

Simplified Ex-Post Evaluation for Technical Cooperation Project

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Project Name	The Modernization of Industrial Property Administration Project and the Follow-up Project	February 2010 – December 2010

I Project Outline

Country Name	Republic of the Philippines			
Project Period	Original project: May 1999-May 2003 Follow-up project: November 2004-May 2006 (extended to March 2007)			
Executing Agency	The Intellectual Property Office of the Republic of the Philippines (IP Phil)			
Cooperation Agency in Japan	Ministry of Economy, Trade and Industry, Japan Patent Office			
Total Cost	525 million yen			
Related Projects (if any)	None			
Overall Goal	The IP Phil will be able to grant intellectual property rights more promptly with increased accuracy.			
Project Objective(s)	The patent administration process is facilitated and improved in IP Phil.			
Output[s]	<p>Original Project:</p> <ol style="list-style-type: none"> 1. Project operation unit will be enhanced. 2. Staff will be able to analyze the patent administration process and suggest ways of improvement. 3. Appropriate equipment will be provided, installed and maintained properly. 4. A bibliographic database will be created and utilized. 5. A document database will be created and utilized. 6. Staff will be able to manage the patent administration computerized system (PACSYS). <p>Follow-up Project:</p> <ol style="list-style-type: none"> 1. PACSYS is enhanced to be fully operational. 2. Staff's capacity of PACSYS management is improved. 			
	Inputs (Japanese Side)		Inputs (Philippine Side)	
Experts	Original project: 7 for Long term, 11 for Short term Follow-up project: 1 for Long term, 4 for Short term	Staff allocated	Original project: 22 Follow-up project: 34	
Equipments	Original project: 188 million yen Follow-up project: —	Equipments	Original project: 8 million peso Follow-up project:—	
Local Cost	Original project: 14 million yen Follow-up project: 57 million yen	Local Cost	Original project: 26 million peso Follow-up project: 5 million peso	
Trainees Received	Original project: 11 trainees Follow-up project:—	Land etc provided	Office for Japanese experts	
Others	—	Others	—	

II Result of the Evaluation

Summary of the evaluation
<p>The project is relevant with the Medium-Term Philippine Development Plan and development needs of the country as well as Japan's aid policy. The Patent Administration Computerized System (PACSYS), an input delivered in this project, failed to fully operate, and as a result a follow-up project was needed to put it right. The project had problems in efficiency as seen in the fact, among others, that the actual expenses for the inputs were higher than planned. In terms of effectiveness, the follow-up project finished with its effects confirmed for achieving the objective, a reduction in the manual procedures needed to deal with patent administration process, and the effects are still being maintained. However, the obsolete server takes a rather long time for processing. For administration process to be dealt with more quickly, further improvement is needed. IP Phil, on its part, successfully maintains its systems and abilities to operate PACSYS, and it manages to operate on a self-paying basis, doing without subsidies from the government, which demonstrates good sustainability of effects the project has delivered.</p> <p>In light of the above, this project is evaluated to be fairly satisfactory.</p> <p>< Recommendations ></p> <p>Use of PACSYS has not yet reached the level assumed. In order to grant industrial property rights more quickly, there is still room for improvement. The current status is due to the slow processing of the system and a lack of data, a result of the unfinished entry of the backlog of data. The system's slowness in processing comes from the fact it was an old model, for which the maker has already terminated offering support services. The evaluation at completion of the follow-up project also recommended that the server</p>

and other system components be renewed, taking into consideration the future integration of IP Phil's systems. On the other hand, the backlog of data entry has not yet been finished because it is complicated work and takes time. It is desirable that further inputs be delivered as far as they are required to complete the data entry work and quickly raise the utilization level of PACSYS.

1 Relevance

(1) Relevance with the Development Plan of the Philippines

The Medium-Term Philippine Development Plan (2001-2004), a plan prepared at the beginning of the project, pointed out the necessity of intellectual property rights protection for the strengthening of the information communication sector. The Medium-Term Philippine Development Plan (2004-2010), another program produced at the end of the project, also refers to an increase in intellectual property registration as a tool for economic development and job creation that should be promoted.

(2) Relevance with the Development Needs of the Philippines

IP Phil received an annual average of 4,200 patent applications during the ten years from before the beginning to the end of the project, and 4,700 at the end of the project, which was quite a large number. There is still a high level of need for quick and accurate implementation of the patent administration process.

