



**Asia-Pacific
Economic Cooperation**

2014/SOM3/IPEG/002

Agenda Item: 2

Summary Report - 38th Intellectual Property Rights Experts' Group Meeting

Purpose: Consideration
Submitted by: IPEG Chair



**39th Intellectual Property Rights Experts'
Group Meeting
Beijing, China
10-11 August 2014**

APEC Intellectual Property Rights Experts' Group (IPEG)

38th IPEG Meeting February 17-18, 2014 Ningbo, China REPORT

1. Opening

(1a) IPEG Chair

The IPEG Chair, Mr. Miguel Ángel Margáin, opened the 38th IPEG meeting and expressed its pleasure for having the economies in the city of Ningbo, China and thanked the host economy for hosting the biannual IPEG Meeting and for all the arrangements made.

The participant economies were: Brunei Darussalam, Canada, Chile, China, Chinese Taipei, Hong Kong China, Japan, Korea, Mexico, Papua New Guinea, Peru, Philippines, Russia, Thailand, United States and Viet Nam.

Australia, New Zealand, Malaysia and Singapore did not assist.

2. Report on Previous Activity of IPEG

(2a) APEC

- Briefing by China on the APEC 2014 Priorities.

The Chair said that the APEC priorities are:

1. Advancing Regional Economic Integration.
2. Promoting Innovative Development, Economic Reform and Growth.
3. Strengthening Comprehensive Connectivity and Infrastructure Development.

- Update/information from APEC Secretariat.

The APEC Program Director gave a general presentation of the APEC Secretariat's Strategic Plan for 2014-2016; the CTI sub-fora streamlining process; and APEC Projects new developments.

Regarding the APEC Secretariat's Strategic Plan for 2014-2016, he explained that the new Plan consists of the following five strategic objectives:

1. Aligning APEC activities with APEC goals and priorities.
 - Monitor the progress of fora's work plans.
 - Promote cross-fora communication.
 - More contacts with multilateral organizations and industry partners.
 - Explore new procedures, such as remote participation.
2. Working to improve APEC projects.
 - Capacity-building programs.
 - Evaluation of the impact of projects.
3. Communicating APEC key messages.
 - Highlight APEC's concrete benefits, success stories and real practical outcomes for the region.
 - New tools of communication.
4. Improving working on research and policy capability.
5. Being an effective Secretariat.

Regarding the streamlining of CTI sub-fora, IPEG Program Director recalled that during SOM 3 (2013) in Bali, APEC Senior Officials agreed on a process for reviewing the effectiveness and efficiency of CTI sub-fora and that later on the session, under item 3, IPEG members will review the draft paper "Streamlining CTI sub-fora: CTI recommendations to senior Officials" to be submitted by CTI to SOM1.

Regarding the new developments on APEC Projects, IPEG Program Director presented a reminder of the dates and deadlines for Project's Concept Notes for 2014, as well as the figures of Funds Available for the First session of 2014.

(2b) ASF/TILF/OA

- Update by Korea on the project "APEC workshop on appropriate technology, strategic IP utilization for sustainable development"

Korea informed that this project aims to enhance APEC's capacity for utilizing intellectual property (IP) strategies and to raise awareness on the importance of developing appropriate technology (AT). AT refers to technology that makes best use of locally available resources and ensures an adequate supply of the basic necessities of life such as clean water, food and energy.

Korea invited all the economies to participate in this workshop that will be the next 2-3 of July, 2014 in Seoul, Republic of Korea that have the following goals:

1. To disseminate information and experiences gained from case studies and build up the best practices.
 2. To increase common understanding and raise public awareness on appropriate technology.
 3. To provide an opportunity to discuss how to organize and facilitate the community-based development using IP information.
- Update by Russia on the project proposal on "Promoting Effective Utilization of IPRs through the Concept of Open Innovations".

The Delegation of Russia put into consideration of all IPEG economies the project Promoting Effective Utilization of IPR's Through the Concept of Open Innovations, which gives an opportunity to APEC economies to discuss the concept of open innovations from the view point of acquisition and transfer of IPRs and what difficulties can be faced by government/legal entities with regard to legal means for "open" utilization and commercialization of IPRs.

