Aires, Argentina, for IP and innovation.

87. The project approved by the Committee on Development and Intellectual Property (CDIP) for Judicial Training Institutions is another example of the training that the WIPO Academy is tailoring to specific categories. The main outputs will include a generic distance-learning course for judges that would be customized to the specific needs of the countries in the project, as well as a qualified team of trainees that would provide continuous education for judges. The increase in customized versions of its distance learning courses is another example of the WIPO Academy responding directly to the IP education and training needs of Member States. So too is the Academy's work to support Member States in establishing their own national IP training institutions, empowering them to design and deliver their own training to support their specific needs with the assistance of WIPO.

88. Accessibility to IP education and training has remained a priority over the last 12 months. Ensuring the quality and relevance of courses is central to this, as is the need to provide customized courses in a variety of languages and to constantly develop the ICT infrastructure required to deliver these courses in the most effective and efficient way, in particular taking advantage of the potential of artificial intelligence. With respect to this latter point, the WIPO Academy is working with WIPO's Advanced Technology Applications Center (ATAC) on a feasibility study into the introduction of digital tutors.

### **Development Agenda**

89. In 2017, the WIPO Development Agenda marked the 10<sup>th</sup> year since its adoption. To date, 35 Development Agenda projects have been approved, 34 have been implemented and 19 of those projects are main-streamed in the Organization's regular work. As requested by the CDIP, a first report on WIPO's contribution to the Implementation of the SDGs and its Associated Targets was presented this year. The CDIP agreed to establish an Agenda item within the CDIP on "Intellectual Property and Development" in order to enable the Committee to implement the third pillar of its mandate. In May 2017, as a result of the continued focus on technical assistance, a roundtable was held on "Technical Assistance and Capacity Building: Sharing Experiences, Tools and Methodologies".

90. In the area of copyright, WIPO has been developing a new strategy to engage copyright offices and CMOs more directly and to provide more focused, targeted capacity building tied to strategic objectives, with the goal of assisting Member States to achieve concrete results. Capacity building and technical assistance to developing countries and LDCs in the field of copyright and related rights have been streamlined in order to facilitate the more effective use of the copyright system for social, cultural and economic development. Several subregional and/or regional strategic development actions plans with specific expected results have been developed and adopted and WIPO is working with copyright offices to implement the plans.



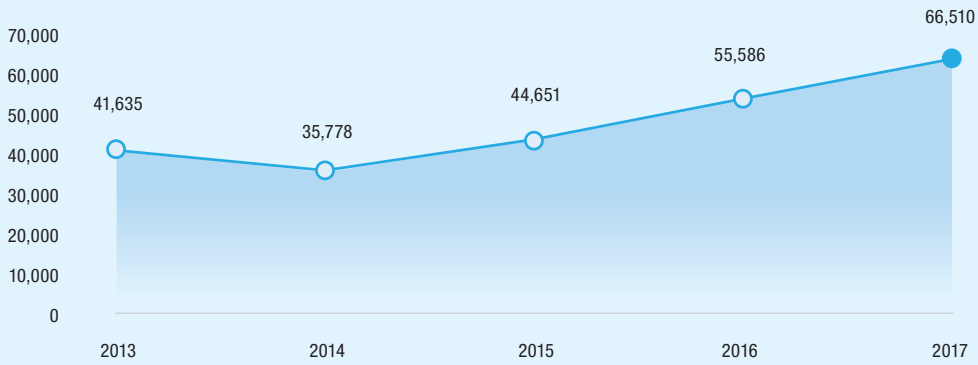
91. The detailed benchmarking exercise of mapping the evolving situation of CMOs is ongoing, and the results have already been used to streamline assistance to CMOs using a more strategic approach. WIPO has also developed a *Good Practice Toolkit for Collective Management Organizations* (CMO Toolkit), working with CMOs and other stakeholders.

92. The Publishers Circle is one of the outcomes of the Yaounde Action Plan adopted by the High Level Regional Conference on the Publishing Industry in Africa and its Role in Education and Economic Growth, in November 2017. This intended public-private partnership promotes the transfer of knowledge, the building of skills and the raising of professional standards in the educational publishing sector on the basis of a sound copyright legal framework. WIPO has started promoting the concept and disseminating the Publishers Circle Charter among partners, namely publishers, authors, government and non-profit institutions, international organizations, and financial and development institutions. Stakeholders are encouraged to sign the Publishers Circle Charter as an indication that they commit to engage in concrete steps towards practical outcomes and innovative cooperation formats. By adhering to its principles, they would take an initial step toward implementing its objectives.

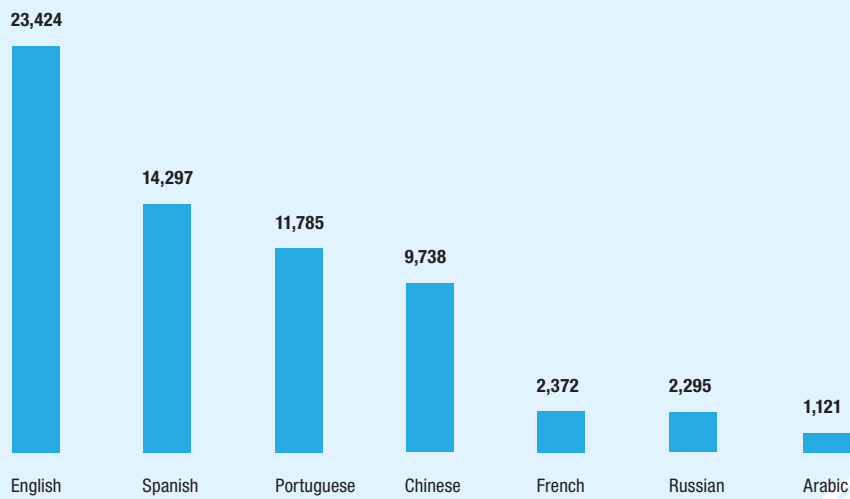
93. Two special programs have been developed to improve access to the patent system. A balanced international legal framework and well-designed national patent legislation alone do not bring concrete benefits to each country, unless local innovators can take advantage of the patent system. In order to assist them in filing patent applications and enjoy patent protection, WIPO provides, *inter alia*, patent drafting training and the Inventor Assistance Program (IAP).

94. The IAP's objective is to match *pro bono* patent attorneys or agents with under-resourced inventors, and small businesses in developing countries. This includes helping to secure patent protection within their own country and selected jurisdictions through the PCT. The IAP has been launched in five countries – Colombia, Ecuador, Morocco, the Philippines and South Africa. More than 80 patent professionals have offered their services at no cost to participants. To date, 26 under-resourced inventors have benefited from the IAP program.

### WIPO Academy course participants, 2013–2017



### Number of WIPO Academy online course participants by language



# Global Reference Resources

## Intellectual Property (IP) Statistics

95. The global IP landscape is evolving rapidly. To keep track of the latest developments, WIPO devotes substantial resources towards collecting and reporting statistics on IP activity worldwide. These statistics equip decision-makers with valuable intelligence on where innovation is taking place and in which technological fields it is happening. They also support the operational planning of patent and trademark offices around the world. In 2017, WIPO received 132 responses to its annual IP statistical questionnaire, setting a new record. The Organization is grateful for the generous cooperation of Member States in making available their IP statistics.

