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# Consolidated Annual Activity Report 2022

DELIVERING IP VALUE  
FOR BUSINESSES AND CITIZENS  
IN EUROPE

STRATEGIC  
PLAN  
2025

This document (Annual Report) has been drawn up in compliance with Articles 157(4)(g) and 153(1)(c) of the European Union Trade Mark Regulation (the 'Founding Regulation') of 14 June 2017, and Article 48 of Regulation BC-1-2019 of the Budget Committee of the European Union Intellectual Property Office of 10 July 2019 laying down the financial provisions applicable to the Office (FR).

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## 1 Message from the Executive Director

Following the uncertainty and record growth that characterised the aftermath of the COVID-19 pandemic, 2022 was generally predicted to be a relatively positive time of steady growth and economic stability.

The invasion of Ukraine in February 2022 triggered the largest military confrontation in Europe since World War II. It brought the hitherto gradual recovery of the global economy to a halt. Many countries provided military and humanitarian aid to Ukraine and imposed economic sanctions on Russia, further accentuating supply chain disruption which, combined with a demand shock, contributed to growing inflationary pressures. With the European Commission's agreement, the Office adopted a number of measures in the field of intellectual property in response to Russia's military aggression. It also substantially increased its interactions with EU institutions and bodies to better face the intense instability and economic turmoil together.

With war on our doorstep, a global energy crisis, and the highest level of inflation in the Eurozone since record-keeping began in 1997, the Office once again had to adapt to a new crisis. This one was characterised by a rise in volatility and expenditure and a drop in economic confidence and revenues. The Office rose to the challenge, and even closed the year with a positive operational result, thanks to the SP2025 being designed with flexibility in mind, as well as with an eye to dealing with rapid and unpredictable changes brought about by socio-economic and technological change. This flexibility allowed the Office to immediately adopt measures to control and contain spending in all areas and activities, as well as to prioritise its existing resources. These measures were essential in view of both the fall in the number of applications and, therefore, in revenue, and the increase in the number of *inter partes* files ready for decision because of the high volumes of previous years.

In a year characterised by effectively having to do more with less, the Office not only met its objectives but demanded more of itself as it strove for excellence, adding new KPIs to the EUIPO's Customer Service Charter and Balanced Scorecard and maintaining the expected rate of execution for strategic projects under the SP2025. The Office maintained its high level of quality and timeliness with regard to the established criteria, as confirmed by the external SQAP audits and the internal quality checks. It also further increased cooperation with the EU Member State IP offices, implementing new activities such as IP Scan – IP pre-diagnostic audit services and alternative dispute resolution, and participating in defining the European IP Information Centre.

2022 also marked the 10th anniversary of the European Observatory on Infringements of Intellectual Property Rights being entrusted to the Office – a decade in which, in the words of Commissioner Thierry Breton, it has become 'a central source of knowledge, development and sharing of best practice in the EU and internationally'. The research conducted by the Observatory together with its partners contributed to IP crime being included as a priority for law enforcement in the European Multidisciplinary Platform against Criminal Threats 2022-2025 policy cycle. Moreover, the Office's continued cooperation with enforcement authorities and development of flagship tools such as the IP Enforcement Portal significantly helped in enforcing IP rights.

In addition to its current activities, the Office also looked to the future to help ensure that the IP landscape remains fit for purpose. Closely cooperating with the European Commission, the Office provided input and technical assistance to its legislative initiatives in the areas of designs and GIs, both agricultural GIs and craft and industrial GIs, as well as in other areas to help deliver the Commission's IP Action Plan, such as patent-related supplementary protection certificates and standard essential patents.

All these initiatives will help to strengthen the IP landscape, helping EU businesses and small and medium-sized enterprises (SMEs) to recover, innovate and grow. In 2022, the SME Fund completed a second year of successfully supporting SMEs to protect their innovation and creativity through IP. The Fund received over 22 000 application requests from SMEs across all 27 EU Member States and reimbursed more than EUR 10 million.

This financial support was able to reach SMEs thanks to the support of the European Union Intellectual Property Network, a key player in supporting the EU IP system and contributing to IP policies and protection of IP rights in today's increasingly digital environment, where the Office placed special emphasis not only on developing and implementing innovative customer-centric work initiatives, such as increased direct contact with examiners and outreach activities, but also on new tools and services, such as artificial intelligence pre-clearance, the new EUTM Filing form, and an application programming interface platform for direct integration with users' systems.

Cutting-edge, collaborative tools like these are part of the reason behind the Office's latest ranking as the most innovative IP office in the world by the World Trademark Review, together with South Korea.

2022 was indeed a year full of surprises and unexpected results, but the Office should be proud of the way it has navigated these troubled waters in a period that will undoubtedly be remembered as one of the most challenging in recent global history. The Office's success this year, as every year, would not have been possible without the professionalism, commitment and dedication of the Office staff, the true driving force behind its success story.

Christian Archambeau  
Executive Director

## 2 General Context

Through the Observatory, which celebrated its 10th anniversary in 2022, the Office has been tracking the impact of the COVID-19 pandemic in industries with above-average use of intellectual property rights (IP rights-intensive industries). These industries showed a faster recovery in spite of suffering the consequences of the EU lockdown more than the rest of the economy.

Since the invasion of Ukraine, consumer and business confidence has gone down quite drastically and inflation has gone up even faster than anticipated. This combination has generated an economic shock that has inevitably impacted the Office's workload.

In 2022, the Office's SME Fund completed a second year of successfully supporting small and medium-sized enterprises (SMEs), the backbone of the EU economy, when protecting their innovation and creativity through intellectual property. The fund provides financial support to EU SMEs to protect their IP rights in the context of a series of initiatives the Office undertook to increase its contribution to EU economic recovery policies, including the implementation of the Commission's [IP Action Plan](#).

The [Ideas Powered for business SME Fund](#) was set up in 2020, in the wake of COVID-19, to assist European SMEs with IP rights. The aim was to provide financial support for trade mark and design applications as well as for the IP Scan service, a key tool to assist SMEs in developing their IP strategy. In 2022, the Fund was expanded to cover national patent applications in EU countries and international trade mark and design protection for non-EU countries. By the end of the year, EU SMEs had sent more than 35 450 applications.

The Office further contributes to the Commission's implementation of key EU policies by addressing the issues highlighted in the [Report on the protection and enforcement of intellectual property rights in third countries](#) through the EU-funded projects. In doing so, the Office deploys 'IP attachés' in geographical areas where there is a need to support and protect EU IP interests. From advising EU businesses to being in contact with IP enforcement authorities, IP attachés play a central role in boosting IP rights internationally.

In addition, the Office has continued to actively support the Commission's ongoing legislative initiatives to modernise IP rights in the areas of designs<sup>(1)</sup> and [geographical indications](#) (GIs). It also helps deliver the Commission's IP Action Plan in other areas, such as the EU toolbox against counterfeiting, patent-related supplementary protection certificates and standard essential patents. Following the adoption in October 2022 of the Digital Services Act (DSA), including provisions for online intermediaries to improve the enforcement of IP rights online, the Office and the Commission have been discussing how the Observatory can contribute its expertise and support in the application of the DSA with regard to online IP infringement.

IP rights enforcement has progressed through the Office's continued cooperation with enforcement authorities and the inclusion of IP crime as a priority in the European Multidisciplinary Platform Against Criminal Threats (EMPACT)<sup>(2)</sup>. As a two-way communication system between enforcement authorities and rights holders, the IP Enforcement Portal (IPEP) was included among the Office's flagship tools to support cooperation between law enforcement agencies.

The past few years have been marked by the global pandemic, and the EU recovery effort

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<sup>(1)</sup> *Community designs: a world of cult designs, litigation... and new challenges*, [Alicante News](#), pp. 01-03 (October 2022).

<sup>(2)</sup> [Council conclusions setting the EU's priorities for the fight against serious and organised crime from EMPACT 2022-2025](#), pp. 8 & 9 (12 May 2021).

represents the largest financial package ever adopted at EU level. Innovation and IP play a crucial part in the recovery. As the most innovative IP office in the world in 2022 (ranked together with the South Korean office by the World Trademark Review (WTR), the Office is in an position to play its part and strengthen its role by continuing to sign collaborative agreements with business networks and associations at European level, as well as through the fast-growing Ideas Powered for business network of SME stakeholders.

All this at a time when the Office's customer-centric approach is focused on rolling out services to bring customers closer to the heart of its core business, with outreach activities, customer panels and more direct contact with Office examiners. In addition, new tools and services have been launched, such as:

- artificial intelligence (AI) pre-clearance to improve the quality of filings and the percentage of straight-through applications;
- the new [EUTM Filing form](#);
- the reception of the first e-filing via the application programming interface (API) platform allowing direct integration with users' systems.

The Office's customer-focused approach, the provision of tools and e-services to its customers, and the use of new technologies helped the Office once again to top the list of the most innovative IP offices in the world (this time sharing the first place with South Korea), as it did in 2017, 2018 and 2019. The research conducted by the WTR's IP Office Innovation Ranking highlighted 'the EUIPO's boundary-pushing approach to collaboration and innovation' <sup>(3)</sup>, as well as its value-added propositions, online capabilities and public outreach efforts.

As described in this consolidated annual activity report, significant efforts were made in 2022 to align resources with the workload generated by the Office's daily operations, as well as reducing expenditure in view of the reduced income while fulfilling the Office's mission in all respects and executing the current [Strategic Plan](#) (SP2025). In 2022, the Office continued to operate and deliver its services even more efficiently, focusing on flexibility and resilience.

Internally, the Office increased the automation of processes and operations, both in the management of trade mark and design applications, and in other support activities such as IT service management. Significant efforts were made to develop the new customer focus framework mentioned above, and to expand the scope of SME-focused initiatives. This was complemented by new initiatives to improve customer engagement, development of a content management strategy for IP communications, and the continued delivery of seminars and webinars for both IP professionals and SMEs.

Despite the complex economic and political environment, the Office has made great headway with the SP2025 and delivering 'IP value for businesses and citizens of Europe'. All of this has been possible mostly as a result of the sustained staff engagement which reached an overall rate of 87 % in 2022.

### **3 Key Registration Figures for 2022 <sup>(4)</sup>**

An analysis of the incoming volumes of applications indicates that the unstable global situation in 2022 (linked to the international energy crisis, a record rate of Eurozone inflation and the geopolitical instability following Russia's invasion of Ukraine – to name just a few factors) may

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<sup>(3)</sup> [EUIPO and KIPO ranked most innovative IP offices in the world](#), 5 January 2022.

<sup>(4)</sup> Disclosure covered in this section: 2-6 Activities, value chain and other business relationships (additional data also included in the [2022 GRI Content Index](#)).



be the cause of the 12 % decrease in growth in EUTM applications, as well as a slight decrease in RCD applications compared with 2021. Notwithstanding, on 18 March 2022, the Office received its 2.5 millionth EUTM application. The year 2022 marked the end of two consecutive years of very high increases in EUTM filings – with a record increase in 2021 (197 989). There were fewer direct filings from China partly because Chinese authorities cancelled subsidies for IP filings in July 2021. In contrast, international registration (IR) filings increased by 3.90 % in 2022, mainly thanks to Germany, the UK and the USA.

