

WORLD TRADE ORGANIZATION

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**Council for Trade-Related Aspects
of Intellectual Property Rights**

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TECHNICAL COOPERATION ACTIVITIES: INFORMATION FROM OTHER INTERGOVERNMENTAL ORGANIZATIONS

THE WORLD BANK

Addendum

The present document reproduces the updated information on technical and financial cooperation activities relevant to the implementation of the TRIPS Agreement, which as been received from the World Bank by means of a communication, dated 8 October 1999.

WORLD BANK ACTIVITIES ON TRADE-RELATED INTELLECTUAL PROPERTY RIGHTS: 1998-99

A. COUNTRY/REGION ACTIVITIES:

Brazil

A third loan in a series of loans on the PADCT project, funds the ministry of science and technology programme in 1998 to 1999. The World Bank is supporting reform of the administration and protection of intellectual property rights as one component of a broader science and technology development program. The project as a whole is intended to stimulate private-sector R&D spending, which is low compared to that in other emerging economies. The ultimate objective of the IPR component is to improve industrial productivity and competitiveness, especially in export-oriented firms. It consists primarily of administrative improvements to support implementation of the new (1996) industrial property law.

Brazil has signed the Paris, Berne, UPOV (in May 1999) and Rome Conventions, but not the integrated circuits treaty.

The total amount of the loan is \$160M with \$ 4M earmarked for IP programs. The programme is designed by Brazilians to conduct studies and enhance education on IP. One aspect of the project is to also training the staff of the trademark office regarding IP issues. It also intends to support administrative reform: develop local agencies that specialize in providing industrial property technical assistance. Finally, it is to disseminate information about the new IPR law and develop national indicators for trademarks and patents.

Indonesia

The infrastructure Development Project has a component to support intellectual property rights, including technical assistance to provide legal advisory services to the Directorate General of

IP and develop teaching curricula on IPR, and organization and implementation of study tours and education in IPR. In 1997 Indonesia passed new laws protecting intellectual property rights in support of commitments made under the TRIPS Agreement and to make Indonesia more attractive to investment by foreign information technology firms.

The project was developed in February 1998 and is now getting under way. It is run for 5 years. The goal is to ensure compatibility of Indonesian laws with TRIPS. Its ultimate goal is to enhance private sector supply of information technology services. Indonesia is a member of the Berne and Paris conventions, but not the UPOV or Rome conventions, nor has it signed the integrated circuits treaty.

The cost of the IPR protection component is \$14.7 million.

The scope of the project includes:

1. Administrative improvements: create a new agency to implement national information technology strategy; develop better procedures for IPR administration, examination, and information dissemination.
2. Staff training: train staff involved in implementation of IPR laws (including customs officials, policymakers, judges, prosecutors).
3. Legal reforms: prepare laws and regulations on integrated circuits (topography) trademarks, and trade secrets.

Malawi

The WB is working with the government of Malawi on Integrated Framework /WTO issues. Within this framework, a legal expert (funded by another agency) is working on the legal implications of WTO related agreements – including TRIPS - for the government. A draft of his report is expected to come out in October.

El Salvador

Bids were taken last year for a project to help improve the IP system in El Salvador. The project was to:

1. Change the law (ie: provide a draft of the law)
2. Strengthen administration of patents and trademarks
3. Improve the judicial system (training, etc...)

Bangladesh

Parallel and closely coordinated support from the World Bank Group's IDA and the United Kingdom's DFID will be strengthening the institutional capability of the Bangladesh public and private sectors with respect to management of that country's opportunities and obligations under all relevant Uruguay agreements. The total value of the IDA/DFID-funded technical support and training over the three years commencing September/October 1999 is approximately US\$3.5 million, although this includes capacity building with respect to unilateral trade policy and regional cooperation (notably SAARC), as well as WTO-related global cooperation (including TRIPS).

Much of the IDA/DFID support will be provided to the Bangladesh Tariff Commission, which the Ministry of Commerce has designated to provide core technical backup to the Government's roles in these areas, but some will be provided to that Ministry itself as well as to other public agencies (e.g. those dealing with technology and intellectual property) and to private associations as required and prioritized. The participation of the World Intellectual Property Organization, the WTO Secretariat, the Council for TRIPS, and other concerned international entities will provide expertise through or complementary to the project when specific needs are identified by the project team.

Within the Integrated Framework for trade-related technical assistance to the least developed countries, Bangladesh will be holding a Round Table (RT) donor consultation, perhaps as soon as late-October 1999. The multi-year programme to be presented to the RT and expected donor responses may include more specifically TRIPS-relevant activities that would complement the above project. Preparations for the RT are being made by the Bangladesh Government, with support if required from IDA and ITC.

Senegal

The Bank is in the initial stages of identifying possible approaches and vehicles to support the Government's initiative to provide a legal framework to protect intellectual property with special emphasis on cultural industries and heritage. One of the components identified for inclusion in the Government's initiative is the preparation of a "Code of Conduct for Cultural Industries". It is expected that the Bank-supported Committee for Judicial Reform will include preparation of the code under its mandate to reform commercial law in Senegal.