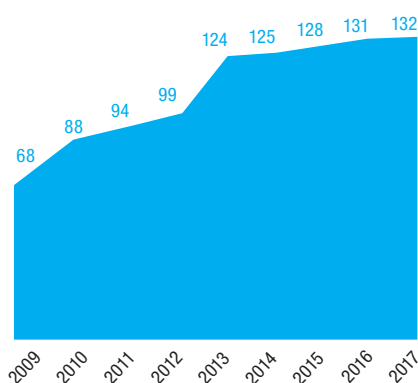
96. WIPO's statistical data are freely available through the IP Statistics Data Center on the WIPO website. A discussion of the latest statistical trends is available in the flagship *World Intellectual Property Indicators* report and the shorter *IP Facts and Figures* publication. Dedicated *Yearly Reviews* of the PCT, Madrid and Hague systems present the main statistical developments for WIPO's international filing mechanisms.

97. In 2017 and 2018, WIPO expanded the reporting of IP-related statistics in two ways. Firstly, as part of the 2017 *World Intellectual Property Indicators*, WIPO published, for the first time, statistics on geographical indications (GIs). Relying on a new survey instrument that seeks to capture the multiple ways through which GIs can be protected, WIPO was able to provide statistical data for 54 national and regional authorities responsible for administering GIs. WIPO recognizes that the statistics collected are still incomplete, and will work closely with relevant authorities to establish a more complete picture of GI activity worldwide in the future.

98. The second initiative is to systematically collect data on one creative industry. Together with the International Publishers Association (IPA), WIPO piloted a new survey of global publishing activity. The survey covered the main publishing market segments and gathered statistical data on the number of titles published and the revenue generated by publishing activity in 2016. Again, with responses from 35 national publishers associations and copyright authorities, the survey was but a first step in drawing a comprehensive picture of publishing activity worldwide. Future surveys will strive to further expand coverage and harmonize the data collection methods.

99. It is also worth noting that WIPO's statistics on women inventors listed in PCT applications – which have met with great interest from around the world – are now regularly updated and published in WIPO's main statistical reports. WIPO is working to expand the statistical reporting in this area by compiling new statistics on women designers in industrial design applications under the Hague System.

**Number of IP Offices responding to annual Statistics Survey**

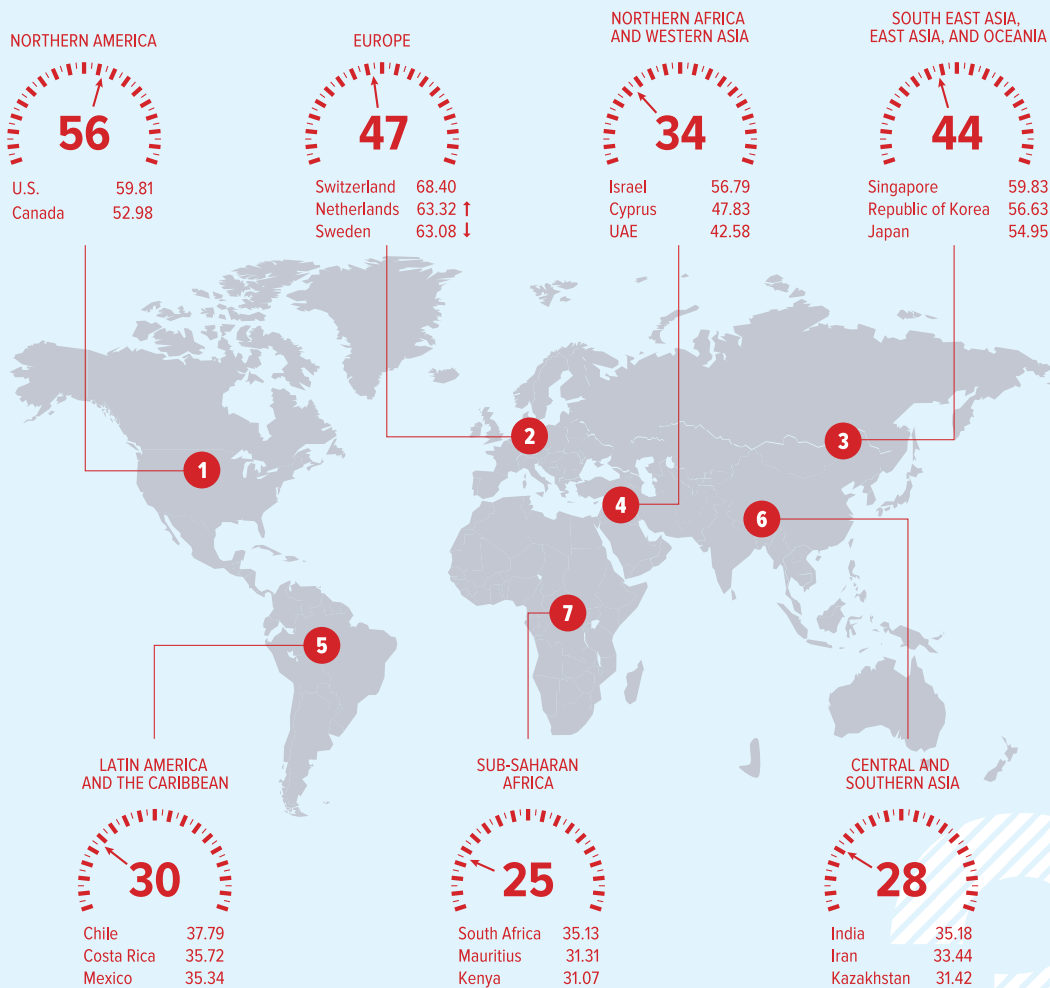




## Global leaders in innovation in 2018

Every year, the Global Innovation Index ranks the innovation performance of nearly 130 economies around the world.

### Top innovation regions by GII score



### Innovation leaders by income group

HIGH INCOME (ABOVE \$12,236)	UPPER-MIDDLE INCOME (\$3,956–12,235)	LOWER-MIDDLE INCOME (\$1,006–3,955)	LOW INCOME (UNDER \$1,005)
Switzerland.....68.40	China.....53.06	Ukraine .....38.52 ↑	Tanzania.....28.07
Netherlands.....63.32 ↑	Malaysia.....43.16 ↑	Viet Nam .....37.94 ↓	Rwanda.....26.54
Sweden.....63.08 ↓	Bulgaria.....42.65 ↓	Moldova .....37.63 ★	Senegal.....26.53

Source: Global Innovation Index Database, Cornell, INSEAD, and WIPO.

Notes: Position movements are indicated by arrows (↑↓), new entrants by stars (★). Regional averages appear in the centre of the dial. Economies are classified according to the World Bank Income Group Classification (July 2017). Year-on-year GII rank changes are influenced by performance and methodological considerations; some data are incomplete.

### Global Innovation Index

100. The publication of the *Global Innovation Index* (GII) has become a prominent feature of the summer months. This year's GI launch took place in New York on July 10, 2018. It was hosted by Cornell University, one of the co-publishers of the GI, on the new Cornell Tech Campus on Roosevelt Island, along with the business school INSEAD. The Confederation of Indian Industry, PwC's Strategy&, the National Confederation of Industry of Brazil and the Brazilian Service of Support for Micro and Small Enterprises continued as valuable knowledge partners in the development of the GI.