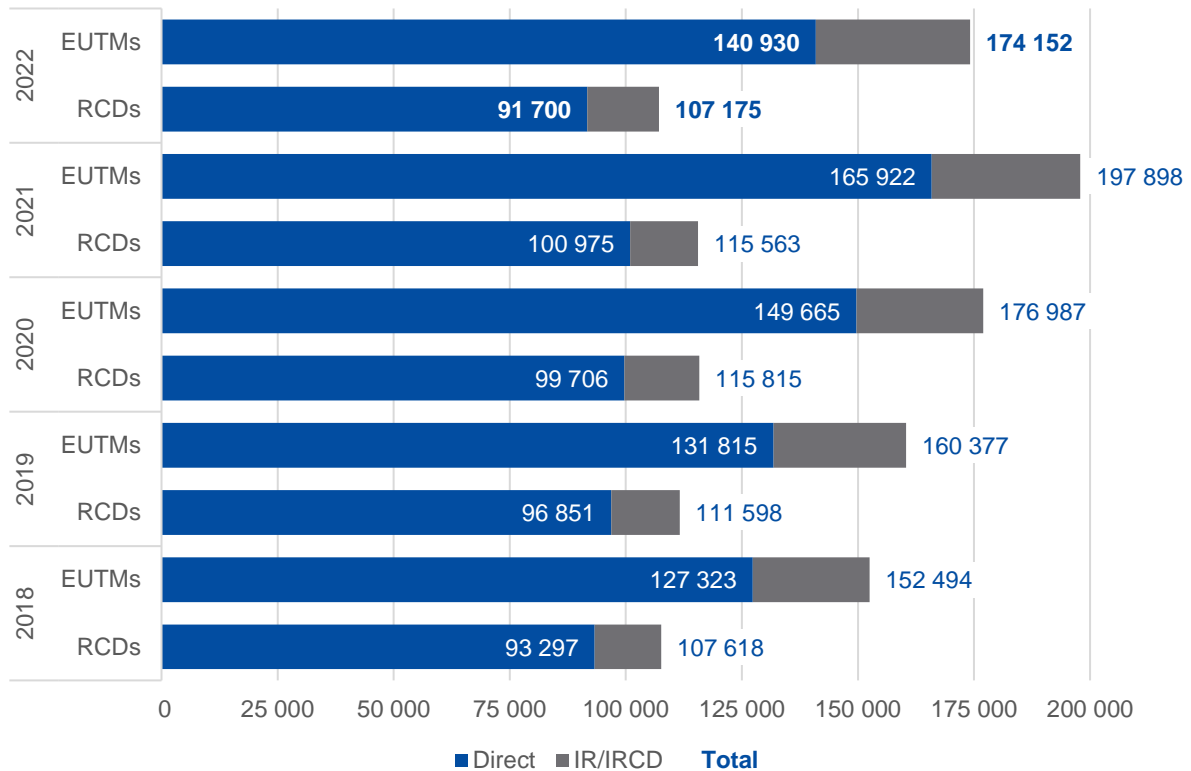


**Figure 1. EUTM applications**

In 2022, the Office received 174 152 EUTM applications<sup>(5)</sup> (140 930 direct filings and 33 222 IR filings through the WIPO Madrid System). Over 99 % of all direct filings were filed online.

<sup>(5)</sup> Registered EUTMs are valid for 10 years and can be renewed, indefinitely, for subsequent 10-year periods. APPENDIX A – Performance Data: Volumes has additional information on renewals.

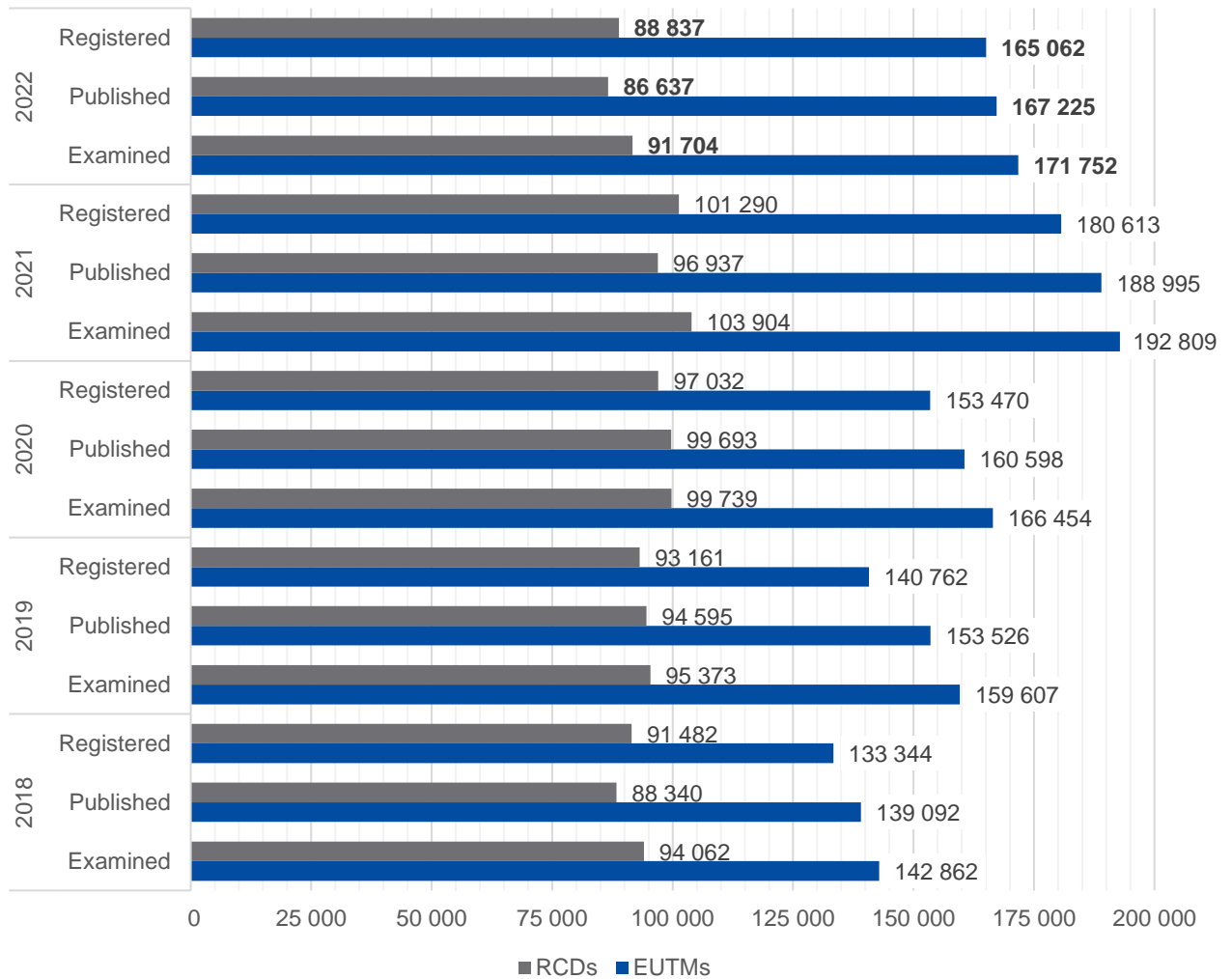




**Figure 2. EUTM & RCD all filings (direct + IR/IRCD)**

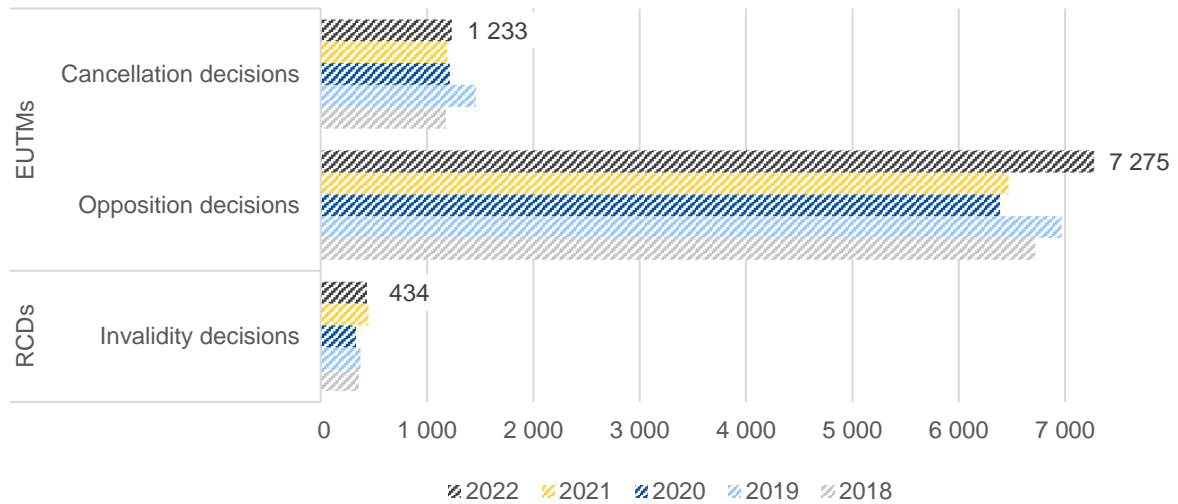
The Office received 107 175 RCD applications<sup>(6)</sup> (91 700 direct filings and 15 475 international registration (IRCD) filings through the WIPO Hague System). This represents a 7.42 % decrease when compared with 2021. The decrease in the percentage of applications coming from China and Germany was slightly compensated with the increase in applications from France, Italy, Poland and the UK.

<sup>(6)</sup> RCDs are initially valid for 5 years from the date of filing and can be renewed four times, in blocks of 5 years, up to a maximum of 25 years. APPENDIX A – Performance Data: Volumes has additional information on renewals.



**Figure 3. EUTMs (direct + IR) & RCDs (direct) processed**

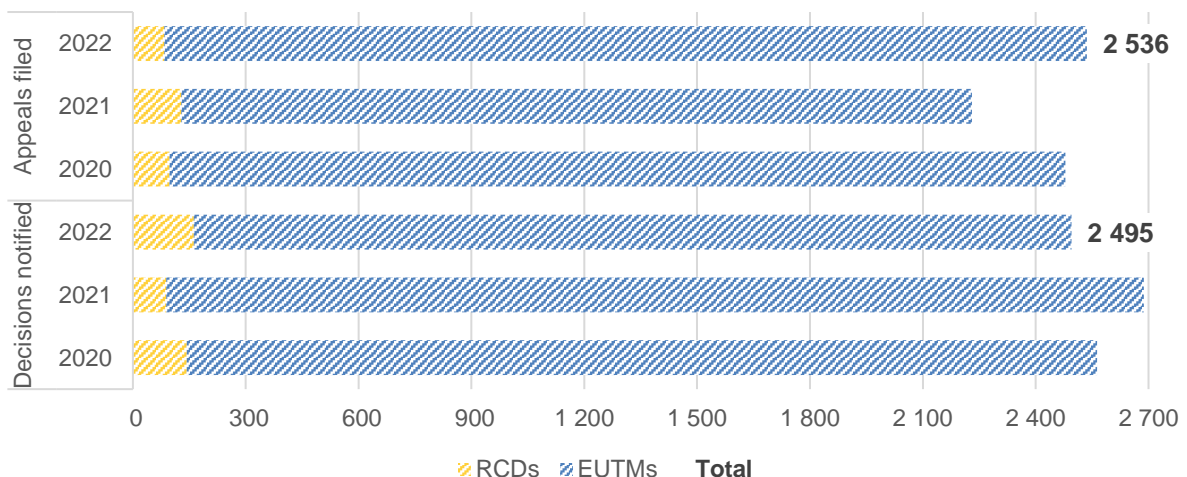
A total of 171 752 EUTM applications were examined and 165 062 registered by the end of 2022. The quality level of absolute grounds decisions was 97.84 %. On average it took 3.5 months to register an EUTM, including the 3-month opposition period. Both measures are compliant with the Office’s established quality and timeliness targets.



