



WORLD TRADE  
ORGANIZATION

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

**EXTRACT FROM MINUTES OF  
MEETING OF THE  
COUNCIL FOR TRADE-RELATED ASPECTS OF  
INTELLECTUAL PROPERTY RIGHTS  
HELD ON 13 JUNE 2017**

**ITEM 11: INTELLECTUAL PROPERTY AND INNOVATION:  
INCLUSIVE INNOVATION AND MSME GROWTH**

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## **AGENDA ITEM 11: INTELLECTUAL PROPERTY AND INNOVATION: INCLUSIVE INNOVATION AND MSME GROWTH**

### **11.1 European Union**

121. Allow me to make the first intervention on this point that we co-sponsored. It is part of a very important debate that we have been having for the last five years at least here in this TRIPS Council about concrete benefits that intellectual property brings to innovation and we have decided now to choose some points that we would discuss with bit more at length so in the course of two or three sessions to allow more in-depth debate with Members and also give them time to collect their experiences and to share them with us. In that sense, as well as to help feed the debate together with the other co-sponsors, we prepared a short summary of the issues that could be discussed under the theme that we have today which is Inclusive Innovation and MSME growth. I will not repeat what is in that paper but instead I would like to share with you the intense activity of the EU and of its member States in tailoring intellectual property to the smaller companies and to those who have fewer resources to manage their research and their discoveries and their quality products, so making intellectual property more accessible to all. So, the crucial role of the intellectual property in the success of start-ups and innovative MSMEs has long been recognized, it allows innovative businesses to appropriate the results of their creativity, inventiveness and R&D investment, and creates an incentive for further investment in innovation.

122. Recent data from the EU Intellectual Property Office shows that businesses using IP rights perform better and this is particularly true in the case of MSMEs. Recent studies show that in the EU these kinds of small companies owing IP rights have almost 32% higher revenue per employee than MSMEs that do not. They also expand their work force faster and pay higher salaries. Intellectual property is therefore important for smart and sustainable growth. Yet, the same data show that there are few MSMEs, even in the EU, that actually make use of intellectual property. The study showed that around 9% of these small companies registered intellectual property rights as compared to 36% for larger companies. The study also gives us a view on why many SMEs do not use the intellectual property system, and this is sometimes because they are not aware of the benefits of it, they lack the necessary expertise or they find some of the procedures too costly. This is why it became evident for us that there was a need to support the smaller companies in accessing, using and exploiting the intellectual property system and we have been working on this challenge since then.

123. Given that an information and knowledge based economy with strong innovation performance is made up of businesses whose most valuable assets are intangible, all innovative and creative start-ups and MSMEs need to be aware of the advantages of using IP and the dangers of neglecting it. Once protected these rights have to be managed to generate value and to enable innovation to play its true role. A variety of different strategies and support measures are applied by EU member States in order to encourage and help MSMEs in the use of the IP. For instance, Portugal financially helps its MSMEs to register IP rights, not only in Portugal but also EU-wide and in third countries. Another example, the UK Intellectual Property Office currently funds 250 audits for high-growth businesses engaged with business support programmes run by the European Enterprise Network, the Welsh Government or Scottish Enterprise. This specialized service provides an in-depth analysis of a business IP, including opportunities for increasing revenue, as well as any potential risks, together with recommendations for increasing the value of their intellectual property catalogue.

124. The Czech Republic provides financing and IP pre-diagnoses services to its MSMEs. This aims at providing advisory service on how to efficiently create added value and protect intangible assets; and is targeted at particular small and medium-sized enterprises and innovative companies. A tailor-made analysis will be carried out assessing the state of the protection of the intangible assets for these companies. In France, the National Institute for IP has been developing throughout the years policies of support and financial aid to MSMEs which include personalized support for these companies, the provision of services in the form of information searches in various IP data basis, training adapted to companies, and work in regional partnership with innovation development agencies. On the EU side, in our single market strategy of 2015 and building on the experience of these and other Member states, the Commission announced that it will come forward with EU-level measures to support the use of IP by MSMEs. Delivering on that commitment, the Commission has now undertaken to put in place a package of IP support

measures for these companies which will have the effect of improving coordination and consistency in addressing sub-optimal use of IP by them across the EU. These measures include, among others, streamlining European IP-awareness schemes for MSMEs and providing pre-grant assistance, developing an EU online information tool to promote IP sharing and an IP mediation and arbitration network for MSMEs. And third, encouraging the creation of European-level insurance schemes for litigation and IP theft. The measures will be delivered on the basis of a partnership approach between the relevant Commission services, the EU member State authorities, the EU IP Office and other relevant stakeholders.

125. Let me develop a little bit each of these three points, starting with information and awareness. Different initiatives at EU national and local levels exist to raise awareness on IP, but the challenge has been to ensure that messages are streamlined, easily accessible and that they address the real business needs of innovative MSME enterprises. The Commission in partnership with the EU Intellectual Property Office will streamline IP awareness schemes for this type of company and will support exchange of best practices through an EU-coordination platform. This will involve the development of a common portal of materials for information and training and of common training of trainers. Awareness actions need to be complemented with more concrete actions to support MSMEs in the access and use of intellectual property.

126. As I mentioned, some member States provide individualized advice on the IP potential of a forum's intellectual assets within each specific market context. These services that I mentioned before, known as IP pre-diagnostic services, can be particularly effective as a way of helping these kinds of companies, both to assess the value of their IP assets and to include intellectual property fully into their business strategy. The Commission will finance a project of IP pre-diagnostic services to be implemented in a coordinated manner with member States and the EUIPO and the other stakeholders. It will build on existing experience but will comprise a more thorough coverage of such services across the EU. And will systematically consider EU-wide IP rights within the whole IP spectrum.

127. In particular, patents are relatively expensive and the patent system can be complex for MSMEs. Today, protecting an invention throughout the European Union Single Market can be achieved through the European Patent Office, but only at a non-negotiable cost. Pre-grant costs and patent attorney fees represent an important charge for MSMEs and start-ups in order to market their innovative products and services across the entire EU market. Considering this factor we see that with less than 1% of MSMEs own patents in Europe. The Commission will help innovative companies and start-ups that want to patent in Europe to use European patents. A pilot project will be launched to finance these companies in requesting and being granted patents. The subsidy will cover 50% of the pre-grant costs for European patents as well as a part of attorney's fees. This will support such innovative small companies in the early years in developing their innovative products by significantly reducing patent costs. This should also create a cycle to facilitate their access to finance and investment. Such an initiative could in the future be extended to other European IP titles and notably EU trademarks and community designs or the future unitary patent, once it is in force. And it could cover both private and professional advice, which is a main source of expense for these titles.