101. The innovation performance ranking of 127 economies is the GI's centerpiece. As in previous years, it received extensive coverage in the news media. In addition, many Member States have employed the ranking – and its associated benchmarking tool – as a way to advance and refine their innovation policy agendas. The 2018 GI offered a thematic discussion on innovation in the energy sector, highlighting how new technologies and business models can help meet future energy needs. It also expanded on last year's effort to develop a complementary ranking of innovation performance at the city/regional level. In particular, by relying on "big data" regarding patent and scientific publications, it identified and developed a ranking of the world's top 100 science and technology clusters.

102. Through the GI, WIPO raises awareness about the importance of innovation for economic growth and promotes debate on how to best foster a vibrant innovation ecosystem. Innovation is a key purpose of IP and thus at the heart of WIPO's mission. The Organization plans to sustain and further develop the GI's standing as the leading global benchmarking tool for innovation.

### World Intellectual Property Report 2017

103. In November 2017, WIPO published its 2017 *World Intellectual Property Report* on the theme "Intangible Capital in Global Value Chains". The *World Intellectual Property Report* series – with new reports published every two years – seeks to provide analytical insights into the role that IP plays in today's market economies. This latest report broke new ground in providing the first-ever estimates of the value of intangible capital in global manufacturing value chains. In particular, these estimates show that intangible capital – much of it protected by IP – accounts for around one-third of manufactured goods produced and sold worldwide. This share is twice as large as the one due to traditional bricks-and-mortar capital.

104. The 2017 report also included in-depth case studies on three specific value chains: solar panels, smartphones and coffee. These case studies highlight the different mix of intangibles behind different consumer products and offer concrete insights into the role that IP plays in generating returns on investments in innovation and branding. They also explore how developing economies can successfully integrate into global value chains by investing in intangible capital.

105. As IP permeates a widening range of economic activity, the *World Intellectual Property Report* series offers an analytical background against which policymakers can debate the evolution of the global IP system. The Organization plans to continue with this series and is in the process of selecting the theme for the 2019 edition.





World Intellectual Property Report 2017

## Intangibles are key to seizing new opportunities in the coffee market

#WIPR17

Farmers can boost their earnings by selling premium coffees. That means upgrading their farms and investing in branding.

Roaster sales prices

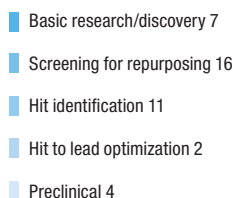
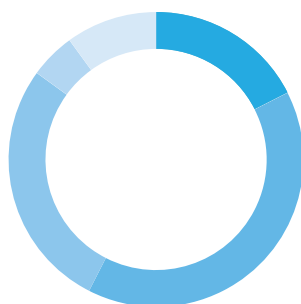
Export prices



# Public-Private Partnerships

## WIPO Re:Search collaborations

Discovery stage of active collaborations



Source: BVGH

## WIPO Re:Search

106. WIPO Re:Search mobilizes intellectual property to catalyze research and development (R&D) for neglected tropical diseases (NTDs), malaria, and tuberculosis (TB). As of June 2018, it has 136 members from 40 countries, and has developed 131 collaborations, 40 active collaborations, and nine advancing collaborations that have reached the next stage of the development pipeline. To continue increasing the level of service provided to WIPO Re:Search members and NTD, TB and malaria scientists, a new interactive online Resource Platform was completed in 2018.

107. In May, a WIPO Re:Search-facilitated collaboration between MSD (Merck & Co., Inc. in Canada and the USA) and the Walter and Eliza Hall Institute of Medical Research (WEHI) in Australia was awarded a USD 3.9 million Seeding Drug Discovery Early Stage Funding grant from the Wellcome Trust to develop alternative anti-malarial treatments to combat the growing threat of Artemisinin-resistant malaria.

108. Through a renewed funds-in-trust (FIT) grant by the Government of Australia, WIPO Re:Search and its partnership hub administrator, BIO Ventures for Global Health (BVGH), continue to place scientists from developing countries and LDCs with advanced research institutes in Australia and the United States of America for sabbaticals ranging from three to 12 months. The majority of fellowships have focused on R&D on resistant strains of malaria. Two former fellows, Gertrude Kyere-Davies and Dr. Christian Agyare from Ghana, along with researchers from the host institute, the University of California San Diego, have recently published a paper on their schistosomiasis-related work in the peer-reviewed *Journal of Parasitology Research*.

## Accessible Books Consortium

109. The Accessible Books Consortium (ABC) has evolved significantly over the last year and delivered more practical benefits of the Marrakesh Treaty to beneficiaries. The ABC Global Book Service now includes 43 authorized entities, a 72% increase since last year. Since the inception of the ABC, 233,000 copies of works in accessible formats have been made available through the Global Book Service to people who are print disabled, and usage of the service has increased by 41% over the previous 12 months. By December 2018, close to 8,000 educational titles will have been produced in national languages in developing countries and LDCs. This has been enabled by ABC training and technical assistance in the latest techniques for accessible book production, which has taken place in 12 countries over five years.

## New WIPO Re:Search Members June 2016–June 2017

Source: BVGH



## Overview of 2<sup>nd</sup> round Australia FIT-funded WIPO Re:Search fellowships

### ● Trainee institutes

- EIMB Eijkman Institute for Molecular Biology
- icddr,b International Centre for Diarrhoeal Disease Research, Bangladesh
- IPM Institut Pasteur de Madagascar
- ITB Institute Teknologi Bandung
- KEMRI Kenya Medical Research Institute
- NIMR National Institute for Medical Research

### ● Host institutes

- GRIDD Griffith Institute for Drug Discovery
- MU Monash University
- UM University of Melbourne
- WEHI Walter and Eliza Hall Institute of Medical Research

Source: BVGH

110. The ABC ramped up its promotion of “born accessible” publications and granted the 2018 ABC International Excellence Award for Accessible Publishing to Hachette Livre of France and the Daisy Consortium of India.

111. Marrakesh Treaty adoption and implementation will have a direct impact on the ability of the ABC to rapidly expand its services. With the expected implementation of the Marrakesh Treaty by the European Union in October 2018, the ABC will soon have over 270,000 titles available for cross-border transfer without the need to request authorization from the copyright owner.

## WIPO GREEN

112. WIPO GREEN is a global marketplace that promotes green technology innovation and diffusion, particularly in developing countries. WIPO GREEN has continued its rapid growth and, as of May 2018, counted over 7,000 network users in over 170 countries, 84 partners, and over 3,500 database listings of green technologies, needs and expertise, and it facilitated over 400 connections.



113. A major accomplishment at the end of 2017 was the culmination of the first two deals catalyzed under WIPO GREEN, both focusing on Kenya. Companies Cubo and Susteq will extend the benefits of safe and accessible drinking water to 1,000 persons living in villages in Kenya using an integrated payment-collection system; and Kwale Water and Sewerage and Swissquest have teamed up to provide pre-paid water meters in a number of locations across the country.

114. In May 2018, new partner Fujitsu contributed over 200 innovative, sustainable technologies to the WIPO GREEN database. Other recent highlights include a data-sharing agreement with the United States Federal Laboratory Consortium for Technology Transfer, and an MoU with the Canadian Intellectual Property Office. Through a FIT grant from the Government of Australia, WIPO GREEN continued its matchmaking activities in 2018, initiating a project on sustainable solutions for air, agriculture, energy, and water needs in Southeast Asia. In the remainder of 2018, a medium-term (five-year) strategic plan will be developed for WIPO GREEN, which will address future directions and aspirations for the initiative.