The project will allow economies to:

- 1) Establish common understanding between APEC economies on open innovations in innovation-based economy.
- 2) Exchange experience and best practices in innovation management based on concept of open innovations.
- 3) Develop recommendations on enhancing of enterprise's competitiveness basing on principle of open innovations.
- 4) Develop Guidelines on use of open innovation models for building up innovation-based economy. The main beneficiaries of the project are government officials, representatives of large innovation enterprises, representatives of universities/educational institutions.

The co-sponsors of this proposal are: Korea, Peru and Mexico.

- Update by Korea on the project proposal on "Bridging the IP Divide and Facilitating Information and Communication Technology by Developing a Mobile Application for IP Awareness".

Korea presented this initiative which aims to develop an IP game-based and text-based phone application (we are living in a generation of digital natives) by combining games, informative content, historical facts and quizzes in a comprehensive textbook on IP.

By 2015 the app will be complete and by 2016 is expected that all the people can download the app.

The co-sponsors of this proposal are: Chile, Mexico, Chinese Taipei, Hong Kong China, China, United States, Philippines, Papua New Guinea and Russia.

(2c) Self-funded

- Update by Korea on the “Appropriate Technology Development Project”.

The Delegation of Korea submitted a presentation on the topic of Appropriate Technology Development with the aim of presenting the process for creating AT in two economies: Papua New Guinea and Philippines. They first identified their local needs then searched for prior art, in order to develop AT to finally distribute improved technology to establishing new AT. Korea described a study visit to Pinu, Papua New Guinea and a study visit to the Philippines in both, there were performed basic research, a few interviews and a market research identifying the level of technology employed, the possibility of collaborative work and patent and licensing issues. Finally, Korea disclosed the results of this project with improved procedures and improved products.

(2d) Other matters

- Update by the U.S. on the proposal on “Creation and Dissemination of Creative Content in the Digital Environment”.

APEC has undertaken work to address related issues in the past. In 2002, APEC Leaders committed that “Economies will ratify and fully implement the WIPO Copyright Treaty and the WIPO Performances and Phonograms Treaty as soon as possible”. In 2005, APEC Ministers endorsed the Three Model Guidelines for the APEC Anti-Counterfeiting and Piracy Initiative. Among the three were the Model Guidelines to Protect Against Unauthorized Copies and the Model Guidelines to Prevent the Sale of Counterfeit and Pirated Goods Over the Internet, which addressed issues relevant to promoting an online environment conducive to effective IPR protection and enforcement and for promoting further investment in digital content.

Building on that work, the U.S. proposed in 2012 that APEC develop Model IPR Guidelines to promote the Creation and Dissemination of Creative Content in the Digital Environment, focusing on adequate and effective legal mechanisms to protect against the unauthorized circumvention of TPMs and trafficking in devices, products, or services that are primarily designed, produced or performed for the purposes of enabling the circumvention of TPMs. The Committee on Trade and Investment subsequently referred the proposal to the IPEG.

As a follow up of this issue a workshop took place on February 18th after the IPEG meeting concluded. It feature two experts in this topic , namely, Professor Rohazar Wati Zuallcoble from the Faculty of Law at MARA University of Technology, in Selangor, Malaysia; and Ms. Jenny Wong, Executive Director for Asia-Pacific Public Policy for Time Warner, based in Hong Kong, China. Their presentation provided an introduction to TPMs and their importance to innovative content-delivery business models, citing specific examples from APEC economies. They also explained how TPMs can be circumvented and the benefits of a legal framework providing tools to combat that circumvention.

3. Interactions with CTI

- Update by CTI Chair on CTI priorities and expectations for 2014.

The CTI Chair highlighted some key CTI priorities for 2014 which are:

1. Support for the multilateral trading system/WTO
2. Advancing regional economic integration
3. Strengthening connectivity and infrastructure development
4. Regulatory cooperation
5. Contributions of CTI and sub-for a to APEC growth strategy and cross-cutting mandates

The CTI Chair noted in his presentation to welcome advice and inputs on, priorities and interests of sub-fora, ways to improve interactions with CTI, new ideas and inputs to advance APEC's agenda in 2014 and support China's host year priorities.

- Review by IPEG members on the draft paper "Streamlining CTI sub-fora: CTI recommendations to Senior Officials".

During the IPEG Meeting the CTI Chair briefed the IPEG with the CTI priorities and expectation for APEC 2014.