128. The second area of support to SMEs is facilitating the use and enforcement of intellectual property. To get innovative start-ups and MSMEs enterprises to benefit from the IP system, whether by registering rights or by applying other IP protection methods is not enough. Once such enterprises own their IP rights they face subsequent challenges on how to make use of the system. With the appropriate tools these companies could generate more income through licensing or sales of their protected intellectual property, as well as raise more funds for investment. Small businesses, however, will not receive the full value of their intellectual property rights if they cannot enforce them when needed. Evidence suggests that enforcing intellectual property titles is costly and complex, especially for these kinds of small and medium-sized companies and when facing large entities.

129. In this context, the previously mentioned Single Market Strategy announced that the Commission will pay specific attention to this type of companies in the context of an on-going revision of our enforcement directive. MSMEs need to pay attention not only to their own IP rights but also to the IP rights of others. In a knowledge-based environment even IP-savvy companies of small dimension need help to find commercial partners. A tool with patent licensing information could be very useful to facilitate such partnerships and avoid costly disputes. The Commission will

therefore work with the network of EU Member states authorities to develop such a platform for knowledge sharing and business matchmaking on technologies covered by current and future patents. This will be done in the course of this and next year.

130. The platform will offer organized and comprehensible information, such as know-how, key-contractual conditions and partnering in order to facilitate licensing between parties. This platform will serve as service to find information on the licensing possibility of patents in force in different EU Member states. While all entities would benefit from such a tool, it would particularly help the smaller companies and start-ups to license in and license out technologies across Europe. Also, alternative lighter and faster methods of solving legal disputes, namely through arbitration and mediation, can be very useful for these smaller companies, as an alternative to litigation in court. This, in particular, if such arbitration and mediation can be provided at an affordable cost. These methods also allow for a more proportionate settlement than simple out-of-court bilateral agreements, while the involvement of an experienced IP specialist as an independent expert ensures a more equitable outcome. The Commission will strive for the availability of mediation and arbitration services covering the whole spectrum of intellectual property accessible across the entire EU and designed in an MSME-friendly way. They will be available online and potentially through local intermediaries, for instance, such as chambers of commerce and will dovetail with broader legal mediation.

131. To conclude, very briefly on the third point that I mentioned, which is work on IP litigation insurance: the ability to enforce rights is essential for IP to keep its value, but as I mentioned before, smaller companies do not necessarily have the financial or legal means or even human resources to do so. IP litigation insurance, if it was more broadly available for small companies, would allow for the sharing or transfer of the financial burden and risks associated with IP litigation. However, these studies that have been conducted show that the market for insurance products for IP litigation has to date been too limited. The Commission will therefore seek to encourage insurance companies to enter this market in respect of EU-wide intellectual property titles and will assist innovative micro and small medium-sized enterprises to access such services. To this end, a two-year pilot-project on multi-territory patents will be launched, after which the initiative will be evaluated and, if appropriate, continues and possibly will be extended to other IP titles.

132. With this I conclude my remarks for today. As you can see, there is quite a broad range of measures that are being explored in the European Union and together with our member States. Best practices are being developed and we would be very happy to debate these with colleagues here today and also to listen to the experience of the co-sponsors and of all the other Members that will intervene on this point.

## **11.2 United States**

133. The United States welcomes this opportunity to share views and experiences on the important issue of inclusive innovation and MSME growth. I would like to express thanks to Australia, Canada, the European Union, Japan, Singapore, Switzerland and Chinese Taipei for co-sponsoring this item today.

134. We benefitted greatly and appreciated the contributions on inclusive innovation and MSME co-operation shared during the last session by so many delegations. The United States is pleased that the co-sponsors of this item seem to have identified a theme for the year that enjoys wide-spread and diverse support among the TRIPS Council Membership and I think this demonstrates to the public our commitment to work together on important and timely IP issues. As we described in our previous intervention, MSMEs are critical to the American economy. They create jobs, spur innovation and foster entrepreneurial spirit. One of the ways that US policy makers have contributed is by taking a global perspective to MSME development. This helps ensure growth and competitiveness of US MSMEs, so that they may take advantage of the same opportunities available to larger companies.

135. Today, thanks to advances in technology, it is easier than ever before to access the global market place. The digital economy is booming, creating new opportunities we could not have imagined even a decade ago. With these advances, borders are collapsing often pushing companies to go global even before they may feel ready to do so. In addition to understanding

local markets, intellectual property-landscapes and business practices specific to different countries are crucial for MSMEs to successfully enter new markets. Too often, MSMEs find themselves unaware of government and private sector resources and best practices when starting and growing their businesses. As evidenced by many of the previous sessions' interventions the government can play an important role as a catalyst for the private sector by developing ecosystems for MSMEs, start-ups and entrepreneurs to thrive and become the successful businesses of tomorrow.

136. With respect to growth, the IP system provides MSMEs and all companies with a confidence to invest in themselves as a way to continuously enhance, refine and distribute a viable product or service for the market place. The US Federal Government provides key resources to make sure that innovators have what they need to turn a great idea into a successful business and take advantage of global opportunities. The US Government wants to make sure that US MSMEs have knowledge of access to and benefit from existing government resources aimed at realizing international opportunities. For example, the Global Innovation Forum (GIF) is a non-profit organization that partners with the Department of Commerce to connect businesses, start-ups, and development and university leaders with public policy makers to understand the opportunities and challenges associated with engaging in the global marketplace in the digital age. Key points of emphasize include securing intellectual property in the early stages of a company and securing access to finance.

137. GIF identifies and connects the diverse set of stakeholders from executives of multinational corporations, start-up CEOs and venture capitalists to university leaders, researchers and public policymakers and provides thought leadership on issues related to how companies, entrepreneurs, researchers and just about anyone can innovate and access global markets in the digital age. This programme was created due to the strong demand from the MSME community for the government to provide technical assistance on exporting their goods and services. Additionally, their incubators and accelerators across the United States help MSMEs scale up, for example, the Cambridge Innovation Centre (CIC) in Massachusetts is a shared work environment for MSMEs and other companies. This business incubator has a strong track record of success, having hosted nascent companies such as Facebook, Paypal, Google Android's development and Amazon.com, when they were in their growth phase. CIC's mission is to develop ecosystems that allow entrepreneurs to create new products and companies better and faster. They achieve this by providing infrastructure and actively building start-up communities in the premium locations of future focus cities.