Turkey

The major objective of the Industrial Technology Project (ITP) is to improve the competitiveness of Turkish industry, both in domestic and foreign markets. The project aims to do so by (i) assisting in the harmonization of Turkish technology infrastructure and services with European Customs Union (ECU) standards, and (ii) assisting firms in upgrading their technological capabilities. Strengthening the infrastructure for the examination, search, retrieval, and enforcement of industrial property rights (patents, trademarks) is one of the four components of this project. The project which was approved by the Board in June 1999, is expected to become effective in October 1999. The total loan amount is US\$155 million, with the IP component about US\$15 million.

Mexico

A major project has been completed, but may still be of interest.

As one part of a broader effort to improve research and development, the World Bank funded a program from 1992-96 to improve intellectual property rights protection in Mexico. The project as a whole aimed to improve the competitiveness of Mexican firms (through increased R&D), attract foreign investment, and develop institutions supporting IPR administration and protection. Specific goals of the IPR component were to reduce delays in awarding industrial patents and increase IPR enforcement activities in support of newly passed industrial property laws. A Bank review notes that this project reduced delays in awarding patents, but failed to increase patent awards to Mexican nationals or to stimulate Mexican R&D spending.

Mexico is a member of the Berne, Paris and UPOV conventions, but has not signed the integrated circuits treaty. The final cost of the IPR component was \$32.1 million, less than the \$40.6 million originally budgeted, due to savings in administrative expenses.

The scope of the project:

1. Administrative improvements: established agency to implement the new industrial property law
2. Staff training: trained staff of the patent and trademark office
3. Computerization: automated patent application process; computerized database of patent and trademark documents
4. Enforcement: trained judicial staff; created specialized intellectual property court.

Eastern and Southern Africa

Kenya, Uganda, Zambia and Zimbabwe, are implementing Bank-assisted agricultural research projects that involve technical and financial support to components of crop and livestock improvement, seed multiplication and dissemination. In these projects, the development of the formal seed sub-sector through private sector seed companies is facilitated concurrent with support to the informal sector where improved seed is exchanged or sold from farmer to farmer, often supported and facilitated by publicly-financed agricultural research institutions and non-government organizations (NGOs). In most cases, this involves the development of appropriate policy guidelines, legislation and regulations to better define the respective roles of the public and private sectors. Clearly-defined intellectual property rights are a pre-requisite for an effective and efficient seed sub-sector and in those countries where there is a need for further work in this area, support through Bank-assisted projects is being made available.

B. WORKSHOPS/SEMINARS/CONSULTATIONS/RESEARCH AND APPLIED PAPERS:

B1 Intellectual Property Rights in General

In May '98, an electronic conference was organized by TechNet on IPRs. The conference archive remains available at <http://vwww.vita.org/technet/iprs/iprsarch/>

Prof. Alain de Janvry of UC Berkeley is spending a 6-month sabbatical at the World Bank to work on a section of the next World Development Report (2000/01). He is looking at biotechnology and poverty alleviation, including the role of IPRs. Furthermore, the WTO 2000 project being undertaken by the DEC-Research Group-Trade for the upcoming trade negotiations will include analyses of TRIPS issues.

B.II. Intellectual Property Rights in Agriculture:

Regarding IPRs in agriculture, a first major event was the workshop in June '98. A proceedings volume from this workshop has been published and is available.

The conclusions of the meeting were that:

- The situation with regard to IPRs is moving so rapidly, with so many stakeholders and complex implications for the World Bank's borrowing and member countries,

that the Bank has an important convening role to play-- both at the strategic level and the operational level-- in assisting its borrower and member countries.

- At the strategic level, the Bank needs to play a catalytic role in a few areas considered collectively of high priority by its borrowing countries and other relevant stakeholders (including particularly the private sector). For instance, it can serve as a catalyst to initiate policy and institutional analysis of innovation systems that will break new ground in mobilizing resources for partnerships for a rapid, equitable and sustainable development of agriculture in developing countries;
- At the operational level, the Bank needs to develop the capacity of its task team leaders to advise borrowing countries more effectively, including advice on access to the best expertise, training programs, etc., where there is considerable activity outside the Bank;
- The meeting agreed to maintain the network of the participants and others as appropriate to:
 - publish the proceedings of the meeting and
 - pursue a concrete follow-up action plan along the lines suggested by the Bank's borrowers.

A Biotech task-force was created within the Bank in January 1999. The Biotech Task Force that only deals with IPRs as one among six important sets of issues. The task force meets on a regular basis to discuss Biotech-related guiding principles for future World Bank work.

In June '99 a Biotech Workshop was held at the Bank. After the June '99 workshop, which had a plenary session and included a breakout session on IPRs, the Biotech Task Force created six ad-hoc working groups, one of which is dealing with IPRs. This working group has come up with a set of recommendations for what the World Bank should or should not do in relation to IPRs, which will be incorporated into the Issues and Options paper - as will the recommendations of five other working groups on other biotech-related issues. Thus, the work of the task force on IPRs is in the context of biotechnology (and all of this in the context of sustainable intensification of agricultural production for poverty alleviation).

The summary report of our June '99 Biotech Workshop can be found under <http://www.iisd.ca/linkages/sd/sdabi/>.