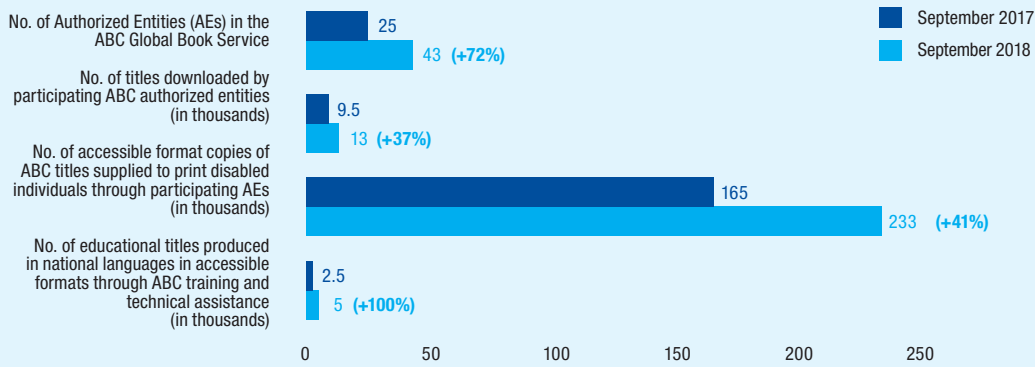
#### **Access to Research for Development and Innovation (ARDI)**

115. The ARDI program facilitates access to scientific and technical journals free of charge or at low cost to developing and least developed countries. The volume of accessible content in the ARDI program continues to increase with access to nearly 30,000 peer-reviewed journals, e-books and reference works primarily in pure and applied sciences. The number of registered institutional users also continues to grow at a substantial rate, with over 1,100 institutions now registered. ARDI is also part of the Research4Life partnership comprising four other programs run by United Nations agencies, which in total provide free or low-cost online access for researchers at more than 8,500 institutions in over 115 low- and middle-income countries to up to 85,000 leading journals and books in the fields of health, agriculture, environment, and applied sciences. ARDI continues to experience a strong increase in use, as reflected in the number of logins over a 12-month period.

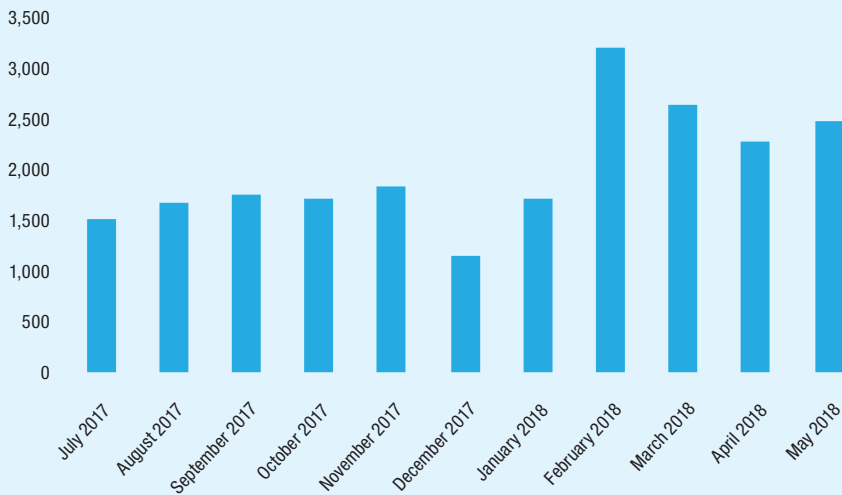
#### **Access to Specialized Patent Information (ASPI)**

116. The number of institutions receiving free or low-cost access to commercial patent databases through the Access to Specialized Patent Information (ASPI) program has remained generally constant at 51 active institutions. This does not include six active institutions with pending renewals (awaiting institution action), which are expected to be resolved during the course of the year. The number of institutions having requested to participate in ASPI has risen to 128 registered institutions, reflecting a high level of interest in the program. The number of providers contributing their commercial patent databases to ASPI has increased to eight as of early 2018, expanding the range of services from which potential beneficiaries of the program can select.

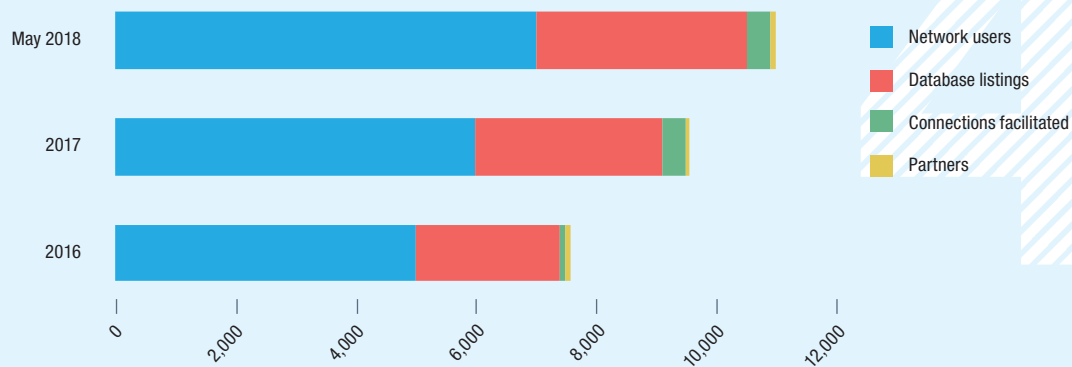
### Accessible Books Consortium indicators



### ARDI logins, 2017–2018



### Expansion of the WIPO GREEN platform, 2016–2018



# External Offices

117. Following the decision of the Member States in 2016 to establish two new External Offices in Algeria and Nigeria, the WIPO Coordination Committee, at its session in 2017, approved the Host Country Agreements for the new offices. These agreements define the privileges and immunities to be extended to WIPO staff and premises in accordance with international norms and are a necessary condition to opening the offices. In parallel, the Secretariat has been intensively engaging with the Governments of Algeria and Nigeria to identify premises in Algiers and Abuja able to meet the operational requirements of WIPO as well as the security requirements of the UN System. Progress has been made and these discussions are ongoing. In parallel, competitions for the heads of the two new offices have been completed and can be finalized once the offices have been inaugurated. The Secretariat remains committed to seeing these new offices commence operations as soon as possible, establishing the Organization's first presence on the ground in Africa.