138. Another start-up incubator, 1776, which has roots in Washington D.C., but has since expanded internationally, connects MSMEs to the information they need to help them build highly skilled businesses through curriculum, to export mentors who can help start-ups to quickly solve problems, to market through their partners and to obtain capital through their investor network and seed funds.

139. In addition to incubator and accelerator networks, regional innovation clusters provide MSMEs with three sources to foster innovation and in turn generate growth for individual MSMEs and industries. Regional innovation or industry clusters are geographic concentrations of interconnected companies, suppliers, service-providers as well as academic institutions, government agencies and other organizations that provide specialized training, education and resources. By facilitating knowledge exchange and the pooling of resources these active networks drive innovation and job creation boosting regional and national competitiveness. Building trust among the cluster of players is essential for achieving high levels of collaboration that lead to developing, commercializing and bringing innovative products and services to market.

140. Strong intellectual property regimes are critical for engendering this trust and collaboration and for forming international partnerships. As research over the past few decades has shown, clusters exist in all types of economies and are more prevalent in locations that achieved better performance relative to their overall stage of development. They play a fundamental role in driving regional economic competitiveness by encouraging higher rates of job growth, wage growth, new business formation and innovation in regions they are located in.

141. Other US Government programmes are for grants to advance invention in capacity building activities in communities across the country and help stimulate inclusive innovation growth. In 2016, 35 organizations including non-profits, institutes of higher education and

entrepreneurship-focused organizations from 19 US States received nearly \$15 million to create and expand cluster focus, proof-of-concept and commercialization programmes, and early stage seed capital funds, through the Department of Commerce, Regional Innovations' Strategies Programme (RIS). This programme is a national initiative designed to support the creation of centres for innovation and entrepreneurship that increase the rate at which innovations, ideas, intellectual property and research are translated into products, services, viable companies and ultimately jobs. The diverse group of awardees has reached urban and rural areas across the United States, including the programme's first investments in historically black colleges and universities in the South, a women-focused early-stage capital fund in Texas, a Native Americans-centered proof-of-concept programme in Oklahoma and urban innovation hubs honing in on fashion technology and social innovation in New York and Louisiana, respectively.

142. The RIS programme advances innovation and capacity building activities in regions across the country by addressing two essential core components that entrepreneurs need to take their ideas to market: Programmatic support and access to capital. The RIS programme is critical to ensuring that entrepreneurs have access to the tools they need to move their ideas and inventions from idea to market. One awardee, Biotech Innovation Incorporated, is a non-profit public-private partnership in Maryland that supports the progression of early state bio-health technologies and companies from research to commercialization. Their project is focused on harvesting assets in the form of technology and ideas from the sources of research, intellectual property and entrepreneurial community at large. The grant will allow the organization to review more technologies, spur the development of new companies from the technology, create connectivity through our regional industry cluster and, around new opportunities, raise capital, and overall provide a unique growth opportunity for early-stage businesses.

143. These public-private partnerships are vital to the process of discovery, the commercialization of new products and to the growth in cities and communities across our country and are necessary to create the inventions that could reshape our economy and our way of life. These initiatives promote IPR protection by providing MSMEs with an innovative ecosystem and the resources to help them protect their IPR at an early stage. Strong IP protection is critical in scaling up, forming partnerships and ultimately going global. These aforementioned programmes through partnerships, education, training and matchmaking provide MSMEs with the resources needed to protect their IP, grow their businesses, create jobs and build a more competitive economy.

### **11.3 Australia**

144. Australia joins other co-sponsors for this discussion today on 'Inclusive Innovation and Micro, Small and Medium-Sized Enterprise Growth'. Australia has established a number of IP and Innovation initiatives to help MSMEs utilize and protect their intellectual property and to promote MSME growth including through scaling up their initiatives, collaboration and commercialization. Australia will highlight three programmes today: the IP Mediation Referral Service, an accelerator service for SME known as the ON Program and the Entrepreneurs Programme.

145. The first: Mediation-Referral Service: IP Australia plans to establish a domestic intellectual property Mediation Referral Service where IP right holders will be able to access mediation as a low cost and effective alternative to resolving IP related disputes. The Mediation-Referral Service will consist of a register of qualified, accredited and specialist private sector mediation providers listed on the IP Australia Website. The register will provide details on the fees and contact details of each listed provider allowing parties to IP-related disputes to engage with mediators. IP Australia has also collaborated with the Arbitration and Mediation Center of the World Intellectual Property Organization to develop new resources that provide alternative dispute resolution services online. This new service provides Australian businesses, including MSMEs, with improved access to mediation, arbitration and expert determination services, and will enable parties to settle IP disputes in a time and cost-efficient manner.

146. The second: Australia's publicly funded research institute, the Commonwealth Scientific and Industrial Organization, also known as CSIRO, launched the 'On-Program' in July 2015 to empower researchers to play an active role in the commercialization of service-based technology and help restrain researchers and their collaborators to develop practical commercialization and venture building skills. In July 2016 ON expanded its eligibility criteria to include all publicly funded researchers, an expansion made possible by A\$20 million of additional funding from the Australian government's National Innovation and Science Agenda. This programme consists of a pre-

accelerator aspect known as the ON Prime for innovative researchers at early stages of investment readiness, and a separate national science at technology accelerator-programme known as ON Accelerate for innovative researchers closer to commercialization. To date over 130 research teams have completed this programme, and 27 universities and a number of government departments have partnered with this programme. Participating teams retain ownership of their intellectual property. One SME, known as Cardihab, graduated from the first round of the ON Accelerator programme in February 2016, and is one of the many success stories of this initiative. This small company uses web and mobile application based technology to enable medical practitioners to provide more timely advice in supporting patients with heart disease.

147. The third programme is called the Entrepreneurs' Programme. This programme is a flagship initiative, operating at an individual firm level, drives growth and competitiveness among SMEs. This programme takes 'facilitation first' approach and provides easy to access advice, assistance and tailored support to SMEs, including IP support, to help them become more competitive and growth focused. It is a flexible programme designed to address the individual needs of SMEs. For example when SMEs are seeking to collaborate with the publicly funded research organization, the programme ensures that participants are provided advice in all aspects of this work including their IP. The programme operates with a national network of over 130 advisors assisting participants drawn from a wide range of industry groups to ensure participants are provided with relevant, tailored and expert support.