**Figure 4. EUTM (opposition & cancellation) & RCD (invalidity) decisions**

The Office received 21 211 new filings in trade mark *inter partes* proceedings (opposition and cancellation) in 2022. A total of 19 020 oppositions were filed, two-thirds were closed due to agreements between the parties and in one-third of cases the Office issued formal decisions. This means 7 275 opposition decisions were issued in 2022, representing a 12.46 % increase when compared with 2021. The number of cancellation filings increased by 4.33 %. About two-thirds of the 2 191 filings were resolved by the Office, leading to 1 233 cancellation decisions by the end of 2022, which represents a growth of 3.61 % compared with 2021. On average it took 3.2 months to issue an opposition decision. The quality level was 96.59 %. The average time to notify a cancellation decision was 4.8 months. The quality level was 97.96 %. Therefore, both areas fully met compliance requirements.

Requests for RCD invalidity decisions increased by 4.75 % compared with 2021, affecting 573 designs. In 2022, 434 decisions were taken. On average it took 3 months to notify an invalidity decision. The quality level was 100 % (90 % of cases led to a formal Office decision).



**Figure 5. Appeals filed and decisions notified (EUTMs and RCDs)**

The volatility experienced in 2022 in EUTM applications also affected appeal filings – 2 536 appeals were filed (1 769 in *inter partes* cases and 767 in *ex parte* cases). The distribution between *inter partes* and *ex parte* cases reflects an increase in the number of *inter partes*

cases when compared with 2021. Furthermore, 2 499 appeal decisions were notified, a 7.03 % decrease compared with 2021, while the number of pending cases decreased to 2 104 <sup>(7)</sup>. On average 99.6 % of cases were received via the e-Appeal system following the trend from previous years.




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<sup>(7)</sup> APPENDIX A – Performance Data has additional information on EUTM and RCD volumes, appeals and inspections.

## 4 Strategic Plan Implementation <sup>(8)</sup>

The following strategic key impact indicators (SKII)s <sup>(9)</sup> provide an overview of the Office’s achievements and the strategic projects’ implementation rate within the context of the three strategic drivers (SDs) of the current [Strategic Plan](#) (SP2025). These results were achieved in a highly volatile context and with agile timely re-planning.

- SD1 Interconnected, efficient and reliable IP system for the Internal Market ([IPnetwork](#))  
 SD2 Advanced customer-centric services ([IPexcellence](#))  
 SD3 Dynamic organisational skill sets and innovative workplace of choice ([IPinnovation](#)).

	2020	2021	2022 <sup>(10)</sup>	
 strategic driver 01	Multi-Office user expressing satisfaction with the network convergence (%)	67.0	67.0	<b>68.0</b>
	National Offices’ satisfaction with ECP tools (%)	78.0	81.1	<b>85.0</b>
	Satisfaction of EU institutions and bodies (%)	100.0	100.0	<b>100.0</b>
	Stakeholders satisfied with EU funded projects (%)	81.7	89.5	<b>87.7</b>
	Quotations of Observatory studies and reports by EU institutions (#)	260	334	<b>404</b>
 strategic driver 02	User overall satisfaction (%)	88.0	88.0	<b>90.0</b>
	EU SMEs’ trade mark and design filings <sup>(11)</sup>	N/A	N/A	N/A
	SMEs’ satisfaction with the services provided by the Office (%)	84.6	84.6	<b>87.0</b>
	KU satisfaction with the Key User Programme (%)	81.0	81.0	<b>81.0</b>
	User satisfaction with the Office’s Guidelines (%)	N/A	N/A	<b>93.0</b>
 strategic driver 03	Staff engagement (%)	79.0	82.0	<b>87.0</b>
	Staff awareness of anti-fraud strategy (%)	65.0	65.0	<b>79.0</b>
	Incoming and outgoing electronic communication with users (%)	93.9	94.8	<b>95.6</b>
	Greenhouse gas emissions per onsite worker (tCO <sub>2</sub> eq/on-site worker)	2.00	0.60	<b>0.68</b>

**Figure 6. Strategic key impact indicators**

The targets for the SKIIs were updated in 2022 – following the Office’s principle of continuous improvement – to ensure their alignment with activities proposed in the SP2025. This is in line with the Office’s policy to adjust targets to current performance, benchmarking, and project benefits.

<sup>(8)</sup> Disclosure covered in this section: 2-24 Embedding policy commitments (additional data included in the [2022 GRI Content Index](#)).

<sup>(9)</sup> Apart from the SKIIs, the Office measures its efficiency through other corporate key performance indicators (KPIs) detailed in APPENDIX A. Performance Data (i.e. Volumes, Customer Service Charter and Balanced Scorecard).

<sup>(10)</sup> **Green** = Excellence; **Blue** = Compliance; **Red** = Action Needed; and N/A = target and performance are not available for cases in which the indicator is new and there is no available value yet.

<sup>(11)</sup> The SME information required to report this indicator is not yet available in the Office databases due to technical reasons.

## 4.1 SP2025 Project Execution

The chart below depicts the strategic plan’s progress in its entirety. It shows the progress percentage for all projects under the combined SDs<sup>(12)</sup> – converting the 3D cube that represents each SD under the SP2025 to a 2D map to facilitate the reporting process.

Mid-2022 marked the first half of the current strategic plan. By the end of 2022, the SP2025 completion rate was reported at 52 %. This was in line with the expected execution despite the difficult context and was a direct result of the encouraging level of progress reported in all strategic projects.

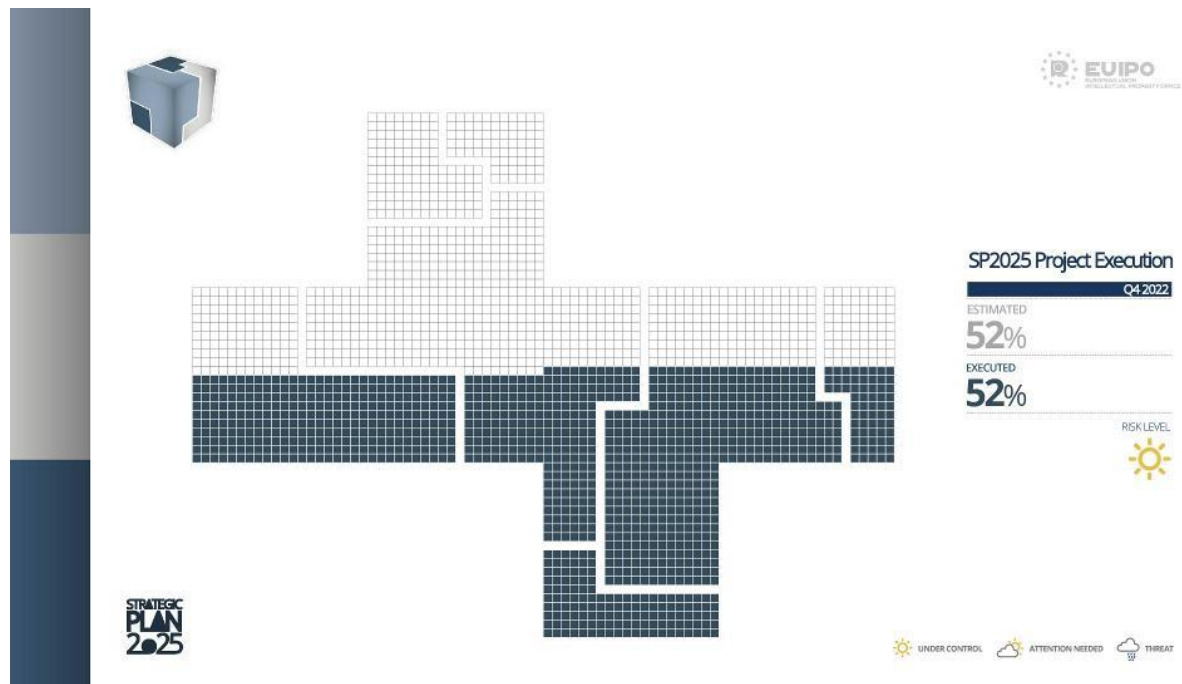


Figure 7. SP2025 project execution

Charts depicting the progress and risk level of the strategic projects under each SD are included in the introductory section for each SD.

<sup>(12)</sup> The calculation of the ‘project execution forecast’ is based on a list of approved projects included in the SP2025.

## 5 Key Achievements in 2022

The Office's vision focuses on 'IP value for businesses and citizens in Europe' through providing customer-centric services to contribute to a stronger IP system as a result of efficient enforcement and better understanding of IP rights in a global and increasingly digital environment. By simplifying and connecting the EU IP system through sustainable networks, the Office provides support for the competitiveness, innovation and creativity of its key stakeholders.






The Office's approach to sustainability has evolved in step with the goals and objectives defined under the three SP2025 strategic drivers<sup>(13)</sup>. As the remit of the Office expands, so does the continued rethinking and reframing of its impact. Its sustainability strategy centres around a five-capitals value creation model (relational, organisational, human, environmental and economic) which encompasses nine strategic benefits, where the Office delivers the greatest impact.

In line with its commitment to becoming an IP excellence hub, the Office provides high quality services to help European businesses become more competitive in an ever more global and digital environment. In doing so, it has also undertaken the recommendation included in the special report released in April 2022 by the European Court of Auditors (ECA). The report acknowledges that the EU framework for protecting IP rights (including EU trade marks, designs and geographical indications) is generally solid and robust<sup>(14)</sup>. It concludes that the Office has implemented its assigned tasks of administering and promoting EU trade marks and designs and has, therefore, contributed well to their protection.

### 5.1 Strategic Driver 1 IPnetwork

The first strategic driver is 'An interconnected, efficient and reliable IP System for the Internal Market' ([SD1](#)). It centres both on the Office's cooperation activities in the EU and globally (improving existing tools and services and developing new ones and on its support for IP enforcement throughout the EU. It underpins the relational capital by raising IP awareness through stronger institutional cooperation and sustainable networks.

<sup>(13)</sup> The Office's strategic drivers are aligned with its sustainability capitals, represented by the following symbols:

 Relational,  Organisational,  Human,  Environmental, and  Economic.

<sup>(14)</sup> [Special report 06/2022: EU intellectual property rights.](#)



The following graph depicts the execution rate of the strategic projects under SD1 by progress and risk level<sup>(15)</sup>.

