

**REPORT ON THE IMPLEMENTATION OF ARTICLE 66.2
OF THE TRIPS AGREEMENT**

JAPAN

The following communication, dated 2 October 2009, from the Delegation of Japan is being circulated pursuant to paragraph 1 of the Decision on Implementation of Article 66.2 of the TRIPS Agreement (IP/C/28).

Communications from other developed country Members will be circulated as addenda to this document.

The Government of Japan has been conducting development cooperation activities in many fields. Of course, one of the most important objectives of the cooperation activities is to promote and encourage the transfer of technology.

Japan understands that incentive for technology transfer should be interpreted to include variety of measures such as financial support and support for business environment and that support for business environment by strengthening intellectual property protection is one of the effective measures to promote technology transfer by private sectors. Based on this understanding, Japan has provided many incentive measures.

With regard to the incentives that Japan provides enterprises and institutions in Japan, the Government of Japan would like to report on the following activities. The Government of Japan believes that the following activities contribute to raising the level of technological infrastructure in the least developed countries (LDCs), which will bring about further technology transfer.

I. SPECIAL INITIATIVES

A. COOL EARTH PARTNERSHIP

1. Japan established Cool Earth Partnership, on the scale of US\$10 billion. Through this, Japan is cooperating actively with developing countries' efforts to reduce emissions, such as efforts to enhance energy efficiency. At the same time, Japan is extending the hand of assistance to developing countries suffering severe adverse impacts as a result of climate change. Japan uses such instruments to strengthen our solidarity with developing countries and work towards the reduction of greenhouse gases globally. As of September 2009 about 90 countries have become "Cool Earth Partners". Some examples of assistance provided for LDC members are listed below:

- Science and technology cooperation on global issues: Tuvalu, Bangladesh, Burkina Faso,
- Expert dispatch: Timor-Leste, Malawi, Bangladesh, Burkina Faso, Malawi, Timor-Leste, Tuvalu,
- Technical cooperation for development planning: Tuvalu, Maldives,
- Cool Earth Partnership Seminar: Burundi, Comoros, Kiribati, Timor-Leste, Togo, Tuvalu, Vanuatu.

B. AID FOR TRADE

2. In 2005, Japan announced the Development Initiative for Trade, as its unique and proactive contribution to Aid for Trade. Accordingly, Japan has carried out comprehensive and tailored assistance by combining various tools including ODA and other measures to improve market access for LDC products in each stage of trade - "to produce", "to sell", and "to buy". Over the following three years, Japan successfully achieved all commitments under the Initiative, through various assistance, such as doubling ODA for Africa at TICAD IV, and the "One Village, One Product Campaign" which aims to support developing countries' efforts in entering the Japanese market. In July 2009, Japan announced "Development Initiative for Trade 2009" as its new strategy for Aid for Trade. Under this new initiative, Japan will provide US\$12 billion through bilateral assistance for trade-related projects from 2009-2011 and also provide technical assistance over the same period for 40,000 persons in total in the field of trade-related activities.

II. ACTIVITIES TAKEN BY TECHNICAL COOPERATION ORGANIZATIONS

A. JICA ACTIVITIES

3. JICA provides technical cooperation through ODA and techniques and technologies are transferred necessarily through such technical cooperation. The technical cooperation projects aim to provide support for training of personnel required to achieve social and economic progress at developing countries and help the development and diffusion of technology and skills. Elements such as the dispatch of experts, acceptance of technical training participants and the provision of equipment are systematically linked and integrated into each and every aspect of technical cooperation projects - from the formulation of plans to their execution and evaluation. Such technical cooperation are varied - support for sustainable development of developing countries such as support for socio-economic infrastructure and information and communication technology (ICT), support for social development such as agricultural and rural support, fisheries, health, addressing global issues such as environmental issues, resources and energy, infectious diseases. The budget for technical cooperation through JICA amounts to approximately ¥155.8 billion for FY2008. Some examples of technical cooperation for LDC Members are listed below:

- Uganda: NERICA rice promotion project (2008-2011);
- Cambodia: Capacity and institutional building of electric sector (2004-2007);
- Senegal: The project on the popularization of the transformation technique for marine products (2007-2009);
- Bangladesh: Poultry technology development and dissemination project (2006-2011);
- Burkina Faso: The project for dissemination of improved seeds (2008-2011);

- Madagascar: The project for rice productivity improvement in Central Highland (2009-2014);
- Mauritania: The project for reinforcement of mineral exploitation research (2007-2008);
- Mozambique: The project on implementation of Mid-Level ICT diploma course in Mozambique Information and Communication Institute (MICTI) (2007-2009);
- Malawi: Rural electrification promotion project (2006-2009);
- Zambia: The project for improvement of animal health and production delivery through extension services (2006-2009);
- Cambodia: The project of capacity development on ICT management at Nida (2008 - 2010);
- Lao PDR: Assistance for promotion of Lao electric power technical standard (2005 - 2008).

B. AOTS

4. The Association for Overseas Technical Scholarship (AOTS) is a public organization established in 1959, and provides training programmes within Japan and overseas.

5. The main targets are engineers and managers in industrial sectors from developing countries.

Training programmes in Japan

- Training conducted for engineers and managers invited to Japan from developing countries as trainees.
- Its programmes include practical trainings implemented by private-sector companies, which allows trainees to acquire the skills or techniques in specific fields.

Overseas training programmes

Overseas training carried out by skilful experts dispatched from Japan as instructors.

- Specific techniques can be taught to a number of participants efficiently at once, and the level of training can be adjusted to the actual needs there.
- Cambodia, Lao PDR, Myanmar: Training on environmental measures in chemical industry (2005-2007).
- Cambodia, Lao PDR, Myanmar: Training on recycling of minerals and metals (2007-2008).

C. JODC

6. The Japan Overseas Development Corporation (JODC) was established in 1970, and has been engaged in dispatch of experts with specific skills toward developing countries for human resources development as its main objective.

7. JODC experts provide technical guidance and advice to local companies, and contribute for improvements in areas such as manufacturing technologies and business management skills.

- Myanmar: Technical instruction on development of software (2007-2008)
- Cambodia: Support for Cambodia rubber institution (2007-2009)

D. JETRO

8. The Japan External Trade Organization (JETRO) was established by the Japanese Government in 1958 as the nation's principal organization for the comprehensive implementation of trade policy.

(a) Dispatch of Experts to the Private Sector - Dispatch of Experts to Improve the Business Environment of Developing Countries to Promote Trade and Investment.

9. JETRO is engaged in the dispatching of experts to assist developing countries in the establishment of various rules and institutions necessary to create a business environment conducive to trade and investment. More specifically, at the requests of private sector bodies and other entities from developing countries, experts in such fields as intellectual property rights, standard and conformity assessment, and logistics are dispatched from Japan to provide advice and assistance to the entities making the requests.

- Myanmar: Support for human resource development on production management technology in sewing industry(2008-2010).

(b) Dispatch of Experts to the Private Sector - Support For Export Industries

10. JETRO helps developing countries achieve the expansion of its export to Japan and self-sustainable economic growth, through the dispatch of experts to identify and develop promising export products. Experts give advice and guidance on improving products design, production techniques and marketing strategies, etc. These activities include some projects as part of its assistance for "One Village One Product (OVOP)" campaigns implemented by developing countries.

(c) Development and Import Schemes

11. The "Development and Import Schemes" is a project to give a support, including a financial one, to Japanese companies having the purpose of developing industries and contributing to economic activities in a developing country, preferably in a least developed country, in order to give them an incentive to take a risk. They seek to locate promising products in developing countries, develop products in accordance with the needs in the Japanese market, and import them to Japan. Such supports will also be conducive to the nurturing of industries, and eventually to economic growth in developing countries. JETRO is using this scheme to provide support to motivated Japanese companies and to build a business model in developing countries.