148. Australia has provided some examples of intellectual property and innovation initiatives that are designed to promote sustainable growth of MSMEs. We encourage other Members to join us in sharing national practices.

#### **11.4 Japan**

##### *Slide 1*

149. Please allow me to mention that handouts of this short presentation<sup>1</sup> can be found just outside the entrance of this room. At present, there are approximately 3.82 million companies in Japan and 99% of those companies are MSMEs. That is to say, most of the companies in Japan are MSMEs. Raising the MSMEs' awareness on intellectual property will broaden the base of intellectual property. By utilizing intellectual property, MSMEs can develop and local communities can be revitalized, which will eventually lead to the economic development of the country. We believe that this holds true not only for Japan but also for every country in the world. In addition, it is a fact that MSMEs play an important role in the economic development of their respective countries.

##### *Slide 2*

150. First, please look at the pie chart on the left. Although MSMEs account for 99.7% of the total number of companies, as I mentioned, they filed about only 14% of all applications. The number of foreign patent applications filed by Japanese MSMEs is also only about 16%.

151. Next, please look at the bar graph on the right side. This graph shows the correlation between patent possession and operating profit on sales in Japan. MSMEs without patents have only 1.8% in operating profit on sales, while MSMEs with patents have 3.5%. For comparison, the operating profit on sales for large companies is 2.6% in all industries.

152. Accordingly, the operating profit on sales by MSMEs with patents is higher than that for large companies. Therefore, the fact that companies with patents achieve good business performance indicates that intellectual property has a positive effect on corporation results.

153. Since there is still ample room for MSMEs to utilize intellectual property both domestically and internationally, it is necessary for the government to accelerate initiatives for strengthening intellectual property strategies of MSMEs.

##### *Slide 3*

154. One of the measures taken by Japanese government was setting up Comprehensive IP Support Service Counters. As shown in the upper left box, there are various issues and problems with IP, starting from the planning stage up to developing solid corporate management.

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<sup>1</sup> RD/IP/16 available in English only.

155. Accordingly, the Japan Patent Office (JPO) started supporting MSMEs by establishing service counters in all 47 prefectures in Japan. These Service Counters provide full services to assist MSMEs with IP issues and problems free of charge. Persons working at the Counters provide a one-stop service to solve problems on the spot.

156. Working in cooperation with IP specialists and external organizations, the Service Counters provide solutions for highly specialized issues and problems. The IP specialists are attorneys-at-law, patent attorneys, former business persons, designers, brand specialists, and specialists on Intellectual Property in foreign countries.

157. Recently, the Comprehensive IP Support Service Counters started a new service, which is offering consultations on issues and problems with aquaculture, agriculture, forestry and fisheries, in cooperation with the Ministry of Agriculture, Forestry and Fisheries. That new service also covers Geographical Indications (GI) and plant breeders' rights (PBR) for seeds and seedlings.

#### *Slide 4*

158. Lastly, let me explain two examples of MSMEs making use of the Comprehensive IP Support Service Counters. This first example was a company that successfully grew its business by utilizing IP rights. The company discussed its problems with the staff at the Service Counters, trying to decide whether to file a patent application or to keep its technology as a trade secret. It wanted to protect its proprietary technology the best way possible. The Service Counters provided guidance and support on a license agreement. As a result, the company was able to obtain a patent right and successfully conclude a technical partnership agreement with a manufacturer. This is one of the successful examples in which a company grew its business by utilizing the Service Counters.

159. The second one is a good example in which a company succeeded in expanding its business overseas. The Service Counters helped the company file foreign patent applications and conclude a non-disclosure agreement and a manufacturing licensing-agreement with an OEM in a foreign country. This is one of the examples in which an MSME succeeded in filing overseas applications and grew its business overseas, by receiving assistance from the Service Counters.

160. As these examples show, Japan believes that it is vital to implement initiatives to further strengthen intellectual property strategies based on MSMEs effectively using their intellectual property.

### **11.5 Singapore**

161. MSMEs make up 99% of the businesses in Singapore, so facilitating the sustainability and growth of the experience is important for our overall economic growth, especially in the context of increasingly innovative and creative global economy. The Intellectual Property Office of Singapore (IPOS) has three initiatives to help MSMEs consolidate their gain by protecting their new ideas and products to existing IP frameworks and using these IP rights to access financing and develop IP management systems to enable their effective use.

162. The first initiative is IP Value Lab, collaboration between IPOS and several private equity funds to help grow innovative MSMEs with the technology of an IP based business modules into globally competitive companies. IP Value Lab does this by helping the private equity funds identify companies with the best IP and offer strategies for harnessing this IP to gain a competitive advantage. It recently partnered with a private equity fund to grow 10 to 15 companies from or through Singapore. One of the first companies to benefit from the scheme is NSP-Tech which designed a lancet for a safe and painless blood prick test and blood sampling called Safety Set. The key inventive step behind the compact design of Safety Set was its use of a rotational mechanism to drive the lancet with a speed and precision needed to minimize pain. This is a boon for patients who need to obtain blood samples regularly, such as diabetics. NSP obtained both patent and trademark protection for Safety Set and won numerous awards for it in 2016 including WIPO's IP Enterprise Trophy, IPOS's Award for Technology Patent, the President's Design Award and the Unity Best Product Award. NSP is now working on further improving the design of the lancet and investing in developing new products.

163. The second initiative is the IP Financing Scheme which enables companies to gain access to debt financing using their intangible assets, such as patents, trademarks and copyrights as collateral. The first such project was approved for Masai Group International in June 2016, and enabled the company to monetize its patents and trademark portfolio in order to pursue brand marketing and invest in R&D. Around 25% of Masai's loan would be designated for IP protection efforts such as shutting down websites selling counterfeit versions of its products. MSMEs in Singapore also have access to the Capability Development Grant, which provides assistance to MSMEs to deal with costs associated with conducting audits of IP assets, developing an IP management system or conducting IP intelligence activities. While these initiatives are still in their nascent stages, they are already helping MSMEs harness innovation to keep pace with technological advancements, remain competitive and identify opportunities to scale up. We hope that over time MSMEs will take a greater interest in the potential offered by the use and the protection of their IP for their growth. We hope that our presentation today has been useful and we look forward to further discussion at the TRIPS Council on how Members, particularly the developing countries can build up their MSMEs' capacities through an IP innovation initiative.