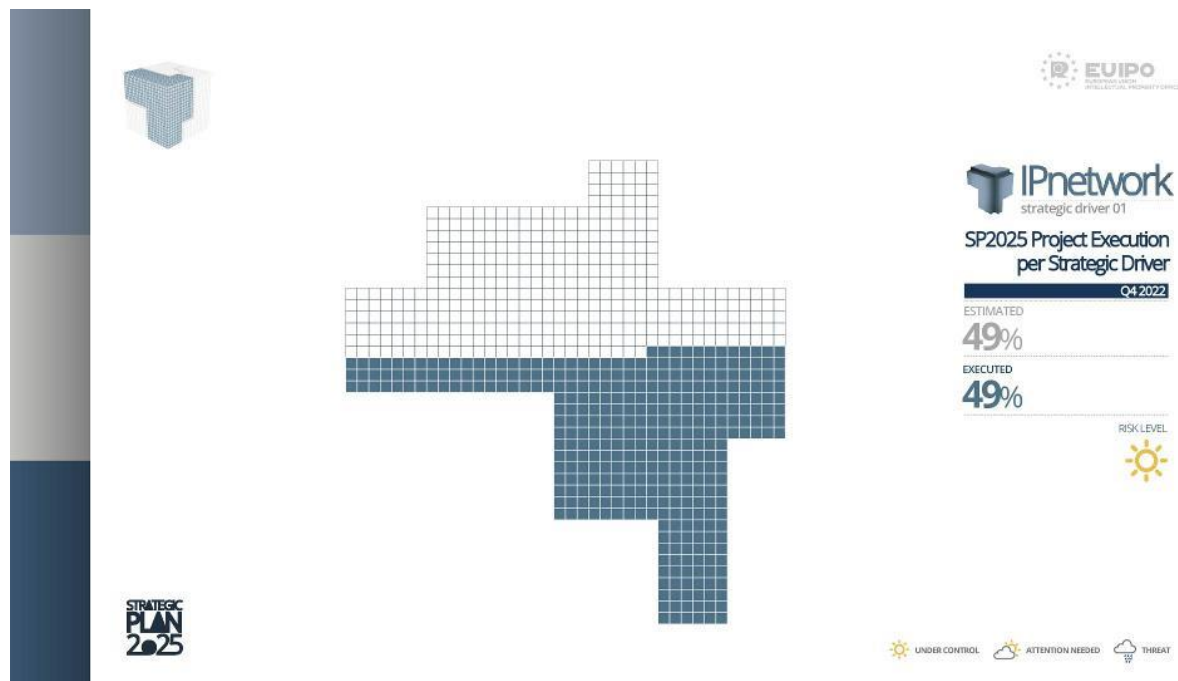


Figure 8. SP2025 project execution per strategic driver (SD1)

### 5.1.1 Stakeholder Relationship Management<sup>(16)</sup>

Throughout 2022, the Office engaged its EU and international partners in activities covering strategic areas of common interest for the benefit of end-users (particularly SMEs) in the context of global economic recovery.

The Office managed 1 566 events, representing a 9 % increase compared with pre-pandemic 2019. Attendees' satisfaction with the events remained fully in line with the positive results obtained to date. There was a 98.9 % overall satisfaction rate for the organisation of the events and staff's availability.

Potential synergies were promoted through intensified institutional relations between different cooperation partners – such as Member State IP offices (MS IPOs) (including the Benelux Office for Intellectual Property), user associations (UAs), and EU institutions, particularly the European Commission – to raise the profile of IP within the EU institutions.

The Office placed special emphasis on opening communication channels and exchanges with new stakeholders that could have a bearing on its activities and those of the European Union Intellectual Property Network (EUIPN). It focused on further improving and developing its advanced customer-centric services and its digital transformation activities and projects to ensure its continued readiness to adapt to changing circumstances and provide support to the EUIPN.

<sup>(15)</sup> 'SD1 Strategic Projects under SP2025' at the end of this chapter has detailed information on the relevant strategic projects.

<sup>(16)</sup> Disclosure covered in this section: 2-29 Approach to stakeholder engagement (additional data also included in the [2022 GRI Content Index](#)).

A core task of the Office is bringing together national and regional IP offices of the EU, international partners, and customers to build a stronger IP network in the EU. In line with this mission, in April the Office organised the first in-person EUIPN Annual Cooperation meeting in Thessaloniki, co-hosted by the Greek IP office. It was attended by high-level representatives of the MS IPOs and discussions focused on the EUIPN's achievements over the last 10 years.

This event and the regular bilateral meetings and visits organised with MS IPOs during the whole year were an opportunity to discuss how to best face the upcoming future challenges and how to work towards benefitting the users of the IP system and better support SMEs. In this context, and since the concept of gradually transforming the Office into a 'one-stop-shop for IP' is making ground, in May 2022, the Office organised informative sessions on SME initiatives for MS IPOs.

In 2022, the Office successfully held the:

- 21st Liaison Meeting on Designs;
- 18th and 19th Liaison Meetings on Cooperation;
- 27th and 28th Liaison Meetings on Trade Marks <sup>(17)</sup>.

These liaison meetings were attended by representatives of all MS IPOs, candidate countries, non-EU IP offices, IP organisations, and UAs. The meetings' discussions centred on the most recent measures taken in response to the Russian Federation's unprovoked and unjustified military aggression against Ukraine, in addition to the usual formal endorsement and deliberations on traditional cooperation projects and trade mark subjects.

During the same period, the Office organised the first hybrid session of the 32nd User Group meeting; 32 UAs participated (67 % in-person and 33 % online) <sup>(18)</sup>. The 33rd User Group meeting autumn session was organised fully onsite in Alicante and 13 UAs attended. The discussion mainly focused on the following activities under the SP2025:

- European and international cooperation;
- the support given to SMEs;
- the Office's advanced customer-centric services;
- the Office's digital transformation journey.

Interactions with UAs continued full speed with the Office participating in round tables, webinars, congresses, working groups, conferences and annual meetings.

At institutional level, the Office and the EUIPN are key players in supporting the IP system and contributing to IP policies and the protection of IP rights in the EU. To reinforce its continuous cooperation with its main stakeholders, in 2022, the Office held 27 high level meetings with representatives from the European Parliament, the Commission and other EU institutions, alongside a series of technical working group sessions in the context of cooperation with different EU Directorates-General (DGs). Discussions mainly centred on cooperation matters, IP awareness raising, data sharing, finding further ways to support SMEs, and the overall economic recovery in the EU.

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<sup>(17)</sup> The Liaison Meetings are the official fora in which experts from MS IPOs, candidate countries and members of the European Free Trade Association, and representatives from the European Commission and user associations gather to discuss the latest developments in the world of trade marks and designs. They also exchange technical expertise in line with Article 152 of the [EU trade mark regulation](#) (EUTMR).

<sup>(18)</sup> The EUIPO User Group meetings, which began in 1998, bring together users' representative bodies to air their views and share developments at the Office and in industry. The user and sectoral organisations that participate in the meetings range from EU-wide federations of small- and medium-sized businesses to associations representing particular industries or trade mark owners.

In July, the Office welcomed colleagues from the Directorate-General for Research and Innovation (DG RTD) and the European Innovation Council and SMEs Executive Agency (EISMEA). The aim was to increase staff skills and engagement between the organisations by gaining a better understanding of these EU institutions' remit.

One example of this successful collaboration is the RTD/EISMEA/EUIPO Working Groups on IP data sharing, IP awareness and support to SMEs under the tripartite established in 2021. These working groups, coordinated by the Office, held 19 meetings that culminated in EISMEA and the Office signing a Service Level Agreement (SLA) on IP due diligence, in October 2022.

Other major institutional events also put the Office in the spotlight during 2022. Such as, the visits of the:

- EU MS Ambassadors under the Czech Presidency of the Council;
- 22 Brussels-based IP attachés and representatives of the Council of the EU and the European Commission;
- President of the EU Commission and Heads of France, Portugal and Spain in the context of the EU MED conference organised by the Spanish Government.

In line with the Office's continued effort to support the Commission's ongoing legislative initiatives to modernise IP rights in the area of GIs, the Office organised 47 GI-related events (bilateral meetings, visits and webinars) in 2022 with the participation of key partners. The Office reached out to 21 producer associations spread across the EU (e.g. [oriGIn](#), [AFIGIA](#) and [Origen España](#), among others).

The Office also focused on strengthening collaboration with agricultural authorities through coordinating 15 online bilateral meetings with national agricultural ministries, 24 with AGRI Attachés in Brussels, and a visit of the *rapporteurs*<sup>(19)</sup> of the European Committee of the Regions to consult on GIs and agricultural GIs. The Office also organised 23 high level meetings with representatives from the European Parliament to reinforce the Office's contribution to better GI protection, reaching out to 50 Members of the European Parliament.

Moving forward, the Office will continue to promote its capacity and resources as an 'implementing agency of EU policies' through more intensive collaboration, increased funding and further agreements with the Commission and other agencies in the field of IP and innovation.

Following the military aggression initiated by the Russian Federation against Ukraine in February 2022 and the European Union's series of sanctions, the Office established an Office-wide Working Group in March. The group analysed and monitored the situation in the field of intellectual property rights and ensured the effective implementation of the measures decided at EU level. The Office is in permanent contact with its institutional partners to share the latest developments, implement the relevant actions taken at EU level and facilitate dialogue and a coherent approach regarding intellectual property related measures.

The Office reiterates its condemnation, in the strongest possible terms, of the Russian Federation's unprovoked and unjustified military aggression against Ukraine and joins the EU Institutions in demanding that Russia immediately ceases its military actions, unconditionally withdraws all forces and military equipment from the entire territory of Ukraine and fully respects Ukraine's territorial integrity, sovereignty and independence within its internationally recognised borders.

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<sup>(19)</sup> A *rapporteur* is a Member of the European Parliament responsible for handling a legislative proposal drawn up by the European Commission, both procedurally as well as with regard to the substance of the proposal.

The Office has halted all cooperation actions with Rospatent, the Russian Federal Service for Intellectual Property, and the Eurasian Patent Organisation (EAPO). At the same time, the Office has expressed its commitment to continue working closely with the Ukrainian authorities in the field of IP, ensuring dialogue and cooperation with EU Institutions and MS IPOs. The EUIPO Liaison Meeting on Cooperation in October 2022 was the first one in which Ukraine was represented.

The Office has entered 'protective entries' in the EUTM and RCD Registers in relation to EUTMs or RCDs owned by the persons or entities subject to the sanction list<sup>(20)</sup> (the 'designated persons'). These protective entries block any transaction linked to the affected rights. Additionally, all incoming files are screened daily for designated persons and no new EUTMs or RCDs are granted to such persons. Similar actions are applied with respect to international registrations designating the EU. Furthermore, the Office does not engage in any transaction with designated persons and does not register new designs for products listed on the Common Military List<sup>(21)</sup>. Moreover, all data regarding parties' addresses in the Registers reflect Ukraine's internationally recognised borders, correcting erroneous indications where necessary.

Five extensions of all time limits (expiring as from February 2022) affecting parties residing or having their registered office in the Ukraine have been decided<sup>(22)</sup>. The Office continues to review the need for further extensions and additional measures according to how the situation develops.

All the measures were implemented in compliance with the Data Protection regulation<sup>(23)</sup>.

### 5.1.2 European Cooperation

Under [Article 152\(1\) EUTMR](#), the Office and the MS IPOs must cooperate with each other to promote convergence of practice and tools in the field of trade marks and designs.

The EUIPN brings together the Office, national and regional EU IP offices, international partners and customers who use IP rights.

Over the past decade, the EUIPN has created joint tools that have transformed the two-tier EU trade mark and design system, in which EU rights and national rights work together and complement each other. The Network is improving services and setting the 'gold standard' for cooperation in IP not only in the EU but also internationally, striving to align practices, as far as possible, and to make IP rights more accessible, user-friendly and effective.

