



Swiss Confederation

Federal Department of Economic Affairs, Education and Research EAER State Secretariat for Economic Affairs SECO



# **Indonesian-Swiss Intellectual Property Project – ISIP**

The objective of the first phase of the ISIP project was to strengthen the use of intellectual property rights in Indonesia in order to contribute to higher competitiveness, add more value to Indonesian products and make a positive impact on Indonesia's economic development.

## Project background and context

The integration of Indonesia into the international system of intellectual property rights (IPRs) was already well advanced at the start of the project. The country had already acceded to the most – yet not all – important treaties relevant to IPRs, including the Agreement on Trade-Related Intellectual Property Rights (TRIPS Agreement) on its accession to the World Trade Organisation (WTO) in 1995. While Indonesia's legal and institutional framework in the field of IPRs was already well developed, challenges still remained. As in many other developing and transition countries, institutional constraints continued to impede the effective enforcement of IPRs. Furthermore, right holders had not fully exploited the potential of these rights. Both were partly the result of limited public awareness. Promoting the use of those types of IPRs that allow Indonesia to capitalise on its internal strengths, such as geographical indications (GIs), was therefore of particular interest to the Government of Indonesia. The ISIP project was initiated at the specific request of the Indonesian government to the Swiss Confederation. An effective intellectual property system in Indonesia was also in the interests of Switzerland. Only an efficient and competent local intellectual property office (the DGIP) is able to provide protection for patents, trade marks and Gls of Swiss companies. The free trade agreement between Switzerland/EFTA and Indonesia, concluded in November 2018, underlines the importance of this emerging market.

## More information and contact

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One of the activities of the ISIP project was to support the protection and market access of local traditional products such as Ikat woven textiles (Flores Island).

## **Quick project facts**

## **Project duration**

February 2012 – December 2015 (extended to June 2016)

## **Total budget**

CHF/USD 1,950,000

#### **Donor agency**

Swiss State Secretariat for Economic Affairs – **SECO** 

## Implementing partners

Swiss Federal Institute of Intellectual Property – **IPI** Indonesian Directorate General of Intellectual Property – **DGIP** 

## **Indonesia country context**

Population: 253 million Area: 1,811,570 km<sup>2</sup> Annual GDP growth: 5.0% Annual income per capita: USD 3,515

## Goals and objectives

Selected areas of high relevance to Indonesia included:

- Supporting the intellectual property expertise of the DGIP and related government stakeholders in policymaking and international negotiations (World Intellectual Property Organization and WTO)
- Expert input to the revision of the policy framework to protect Gls
- Strengthening the capacities of the DGIP to provide training for intellectual property consultants and the private sector
- Strengthening the capacities of the DGIP in examining patents in the field of chemistry and pharmaceuticals
- Building the capacities of the DGIP in public education and awareness raising in intellectual property
- Analysing the potential of GI value chains and supporting specific cases

### **Activities**

In light of the relatively advanced stage of Indonesia's intellectual property system, this niche approach of the ISIP project of 'filling specific gaps' added the most value and appeared to be the best strategy in achieving sustainable results.

The project provided **specialised advice and support in selected areas** where Switzerland was able to offer strong expertise and achieve a tangible impact. Within these thematic areas, the intervention strategy (activities) mainly consisted of **technical capacity building through training**, workshops, education programmes and **expert input**, which was always led by a national and an international consultant. These activities **increased the capacity** of the DGIP and other IP-related organisations in delivering professional services. Furthermore, the project supported the concrete **implementation of GI projects** in different regions, i.e. Sidoarjo smoked milkfish in Java, Amed specialty salt in Bali, Ikat woven textiles in Flores and Soe mandarins in Timor (see photos). The registration of these local specialty products as GIs was expected to **increase the income of local producers**. In addition to registration, the project also supported community development and product marketing activities.

# Alignment with Indonesia's general development priorities

The ISIP project was aligned to the **key socio-economic development priorities of the Government of Indonesia**, in particular the aim of modernising its industry and narrowing the income gap between its rural and urban population. A strong well-balanced intellectual property system encourages investment in modern technology, the building of strong local brands and technological innovation, all of which were needed to make Indonesian companies more internationally competitive.

#### **Beneficiaries**

The main beneficiary was the **DGIP** through direct technical capacity building. In addition, **local small and medium enterprises (SMEs) and relevant associations** benefited from tailor-made workshops and training programmes, while other economic actors as well as the wider Indonesian public benefited indirectly through improved DGIP services and an improvement in the quality and **competitiveness of Indonesian goods and products**. The impact of the ISIP project also extended to more vulnerable segments of the population such as rural communities, mainly through the use of GIs to market local specialties.



Sidoarjo smoked milkfish, a Javanese traditional specialty, with its GI logo.



The GI logo for Soe mandarines was developed by local producers of Timor Island.



The production of Amed specialty salt in coconut trunks on the beaches of northern Bali is an ancient practice that could be protected through GI registration.