As a follow up to these priorities, a discussion on the draft paper "Streamlining of CTI sub-fora: CTI recommendations to Senior Officials" was held. Resulting in a commitment of the IPEG to:

Recognize the importance to continue having this type of review on the effectiveness and efficiency of sub-fora. A rich discussion was held and it was agreed that further work on this issue should be done.

IPEG will implement the recommendations, once they are endorsed by the Senior Officials.

4. CTI Priorities

(4a) Support for WTO

Deepening the Dialogue on Intellectual Property Policy and Protection of Emerging Fields in IPR (Lead Economy: Convenor)

(4a-i) Protection for Geographical Indications (Lead Economy: Mexico)

- Presentation by the United States on protection of Geographical Indications via trademarks.

The U.S. provided information about the protection of geographical indications in the U.S. via the system of trademarks. The discussion focused on the advantages of GIs in promoting rural development, including case studies, and emphasized the importance in the U.S. system of respecting prior trademarks and existing generic terms, as well as adequate notice and opposition provisions.

This issue will be subject to further deliberations by IPEG members.

(4a-ii) Protection of Genetic Resource, Traditional Knowledge and Folklore (Lead Economy: Peru).

There was no discussion under this item.

(4a-iii) Protection of Plant Variety Protection Systems.

There was no discussion under this item.

(4b) Support for APEC Investment Facilitation Action Plan

Utilizing new technology to improve investment environments

(4b-i) Providing adequate and effective protection of technology and related intellectual property rights.

There was no discussion under this item.

(4b-ii) Developing strategies to meet intellectual property needs of SMEs.

- Update by Mexico on the "Survey on Innovation and SMEs Management".

Mexico thanked Russia; Hong Kong, China; Japan; Thailand; Chinese Taipei; Korea; China; Australia; and Brunei Darussalam for responding to this survey. This Delegation stated that this initiative was born with the aim of sensing SMEs needs in APEC economies, understand them, measure them, evaluate their impact and finally prioritize, which strategy, policy or program is more useful to meet IP needs in all APEC economies.

Mexico also noted that it shares the vision that SMEs are often the driving force behind innovation and that through IPRs this can be fully exploited. Finally, this Delegation expressed that this initiative can be interrelated with Korea's proposal on "Initiative to facilitate the exploitation of IPRs and innovation in SMEs".

(4c) Trade and Investment Facilitation

(4c-i) APEC Anti-Counterfeiting and Piracy Initiative. (Lead Economies: Japan; Korea and the United States).

- Update by Mexico on the "Survey on the relationship between counterfeiting/piracy and organized crime".

Mexico mentioned that to date had not receive any response of this survey, therefore, they say that they would like to put into consideration of all APEC economies to work together to find an efficient mechanism or platform dedicates to data collection of best practices in the enforcement of intellectual property rights, which could facilitate the dialogue, the exchange of views and the implementation of these practices that suit our economies better, taking into account the support of SMEs and the relation between companies and authorities, at the national and international level; avoiding with this risks involved with counterfeit products and pointing towards a better framed use of intellectual property rights in the APEC region.

(4c-ii) Enforcement Related Activities.

- Presentation by Korea on the "Introduction of the Illegal Copyright Obstruction Program (ICOP) in Korea".

Korea made a presentation on the Introduction of the Illegal Copyright Obstruction Program (ICOP) in Korea, as a monitoring, recognition and warning system which reports on illegal copyright on audio, movies, TV shows, texts, comics, games etc., which could have a good impact on financial reductions.

(4c-iii) Exchange of Information Concerning IPR Measures/Policies.

- Presentation by Chinese Taipei on the Creation of a mechanism to facilitate the use of orphan works and accessible format copies – Chinese Taipei's experiences and views.

Chinese Taipei explained what are the accessible formats (all changes necessary to make accessible, including translation, braille, sound recording, digital format- shifting, verbal imagery, accompanying sign language or otherwise), usually the ones who can make this format was the non-profit organizations, but now they add the central or local government agencies, all levels of legally established schools and the guardian for the disabled's nonprofit use.

The beneficiaries of these formats are the visually impaired, learning disabled, hearing impaired and others unable to read ordinary books, such as unable to hold or manipulate a book or to focus or move the eyes to the extent.

These formats are distributed by any means, including online transmission.

About the Orphan Works they mentioned that this issue is addressed in "Art. 24 of the Law for the Development of the Cultural and Creative Industries" rather than "Copyright Act", the reason for such legislation is to decrease high transaction cost for local cultural and creative industries, respond the concern of potential infringement claims from a reappearing "parent" and a simpler way than to complete the legislative procedure of Copyright Act.