The continued implementation of European Cooperation Projects (ECPs) 1 to 8, established under the European Cooperation framework between the Office and the MS IPOs, included new initiatives in ECP6 Support to SMEs in 2022. There was a remarkable implementation rate of new activities related to IP Scan – IP pre-diagnostic audit (IPPDA) services<sup>(24)</sup>, [Alternative Dispute Resolution](#) (ADR) and the European IP Information Centre (EIPIC).

<sup>(20)</sup> <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX%3A02014R0269-20220721>.

<sup>(21)</sup> Registering a design for such good qualifies as technical assistance within the meaning of Article 4(1)(a) of Council Regulation 833/2014.

<sup>(22)</sup> Executive Director Decisions on the extension of time limits: <https://euipo.europa.eu/ohimportal/en/web/guest/-/news/extension-of-time-limits-ukraine-3>.

<sup>(23)</sup> Regulation (EU) 2018/1725 of the European Parliament and of the Council of 23 October 2018 on the protection of natural persons with regard to the processing of personal data by the Union institutions, bodies, offices and agencies and on the free movement of such data, and repealing Regulation (EC) No 45/2001 and Decision No 1247/2002/EC. Please refer to the Data Protection statement for more information.

<sup>(24)</sup> IPPDA services provide advice to SMEs on the potential of intellectual property for developing their business. They are provided by experts designated by participating MS IPOs, under their coordination and upon request of the beneficiary.

Despite the negative evolution of the incoming applications and the subsequent decrease of the expected revenue in 2022, the investment in EU Cooperation continued growing with a total expenditure of EUR 40 916 329.10. This represents a growth of 18 % compared with the 2021 EU Cooperation budget execution, which had an expenditure of EUR 34 676 437.09.

By the end of 2022, 150 project implementations were achieved. This represents a significant increase compared with 2021 (117). By the end of 2022 the EUIPN had implemented 1 157 tools, services, certifications, and Common Practices across 26 MS IPOs<sup>(25)</sup>.

Representatives from participating EU countries meet twice a year to discuss new ideas to further improve the IP landscape and approve projects that the Office and the MS IPOs later implement together<sup>(26)</sup>. In 2022, experts from the EUIPN participated in the ECPs Working Group meetings<sup>(27)</sup> that finally took place at the Office's premises in Alicante after almost 3 years of online meetings. Each event gathered over 300 representatives from national and regional EU IP offices, UAs and Office staff – including observers from the World Intellectual Property Organization (WIPO), the European Patent Office (EPO) and the European Commission. Discussions centred on reviewing the ECPs' progress under the SP2025.

Technical visits and 'European Cooperation Points of Contact'<sup>(28)</sup> meetings are another key component of the EUIPN. During 2022, after a long period of online meetings, participants met again in a hybrid format, with some members travelling to Alicante and participating in person while others connected remotely. Discussions focused on the ECPs' progress and updates on several cooperation subjects.

### 5.1.3 International Cooperation

In the context of the SP2025, the Office extended its international cooperation framework beyond the EU by:

- promoting robust IP systems and implementing harmonised EUIPN practices and tools;
- exploring possibilities of collaboration on developing projects with non-EU IP offices in areas of common interest, such as new technologies;
- raising awareness and networking with non-EU stakeholders.

During the past years, international cooperation at the Office was carried out mainly via two channels.

1. Bilateral and multilateral cooperation based on (currently 51) MoUs and implemented and supported by the strategic project 'Broaden the cooperation framework', and the participation in TM5 and ID5;
2. EU funded projects (external actions), which are implemented on behalf of the European Commission with a view to creating a level playing field for EU business abroad and contribute to the implementation of trade agreements.

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<sup>(25)</sup> Section SD1 Strategic Projects under SP2025 has detailed information on common tools and practices implemented in 2022.

<sup>(26)</sup> This [link](#) provides additional updates on activities developed under the European Cooperation Projects.

<sup>(27)</sup> The Working Groups play a key role in defining the technical direction and business justification for each strategic project, as well as maintaining strong links with their own and related organisations to ensure that projects remain appropriate and are delivered on time. Thirteen working group meetings took place from 26 to 30 September 2022 at the Office's premises in Alicante, after almost 3 years of online meetings.

<sup>(28)</sup> The Points of Contact are a key component of the EUIPN as well as the focal points in the MS IPOs. The Office liaises with each Point of Contact to communicate new initiatives, upcoming events, requests and other matters related to [European cooperation](#).



In 2022, the office changed its approach for its external actions which led to restructuring the international cooperation service with a view to covering international cooperation activities established under MoUs to the extent possible under EU-funded projects.

In its continued effort to foster synergies with international and regional IP organisations, in 2022 the Office implemented a series of key activities included in the EUIPO-WIPO Work Programme and the EPO-EUIPO Working Plan.

The Office hosted TM5 <sup>(29)</sup> and ID5 <sup>(30)</sup> midterm and annual meetings and user sessions. The TM5 annual meeting in Brussels coincided with the celebration of the group's 10th anniversary. Discussions centred on the TM5 group's 16 collaborative projects in the field of trade marks and one new project on the temporary exchange of staff was adopted <sup>(31)</sup>. The ID5 annual meeting adopted four new projects (SME e-learning platform; design assessment; registered design indication; digital design protection in the metaverse<sup>32</sup>).

Hybrid user sessions provided IP offices and users of the five jurisdictions an opportunity to discuss ongoing cooperative projects and the challenges of new technologies.

As a result of the increased global need for expertise in IP in recent years, the Office has deployed IP experts in regions and countries where the European Commission expressed the need to reinforce its capabilities on IP matters. Their tasks consist of:

- representing the Office and facilitating the relations with both the respective country/region's IP authorities and stakeholders;
- raising IP awareness among the countries' private sector companies;
- offering advice on enforcement to EU rights holders that decide to move their business to countries in the assigned geographical areas of the IP attaché;
- **promoting the use of Office tools** (such as [TMview](#) or [DesignView](#)), especially when asked for help in protecting the IP rights of EU businesses.

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<sup>(29)</sup> [TM5](#) is the name given to the multilateral cooperation forum of the five largest trade mark offices in the world: the China National Intellectual Property Administration (CNIPA), the EUIPO, the Japan Patent Office (JPO), the Korean Intellectual Property Office (KIPO), and the United States Patent and Trademark Office (USPTO).

<sup>(30)</sup> The [Industrial Design 5 forum](#) (ID5) is a cooperation framework involving the 5 largest IP design offices in the world: the CNIPA, the EUIPO, the JPO, the KIPO and the USPTO.

<sup>(31)</sup> This [link](#) goes to the press release.

<sup>(32)</sup> This [link](#) forgoes to the press release

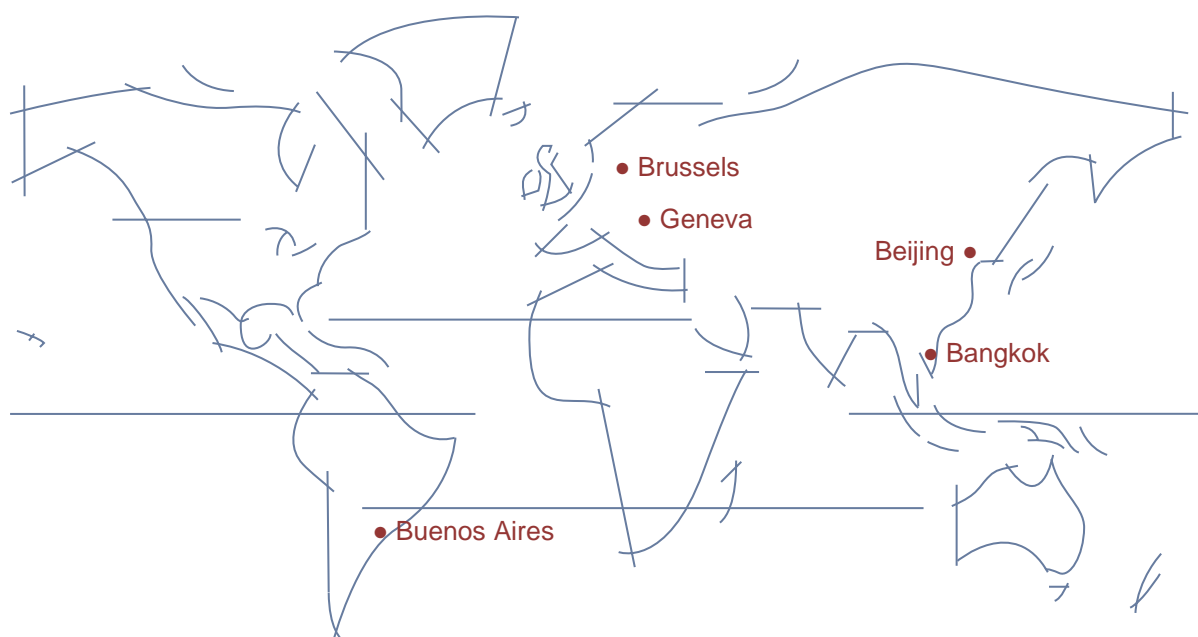


Figure 9. IP attachés in third countries

To further contribute to EU policies abroad under agreements concluded in accordance with Article 7 of its Financial Regulation<sup>(33)</sup> the Office continued implementing eight EU-funded (Africa, the Caribbean, Latin America, South-East Asia, China and Georgia). These projects contribute to greater transparency and efficiency of IP systems in non-EU countries, strengthening IPRs protection and enforcement, while focusing on the EC policy priorities and supporting negotiations or implementation of trade agreements, as well as IP dialogues' follow-up actions.

In this context, a series of conferences, workshops, online events and training sessions were organised under the third [annual work plan](#) of the [AfrIPI](#) project. This year's activities mainly focused on IP rights enforcement in North African countries, the IP SME Helpdesk, and other actions implemented in close collaboration with the ARIPO and OAPI, including technical support to the IP negotiations of the AfCFTA.

In 2022, [EUGIPP's](#) third [annual work plan](#) focused on finalising a series of studies and legislative amendments on trade marks and designs, copyright and enforcement – in view of further alignment with the EU's *acquis*<sup>(34)</sup> -, as well as on the first draft of the Georgian TM guidelines (aligned with EUIPN practice). It also contributed to consolidate the network of Georgian enforcement authorities and judges.

Activities in the fifth and final [annual work plan](#), under [ARISE+ IPR](#) programme focused on capacity building and the organisation of the 3rd and 4th ASEAN Convergence Network meetings on trade marks and designs. Eighteen activities were implemented, including seminars on enforcement and mediation, IP valuation and technology transfer, international registration systems, training on trade mark opposition and workshops on GI management and protection.

Implemented in the same region the IP Key SEA project ended its first phase and started its second, for 3 more years. Building on lessons learnt, and complementing the regional project

<sup>(33)</sup> Regulation No BC-1-2019 of the Budget Committee of the EUIPO of 10 July 2019 laying down the financial provisions applicable to the Office ([Financial Regulation](#)).

<sup>(34)</sup> The EU's *acquis* is the body of common rights and obligations that are binding on all EU countries, as EU Members <https://eur-lex.europa.eu/EN/legal-content/glossary/acquis.html>.



ARISE+IPR, Phase II supports especially EU businesses and innovators. The first [annual work plan](#) mainly focused on enforcement, patents and GIs. Activities aimed to share European best practices on counterfeit goods identification techniques and IP rights customs and border controls.