118. The current network of External Offices in Rio de Janeiro (covering Brazil), Beijing (covering China), Tokyo (covering Japan), Moscow (covering the Russian Federation) and Singapore (covering the countries of ASEAN) continued to deliver strong results for the Organization throughout the year. The WIPO Brazil Office (WBO) continued to provide support to the Government of Brazil in the context of Brazil's moves towards accession to the Madrid Protocol. The WBO engaged intensively with stakeholders to explain the advantages of the Madrid System for IP rights holders in the country. The WIPO Office in China (WOC) continued to broaden and strengthen its engagement with government authorities and business and stakeholder associations across the country in support of WIPO's Global IP Services, contributing to the strong growth in PCT and Madrid filings witnessed during the reporting period. In addition, the WOC was very active in supporting China's accession to the Hague Agreement; promoting the use of WIPO's arbitration and dispute resolution services in the country; enhancing WIPO's cooperation with the Chinese judiciary and expanding data exchange between WIPO and the Chinese authorities. The WIPO Japan Office (WJO) focused on developing and refining its approach in reaching users and potential users of WIPO's Global IP Services, greatly enhancing their promotion. The WJO undertook numerous direct visits to companies, utilized specialized



Photo: Fujitsu



Photo: WIPO / Yuhua Deng

consultants, operated a helpdesk facility to field questions and strengthened engagement with the Government of Japan and stakeholder associations providing targeted information and advice on the Services in Japanese. These efforts were accompanied by strong growth in filings from Japan under the PCT, the Madrid and the Hague Systems. The WJO also invested considerable energy in promoting WIPO's multi-stakeholder platforms, particularly WIPO GREEN which saw an increase in the number of registered technologies from Japanese companies from 52 in September 2017 to 284 in June 2018. The WIPO Office in the Russian Federation (WRO) provided advice and support to the Government of the Russian Federation as it progressed towards joining the Hague Agreement and Marrakesh Treaty, to which the Russian Federation acceded in February and May 2018, respectively. The WRO was also intensively engaged in the promotion of WIPO's Global IP Services and this was accompanied by growth in both the PCT and Madrid Systems. The WIPO Singapore Office (WSO) is WIPO's Service Center for ASEAN countries, focusing on promoting the Organization's services, platforms and tools to private-sector stakeholders in the region. In this context, and working collaboratively with colleagues in Headquarters, the WSO supported the efforts of ASEAN countries which had yet to accede to the Madrid Protocol. The provision of information on the benefits of the Madrid System to the private sector contributed to the accessions of Thailand and Indonesia which took place in November 2017 and January 2018, respectively. Eight ASEAN countries among the 10 are now members of the Madrid System, and Malaysia has indicated that it may join before the end of the year. The WSO also continued to expand and develop its modes of cooperation with the private sector throughout ASEAN, including through partnering with national chambers of commerce and industry in each ASEAN Member State.

119. Looking ahead, a priority for the Secretariat will be ensuring the new External Offices in Algeria and Nigeria are able to become operational as soon as possible so that they can contribute to innovation, creativity and well-being in their areas of responsibility. At the same time, it will be critical to fully integrate these new offices into the Organization's systems and processes and to implement as quickly as possible any decision of the Member States at these Assemblies to open new External Offices in line with the Guiding Principles Regarding WIPO External Offices.



# Communications

120. The Communications Division engages WIPO's stakeholders and the general public through a number of different programs, activities and channels. The past year has been very dynamic, with a strong increase in engagement with WIPO messages and content.

121. Member States' information needs continue to be a main focus of Communications. A mobile app, WIPO Delegate, was developed for Member States and released in the last quarter of 2017, providing delegates with easy access to timely information about WIPO meetings, important documents and the latest news.

122. The WIPO e-newsletter mailing platform delivers 22 topic-specific newsletters to subscribers in multiple languages, covering everything from traditional knowledge to PCT developments. It is an efficient means for stakeholders to stay up-to-date on detailed information and developments in WIPO's normative work and with WIPO's IP services. Since the last Assemblies, 920 newsletters were sent via the platform, with subscribers opening newsletters more than 1.5 million times, generating some 280,000 clicks to further content on the WIPO website.

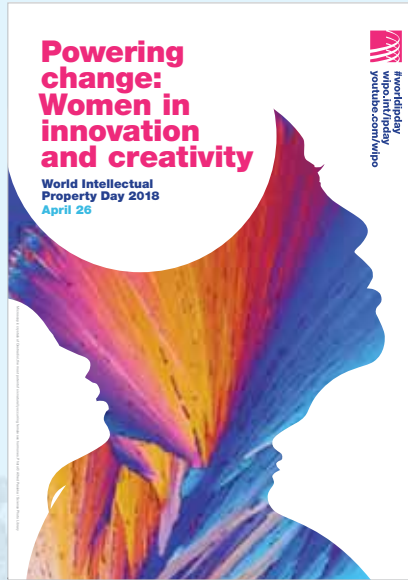
123. The cross-cutting *WIPO Wire* newsletter is published every two weeks in all six official UN languages and offers a selection of WIPO news, features, video clips and resource tips. Launched in mid-2015, this flagship newsletter now boasts some 16,000 subscribers across all languages from more than 170 countries.

124. Now in its 18<sup>th</sup> year, World IP Day has become an important avenue for collaborating with Members States and their IP Offices as well as with civil society to promote the value of IP throughout the world. The World IP Day Campaign focuses on making the domain of IP more accessible and understandable to the general public.

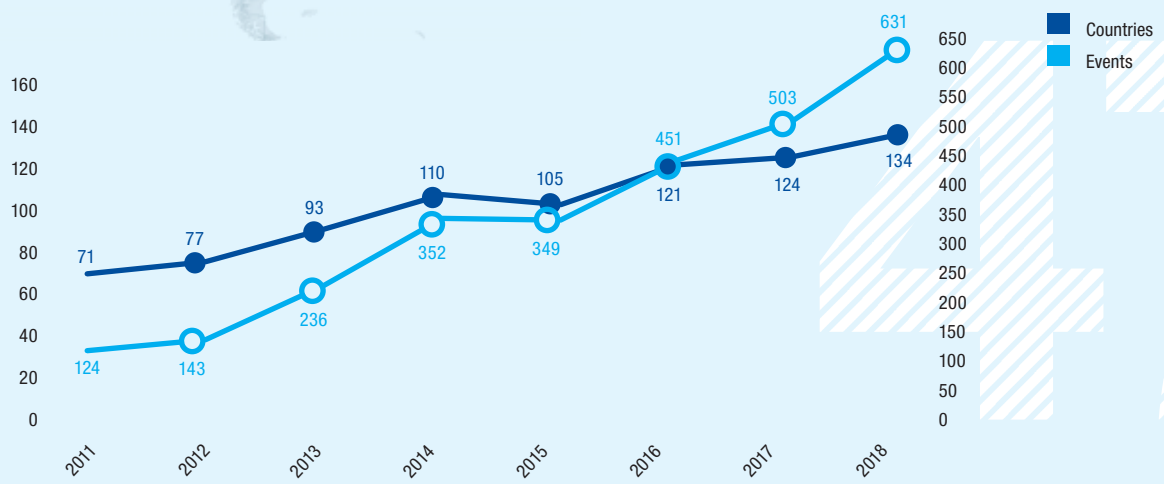
125. In 2018, IP Offices, schools and organizations in Member States participated enthusiastically in World IP Day activities on the theme "*Powering change: Women in innovation and creativity*": 631 events – an increase of 25.5% on 2017 figures – were reported in 134 countries (compared to 124 countries in 2017). This year's campaign again recorded high levels of public engagement. Some 600,000 people were reached via Facebook, while web page views exceeded the 100,000 mark with all-time records in views for Arabic, English and Spanish web resources. Twitter engagement rose to 13,815 – an increase of 58%. World IP Day content on LinkedIn generated over 110,000 impressions. WIPO also released new figures on the number of women inventors listed as PCT inventors to coincide with World IP Day, attracting significant press attention around the world.







Countries and events celebrating World IP Day



126. WIPO’s flagship outreach publication, the *WIPO Magazine*, is published six times a year in English, French and Spanish. An additional special issue in English and French on women, innovation and agriculture, to tie in with a WIPO conference in Casablanca on the subject, was also published.