- Malawi: Production of fermented tea material of high quality Puerh tea(2007)
- Uganda, Ethiopia, Madagascar: Development of spice and food material (2008)
- Tanzania: Development of mix spice (2008)

E. NEDO

12. Research cooperation differs from technical cooperation in that it takes the form of research and development that are adapted to the technological development issues (technological needs) being addressed at the developing countries. Assistance is provided indirectly through New Energy and Industrial Technology Development Organization (NEDO) to research institutions in developing countries and other bodies working jointly with them.

13. NEDO, established in 1980, is Japan's largest public management organization promoting research and development as well as the dissemination of industrial, energy and environmental technologies.

14. The assistance is in the form of the dispatch of research staff and technicians and the conduct of joint research through the acceptance of research personnel from the countries concerned. In addition, joint research is carried out through various activities including the production of materials and equipment necessary for research cooperation, the installation of such materials and equipment in the recipient countries, and integrated operation and conduct of research.

- Cambodia: Cooperative Research Project for Development of Technology to Generate Power Using Blended Non-food Biofuel and Biogas (2009-2010)

III. ACTIVITIES IN THE FIELD OF PHARMACEUTICAL SECTOR

15. As the provision of quality medicines form the foundation of healthcare, the establishment of a system that can consistently manufacture effective, safe and high-quality medicines is a task of extreme importance.

16. Furthermore, the spread of counterfeit medicines is a great public health problem as it not only threatens people's health but also harbours the risk of spawning resistant bacteria. As such, strengthening measures to combat the distribution of counterfeit medicines is also of great importance.

17. From these perspectives, the Government of Japan, through the JICA and Japan International Corporation of Welfare Services (JICWELS), conducts the following training programmes in order to develop and reinforce specialist personnel engaged in pharmaceutical administration:

Study Programme for Pharmaceutical Affairs Experts

This study programme is to develop human resources in the planning and implementation of pharmaceutical administration in the respective countries referring to the system and experiences by Japan and information from attending countries. The programme includes presentations on pharmaceutical affairs administration and related service in Japan, study visits to related facilities and lectures on building up pharmaceutical affairs administration in developing countries as well as information sharing among participants to promote mutual understanding in the field of pharmaceutical administration. In FY 2008, Japan welcomed eight participants from eight different countries, including Myanmar.

Study Programme on Manufacturing Control of Essential Drugs - GMP Course

This study programme is to develop human resources in the planning and administration of quality control in line with the GMP concept and the quality assurance of essential drugs in the respective countries referring to the system and experiences by Japan and information from attending countries. The programme includes lectures on the Japanese pharmaceutical administration, GMP

legislation, the Japanese pharmacopoeia, and the pharmaceutical inspection in Japan. The programme also includes study visits to the related facilities to provide more concrete information as well as information sharing among participants to promote mutual understanding in the field of quality control, in line with the GMP concept, and the quality assurance of essential drugs. In FY 2008, Japan welcomed four participants from four different countries, including Cambodia.

IV. ACTIVITIES IN THE FIELD OF INTELLECTUAL PROPERTY RIGHTS

A. ACTIVITIES IN THE FIELD OF INDUSTRIAL PROPERTY RIGHTS

18. The Japan Patent Office (JPO) has been holding group training courses on intellectual property rights (IPRs) for government officials, in cooperation with the WIPO and the Asia-Pacific Industrial Property Center (APIC) of the Japan Institute of Invention and Innovation (JIII). In FY 2008, the following four group training courses were held for the ESCAP region and 64 participants in total received training. These four training courses were organized by the WIPO and managed by the JPO, in cooperation with the APIC of JIII:

- The Training Course on the Enforcement of IPR under WIPO Funds-in-Trust/Japan is a two-week course for senior officials engaged in the enforcement of IPR in enforcement-related government agencies.
- - The Training Course on the Use of Information Technology in IP Administration under WIPO Funds-in-Trust/Japan is a two-week course for senior officials of IP offices responsible for information technology matters.
- The Training Course on the Examination Practices of Industrial Property (Basic Programme) under WIPO Funds-in-Trust/Japan is a two-week course for examiners in the field of IPRs. Participants are divided into two groups according to their specialties: patents and trademarks.
- The Training Course on Industrial Property Administration under WIPO Funds-in-Trust/Japan is a two-week course for senior officials in IP offices in charge of general administration and policy planning.