Over the past 5 years, the [IP Key China](#) project<sup>(35)</sup> has been helping EU businesses and innovators establish or expand in the Chinese market, facilitating continuous exchanges among IP stakeholders and the EU-China IP Dialogue (a structured political exchange between the EU and China on IP) in the context of its fourth [annual work plan](#). Phase II of the project commenced in October for another 3 years.

In 2022, the Office initiated the second phase of a 3-year [IP Key Latin America](#) project with the development of its first [annual work plan](#). It also launched the new [AL-INVEST Verde IPR](#) project with a particular emphasis on green IP. IP Key LA project implemented 19 activities during 2022. These included high level seminars on GIs and international registration systems (Madrid and Hague,) and a number of enforcement initiatives to fight counterfeiting and piracy.

The main activities of the third [annual work plan](#) of the [CarlPI](#) project centred on further developing the GI Mentorship Programme through the first in-person technical meetings to help producers develop their IP strategies and on providing the Member State IPOs specialised training on trade marks, IT tools, international treaties, and updates on IP legislation. In recent exchanges, European Commission services confirmed the project's exceptionally good reputation among regional stakeholders.

#### 5.1.4 EU Agencies Network

The Office actively participated in developing activities included in the 2022 work programme of the EU Agencies Network (EUAN)<sup>(36)</sup> – and those of its subnetworks – as part of its commitment to effectively contributing to the EUAN's main strategic priorities, namely the EUAN 'as a role model for administrative excellence' and 'as a valued institutional partner'. The EUAN also represented the agencies' interests in interinstitutional bodies and contributed to building a coherent and resonant voice.

The Office closely monitored the developments in the 2020 EU budgetary and discharge procedures and participated in the Network's dialogues on new policy initiatives<sup>(37)</sup>, ensuring the necessary follow-up by participating in surveys or consultations.

The Office also participated in the Heads of Agencies and Heads of Resources meetings to discuss, among others, the role of the agencies as institutional partners. It also welcomed a visit from the newly appointed CPVO President to take stock of ongoing cooperation and possible future synergies.

Midyear the Office participated in a brainstorming session to define the needs, expectations, and guiding principles of the future governance model. It also participated in a working group to define the structure and mandate of the Shared Support Office.

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<sup>(35)</sup> This [link](#) has additional updates on activities developed under the IP Key China project.

<sup>(36)</sup> The [Network](#) of 48 Agencies and Joint Undertakings located across the EU that play a vital role in ensuring the safety and wellbeing of citizens.

<sup>(37)</sup> Such as the proposals for a new regulation laying down measures for a high common level of [cybersecurity](#) at the institutions, bodies, offices and agencies of the EU, and a regulation of the European Parliament and of the Council on [information security](#) in the institutions, bodies, offices and agencies of the EU or the Commission's working time and [hybrid working](#) decision C(2022) 1788 of 24 March 2022.

As part of its contribution to the network of agencies, the Office offers several agencies IT disaster recovery services (on a cost covering basis). The Office offered this service in the context of the Network's 'shared services' initiative. As a result, the ECA highlighted this service as an example of achieving synergies through collaboration with other decentralised agencies<sup>(38)</sup>.

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### 5.1.5 The Observatory

The year 2022 marked the first decade<sup>(39)</sup> of the Observatory at the Office. Regulation (EU) No 386/2012<sup>(40)</sup> entrusted the Office with a wide range of tasks relating to research, communication, dissemination of best practices, and support for enforcement of all types of IP rights. In carrying out these tasks, the Office has been supported by the Observatory network<sup>(41)</sup>, which today includes 27 EU Member States, 69 private sector organisations, 11 civil society organisations and 15 observers.

Collaboration is essential in raising awareness. The projects developed at national and EU level under the Office's [Ideas Powered](#) brand have been successful thanks to the involvement of the MS IPOs, civil society, and private and public sector experts.

The Ideas Powered workshops have taken place every year since 2016 with the aim of bringing IP closer to younger generations. The 2022 edition brought together 30 inspiring young European influencers and multipliers from all EU Member States. They discussed ways to generate interest and engagement among their peers in the relationship between creativity, innovation, entrepreneurship and IP.

On 8 June, coinciding with the celebration of the World Anti-Counterfeiting Day, the Office launched its third [Intellectual Property and Youth Scoreboard](#) (2022) focusing on young people aged 15-24 across the EU.

Though recent findings from Observatory studies show an increased understanding of IP and a positive shift in attitudes, infringement is still a challenge and young people especially continue to buy counterfeits and access unlicensed content.

To address the challenge of IP among future generations, the Office's long-term ambition is for IP to become part of the curriculum at all levels of education. The [IP in education](#) project was expanded to include vocational education and training, as well as tertiary education in relevant fields (e.g. engineering or entrepreneurship programmes). New IP-related educational materials were developed for schools, vocational education and tertiary education institutions, including universities, teacher training colleges, business and design schools. This is in line with the policy orientations adopted in 2021<sup>(42)</sup> acknowledging the work of the [IP in Education network](#) set up by the Office with the participation of experts from the education ministries of EU Member States and representatives from MS IPOs.

In this context, the Office also collaborated with experts from the Joint Research Centre of the EC on creating IP-related competences to understand how copyright and licences apply to digital information and content. In 2022, the Commission published a new Digital Competence

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<sup>(38)</sup> [Special report 05/2022](#): Cybersecurity of EU institutions, bodies and agencies: Level of preparedness overall not commensurate with the threats.

<sup>(39)</sup> [Ten Years of the EU Observatory: Achievements and Perspectives](#).

<sup>(40)</sup> [Regulation \(EU\) No 386/2012](#) of the European Parliament and of the Council of 19 April 2012 on entrusting the Office with tasks related to the enforcement of intellectual property rights, including the assembling of public and private-sector representatives as a European Observatory on Infringements of Intellectual Property Rights.

<sup>(41)</sup> This [link provides](#) a detailed list of the Observatory network members.

<sup>(42)</sup> [European Parliament Resolution on Shaping Digital Education](#)

Framework for Citizens (DigComp)<sup>(43)</sup> containing IP competencies for the first time and referring specifically to the Office's [FAQs on copyright for teachers](#); published earlier in 2022 as part of the IP in education project and as an extension of the [FAQs on copyright for consumers](#), to provide information on the use of copyright protected content.

The third edition of the [SME Scoreboard](#) was released in September coinciding with the Observatory Plenary meeting. This survey reached out to more than 8 000 SMEs across all 27 EU Member States. It examined why SMEs choose to register IP rights, and the barriers to registration and effective enforcement. The 2022 SME Scoreboard showed that only 10 % of EU SMEs own registered IP rights and that nearly all (93 %) SMEs with registered IP rights experienced a positive impact on their business.

To monitor emerging technologies and their impact on IP infringement and enforcement, the Observatory's Impact of Technology Expert Group (EG)<sup>(44)</sup> recently finalised a [study on the impact of artificial intelligence on infringement and enforcement of copyright and designs](#). It highlighted the effectiveness of the methodology developed by the EG (since its inception in 2019), covering a broad social, economic, legal and technological look at emerging technologies.

Other reports prepared in 2022 concerning enforcement and infringement were developed together with Europol and the Organisation for Economic Co-operation and Development (OECD) – [IP Crime Threat Assessment](#) and [Trade in counterfeit goods that pose health, safety and environmental risks](#).

In 2021, the EU adopted a set of priorities in the fight against serious and organised crime for the next 4 years. In this context and in line with the inclusion of IP crime as a priority for the EMPACT review cycle for 2022-2025, the Office actively supports Europol, CEPOL and MS enforcement authorities in implementing the Operational Action Plan (OAP) on IP rights. It does so by holding meetings and webinars with relevant MS enforcement authorities. Among the activities implemented in 2022, the Office created a new handbook for criminal investigation and, together with CEPOL, set up a joint IP training action plan for enforcers.

The Observatory's continued support to regional initiatives implemented by national authorities in collaboration with Europol, Eurojust, the European Anti-Fraud Office (OLAF) and the Customs Cooperation Working Party of the EU Council<sup>(45)</sup> have focused on an increased exchange of intelligence between rights holders and enforcers in sectors tackled by their actions and operations.

In this context, the SLA with OLAF, signed in 2022, aims to fund the development of an IT tool that will make it easier for OLAF to collect nominal data on counterfeiting cases in the customs domain at an EU level for data analysis. In addition, joint training opportunities and information sessions were developed to support operational activities organised by OLAF with the participation of national authorities.

The Office has been assisting the Commission since 2017 in measuring KPIs on the sale of counterfeit goods on the internet. It also supports the MoU on internet advertising established

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<sup>(43)</sup> The [Digital Competence Framework for Citizens](#) (DigComp) provides a common understanding of what digital competence is. The integrated DigComp 2.2 framework provides more than 250 new examples of knowledge, skills and attitudes that help citizens engage confidently, critically and safely with digital technologies, and new and emerging ones such as systems driven by artificial intelligence.

<sup>(44)</sup> The [Expert Groups](#) (Observatory Outreach, Legal, Impact of Technology, Cooperation with Intermediaries, International Cooperation, and SMEs) help and guide the implementation of Observatory projects in focused and specialised areas, and are made up of experts proposed by the stakeholders or by the Office.

<sup>(45)</sup> The Customs Cooperation Working Party handles work regarding operational cooperation among national customs administrations with a view to increasing their enforcement capabilities. It cooperates closely with Europol and OLAF.

by the Commission. A study<sup>(46)</sup> published in 2022 on the evolution of online advertising on websites that infringe IP rights shows that proprietors of IP rights-infringing websites and apps derive significant revenue from advertisements placed by legitimate brands.

The fourth edition of the joint EUIPO-EPO [IP Contribution study](#) was published in October 2022. The study highlighted the importance of IP rights to the economies of the EU as well as those of Iceland, Norway, Switzerland and the United Kingdom. For the EU27, the share of economic output generated by IP rights-intensive sectors is 47 %, employing close to 30 % of all workers in the EU. Both figures are higher than in previous studies, showing that the role of IP in Europe's economy is increasing.

A joint publication of the Office and the CPVO<sup>(47)</sup> highlighted the very significant contributions made by the CPVR system to the economy and the environment over the past 25 years, thereby supporting the EU's economic and environmental goals.

Raising awareness on IP rights is essential in a global and increasingly digital environment. The European online content portal [agorateka](#) (developed by the Office through the Observatory) helps consumers identify legal offers for music, TV and films, games, books and sports events in participating European countries. By the end of 2022, the portal included over 3 400 websites offering legal content from most EU Member States, as well as Switzerland.

Other actions the Office adopted in 2022 to create a safer digital space for the protection of IP rights focused on closely following the trilogue negotiations on the Commission proposal for a Digital Services Act (DSA)<sup>(48)</sup>, designed to upgrade the rules governing all digital services. Although the DSA is not an IP enforcement tool as such, it proposes a set of obligations on online intermediaries that should improve the enforcement of IP rights.

As regards case-law collection and analysis, the [eSearch Case Law](#) database currently includes 1 986 national key enforcement judgments from all Member States.

In 2022, the Observatory launched a new series of short webinars for judges dealing with IP rights and related infringements. These webinars offered the possibility of staying updated on the most recent developments in IP case-law and opened discussions on existing good practices in the field.

Internationally, the Observatory continued cooperating with the OECD's Task Force on Countering Illicit Trade (TF-CIT)<sup>(49)</sup>, notably concerning the Certification Scheme for Clean Free Trade Zones that was provisionally adopted at the TF-CIT plenary meeting in March<sup>(50)</sup>.