## **11.6 Canada**

164. According to a 2014 "Survey on financing and growth of SMEs" conducted by Canada's Ministry of Innovation, Science and Economic Development, it was found that SMEs that hold formal IP are four times more likely to export, 64% more likely to be fast-growing companies and 32% more likely to seek financing. It was also determined that larger SMEs are more likely than smaller SMEs to innovate and hold IP. Indeed, as the size of the businesses surveyed increased by number of employees, so too did the percentage of SMEs that introduced at least one type of innovation that held at least one type of IP. For instance, among Canadian businesses with between one and four employees just over 34% introduced at least one type of innovation and just 21% held one type of IP, whereas among those businesses between 100 and 499 employees the proportions of businesses that introduced at least one type of innovation and held one type of IP rose to over 50% and 51% respectively. As well, the number of SMEs in Canada that have introduced at least one type of innovation and hold some type of IP protection has increased overall in recent years. The number of SMEs that introduced at least one type of innovation and held some type of IP protection rose 4% for both of these indicators, to 42% and 21% respectively, since the previous survey was conducted for the 2009-2011 period.

165. One of the questions facing policy makers is how to design the IP system to support and facilitate the growth of MSMEs. While one of the fastest ways is to boost productivity and grow is to innovate, the resources available for innovation are also tied to a firm's size. This means that MSMEs are often constrained in their ability to dedicate resources to innovation, and are therefore limited in their ability to grow and compete internationally. In Canada, for instance, MSMEs make up the largest proportion of Canadian firms, but account for proportionally far less R&D spending than large businesses. Ensuring that the IP system supports MSMEs, by providing for the availability of business services and specialized tools, is therefore key to ensuring that small businesses have the capacity to grow and compete alongside larger firms.

166. In Canada, the Canadian Intellectual Property Office (CIPO) is committed to enhancing its IP awareness and education programming to deliver tailored and responsive products, services and training to innovators and SMEs. CIPO's IP Education and Awareness Program will extend its reach and impact by co-developing programming for and with relevant partners, increasing its regional presence, and working with others in the innovation network to market and provide IP education and awareness tools to clients. CIPO's IP Education and Awareness Program offers services in three areas:

167. First, the *IP4Business* provides a suite of products designed to provide businesses with the tools and information that they need to better acquire, manage and leverage their IP assets. These products and services include IP guides, brochures, videos, an online IP strategy tool, training, checklists, fact sheets, and digital content designed to increase awareness of IP in particular high growth-potential markets and sectors.

168. Second, CIPO's *IP Academy* provides a suite of seminars and training services for businesses, partners and intermediaries, including those for specific markets and sectors. The IP Academy will offer a bank of speakers, massive Open Online Course (MOOC) webinars,

IP boot camps, (search-a-thons,) case studies, and custom training programs for accelerators, incubators, university technology transfer offices and more.

169. Third, the Program will also support an *IPHub*, which comprises a network of services, including a digital platform, referrals, consultations, and advisory services for participants in the IP marketplace.

170. In addition, the Government of Canada offers a range of services and programs aimed at supporting MSME growth more broadly. For instance, Canada's National Research Council (the NRC) provides assistance to SMEs through the Industrial Research Assistance Program (IRAP), by way of technical and business advisory services to better equip clients to conduct R&D, commercialize new products, processes and services, and to access new domestic and international markets. The IRAP's industrial technology advisors assist clients at various stages of the innovation process to build their innovation capacity, for instance, through technology and business assistance, literature and patent searches, and strategic intelligence. IRAP also connects SMEs with partner organizations that can provide further assistance such as financing, R&D, IP services, and technology transfer.

171. The National Research Council also offers a single access point called Concierge, where SMEs can find high-quality, timely advice to help them innovate and grow. Providing free, one-on-one guidance to SMEs, the Concierge service connects SMEs with Innovation Advisors, namely industry experts with extensive networks that provide clients with high-quality referrals and services, to help SMEs navigate available innovation resources and support programs.

172. Another key constraint faced by MSMEs is financing. Indeed, many small business entrepreneurs may find themselves unable to dedicate time and resources to pursuing growth opportunities such as hiring talent, boosting productivity, or seeking new markets. Moreover, there are a number of costs associated with protecting IP, from administrative fees to hiring IP professionals such as patent agents. The government of Canada offers a number of resources to MSMEs in this regard. For instance, the business Development Bank of Canada (or BDC), which is a federal Crown corporation owned by the Government of Canada, provides financing and advisory services with a focus on SMEs. BDC provides a number of financial services to SMEs, such as start-up financing and small business loans, as well as BDC's *Xpansion Loan* which is designed to help businesses realize products that are key to growth, such as expanding their market, investing in technology, developing new products, applying for IP protections, and purchasing IP licenses.

173. As well, with a view to encouraging small businesses (and universities) to use the patent system, certain CIPO fees for obtaining and maintaining a patent are reduced by 50% for "small entities". Canada's Patent Rules define a small entity as one that employs 50 or fewer employees or that is a university department. In order to take advantage of the reduced fees for small entities, applicants must submit a small entity declaration before or at the time of their fee payment, if there is not already one on file.

174. These are just some of the services and programs offered to SMEs in Canada, aimed at supporting their growth and expansion. Canada would be pleased to provide additional information on any of these services and programs to other Members upon request.

## **11.7 Switzerland**

175. We thank the co-sponsors for tabling this important topic on the agenda and for allowing a further inclusive discussion on the fostering impact that IP can have on MSMEs.

176. The question of how IP can contribute to growth of micro, small and medium size enterprises could be answered with the question of what the right tools for enabling success and growth are. This is a question that has to be asked not only in business as such, but likewise in sports, music or arts in general: Also the most talented athletes and players need the adequate support and the right tools to perform at their best. This applies to runner Haile Gebrselassie and tennis player Roger Federer, to jazz pianist and prodigy Joey Alexander or to artist Lucia Fainzilber, they all rely on the right equipment and suitable framework conditions.

177. It is those conditions and the right tools at hand which allow a player or an MSME to make a difference and grow. Such tools complement talent and hard work, and they can be crucial to succeed in the market. We will present two examples to illustrate how IP acts as such a tool. And how it can be a door-opener for inclusive growth and contribute to future prosperity.

*Example 1: COLIPRI - Colombian-Swiss Intellectual Property Project*

178. In 2013 Colombia and Switzerland started a fruitful cooperation project. The project overall aims to strengthen the use of intellectual property rights in Colombia, and in particular to contribute to higher competitiveness and added value of Colombian products. Colombia's intellectual property system is at an advanced stage. Accordingly, the project focuses primarily on addressing specific requests.