- Presentation by Chinese Taipei on the Amendment to Patent Act – Introducing border measures.

Chinese Taipei mentioned that they are having some amendments to the Patent Act, the main purpose of this latest amendment is to strengthen the protection of patentees, that proposed that a mechanism of “request to detain” be introduced to the Patent Act. Accordingly, a patentee may provide security and request the customs to detain importing goods suspected of infringing the patent right. The owner of the detained goods, on the other hand, may also provide counter security and request to repeal the detention.

- Presentation by China on the Recent Legislative Development of Chinese Trademark Law System.

China mentioned that they are having a third Amendment on the Trademark Law since it took effect in 1983 (the previous two were in 1993 and 2013) that will be implemented on May 1st, 2014.

The third amendment is needed because the actual procedure is complicated, over length time for right acquisition, bad faith application, infringements need to be controlled more effectively, trademark rights protection need to be enhanced.

So the basic principles of this Amendment are:

1. More conveniences for applicants (introduces sound marks, electronic applications, allows multiple classes for single application, communication procedure during examination).
2. Better protect fair competition (standardize well-known mark protection, prohibit bad faith applications, prohibit using a registered trademark as an enterprise name and enhance supervision and administration on trademark agencies).
3. Enhance the protection of trademark rights (extend the sorts of liable infringements, enhance the punishment of infringements, alleviate the burden of proof, increase the amount of punitive compensations).

(4c-iv) Responding to Cable and Encrypted Satellite Signal Theft.

There was no discussion under this item.

(4d) Implementation of Pathfinder Initiatives.

There was no discussion under this item.

(4e) Implementation of Transparency Standards.

There was no discussion under this item.

(4f) Regional Trade Agreements (RTAs) / Free Trade Agreements (FTAs).

Under this item Mexico mentioned that they are participating in the negotiation of the Pacific Alliance (with Chile, Colombia and Peru) and in a Free Trade Agreement with Panama.

There was no further discussion under this item.

5. Other Collective Actions of IPEG

(5a) Support for Easy and Prompt Acquisition of Rights.

(5a-i) Participation in International IP-related Systems (Lead Economy: the U.S.).

- Update by Japan on the proposal on “APEC Information and Experience sharing of IP-related treaties”.

Japan explained the efforts over the years to establish several IPR-related treaties to harmonize various aspects of IPR protection and enforcement, including IPR acquisition, the actions proposed to do so is an integral part of this project.

Japan asked the member economies to complete a questionnaire detailing the benefits and best practices each economy has had with the IP-related systems.

(5a-ii) Establishing Internationally Harmonized IPR system (Lead Economy: Japan).

There was no discussion under this item.

(5a-iii) APEC Cooperation Initiative on Patent Acquisition (Lead Economies: Japan; Korea; Singapore and the United States).

- Update by Japan on the proposal on More Coherence under the APEC Cooperation Initiative on Patent Acquisition Procedures”.

Japan’s initiative consists of a “one-stop” website, on a self-funded basis, allowing patent system users to download request/petition forms to be used when they request an IP Office to conduct examination by referring to results of search/examination already carried out by another IP Office. During the last IPEG Japan invited members to upload their information.

Japan invited all the economies to provide feedbacks about the website.

(5a-iv) Papers related to Easy and Prompt Acquisition of Rights and Protection.

There was no discussion under this item.

(5b) Electronic Processing of IPR-related Procedures

There was no discussion under this item.

(5b-i) Electronic Filing Systems (Lead Economy: the United States)

There was no discussion under this item.

(5c) IP Asset Management and Utilization

There was no discussion under this item.

(5c-i) Promoting IP Asset Management in APEC Economies (Lead Economy: the United States).

There was no discussion under this item.

(5c-ii) Raising Public Awareness (Lead Economies: Australia and Hong Kong, China).

- Presentation by Mexico on “Expo Ingenio 2013 – 2014”.

Mexico mentioned that they organized a three-day expo in Mexico City on October 16 -18, which was the second edition of “Expo Wit 2012”, having as central theme “Innovation + Protection”, thus promoting an industrial property culture in Mexico and fostering innovation in their economy. The main topics were innovation, synergy of ideas, building the development’s ecosystem, human capital convergence, economy’s prospective, business development, industrial property advice and investment opportunities. The participants were technology suppliers and buyers, academic institutions, IP system users, trade agents and Government agencies.