The September plenary meeting marked the 10th anniversary of the transfer of the Observatory to the Office under Regulation (EU) No 386/2012. The meeting looked back on the main achievements of the past 10 years and discussed where the Observatory should be heading in the next decade.

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<sup>(46)</sup> [Online advertising on IPR-Infringing Websites and Apps 2021](#) (published February 2022).

<sup>(47)</sup> [Impact of the Community Plant Variety Rights system on the EU economy and the environment](#) (published in April 2022).




<sup>(48)</sup> The European Commission proposed [two legislative initiatives](#) to upgrade rules governing digital services in the EU: the DSA and the Digital Markets Act (DMA). The Commission made the proposals in December 2020. On 25 March 2022, a political agreement was reached on the DMA and on 23 April 2022 on the DSA.

<sup>(49)</sup> The TF-CIT focuses on evidence-based research and advanced analytics to assist policy-makers map and understand the market vulnerabilities exploited and created by illicit trade.

<sup>(50)</sup> Detailed information on the Observatory's activities developed in 2022 under the multiannual programme, is given in APPENDIX F. European Observatory on Infringements of Intellectual Property Rights Annual Activity Report 2022.

5.1.6 SD1 Strategic Projects under SP2025 <sup>(51)</sup>

EXPECTED OUTCOME	STATUS AND PROGRESS IN 2022 (*)
<b>EUROPEAN COOPERATION <sup>(52)</sup></b>	
<b>ECP1 CONSOLIDATE THE IMPLEMENTATION OF EUIPN TOOLS</b>	
Extended reach of existing EUIPN tools and projects to EU IP offices for a more harmonised and convergent IP system	<p>Steady progress in <b>implementing a new Software Package (SP) Back Office (BO)</b> in Denmark, Hungary and Portugal, with the <b>Swedish office becoming the 13th IP office to use it in daily activities</b>. Moreover, <b>improvements were completed</b> for Estonia, Greece, Spain, Latvia, Lithuania, Romania and Slovenia. Continued <b>implementation and/or upgrade of Front Office (FO) modules (i.e. TM filing and e-Service)</b> in the Greek, Portuguese and Spanish IP offices.</p> <p>Phased <b>implementation of the IP User Repository</b> – a tool to help IP offices <b>avoid duplication of records of personal data</b> (applicants and representatives) – in the Austrian and Bulgarian IP offices.</p>
<b>ECP2 IMPROVEMENT AND UPGRADE OF EUIPN TOOLS</b>	
IP offices develop more efficient, reliable and user-friendly tools and services relating to trade marks and designs, within the EUIPN	<p>Ongoing progress in analysing and implementing the <b>integration of BO with other solutions</b> such as <b>Decision Desktop, User Area, Madrid e-Filing and Integrated Multiple Assessment Solution (IMAS)</b>; alongside the analysis of a <b>new version of BO with technical improvements</b> in the Austrian, Danish, Finnish and Lithuanian offices.</p> <p><b>Major upgrade for the FO platform</b> is progressing in the Finnish and Benelux IP offices. FO User Area upgraded with <b>portfolio management, full electronic communication between offices and filers, and shopping carts</b> for submitting several applications. <b>User Area is already offered to users</b> of the Lithuanian and Portuguese offices.</p> <p><b>Improved functionality and usability of <a href="#">TMview</a> and <a href="#">DesignView</a></b> based on user feedback – a new mobile-friendly look and feel, significantly improving user experience.</p> <p>Tool enhanced with <b>new image search mechanism</b> built by the Office and the <b>trade mark and design history data powered by IP Register in Blockchain</b>.</p> <p>So far, the following IP offices have <b>integrated with IP Register for Blockchain</b> – the Office, Estonia, Italy, Lithuania, Malta and Poland. The Hungarian and Latvian IP offices made significant progress in completing the integration.</p>

(\*)  = materialised;  = on track;  = delayed or deferred

<sup>(51)</sup> This [link](#) has more information regarding the strategic projects under SD1.

<sup>(52)</sup> This [link](#) has detailed information on all the European Cooperation projects.



**EXPECTED OUTCOME**
**STATUS AND PROGRESS IN 2022 (\*)**
**ECP3 NEW TOOLS**

New EUIPN tools and standards to support trade mark and design decision-taking processes for the benefit of national offices

Development of the **Decision Desktop project completed**. The Bulgarian patent office became the **first IP office to fully implement the new tool** in their internal BO system. The Lithuanian patent office was the **first office to use Decision Desktop connected to SP BO**.



Significant progress reported in **implementing the trade mark support tool in the IMAS project**: first version of the tool has been delivered to the Benelux and Finnish IP offices for testing and early feedback.

Support provided to IP offices in migrating their existing IT systems to the cloud: **best practices on migrating or building cloud-ready software** (i.e. Cloud Architecture, GDPR and Cloud Security) documented based on the Office's experience.

**ECP4 CONVERGENCE OF PRACTICES**

Enhanced common examination standards and practices

An **updated version of CP1 and CP2** published in 23 EU languages, alongside **additional training materials** on CP3.



Training materials and FAQs on **CP8 to CP12 published in 23 EU languages**.

Launched **public consultation on common practices** concerning trade mark applications made in bad faith (**CP13**) and trade marks contrary to public policy or to accepted principles of morality (**CP14**).

Launched **new convergence project on the comparison of goods and services**: treatment of terms lacking clarity and precision and common interpretation of Canon and other criteria (**CP15**).

Continued analysis of (1) the **scope of the future CP16** (Notion of 'subject matter'), and (2) the upcoming **reform of the design legislation** to determine its impact on a potential convergence project on designs (**CP17**).

**ECP5 SUSTAINABILITY OF THE NETWORK**

Increased organisational excellence and efficiency in EU IP offices

More than **21 million pages digitised** since the **Capture and Store Historical Files** project started, with Slovakia becoming the **11th IP office to implement the solution**.



**Blockchain business cases** identified as part of the Emerging Technology Incubator and IP Register in Blockchain initiatives to **guarantee certified trade mark priority**.

Steady progress under the **Project and Quality Management Development** initiative ISO9001/27001 in the Austrian, Croatian, and Irish IP offices. In addition, the **Community of Practice on Management Systems pilot** was launched.

Prototype of the **IT Security Service Catalogue** created and tested together with the IT Security Network for Intellectual Property Offices (**ISNIPO**). The **IT Security Dashboard** was successfully implemented in the Hungarian and Portuguese IP offices.

MS IPOs received **130 training courses** and **41 certifications** during 2022.

**EXPECTED OUTCOME**
**STATUS AND PROGRESS IN 2022 (\*)**

**Emerging Technologies Incubator implemented.**

**Robotic Process Automation for searching in several databases** at the Estonian and Lithuanian offices. Robots adjusted to the needs of the IP offices and integrated into BO to **optimise the examination process and reduce the time for registration.**

Working Group participants discussed **how Blockchain technology can be used to build and offer innovative services** to the IP community, such as IP certificates generation and verification.

**ECP6 SUPPORTING SMEs**

Improved competitiveness for SMEs by raising awareness on the importance and value of IP rights and by facilitating their registration

The ECP6 Working Group (WG) members recommended the way forward for the **EIPIC** and **ADR initiatives** and discussed the **validity of the Free IP Support initiative**. They also provided feedback on the **2021 Mapping Report on National Initiatives for SMEs** and the **2022 Mapping Exercise on National Stakeholder Networks for SMEs**.



The WG made recommendations on, among others, **the EIPIC's minimum viable product (MVP)**, including the **Common Collaboration Platform** and the **SME website**, and recommended adding Branding and Monitoring to the MVP. A great effort was made to start the **operational implementation of the EIPIC through 14 EIPIC members and 8 DNS resources and collaborative platform**.

Completion of the ECP6 **ADR initiative's first milestone** – experienced mediators from the Office's BoA and ADR Service gave a **training session on ADR to 66 staff members from 17 participating IP offices**.

**ECP7 SUPPORTING THE TRANSPOSITION OF THE TRADE MARK DIRECTIVE (TMD)**

Increased interoperability between trade mark procedures within the EUIPN through shared information and technical expertise

First set of **TMD webinars livestreamed** via the EUIPO Academy Learning Portal and **recorded in the 23 EU languages** with simultaneous interpretation into English: **more than 1 000 participants** in the training sessions.



Second series of **TMD training sessions** delivered in 2 formats (webinars and studio recordings) with the participation of **14 IP offices and 2 UAs: more than 700 participants** in the training sessions.

Data from the Office, as well as the Danish, Greek, Irish, Italian, Polish, Portuguese, Slovenian, Spanish and Swedish offices is being progressively uploaded to the **IP Legislative and Practice Repository**; first release of the **multilingual Online IP Platform completed**.



**EXPECTED OUTCOME**
**STATUS AND PROGRESS IN 2022 (\*)**
**ECP8 COLLABORATIVE SERVICES**

Enhanced consistency, efficiency and effectiveness through a pool of senior experienced trade mark and design examination reviewers (PEER) to share national experience related to national IP rights, absolute grounds and relative grounds, classification, and designs

Test **consultations with PEER National IP Rights and PEER Absolute and Relative Grounds WG** members started under **ECP8 PEER projects** – as an initial stage for the consultation processes being developed between the Office and IP offices that are the centrepiece of **PEER Legal & Examination Assistance**.



**PEER Classification** moved forward with an EUIPN-wide initiative to **improve the quality of terminology in the Harmonised Database**. Further consolidation and simplification of ECP8 PEER projects under three unified areas – **PEER Think Tank, PEER Legal & Examination Assistance** and **PEER Classification** – creating a **more efficient structure, greater clarity** for the IP offices implementing the project and simplified administration.

Awareness raising among enforcement authorities and youngsters is successfully continuing with **11 cities** currently participating in the **European Network of Authenticities (9 with the 2-year certification** ongoing: Sofia and Plovdiv's certifications expired) **Mykonos, Banská Bystrica and Madrid**, followed by **5 new cities in 2022: Zaragoza, Lisbon, Targovishte, Corfu, Burgas and Thessaloniki** (was re-certified). And continued **interest shown by 11 national offices** (requests received for additional information and documentation). **First Authenticities event** was successfully held in Thessaloniki to **celebrate the certified Authenticities**.

**INTERNATIONAL COOPERATION**
**BROADEN THE COOPERATION FRAMEWORK OUTSIDE THE EU**

Sustain and expand the Office's current networks, delivering an interconnected, effective, and reliable IP system to EU businesses, citizens and other relevant IP stakeholders in the global environment

**EUIPN and Office tools, standards and practices extended** via cooperation with non-EU partners, and **through reinforced relations** between the Office and **non-EU IP offices and non-EU users**.


**IP ENFORCEMENT**
**EU IP ENFORCEMENT PORTAL (IPEP) 2025 <sup>(53)</sup>**

One single portal to deliver the services that rights holders need for enforcement of their IP rights

Go live of completed remaining phases of the IPEP's **e-filing and management point for customs applications for action (AFA) for 24 Member States (eAFA)** (e.g. Digital Signature, Set-up assistant and amendment of paper AFAs).



Organised **9 demo and Q&A sessions with rights holders, 30 training sessions with enforcement authorities**, plus multiple bilateral online training **sessions with IPEP users**.