179. One of the project's achievements is the support for local geographical indication supply chains, both in the food and handicraft sectors. For example, in the past four years the project has supported the registration of the so-called *Bocadillo veleño guava paste* as a geographical indication. *Bocadillo veleño* is Colombia's most traditional fruit sweet and is produced by MSMEs in a very specific region called Vélez. Its distinctive characteristics are based on unique climatic factors and human know-how.

180. In 2013, the original product of Vélez was losing an estimated 51% of market share due to copies produced in different regions. Furthermore, its reputation was declining and its name was on the verge of becoming generic for this type of sweet. This month, *Bocadillo veleño* is being registered as a GI in Colombia, after 4 years of preparation work. Thereafter, it will be up to the producers of Vélez to enforce their GI from now on. With the GI protection in place, they now have a powerful tool to defend their market share and proceed against freeriding and unfairly copied products, which amount for an estimated annual USD 12 million on the Colombian internal market.

181. IP and in particular, geographical indications or collective trademarks also can be an important tool to enhance local growth potential. All local producers, as long as they produce in accordance with the rules established by the specification requirements, get access to a strong and well protected marketing asset.

182. This is especially relevant for micro and small enterprises, which lack the necessary funds for marketing their unique products on a wider scale. Moreover, the registration of GIs can also help to support more vulnerable population groups such as rural communities and ethnic minorities. By better marketing their products, GIs are expected to increase local producers' income and are an important tool for growth. Furthermore, the mentioned project also supports community development and capacity building. Thereby, it further contributes to establishing favourable conditions for a business-enabling environment.

183. As such, the project supports the Colombian government's aim to increase competitiveness, to diversify its economy and to narrow the income gap between its rural and urban population. As a GI publicised by modern ways of promotion, it eventually enhances protection abroad, in countries protecting GIs, including against unfair competition, and acting as a piece of evidence of the protection in a legal action.

*Example 2: Bioburn*

184. GIs and trademarks primarily protect producers' efforts and investment over time and enable them to market their products. Furthermore and as is well known, intellectual property plays a key role in the development and diffusion of new technologies. To invest in research and development, firms and researchers need to trust that legal certainty is guaranteed and that the Intellectual Property System is reliable and the enforcement of their rights works efficiently. The right framework conditions facilitate innovation and allow for new technologies to be developed and made accessible.

185. With our second example we would like to highlight how new technologies can improve a region's business environment and growth perspectives. The given example refers to a company called Bioburn and how its technology is used in Uganda.

186. Bioburn, a Swiss enterprise, invented and patented a technical method which allows to transform biological waste into biomass very efficiently. Subsequently, consumers can use the biomass as fuel. In 2016, Bioburn started a promising cooperation-project in Uganda. The project was also supported by the Swiss Government.

187. In rural regions of Uganda, there is a huge potential for biomass fuel. Together with their local partners, Bioburn intends to use agricultural waste and turn it into fuel. They experimented with different sorts of agricultural waste. Intensive testing over a long period of time which showed that cacao bean and pod waste of farmers seems to be the most suitable resource for efficiently producing the fuel. With its local approach, the project can create new value chains. Local production in rural regions offers new jobs and income opportunities. And this is not only true for well-established companies but especially also for small farmers. Moreover, because biomass is often cheaper than conventional fuels, the used technology can also contribute to reducing ecologically harmful incentives of deforestation. In addition, the fuel's lower price benefits consumers. Bioburn's patented technology offers significant economic benefits for producers, consumers and the economy as a whole. It is of great importance for future prosperity that such technologies are being continuously developed and diffused.

188. And this is where national and multilateral IP-regulation comes into play: it offers necessary incentives for research and development since it protects against freeriding, for a limited period of time, and at the same time provides the tools for diffusing as well as facilitating the licensing of the technology in question. In the case of the *Bocadillo veleño guava paste* it is the GI protection system which is an important tool for facilitating the growth of MSMEs, in the case of Bioburn it is the patent system doing the same.

189. In conclusion, the two examples show how IP has economic effects in various ways: First, it can build new and strengthen existing value chains. Second, it can contribute to a stable and business enabling environment. And thirdly, it can provide the necessary incentives for research and development as well as for diffusion of new technologies.

190. Taken together, all these factors contribute significantly to a country's growth and future prosperity. Micro, small and medium sized enterprises often manage their businesses with limited financial resources. Accordingly, they especially depend on favourable business regulation. In addition, IP is considered as one key element at the core of innovation. Through these different channels IP can generate a supportive environment for MSMEs to grow and prosper; intellectual property as a proven tool to enable continued success. We are looking forward to hearing from further delegations about their experience, about MSMEs experience and about policy approaches how to support them.

## **11.8 Chinese Taipei**

191. Our own MSMEs account for almost 98% of all our businesses. They are the backbone of our economy and they have played a critical role in fostering our economic development. What we have learnt, however, is that while they display a remarkable capacity for innovation in IP matters, when it comes to drawing up IPR strategies or comprehensive patent portfolios, MSMEs in particular usually struggle due to a lack of resources and support from IPR professionals. So, in order to help MSMEs deal with IPR-related challenges, and to create a more favourable environment for IPR development and innovation in general, our governments have offered MSMEs support in three key areas - expert advice, financial assistance, and information services.

192. To provide expert advice, we have set up the "IP Consulting Centre for SMEs" which makes available a range of customized services offered by experts in the form of IP diagnosis and strategy planning, in areas such as intellectual property rights, technology, law, and market analysis, according to the size and particular needs of the MSME. In this way, MSMEs can get help in the R&D stage for patent searches and portfolio strategies, so as to build their innovation capacity.

193. As far as financial assistance is concerned, we have introduced the "A+ Industrial Innovation R&D Programme"(or the "A+ Programme"), which provides incentives to businesses applying for patents, to encourage them to start building a patent portfolio as early as possible.

194. I can give you some hard numbers to illustrate the success of the A+ Programme since its launch in 2014. By the end of March this year, 2017, a total of 1,079 projects have been approved under the Programme, boosting investments by US\$5,67 billion and creating a production value of over 8,68 billion. In addition, by the end of last year, over 9,000 patent applications had been made at home and abroad under this Programme. Of these, over 4,000 patents had been granted - an approval rate of about 45%.