127. WIPO uses different digital and social platforms to reach its audiences: the WIPO website, Twitter, Facebook, YouTube and Flickr. The Communications Division uses integrated campaigns and multi-format content to build awareness and publicize WIPO products and services, leading to increased success on these channels. The WIPO website generated 112.3 million page views. Several areas of the website have been revamped with new content and improved navigation, including the ‘Cooperation’ and ‘WIPO Academy’ pages. New pages were also created to address issues of interest or promote campaigns or conferences, such as for finance, artificial intelligence and IP, technical assistance, the Building Respect for IP Conference in South Africa, and the Judges Forum.

128. WIPO continued to exploit video as a channel of communication, with innovative visual design being used in new productions for Traditional Knowledge and the WIPO Academy, and to launch the *Global Innovation Index* and the *World Intellectual Property Indicators* reports.

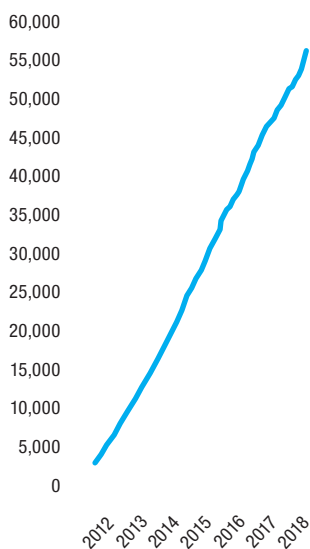
129. On Twitter, WIPO’s 55,800 followers show notably high levels of engagement with WIPO’s messages, generating approximately 8.4 million impressions, 22,600 retweets and 29,900 likes since October 1, 2017.

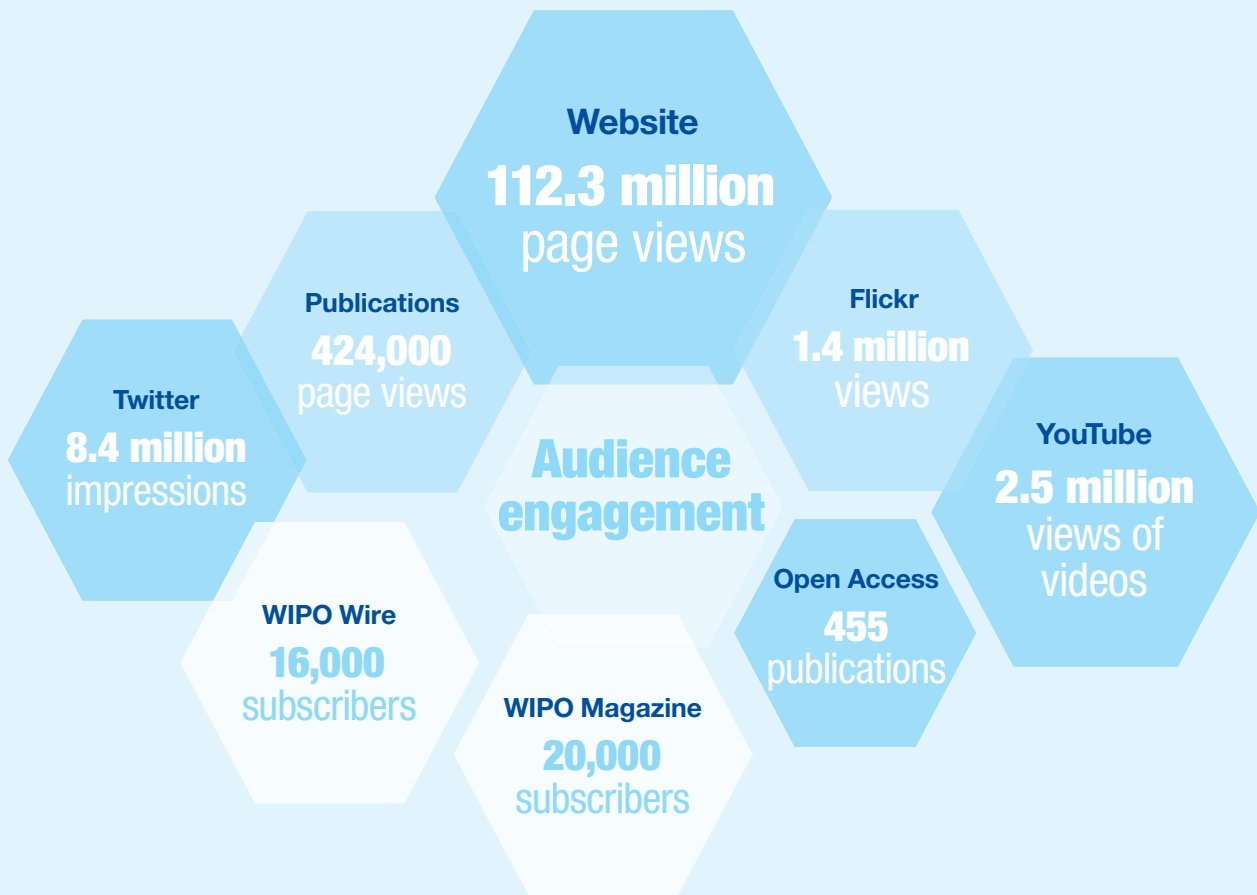
130. The WIPO Flickr site continues to present visitors with a visual portrayal of a wide range of WIPO events and stakeholders – lifetime views exceeded 7.2 million, including more than 1.4 million new views in the past year.

131. In the year since the last Assemblies, the WIPO YouTube channel enjoyed 2.5 million views of WIPO videos. Lifetime views of WIPO videos on the channel passed the 15 million mark. Both these achievements are the result of the steady volume of absorbing new videos – approximately 110 – added since the last WIPO Assemblies.

132. Through the press, WIPO engages the general public, business innovators, policy staff, government leaders and other stakeholders worldwide in order to increase these stakeholders’ awareness of WIPO and the importance of IP in today’s world. Of the over 59,000 media hits registered since the last Assemblies, 98% were either positive or neutral (Source: Meltwater Metrics). The Communications Division gave a new level of editorial and design support to our flagship research and statistical publications of the year, the *World Intellectual Property Indicators 2017*, the *World Intellectual Property Report 2017* and the *Global Innovation Index 2018* through data visualizations, animated GIFs, infographics, motion designs and online dynamic charts, all of which were carried on WIPO’s social media and digital channels. The launches of these flagship reports and the annual release of the Global IP Services data, together with coverage of other news events, resulted in extensive worldwide press coverage, including in outlets such as the Associated Press (AP), Reuters, Agence France-Presse (AFP), BBC Television, *The Financial Times*, Xinhua news service, *China People’s Daily*, India’s *Economic Times*, Japan’s *Asahi Shimbun*, *Le Figaro* of France, *The Washington Post* and many others.

**@WIPO Twitter followers, 2012–2018**





133. WIPO’s online platform allows users to search and use the knowledge contained in more than 1,637 WIPO publications and information products. Since the last Assemblies, these reference products enjoyed more than 424,000 page views. All WIPO publications online are available for download free of charge, with an option to purchase hard copies through a print-on-demand service. Four new Depository Libraries were established, bringing the total national repositories with a full collection of WIPO’s key publications to 120.

134. Since WIPO’s adoption of its Open Access Policy in October 2016, which allows users to reproduce, distribute or adapt WIPO content without needing to seek permission, the Organization has released 455 publications under Creative Commons license.

