

TC ABSTRACT

I. Basic Project Data

▪ Country/Region:	PERU/CAN - Andean Group
▪ TC Name:	Applying artificial intelligence (AI) and machine learning to upgrade the IP administration system in Peru
▪ TC Number:	PE-T1434
▪ Team Leader/Members:	CRESPI, GUSTAVO ATILIO (IFD/CTI) Team Leader; SUASNABAR, CLAUDIA (IFD/CTI) Alternate Team Leader; GONZALEZ ALZUALDE, YOHANA BEATRIZ (IFD/CTI); KELLY CASTILLO, EMILY LETICIA (IFD/CTI); CASTILLO MANRIQUE, RAFAEL (IFD/CTI); SUN, JUYOON (IFD/CTI); SALDANA GALVEZ, JORGE HERNAN (CAN/CPE); MIRANDA GUEVARA, LORENA VIOLETA (CAN/CPE)
▪ Taxonomy:	Client Support
▪ Number and name of operation supported by the TC:	N/A
▪ Date of TC Abstract:	28 Jul 2020
▪ Beneficiary:	Peru
▪ Executing Agency:	INTER-AMERICAN DEVELOPMENT BANK
▪ IDB funding requested:	US\$500,000.00
▪ Local counterpart funding:	US\$100,000.00 (In Kind)
▪ Disbursement period:	24 months
▪ Types of consultants:	Individuals; Firms
▪ Prepared by Unit:	IFD/CTI - Competitiveness, Technology and Innovation Division
▪ Unit of Disbursement Responsibility:	CAN/CPE - Country Office Peru
▪ TC included in Country Strategy (y/n):	Yes
▪ TC included in CPD (y/n):	No
▪ Alignment to the Update to the Institutional Strategy 2010-2020:	Social inclusion and equality ; Productivity and innovation ; Institutional capacity and rule of law

II. Objective and Justification

- 2.1 The objective of this technical cooperation (TC) is to enhance the institutional capacity of the National Institute for the Defense of Free Competition and the Protection of Intellectual Property (INDECOPI) by providing the Intellectual Property (IP) examiners modern technological tools that permits management and organization of the information generated in the registration process to enhance the predictability in the decision making and to decrease the response time.
- 2.2 Created in 1992, INDECOPI, as a specialized public agency, has the function to promote the market and protect the rights of the consumers. In addition, it has the mandate to encourage a culture of fair and honest competition, through overseeing the intellectual property from trademarks and author's copy right to patents. This Technical Cooperation aims to enhance the institutional capacity of INDECOPI and upgrade the IP administration system of Peru by learning about the use, advances and benefits from implementing artificial intelligence, big data, machine learning and other related technologies in the analytical process of applications for trademarks in the business operations of INDECOPI. The business operations of INDECOPI are especially active in the processing of trademarks registered by citizens.

- 2.3 The Korea Intellectual Property Office (KIPO) is working to build a IP knowledge base for artificial intelligence and big data in IP administration, especially in the area of intelligent patent search and AI-assisted customer service. In addition, the Korea Intellectual Property Rights Information Service, KIPRIS, the online intellectual property (IP) information service of Korea, which allows users to search for IP information on patents, utility models, design, trademarks, and Korean Patent Abstracts (APA) and to access administrative information online regarding the process, examination, registration and the trial status.
- 2.4 The TC is consistent with the Corporate Results Framework 20-2019 (GN-2727-6) and the Updated Institutional Strategy of the Bank 2010-2020 (AB-3008) and is aligned with the development challenges of (i) Social Inclusion and Equality and (ii) Productivity and Innovation; and the cross-cutting theme of Institutional Strengthening and Rule of Law. The TC is in alignment with the objectives of the Country Strategy in Peru 2016-2018 to increase productivity and competitiveness and strengthen institutions at the three levels of government. It will contribute to sustainable and inclusive economic development by boosting the country's productivity with significant participation from the private sector and promote regional development. This TC is consistent with the Innovation, Science and Technology Sector Framework Document (GN-2791-3).

III. Description of Activities and Outputs

- 3.1 **Component I: Diagnosis, gap analysis and learning from the best practices for enhancement and optimization of the management, information, and communication system of INDECOPI.** This component will aim to build capacities for the development and implementation of the smart IP management tools through capacity building workshops, benchmarking best practices by visiting other IP offices
- 3.2 **Component II: Developing technological tools for smart IP administration.** The objective of this component is to analyze, design, develop, implement, and deploy technological tools for the business operations of INDECOPI for time expedition, accuracy of examination results and to streamline the sorting process. The outputs of this component will design the to-be model of upgraded IP administration system of INDECOPI and strategies and roadmap to develop and implement the model that incorporates the technological tools.
- 3.3 **Component III: Feasibility study and public investment project proposal.** This component will develop an investment proposal and conduct a feasibility study to analyze its cost and benefit of the upgraded IP administration system of INDECOPI.

IV. Budget

Indicative Budget

Activity/Component	IDB/Fund Funding	Counterpart Funding	Total Funding
Diagnosis, gap analysis and learning from the best practices for enhancement and optimization of the management, information, and communication system of INDECOPI	US\$145,000.00	US\$29,000.00	US\$174,000.00
Developing technological tools for smart IP administration	US\$280,000.00	US\$56,000.00	US\$336,000.00
Feasibility study and public investment project proposal	US\$75,000.00	US\$15,000.00	US\$90,000.00

Total	US\$500,000.00	US\$100,000.00	US\$600,000.00
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V. Executing Agency and Execution Structure

- 5.1 The Competitiveness, Technology and Innovation (CTI) Division of the Institutions for Development Department (IFD) will be responsible for the technical supervision and administration of TC. All activities to be executed under this TC will be contracted in accordance with Bank policies as follows: (a) AM-650 for Individual consultants; (b) GN-2765-4 and Guidelines OP-1155-4 for Consulting Firms for services of an intellectual nature and; (c) GN-2303-28 for logistics and other related services.
- 5.2 This TC will be executed by the Bank as requested by the INDECOPI, in compliance with section 4.5 of the Bank's TC Policy (GN-2470-2) which requires, in case of Bank-executed TC in areas of Bank's expertise, that (a) the beneficiary country concurs; and (b) the proposed activities are consistent with the Bank's country strategy and program. Compliance to the requirement mentioned in (a) is evidenced by the non-objection letter attached.

VI. Project Risks and Issues

- 6.1 For the developed system to maximize its impact, the design of the technological tools should be user friendly. This will require the demand of the users, both the citizens and examiners to be reflected in the design through close interaction. In addition, training programs should be offered related to the use of the program.

VII. Environmental and Social Classification

- 7.1 The ESG classification for this operation is "C".