19. This training course is implemented by the JPO, in cooperation with APIC of JIII and the Association for Overseas Technical Scholarship (AOTS).

- The JPO/IPR Training Course on the Patent Examination Practices for ASEAN Member Countries is five-day course for officials in IP offices of ASEAN member countries.

20. The JPO has also been holding the following group training courses on industrial property rights for trainees from the private sector:

"JPO/IPR Training Course for IP Trainers"

Trainees of this three-week course are employees at universities or research institutions involved in education on the IP system and those engaged in the dissemination of IPR at IP assistance organizations.

21. This training course is managed by the JPO in cooperation with the APIC/JIII and the AOTS. In FY 2008, 14 participants received training.

22. The dispatch of experts is one of the WIPO Funds-in-Trust programmes and has been executed according to the request from developing countries in the Asia and Pacific region with the purpose of providing foreign IP offices with necessary instructions and advice. The dispatched experts contribute to increasing the efficiency of foreign IP offices to grant industrial property rights, and streamlining IP administration through rationalization of administrative procedures.

23. Aiming to support intellectual property development in Africa, the JPO dispatched experts to the *WIPO Seminar on Successful Experiences Linking Intellectual Property and Business* in Pretoria, South Africa in May 2009. The seminar had 60 participants from 35 African countries and was the first event utilizing the WIPO funds-in-trust/Japan for Africa and the LDCs. Since 2008, the Government of Japan has made this voluntary contribution to the WIPO for promoting technology transfer in Africa.

B. ACTIVITIES IN THE FIELD OF COPYRIGHTS

24. The Japan Copyright Office (JCO) has been planning and carrying out the following programmes in order to develop copyright systems in developing countries and to strengthen regional cooperation among Asia Pacific countries:

APACE Program

Since its establishment in 1993, "Asia-Pacific Copyright Systems Enhancement (APACE) Program" has contributed to the development of copyright systems in Asia-Pacific countries in cooperation with WIPO. The APACE program mainly consists of several activities such as Annual Regional Symposium, National Seminar, Training Programme, and Experts Missions.

The Asia-Pacific Copyright and Neighbouring Rights Seminar

This programme has been organized once a year since 1997, in order to provide opportunities for exchanging information and views on copyright and neighbouring rights issues with copyright officials from Asia-Pacific countries. The title will be changed to 'Asia Copyright Conference' in 2010.

JICA Group Training Course

This training course has been organized since 1998, in cooperation with the JICA for the development of copyright systems and its enforcement in developing countries.

C. ACTIVITIES IN THE FIELD OF PLANT VARIETY PROTECTION

25. The Ministry of Agriculture, Forestry and Fisheries (MAFF) Japan has been planning and implementing the following activities on the purpose of facilitating establishment and international harmonization of PVP systems in developing countries, especially in East Asian countries.

JICA Group Training Course

This JICA training course was started in 2000 in cooperation with the National Center for Seed and Seedlings (NCSS) to contribute to the protection of plant breeders' rights. In FY 2008, ten trainees were accepted from various countries including Cambodia.

Cooperative Activities under the East Asia Plant Variety Protection Forum

The East Asia Plant Variety Protection Forum was set up in 2008 with participation of ASEAN countries, China, Republic of Korea and Japan. Various cooperative activities proposed in this forum were implemented. Japan provided training courses in Japan, dispatched experts to the In-Country Training, and held Workshop and Seminar on Plant Variety Protection in FY 2008.