In 2014 they are going to have the “Expo-Ingenio Sessions, IP IN MOTION”, with the objective of:

- Regional activities in all the Mexican territory divided in 5 main regions.
- Search for local “best practices”.

- Identifying possible partnerships.
 - Scouting for new talent.
- Presentation by Hong Kong China on “Upcoming IP events to take place in Hong Kong during 2014”.

Hong Kong China mentioned that they will host two IP events, which are the following:

1. INTA’s 136th Annual Meeting will be celebrated on May 10-14, 2014, at the Hong Kong Convention Centre, in which they are expecting around 8,500 attendees from over 140 countries, this will be the first Annual Meeting to be held in Asia in INTA’s history.
2. The 6th Global Sensory Branding Forum will be celebrated on May 9, 2014, at the Jockey Club Innovation Tower, where the main themes will be the senses, design and Intellectual Property, this event is organized by the Hong Kong Polytechnic University School of Design.

So they extended the invitation to all economies.

(5c-iii) Facilitation of Technology Transfer through Ensuring of IP Protection (Lead Economy: Australia).

There was no discussion under this item.

(5c-iv) IP Creation, Utilization and Dissemination (Lead Economy: Korea).

- Presentation by Chile of the “INAPI Proyecto Tool”.

Chile mentioned that “INAPI Proyecto Tool” was launched in April 2012 aiming to improve opportunities for entrepreneurship, innovation and creativity through the use and management of Intellectual Property (IP). This tool is specially intended for small and medium-sized enterprises (SMEs), technology transfer offices in universities, as well as for member of the judiciary. The platform comprises tools aimed at learning, using and transferring intellectual property, as well as several customizable options in order to establish an IP community and environment of collaboration and knowledge sharing.

This tool was created because of the low use of IP rights by residents in Chile, nearly 10% of patent applications are requested by Chilean residents, patent applications have a low quality or do not meet requirements of the IP Law and weak use of rights, such as utility models, industrial design and integrated circuits.

With INAPI Proyecto they seek to improve the level of knowledge and practices of IP, contribute to the economic and social development through the dissemination of universal technological information as a means to foster innovation.

- Presentation by Peru “Promoting the use of the Patent System in Peru”.

Peru commented that the Directorate of Inventions and New Technologies of INDECOPI is the administrative organ which acts as a first instance for the granting and protection of intellectual property rights related to patents, utility models, industrial designs, integrated circuits, new plant varieties and traditional knowledge of indigenous groups in Peru.

In the year 2012 the Directorate of Inventions and New Technologies made the decision of creating a sub directorate of Support for Innovation with the aim of promoting and consolidating the sustainable use of the patent system in Peru.

They said that they received 197 patent applications by Peruvians until the 31st of December 2013, the stats were the following:

- That represents 14% of the total of patent applications in Peru during that year 2013 (it represents 16% more than the year 2012).
- 25 patent applications received through the program Patente Rápida (Fast Patent).

- 68 applications received for the Concurso Nacional de Invenciones (National Inventors Competition). The number represents 70% more than the year 2012.
- 31 applications presented by peruvian universities (55% more than in 2012).
- The National Engineering University alone presented 14 patent applications.
- 3 applications presented by investigation centers (in 2012 there were no applications presented).

Peru concluded his presentation by referring to their goals for 2014:

- 230 patent applications by nationals.
- 35 patent applications through Patente Rápida (Fast Patent).
- 80 patent applications through the National Inventors Competition.
- 40 patent applications presented by national universities.
- 24 publications, including research information, information for users of the System and reports on the achievements of the IP Office.

(5d) Capacity-building

- Update by Japan on the “Intellectual Property Academy Collaborative Initiative” (iPAC Initiative).

Japan gave an update of this initiative which promotes the exchange of information among IP academies and facilitates voluntary and mutual collaboration among them in IP training, education and research.

Japan invited all the economies to provide feedbacks about the website under this initiative.

- Presentation by Korea on the “IP e-learning of KOREA”.

Korea said that the IP Panorama was developed jointly by the World Intellectual Property Organization (WIPO) under a project entitled “The Joint Development of E-learning Content”.