195. Furthermore, in order to support MSMEs conducting overseas IPR litigation or other similar actions, we have launched the "Enterprises Overseas Intellectual Property Litigation Loan", providing guaranteed credit to domestic enterprises in the form of a loan for the expenses in overseas IPR litigation. Loans of up to US\$1,68 million are available depending on the project, for a term of seven years at the most.

196. And, finally, a range of information services are made available to MSMEs on request, including trends and analysis of patent applications in specific areas. In addition, there's the "IP SME Corner", a one-stop search platform providing basic IPR knowledge and information on government resources in this area. With this platform, MSMEs can improve both their understanding of IPR matters and their success in acquiring patents.

197. Most MSMEs today face an urgent need to make better use of patent portfolios in order to protect and take advantage of their innovations and R&D results. Our experience is telling us that IP is a key component of smart and sustainable economic growth and development. We would encourage all Members, therefore, to share their policies and experiences in this respect, in the interests of inclusive economic development, and MSME growth in particular.

## **11.9 Brazil**

198. Micro, small and medium-sized enterprises (MSMEs) play a major role in social and economic policies, representing the majority of companies in almost every country in the world and concentrating more than half of all jobs in both developing and developed countries. Therefore, they play a major role in social and economic policies and their participation in international trade is an important issue in the WTO agenda.

199. In this sense, I would like to draw the attention of Members to the Joint Communication circulated during the last session of the General Council WTO regarding the informal dialogue on MSMEs in this organization. A group of members, including Brazil, referred to the importance of promoting the participation of those entities in international trade, pointing out, among other things, that one of the obstacles preventing MSMEs from engaging more in export and import activities is technological development. Technological development is an issue explicitly mentioned in Article 8 of the TRIPS Agreement, underlining the potential contribution that intellectual property might bring to MSMEs. There is, thus, much that can be done in WTO regarding this matter.

200. Our delegation also wishes to highlight that Brazil, Argentina, Paraguay and Uruguay just circulated the paper JOB/GC/127, in which we indicate areas where the WTO could develop measures in favour of MSMEs. In the area of information and transparency, proponents suggest that Members afford better access to information for MSMEs in several aspects, including procedures related to the acquisition of intellectual property rights.

201. Now turning to the invitation of the proponents to share domestic experiences, our National Institute of Industrial Property actively engages with MSMEs in order to disseminate information about the steps necessary for obtaining intellectual property protection in Brazil and abroad. The INPI also provides an on-line course, elaborated in partnership with WIPO, which brings an overview of the legal requirements for the protection of IP. While the on-line course is not specifically directed to MSMEs, data available indicates that MSMEs and individual persons are the main users of the course.

202. Furthermore, in order to overcome the challenges those companies commonly face, the Ministry of Industry, Development and Foreign Trade provides support to MSMEs in a myriad of actions, such as the elaboration of a their business plan.

203. Lastly, Brazil participates in the CIBEPYME, the Iberoamerican Platform of Industrial Propriety which is directed to small and medium companies. The initiative provides easily accessible information about the many types of intellectual property, as well as a consulting service focused on the concrete needs of small and medium companies.

204. This is not, of course, an exhaustive list of all the actions and we hope it can contribute to the discussion.

### **11.10 Hong Kong, China**

205. Hong Kong, China is pleased to share our support measures to SMEs in relation to IP trading. SMEs are the backbone of our economy; they constitute of 98% of our local business establishments and account for about 46% of the total employment in the private sector in Hong Kong. The Hong Kong, China (SAR) Government attaches great importance to SMEs and tries to provide a business-friendly environment for them. Our Government has been providing multi-layered support for them through operating various funding schemes, building the necessary infrastructure and providing the latest market information and other business advisory services in relation to IP trading through relevant government departments and quasi-government organizations. The surge in global demand for IP in recent years and increasing international trade in IPRs opened up a world of new opportunities. IP commercialization is very important to the further development of a knowledge-based economy. We saw the potentials here and decided to implement a number of support measures in relation to IP trade.

206. First of all, our Government has set aside US\$3 million as from 2015 to 2016, for three years to support a series of new measures. These include the provision of free initial consultation services to raise the IP awareness of SMEs, organizing a sponsoring IP-related training to help SMEs build up their IP manpower capacity, launching an IP manager's scheme to support SMEs in building up their manpower capacity on IP management and commercialization, and rolling out promotion and public education campaigns. Our Intellectual Property Department launched a dedicated website, in March 2015, to provide a one-stop shop for disseminating IP trading information such as types of IP, trading IP, managing IP, protecting IP and many other resourceful features. The Intellectual Property Department launched the IP managers' scheme in 2015. The scheme aims to assist Hong Kong enterprises, especially SMEs, to build up their IP manpower capacity, and to increase competitiveness through IP management, so as to grasp the opportunities brought by IP trading. The scheme encourages enterprises to appoint a staff member in a managerial position as their in-house IP manager, who will be responsible for overseeing the compliance management, exploitation and commercialization of IP assets. Over 500 SMEs have joined the scheme, as of mid-May 2017. The training and resources on IP management are provided for the IP managers to carry out their duties within the enterprises. The Intellectual Property Department in collaboration with our Law Society in Hong Kong launched the IP consultation service scheme in September 2016, to provide one-on-one free IP consultation services to SMEs with a will to raising the awareness of IP and developing effective IP management and commercialization strategies. Advisory areas cover IP registration, IP due diligence, IP management and IP licensing. This scheme is well received by SMEs.

207. Last but not least, we have also been reaching out to different industries and SMEs such as movie and toy to promote cross-sector IP trading, since the latter half of 2015. And the responses so far have been very encouraging. Key players in the respective views have a better understanding of the potentials of the IP and the prospects of cross-sector commercialization.

### **11.11 India**

208. In para 5 of the document (IP/C/W/622), the co-sponsors have selectively quoted from the study about the informal economy, by de Beer, Fu & Wunsch-Vincent (2013: 39) to support their position that IP must be considered as a relevant aspect for innovative micro-sized enterprises. However, one of the important observations by de Beer, Fu & Wunsch-Vincent in their study about the informal economy, is that formal IP based on exclusions and proprietary knowledge is not compatible with the knowledge diffusion and learning processes of the informal economy which are based on communities, clusters and the exchange of information.