135. WIPO continued its commitment to accessible publications for visually-impaired persons. Forty WIPO staff members, plus six colleagues from other IGOs, were trained in the production of accessible publications and documents. Forty-one publications have been issued in accessible formats. WIPO is now also mainstreaming the publishing workflow of its meeting documents for persons with visual impairments or other print disabilities.



# Administrative Support Services

136. While neither the most visible nor the most glamorous part of the work of the Organization, the various administrative support services are certainly to be counted amongst the most important parts of the Organization. They ensure that the Organization is able to function and to do so in an efficient, cost-effective and high-quality manner.

137. Travel is fundamental to the life of an international organization. After three consecutive years showing a decrease in travel costs, the average travel costs for 2017 stabilized. We have undertaken negotiations and procedural changes that will yield significant savings in 2018.

138. With increasing resort to outside expertise to complement internal skills, procurement continues to grow in importance in the operation of the Organization. In 2017, a cross-functional working group was tasked to review the procurement regulatory framework, approved at the 2017 Assemblies, which resulted in a strengthened framework, as well as a potential reduction of the time to procure. A Vendor Sanction Policy, together with its Manual of Procedures, was also published during the year.

## Travel costs, 2014–2017

Year	Average service fee (CHF)	Average ticket fare (CHF)	Total travel expenditure (CHF millions)
2014	119	1,598	20.3
2015	95	1,481	21.4
2016	92	1,315	18.6
2017	94	1,333	20.3

139. In order to accomplish a more agile procurement process and reduce the time to procure, in 2017, the Procurement Section established 53 new Long Term Agreements (LTAs) through which more than 40% of the total WIPO expenditure (CHF 113,197,128) is procured. The use of LTAs allows WIPO to procure goods and services effectively, avoiding the issuance of repetitive and long solicitation processes.

140. In 2017, the savings derived from negotiations with suppliers amounted to almost CHF 5 million. Of WIPO's 105 strategic suppliers, 86% have been subject to at least one vendor performance assessment (compared to 52% in 2016). In

terms of agility and reduction of the time to procure, it is to be noted that, in addition to the increased number of LTAs, our collaboration level with other agencies now constitutes 6.7% of our total spending. Overall, collaborative or competitive processes were applied to the vast majority of our purchases and only 2.8% of our expenditure was the subject of an alternative procedure, which is a reduction compared to the preceding year.

141. On the WIPO Campus, a full floor-to-ceiling renovation of the WIPO Printshop and document distribution areas was successfully undertaken in accordance with the Organization's Capital Master Plan. The result of this major project is greater efficiency in operations, higher quality in printing products and better and more hygienic working conditions for staff in the Printshop.

142. The Organization is committed to multilingualism and has a proud record of delivering on that commitment. The five-year phased implementation of the Policy on Languages at WIPO, adopted by Member States to broaden language coverage within our policy of multilingualism, was successfully achieved by the end of 2017, in a cost-effective manner and with timeliness and quality of translations ensured. In order to further improve efficiency, productivity and quality, efforts have been made in the Secretariat to maximize the benefits of translation technologies, including the neural machine translation tool of WIPO Translate.

143. The security of people, information and physical assets continues to remain a priority. Since the last Assemblies, WIPO established an Information Classification and Handling policy to classify and protect the Organization's information commensurate with risk levels. Initiatives to increase staff awareness of information security threats continued with a number of simulated phishing campaigns designed to train staff to detect malicious activity and to respond appropriately, as well as an Information Security Awareness Week that featured a "live hack" demonstration.

144. WIPO's international information security certification (ISO/IEC 27001) of its Global IP Systems and the Arbitration and Mediation Center was successfully maintained for the fifth year, while extending the scope of the certification to the "Hire to Retire" (Human Resources) and "Procure to Pay" (Procurement) processes. We also markedly improved our information security posture through the establishment of a 24-by-7 Information Security Operations Center (ISOC) that monitors all WIPO systems for cyber threats and vulnerabilities, enabling a more rapid response to potential attacks. Additionally, several cross-cutting and reusable security architectures were developed to enable WIPO to adopt the cloud and use secure authentication mechanisms.



145. In response to the evolving security threat environment in Europe, an armed guard capability was implemented at headquarters, requiring extensive due diligence to comply with UN requirements and Swiss laws. This and other perimeter enhancements and improvements to procedures allowed us to successfully provide safety and security to 104 Geneva events that hosted over 21,000 guests without any major incidents. In 2017, the security threat and risk service supported 3,377 staff and non-staff persons on mission, at External Offices and external events and at conferences. WIPO also developed a long-term strategic security plan aligned with the Medium-Term Strategic Plan, with a focus on prevention, preparedness and resilience, rather than reaction and compliance, to manage both predictable and unpredictable operational security risks. The strategy will help WIPO comply with the mandatory requirements of the UN Security Management System (UNSMS) and bring the Organization in line with commercial security standards such as ISO 31000. The strategy will focus on key areas, including developing a Dynamic Incident Management (DIM) capability (for example, responding to quickly evolving threats such as violent protests or an attack on a WIPO building), embedding security and risk management practices into the daily operations of all sectors, and creating a culture of security at WIPO. Lastly, the Working Group on Duty of Care related to Safety and Security completed its report with recommendations on the applicability of WIPO's Duty of Care to staff and non-staff.

146. Against the backdrop of a continually-evolving global threat environment characterized by ever more complex cyberattacks, as well as the global insurgency of violent extremism, WIPO will have to continue to remain vigilant and invest in state-of-the-art security risk management measures in order to operate safely and securely in this dynamic operating context.

147. Our conference services remain at the heart of the Organization's capacity to provide a forum for dialogue and understanding between Member States.



More than 100 Member State events were hosted by WIPO over the year.



Photos: WIPO / Berrod



Photos: WIPO / Berrod

## Conference and General Services

### Service, streamlining, sustainability

- 98% delegate satisfaction rate with WIPO conference services
- 79% documents published in 6 languages 4 weeks+ before Committee meetings
- 6,800 delegates registered for 250 conference days in 2017
- 325 m<sup>2</sup> office space released by streamlining printshop, equipment and operations
- 21% decrease in paper mailing in 4 years
- 38% reduction in printed pages of conference documents in 2017

# Human Resources

148. In an era of intense competition, accelerating technological change and fast-shifting external environments, WIPO, more than ever, must leverage its workforce to the best effect. As the Organization's human capital, the workforce is responsible for delivering the services of the Organization and is the greatest contributor to the growth of the Organization. Staff form the core of WIPO's workforce and are the Organization's most valuable asset. Their needs must be aligned with organizational strategies to propel WIPO into the future, ensuring that it is well-equipped to surmount the challenges that changing times will undoubtedly bring.

149. I am pleased to report that the persistent issue of long-serving temporary employees (LSTEs) was finally laid to rest in 2017. In 2010, Member States approved a program for the regularization of continuing roles, starting with LSTEs. The program provided for the creation of up to 156 posts under the regular budget over a period of five years, starting in 2012. Of the 156 posts approved by Member States, 84 were used for the regularization of LSTEs and 72 for the regularization of functions assessed as continuing through the organizational design exercise. The first set of regularizations was completed in 2017, resolving the matter of LSTEs.