IP Panorama was designed to help SMEs utilize and manage Intellectual Property (IP) in their business strategy; it increases IP-awareness among enterprise sector and a wide range of university students by providing practical knowledge about using IP for business success. IP Panorama deals with IP issues from a business perspective, especially focusing on the situation of SMEs.

IP Panorama relies on a brand new instructional design strategy based on ‘Storytelling’ along with educational technology. The learning content of each module was designed with a practical story regarding intellectual property. It is available in 24 languages.

IP Xpedite was jointly developed by the Asia Pacific Economic Cooperation (APEC), this program deals with concepts of IP information and how to search and obtain valuable IP information. It aims to enhance the efficiency of IP research along with the technological development of IP.

The IP Ignite focuses on global IP issues and IP rights based on DL-101 content provided by the WIPO Worldwide Academy.

- Presentation by Canada on the "CIPO/WIPO Executive Workshop on the Application of Management Techniques in the Delivery of IP Services".

Canada mentioned that since June 1997, CIPO, in partnership with WIPO, has organized and delivered specialized annual training courses for Senior level IP officials with some level of influence from developing countries the Latin American and Caribbean region, the Asia-Pacific region, Middle East, Africa and Eastern Europe.

In June 2010, CIPO signed a Memorandum of Understanding with WIPO to formalize its commitment to WIPO’s Worldwide Academy and to solidify its agreement to offer training in the field of intellectual property to developing countries through the CIPO/WIPO Executive Workshop.

The workshop aims to train senior officials from national industrial property offices that are in a position to influence the daily management of their offices so as to ensure a better response to the needs of their clients.

Canada invited all the economies to participate in the next workshop that will take place from June 9 to 13, 2014 in Ottawa, the costs for these training courses are shared between WIPO and CIPO, with WIPO covering travel costs for the visiting officials, and CIPO covering the costs associated with accommodations, meals and incidentals and special events as per Government of Canada guideline.

They said that in the past many of the APEC economies have participated in their workshop (Philippines, People's Republic of China, Malaysia and Mexico participated 7 times, Thailand participated 6 times, Chile, Indonesia and Viet Nam, participated 5 times, Peru participated 3 times, Singapore participated 2 times, Russia participated 1 time).

(5e) Strategic Development of IPEG

- IPEG Chair to inform members on the updated IPEG CAP 2013 submitted to the CTI.

The Chair informed that as every year IPEG submitted its updated collective action plan (CAP) to the Committee of Trade and Investment CTI, at the end of 2013.

The document was circulated intersessionally to all the economies and once it was endorsed, it was sent to the CTI Chair.

As for the document to be submitted in 2014, the Chair will follow up with the economies.

6. New Project Proposals

(6a) Quality Assessment Framework Team

- QAF Team.

The Chair thanked the QAF Team 2013, which comprised Canada, Chile and Mexico for their collaboration in this important task for improving IPEG/APEC funded projects.

The Chair asked for a new QAF Team for 2014 and encouraged all the economies to volunteer, especially those ones who have presented APEC funded projects as the QAF Team is an important support and stage for the good development of APEC Funded Projects.

Mexico, Canada and Chile volunteered to continue in the QAF Team for 2014 and were thanked for this effort by the Chair and the economies.

(6b) Call for new project proposals

- Presentation by Korea on a project proposal on the "Initiative to facilitate the exploitation of IPRs and innovation in SMEs"

Korea said that as technological progress and innovation continue to accelerate, the role and importance of intellectual property rights (IPRs) for innovation-driven economic growth have significantly increased. With SMEs playing a key role as a driving force for economic growth in many APEC economies, it is certain that efforts to foster innovation in SMEs through the exploitation of IPRs will contribute to economic development.

Therefore, co-jointly with Mexico they proposed a strategy to stimulate and promote innovation in SMEs and facilitate the creation of IPRs for the development of the APEC region.

The expected achievements from this initiative are as follows:

- Develop common understanding and identify best practices for the IP strategies of SMEs.
- Provide opportunities to bridge the IP gap by delivering consultations on any difficulties in each APEC economy.

- Eventually contribute to developing APEC's trade and investment environment by enhancing the competitiveness of SMEs.

To achieve the above goals, the following actions are proposed:

- Sharing information and experiences.
- Conducting research using APEC Funds.
- Providing consultations in accordance with the needs of each APEC economy.
- Facilitating IP financing for SMEs in accordance with APEC financial policies for SMEs (long term).