209. The co-sponsors of the agenda item "IP and Innovation" have argued that increasing patent monopolies would drive greater innovation. However, the evidence does not support this assertion. On the contrary, the view gaining ground is that increasing patent monopolies would actually stifle innovation. There have been many studies to show that intellectual property is only one element in a larger innovation ecosystem and IP laws alone do not promote technology development. For instance, according to the Trilateral study by WTO, WHO and WIPO:

"Patent law is not a stand-alone innovation system. It is only one element of the innovation process, and one which can be deployed differently in diverse innovation scenarios. Patent law has little bearing on many other factors that lead to the successful development of technologies, e.g. the nature and extent of demand, commercial advantages gained by marketing and ancillary services and support, commercial and technical viability of production processes, and compliance with regulatory requirements, including through effective management of clinical trials data."

210. The MSME sector in India, consisting of 36 million units, provides employment to over 80 million persons. The sector through more than 6,000 products, contributes about 8% to GDP, besides 45% to the total manufacturing output and 40% to the exports from the country. The MSME sector has the potential to spread industrial growth across the country and can be a major partner in the process of inclusive growth.

211. To enhance awareness of MSMEs about Intellectual Property Rights (IPRs), the Government of India launched a scheme titled "Building Awareness on Intellectual Property Rights (IPR)" for the MSME in August 2008. The scheme enhances awareness of MSMEs about IPRs to take measures for protecting their ideas and business strategies, which would also assist them in technology upgradation and enhancing competitiveness. Another scheme entitled "Support for Entrepreneurial and Managerial Development of SMEs through Incubators" is operational since April 2008, to assist incubation of innovative business ideas that could be commercialised in a short period of time, resulting in the formation of MSMEs that have distinctive presence in the market. More details about these schemes could be found on the website [www.msme.nic.in](http://www.msme.nic.in)

212. A national innovation survey has been conducted during 2011-12 in India, by the Department of Science and Technology (DST). A national report entitled "Understanding Innovation: Indian National Innovation Survey" with special focus on MSMEs has been brought out by DST. The report is based on the analysis of sample survey of 9001 firms, largely MSMEs, from 26 states and 5 Union Territories across various industrial sectors in the country.

213. The survey identified many barriers to innovation with regard to MSMEs. Some important barriers to innovation include availability of finance and, in general, the cost of innovation, availability of skilled manpower, access to market information and availability of information technology, infrastructure, domination of established players in the market, regulatory requirements etc. IPR related issues are not found to be of any concern for the innovation activities of the firms.

214. I conclude by quoting from our Prime Minister Narendra Modi's statement during the launch of the Mission Innovation in Paris in November 2015:

"Our innovation initiative should be driven by public purpose, not just market incentives, including intellectual property. That also means strong public commitment by suppliers to developing countries. ... Innovation must be backed by means to make it affordable and ensure adoption."

## **11.12 China**

215. The growth of micro, small and medium size enterprises can contribute to the innovation and economic development. A suitable intellectual property system can effectively assist enterprises, especially MSMEs. However, China also believes there are many factors contributing to improvement of the innovation and development capacity of MSMEs, attention should not be paid to the importance of intellectual property rights only.

### **11.13 El Salvador**

216. In El Salvador the Law on the promotion, protection and development of micro and small enterprises provides that the National Commission for Micro and Small Enterprises (CONAMYPE) has certain responsibilities in the area of entrepreneurship, and is in charge of defining, formulating, promoting, implementing and coordinating programmes and instruments to promote entrepreneurship and the building of an entrepreneurial and business culture, as well as a culture of corporate social responsibility and sustainable environmental management.

217. The National Registration Centre's Intellectual Property Registry is the administrative authority responsible for administering intellectual property rights in El Salvador. It regulates the acquisition, maintenance, protection, modification and licensing of trademarks, commercial advertising slogans or signs, trade names, emblems, geographical indications and appellations of origin; the registration of patents, utility models and industrial designs; and the deposit of works protected by copyright and related rights. Under the Intellectual Property Law, the Registry is also responsible for fostering the dissemination of information on, and promoting awareness of, intellectual property right protection.

218. For a number of years now, both institutions have assisted MSMEs with intellectual property procedures and have helped to implement various support programmes that cover advisory services and training in the area of innovation and intellectual property.

219. These programmes include the following:

- The "*Opulencia Pipil*" platform: In 2014, CONAMYPE created the *Opulencia Pipil* platform, with a view to providing support to the artisanal sector by organizing a fashion show linked to artisanal production and national identity. The funding for this initiative was provided by the Special National Telecommunications Administration Privatization Resource Fund (FANTEL). The platform seeks to showcase the innovative nature and quality of artisanal products made in the country, and to open up new marketing channels for artisanal enterprises.
- The "*Un Pueblo Un Producto*" ("One People One Product") strategy: This programme seeks to promote innovation and creativity through the use of local resources and endogenous development, with a view to enhancing community capacity and improving the quality of life of community inhabitants through the development and marketing of products originating in their communities.
- Artisanal development groups: This is a CONAMYPE initiative to form associations within the artisanal sector with a view to enhancing entrepreneurship, promoting the marketing of artisanal products, and encouraging the consumption thereof at both national and international level.

### **11.14 Korea, Republic of**

220. Korea has already shared our effort to promote SMEs' innovation at the APEC level at the November TRIPS Council meeting last year. I would like to refer to that intervention which was about the project of "Guidebook for SMEs' IP-Business Cycle" which is to provide APEC Economies with standardized SME-friendly IP policies.

### **11.15 ARIPO Secretariat**

221. From January this year ARIPO has undertaken a number of initiatives to assist its member States, which includes workshops organized either solely or in collaboration with other partners, especially WIPO, the Japan Patent Office, Intellectual Property Offices of Member states and others. ARIPO's flagship this year is to work with the main intellectual property generators, i.e., with the universities and the research and development institutions. In that regard we have organized workshops in Sierra Leone, which is taking place on 14-15 June; and in Zambia, Lesotho and Rwanda. We have also organized a number of seminars with universities in our host country, Zimbabwe. The main theme of these workshops and seminars is to create awareness among

teachers and students on the importance of intellectual property in universities and research and development institutions which will, in turn, assist in the creation and development of MSMEs.

222. Furthermore, we have realized that many universities and research and development institutions in ARIPO member states lack intellectual property policy, which defines the effective use of intellectual property systems.

223. It is against this backdrop that alongside the workshop on awareness creation, ARIPO and WIPO are developing a model of institutional intellectual property policy for an effective use of the IP system by universities and research and development institutions in Africa, which among others provide guidelines on establishment of start-ups. As mentioned earlier these are some of the highlights of the initiatives that ARIPO has undertaken to assist member states in improving the IP systems, but as was the case in 2016, a detailed report will be provided for 2017