(3) Relevance with Japan's ODA Policy

In its ODA Charter, Japan mentions the appropriate protection of intellectual property rights as a key issue, declaring that with its individual aid programs, it will support developing countries in enhancing the development and implementation of their intellectual property systems according to their needs and priorities.

This project has been highly relevant with the country's development plan, development needs, as well as Japan's ODA policy, therefore its relevance is high.

2 Effectiveness / Impact

(1) Achievement of Project Outputs and Project Objective(s)

The original project achieved improvements in the patent administration process at IP Phil and trained its staff to operate the PACSYS that was introduced. Despite the completion of the bibliographic and document databases, due to the failure of PACSYS to be fully operational, no major outputs were realized in terms of the quicker patent administration process. At the end of the follow-up project, its effects showed up in a reduction in the manual procedures needed to deal with patent administration process, which was an objective of the project. At that point in time, at least 50% of the IP Phil staff came to recognize the importance of PACSYS.

(2) Achievement of Overall Goal, Intended and Unintended Impacts

IP Phil receives less patent applications than in 2000, a reflection of the increase in international applications after the Philippines' participation in the Patent Cooperation Treaty (PCT) and the global economic crisis. Such external factors have hindered the number of administration processes dealt with for industrial property from rapidly increasing from the level before the project was carried out. On the other hand, IP Phil recognizes that with improvements in the efficiency of patent administration process delivered by the introduction of PACSYS they are prepared to respond to any future increase in patent applications. Positive indirect effects delivered by the introduction of PACSYS include systems that allow mutual support between patent and trademark administration processes, which will contribute to future patent administration in the Philippines.

This project has somewhat achieved its objectives, therefore its effectiveness is fair.

3 Efficiency

(1) Outputs

As described above in (1) of "Effectiveness / Impact," this project, with the follow-up project having been carried out, has produced outputs generally as planned.

(2) Elements of Inputs

In terms of inputs in this project, comparison cannot be made between planned and actual expenses for the whole process of the original project combined with the follow-up project, as the latter was added to enable PACSYS to become fully operational. In the original project alone, the cost of the equipment supplied and local costs borne by the recipient country both were significantly higher than planned.

(3) Project Period of Cooperation

The original project, designed to be completed in 49 months, actually finished in this number of months (a ratio of 100% to the plan). The follow-up project, designed to be completed in 19 months, actually finished in 29 months (a ratio of 153% to the plan). As this project succeeded in achieving the objective originally set for it only after the follow-up project had been carried out, the judgment is that the cooperation period was significantly longer than planned.

(4) Project Cost of Cooperation

The extent to which the project costs of cooperation were projected in the plan has not yet been confirmed as no information is available concerning this. This project actually cost ¥525 million, with no problem found when it is compared with other projects with similar contents. Just as the cooperation period was too long, the judgment is that the cooperation costs to carry out the follow-up project in order to achieve the project objective were significantly higher than planned.

The inputs are not appropriate for producing outputs and achieving the project objective, therefore efficiency of the project is low.

4 Sustainability

(1) Related Policy towards the Project

As the current Medium-Term Philippine Development Plan (2004-2010) refers to an increase in intellectual property as a tool for economic development and job creation that should be promoted, it still ranks high among policy priorities.

(2) Institutional and Operational Aspects of the Executive Agency

Operation of PACSYS continues with 22 staff members assigned to the Information Systems and Operation Units. With the rules that the two Units have established for the operation of PACSYS, the system of IP Phil has been maintained.

(3) Technical Aspects of the Executive Agency

IP Phil ensures that its staff both at the Information Systems and Operation Units are technically qualified for the operation and maintenance of PACSYS.

(4) Financial Aspects of the Executive Agency

After its shift to a self-supporting accounting system in FY2007, IP Phil's service is financed not with subsidies from the government, but mainly from revenue collection from patent annuities.

(5) Continuity of Effectiveness and Impact

The effects of the project are still being maintained. However, to deal with the administrative process more quickly, problems - slow processing speed of the system operated with an obsolete server and a lack of data due to the unfinished entry of the backlog of data - should be solved.

No major problems have been observed in the policy background, the structural, technical, financial aspects of the executing agency, therefore, sustainability of the project effects is high.