Korea asked if any economy wanted to co-sponsor this initiative and United States, Indonesia and Vietnam, presented its co-sponsorship.

This proposal was endorsed by the IPEG, therefore the group will follow up on its development.

- Proposal by the United States on "IPEG Work to Enhance Trade Secrets Protection and Enforcement"

The U.S. presented this project by stating that APEC member economies have long recognized that innovation is critical in fostering economic growth in the region. As economies globalize their manufacturing, services, and research activities, the protection and enforcement of trade secrets is increasingly important in fostering a culture that promotes innovation.

Trade secrets can play a critical role in companies' intellectual property portfolios, and can comprise a company's most valuable assets, particularly in the case of small and medium-sized enterprises, which may find the use of trade secrets more economically appealing than alternative forms of IP protection.

In order to establish an informational foundation, the IPEG should examine the economic importance of trade secrets; consider the role of trade secrets protection and enforcement in the context of the protection and enforcement of intellectual property rights more broadly; and take inventory of the current legal and regulatory regimes in APEC economies with respect to trade secrets. The United States proposed that the IPEG endorse the development of a study for discussion in the IPEG 2 meeting later this year that would examine these questions and catalogue the legal regimes of the APEC member economies in regards to trade secrets protection and enforcement.

This study would be self-funded by the United States; the U.S. would welcome the participation of the other economies in the development and execution of the study.

US asked if any economy wanted to co-sponsor this initiative and Mexico, Chinese Taipei, Korea, and Japan presented its co-sponsorship.

This proposal was endorsed by the IPEG, therefore the group will follow up on its development.

7. Cooperation with Other Fora/Stakeholders

- Presentation by Japan on "SCCP Project: APEC Workshop on IPR Border Enforcement".

Japan invited all the economies and the IPEG Chair to participate in the workshop that will be held in Hong Kong, China from the 11 to 13 of November, 2014.

Japan mentioned that the objectives of this workshop are:

- To promote IPR border enforcement.
- To provide technical assistance for capacity building among APEC Customs administrations.
- Share good practices within the Asia-Pacific region on detecting fake goods.
- Develop and enhance Customs techniques and investigation capabilities.
- Enhance the importance of cooperation with right holders for effective IPR enforcement.
- Raise public awareness on results of Customs enforcement at the border.

8. Other Business

- Participation of certain Organizations with observer status at the IPEG Meetings.

The Chair mentioned that he was approached by the World Intellectual Property Organization (WIPO) who has some interest in participating in IPEG meetings as an observer, he advised WIPO on the procedure to be followed in order to be able to participate as an observer.

The Chair will keep IPEG informed on how this issue will develop.

- Update by the Chair on IPEG Convenorship 2015-2016.

The Chair informed IPEG Members that the 38th IPEG Meeting was his second year as IPEG Chair and Mexico's fifth year; he commented it had been a real interesting and satisfactory task.

The Chair invited economies to start thinking in the next Convenor so we can work on it intersessionally and take a decision in the next IPEG meeting on the month of August.

There was no further discussion on this item.

9. Document Access

Mr. Alvaro Castro informed about the list of documents to be made public or restricted, he asked if everyone agreed to endorse the list. He commented that documents number 0, 3, 4, 13, 19, 22 and 24 were going to be restricted; the others were going to be uploaded in the website. IPEG endorsed the document list.

10. Future Meeting

The Chair informed members that the next IPEG Meeting will be held in Beijing, China, the tentative date is between August 4th and 19th, 2014. China as the host APEC economy informed about this next IPEG Meeting venue.

11. Report to the Next CTI

- The IPEG Chair will provide CTI with the Convenor's Report on the IPEG and forward it to IPEG Members for their consideration.

The Chair noted that CTI1 was taking place on February 24 – 25, 2014, therefore, due to the tight time frame between IPEG and CTI, the report would be sent soon after CTI ends in order to have enough time to have consensus on IPEG's report to CTI.

In this item the Chair remarked that he will brief CTI representatives on IPEG's activities and the discussions regarding the draft paper on "Streamlining CTI sub-fora: CTI recommendations to Senior Officials".

12. Closing Remarks

The Chair concluded the meeting by expressing his thankfulness and appreciation to China for its hospitality and arrangements and to all the members for their attendance, support and for the active participation, with these remarkable and useful presentations and fruitful discussions.

He commented to see all the delegates of the member economies next August in Beijing, China.