150. WIPO's staff remains diverse and culturally rich with 118 nationalities from all the regions of the world. Women and men are equal partners with near parity overall, even as efforts continue to improve the representation of women in managerial and leadership positions. The dynamic mix of Baby Boomers, Generation X and, increasingly, Millennials, within the staff spawns a rich variety of cross-generational ideas. All this attests to WIPO's commitment to promoting and nurturing diversity and inclusion among its staff as part of organizational growth. WIPO's human capital reflects multiple and insight-driven perspectives. This prompts the right questions, thereby enabling the formulation of appropriate and innovative solutions to ensure sustained organizational relevance.

151. WIPO has crafted a strategic response to the twin challenges of maintaining competitiveness and keeping up with the technological curve. In addition to maintaining diversity, this response also includes keeping the workforce agile by providing it with the necessary skills set. WIPO prizes continuing staff development, recognizing it as crucial to the renewal and updating of skills.

152. Enabling professional growth through learning and training is essential. The Organization's staff development program has been strengthened, supported by the recent introduction of a new IT tool as part of Enterprise Resource Planning (ERP) Talent Management Project. Access to learning content in different media (reading materials, videos, e-Learning programs), whether for classroom courses



or self-paced learning activities, has been considerably facilitated. Teams can directly administer learning activities in their respective areas, thereby enhancing autonomy, reinforcing self-responsibility and minimizing administrative oversight. New courses have been offered to keep learning opportunities interesting and current. Information sessions have been specifically designed in cooperation with the various Sectors to address knowledge gaps.

153. A pilot Mentoring Program was launched in early 2018, sourcing mentors from the Organization's talent pool to assist and guide colleagues in their individual career development. Staff members who pursue continuing education to obtain additional academic credentials or advanced degrees receive a financial subsidy and time off for studies. Personal and professional development workshops continue to be offered in collaboration with other UN agencies, encouraging inter-organizational knowledge-sharing and optimizing economies of scale.

154. The women of WIPO are the target of new and creative initiatives to increase women's participation in management and leadership positions. Female staff members at the P3, P4 and P5 levels have a dedicated professional and career development program. WIPO is also an active member of EMERGE, a program jointly developed by 11 UN entities to prepare female staff at the P3 grade for senior roles.

155. WIPO subscribes to the UN System-wide Strategy on Gender Parity which was launched in the latter part of 2017. Of 35 UN entities which are being measured for achieving gender parity in the Professional and higher categories, WIPO ranks among the top 10 as at December 31, 2016, according to the latest data from UN Women.

156. Rewarding excellence and recognizing staff contribution and productivity has become an annual organizational highlight among staff. The WIPO Rewards and Recognition Program (RRP) went through its fourth iteration in July 2018. The RRP is closely aligned with the principles and guidelines issued by the International Civil Service Commission. It demonstrates WIPO's commitment to recognizing outstanding contributions of individual staff members and teams in achieving organizational objectives.

157. Staff welfare is at the heart of new initiatives. I fully support the principle of work-life balance by providing an enabling environment for staff to manage time effectively, harmonizing private commitments with career goals. A host of preparatory activities is vigorously under way for the introduction of new flexible working arrangements in addition to part-time working arrangements currently availed of by some 13% of staff, mostly women.

158. The renovation of the offices and facilities of the Medical and Social Welfare unit was completed in late 2017, ensuring compliance with standards of medical hygiene and occupational health. New features benefiting staff include a dedicated nursing room, a meditation room for staff members of all faiths and a room for medical emergencies. Furthermore, as part of WIPO's duty of care, assessments of work areas for safety and health risks are conducted on an ongoing basis, with the latest taking place in April 2018. Individual offices and other work areas are assessed for various health and safety hazards and measures are implemented to eliminate or mitigate such risks.



159. No less vital to staff wellbeing is the safeguarding of their democratic rights to staff representation and association. In the wake of a staff petition and heeding the advice of a joint staff-management advisory group, I confirmed to all staff that under WIPO's Staff Regulations and Rules, each staff member has the right to vote for their representatives. Thus, in a first-ever election organized by staff in 2017, in which everyone had the right to participate, members were elected to the staff representative body for a one-year term. Since then, in a robust exercise of their right to association, various staff members have established new staff associations and groups which cater to a wide spectrum of staff interests. In March 2018, a second election took place whereby staff elected their representatives, this time for a three-year mandate. I am pleased and proud to note that never before have staff been so broadly active and organized in carrying out activities for and by themselves, including taking up issues relating to staff welfare with the Administration. I remain committed to engaging with staff representatives in a spirit of mutual respect and open dialogue.

160. The organizational dividends of addressing staff needs are multiple. Performance evaluations in 2017 show that a large majority of staff (75%) are performing effectively, with an additional 21% considered as outstanding performers. Equally noteworthy, the results of a recent WIPO staff survey on wellbeing show that an overwhelming majority (84%) are satisfied with their jobs. Productivity in the PCT and Madrid registration systems, which are the principal benchmarks of organizational performance, continues trending upwards. These positive results take on added significance when viewed in the context of the threat of a pay cut in 2017 (which has since materialized) for staff serving in Geneva in the Professional and higher categories.

161. In addition to adapting the skills set and updating the competencies of existing staff, effective talent sourcing is essential to maintaining a diverse and agile workforce. In this regard, a motivated and productive staff is perhaps the best endorsement of WIPO as an employer of choice to attract diverse talent, especially in a fiercely competitive job market. Furthermore, engagement with unrepresented Member States has resulted in a significant increase of applications from their nationals and a number of Member States are newly represented among WIPO staff.

162. Once more, I salute and thank the staff for their committed service to the Organization, without which the achievement of our organizational goals would not have been possible.

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## Human Capital Highlights

1. WIPO staff continues to be high performing.
    - 2017 PMSDS data shows a large majority (75%) are effective performers while an additional one-fifth (21%) are considered outstanding performers.
    - An overwhelming majority of staff (84%) are satisfied with their jobs as reflected in the results of a recent staff survey on wellbeing.
  2. WIPO staff is rich in diversity
    - 118 nationalities are represented among staff, coming from all the regions of the world.
    - Near gender parity is achieved in the total number of staff (54% female and 46% male) even while more needs to be done to increase women representation in management and leadership roles.
    - An average staff age of 48 years old is the result of an inter-generational mix of Baby Boomers, Generation X and Millennials.
  3. The WIPO workforce continues to be characterized by flexibility: There is a 70:30 ratio between core (i.e., fixed-term, continuing and permanent staff) and flexible (i.e., temporary staff and non-staff) resources.
  4. Women continue to outnumber men in participation in WIPO Academy courses: 34,546 women took Academy courses in 2017, accounting for 52% of all participants and the highest number of enrollments yet – a big leap from 1986 when women accounted for less than one third of participants.
  5. WIPO ranks 10<sup>th</sup> among 35 UN entities in gender parity in the Professional and higher categories as at December 31, 2016, up from 12<sup>th</sup> place as at December 31, 2015, based on latest information from UN Women.
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World Intellectual Property Organization  
34, chemin des Colombettes  
P.O. Box 18  
CH-1211 Geneva 20  
Switzerland

Tel: +41 22 338 91 11  
Fax: +41 22 733 54 28

For contact details of WIPO's  
External Offices visit:  
[www.wipo.int/about-wipo/en/offices/](http://www.wipo.int/about-wipo/en/offices/)

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Printed in Switzerland

WIPO Publication No. 1050E/18  
ISBN 978-92-805-2968-5