<sup>(53)</sup> IP Enforcement Portal: <https://euiipo.europa.eu/ohportal/en/web/observatory/ip-enforcement-portal-home-page>

**EXPECTED OUTCOME**
**STATUS AND PROGRESS IN 2022 (\*)**

IP Enforcement Portal Forum held in November to better understand the needs and potential further developments of the secure, easy and 24/7 available IP enforcement tool.

**THE OUT-OF-COMMERCE WORKS PORTAL**

A public European single online portal for the ongoing and future uses of out-of-commerce works<sup>(54)</sup> that cultural heritage institutions want to digitise and/or disseminate

Identification of more sources of **out-of-commerce works** as a result of the efforts of the **cultural heritage institutions**, and the launch of the [portal](#) with **more than 900 000 entries**.



**Increased visibility and promotion** of the out-of-commerce works system through the organisation of a **datathon event** in cooperation with **Europeana**.

**ENHANCING IP PROTECTION ON E-COMMERCE MARKETPLACES**

Enhanced IP rights protection in the online environment through integrated secure information resources and services

Increased development and exchange of contact points and information between **e-commerce marketplaces** and **enforcement authorities** through IPEP.


**ANTI-COUNTERFEITING BLOCKATHON INFRASTRUCTURE**

An open authentication platform and protocol using blockchain technology to authenticate products and exchange data between all parties in the supply and logistic chain, interconnecting products' 'track and trace' solutions with the risk analysis systems of Office tools and enforcement authorities

**Winner chosen** by an independent jury in an **open design competition for a high-level infrastructure**. The award ceremony took place at the Office's headquarters in Alicante.



Initiation of the preparation phase for the **proof of concept** and an **open dialogue** with the Directorate-General for Communications Networks, Content and Technology to identify **synergies with the European Blockchain Services Infrastructure**.

**ANTI-COUNTERFEITING TECHNOLOGY GUIDE**

An interactive web-based multilingual tool where companies can search for the type of anti-counterfeiting technologies relevant to their products and find relevant technology providers

Ongoing knowledge gathering on **anti-counterfeiting technologies (ACTs)** and potential functionalities to enhance stakeholders' understanding of the ACT market.



<sup>(54)</sup> As laid down in [Directive \(EU\) 2019/790](#) of the European Parliament and of the Council of 17 April 2019 on copyright and related rights in the Digital Single Market, the Office is responsible for establishing and managing a public single online portal for out-of-commerce works <https://euiipo.europa.eu/out-of-commerce/#/> (i.e. photographs, software, phonograms, audio-visual works and unique works of art, including never-in-commerce works which can include posters, leaflets, trench journals, and unpublished works).

## 5.2 Strategic Driver 2 IPexcellence

The second strategic driver, 'Advanced customer-centric services' ([SD2](#)), specifically aims to develop advanced customer-centric services as part of the Office's digital transformation journey. In doing so, it reinforces the organisational capital's spotlight on the quality of the Office's products and services, as well as its operational excellence.

The following graph depicts the execution rate of the strategic projects under SD2 by progress and risk level <sup>(55)</sup>.

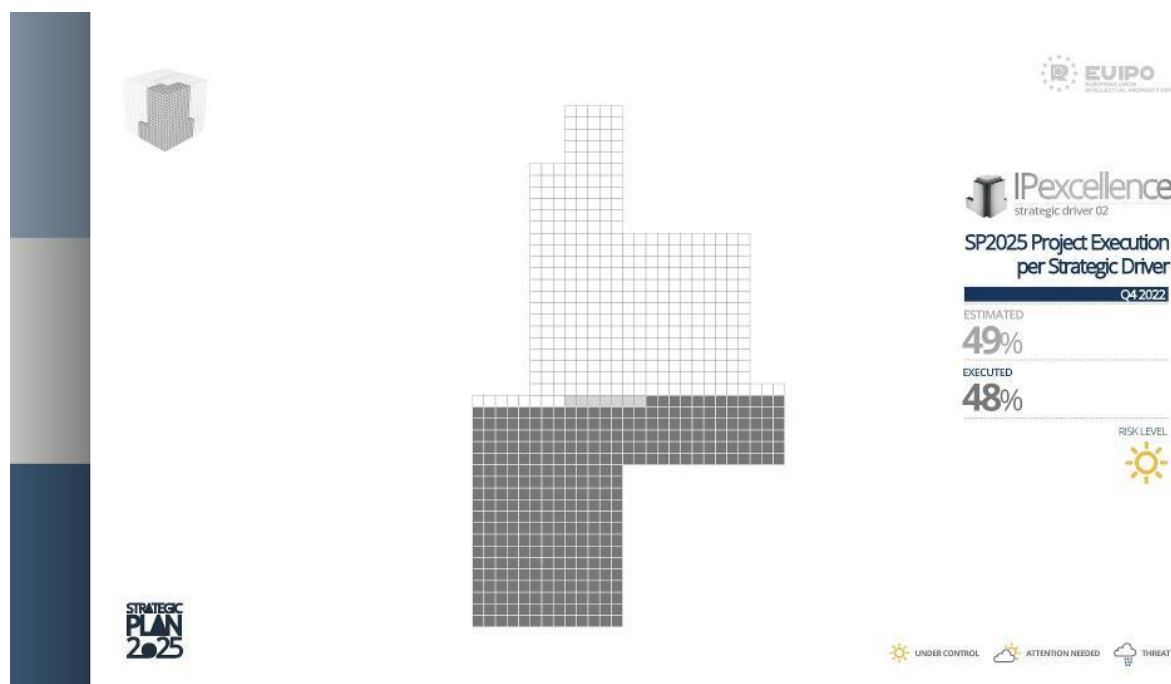


Figure 10. SP2025 Project execution per strategic driver (SD2)

### 5.2.1 Management of IP Operations

The growth trend in trade mark filings observed in 2021 saw a sharp decline in 2022. However, the impact of the growth in previous years manifested itself in the high workload of managing IP procedures at the decision stage, that is absolute grounds final refusal decisions and *inter partes* decisions on substance. Consequently, the output in terms of volumes decreased in the areas of EUTM and RCD examination but increased significantly in the area of trade mark *inter partes* decisions (12.4 % in opposition and 3.6 % in cancellation). The Office kept delivering high quality decisions in all areas (trade marks and designs) throughout the entire year – compliant or excellent with regard to the established quality criteria and confirmed by the external SQAP audits. Despite high stocks and service charter deadlines, the Office complied with the timeliness standards in all *inter partes* decisions. Timeliness was also under control in all other reported procedures except for IR first action in the first quarter of 2022 <sup>(56)</sup>.

The stock of AG decisions at the beginning of 2022 was higher than in pre-pandemic years. This was because resources had been prioritised in AG examination to perform the initial

<sup>(55)</sup> Detailed information on the relevant strategic projects is available in 'SD2 Strategic Projects under SP2025' at the end of this chapter.

<sup>(56)</sup> More information on timeliness-related KPIs is available in APPENDIX A – Performance Data: Customer Service Charter.

examination allowing for the earliest possible publication and issuing a first irregularity letter in the event of deficiencies. In 2022, the agility in shifting resources to the AG examination tasks and ongoing training to develop more expertise in decision drafting allowed the Office to reduce the stock, increase the number of decisions and shorten the time to issue a decision.

In the *inter partes* proceedings area, the Office focused on developing new working methods to better manage the proceedings and deal with high stocks of decisions. First steps were taken to explore the possibility of encouraging friendly settlements at the first instance, in search of a more effective and efficient case resolution for the parties involved. In addition, new working methods were introduced to allow for more efficient monitoring of pending workload through increased collaboration between examiners. AI-based support tools for comparing goods and services as well as trade marks were further developed.

In the area of RCD examination, in addition to managing the incoming filings and dealing with subsequent tasks, the most important activity was launching the IP Tool module for Designs. It required significant involvement of experts during the testing and training periods. IP Tool – the single examination tool – now includes all the Office’s products and is expected to bring significant gains in productivity via more efficient processes and automation. In addition, the design examiners are increasingly more involved in customer support related activities, such as providing direct support to applicants via telephone and video calls.

The Office also continued to develop new IT solutions and functionalities to increase automation and take advantage of AI technology. These technologies provide value to all Office customers in terms of increased certainty and timely services. Several automation initiatives were successfully implemented in EUTM examination and *inter partes* proceedings (e.g. automatic extension of time limits) and Register actions (e.g. change of name and/or address of persons and the change of representative). Each automation initiative was thoroughly tested and provided very good results<sup>(57)</sup>. Furthermore, the Office has been testing the use of machine translation both in trade marks and designs to maximise the use of existing in-house language resources. In addition, the Office’s [AI-empowered image search](#) – included in [eSearch plus](#) – allows users to find similar-looking trade marks and designs via the analysis of colours, shapes, and textures.

The Office has implemented a series of new initiatives in the pre- and post-registration processes to effectively overcome potential obstacles and improve communication, tailoring it to the specific needs and expectations of direct filers and representatives.

[Decision No EX-22-6](#), issued in July, concerning the communication with the Office by electronic means, allows users to file EUTMs and RCDs through an [application programming interface \(API\)](#)<sup>(58)</sup>.

[Decision No EX-22-7](#), issued in November, amending the technical requirements for annexes submitted on data carriers, aligned the requirement with e-communication to avoid technical malfunction.

Following the approval of [Decision No ADM-21-24](#) on establishing an internal quality framework, in 2022, with the support of the Knowledge Circle on Quality, the Office quality standards continued to report compliance in all procedures<sup>(59)</sup> related to both *ex ante* (absolute grounds and *inter partes* decisions) and *ex post* (trade mark examination, *inter*

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<sup>(57)</sup> APPENDIX A – Performance Data: Balanced Scorecard has more information on relevant KPIs.

<sup>(58)</sup> Annex I of the decision specifies in detail the terms and conditions of signing up for and using an API, in particular when it comes to personal data.

<sup>(59)</sup> The updated results of these checks are available online for consultation - the [EUIPO Customer Service Charter](#).

*partes* decision proceedings, records, and design registration) internal quality checks of the Office's IP products.

The Office's Knowledge Circles<sup>(60)</sup> ensure coherence of IP policy while coordinating and overseeing IP quality initiatives. They develop the Office's practice on trade marks and designs as reflected in the [Guidelines](#)<sup>(61)</sup>, which received a 93 % satisfaction rate in the Office's most recent Customer Satisfaction Survey.

Given developments in the market and the rise in EUTM applications relating to the metaverse, virtual goods and non-fungible tokens (NFTs), the Office has been developing its practice accordingly with the classification of goods and services being the first area to be impacted. The Office encouraged its stakeholders to comment on proposals that were included in the draft Guidelines for 2023 and received useful feedback. Internally, an inter-departmental 'Meta-circle' was set up to ensure that all interested departments would be apprised of the main IP policy steps as they are being developed.

The 2022 edition of the Guidelines entered into force on 31 March 2022 by means of [Decision No EX-22-1](#). Meanwhile, the draft for the 2023 edition was launched for public consultation, inviting Office stakeholders to submit their comments.

Further capacity building focused on providing effective assistance to the European Commission<sup>(62)</sup> in its examination of applications for protection of geographical indications (i.e. protected designations of origin and protected geographical indications) for *agricultural products, wines and spirits*<sup>(63)</sup>. Under the [administrative agreement](#) with the Directorate-General for Agriculture and Rural Development, the Office received 498 GI files to examine by the end of 2022, including *wine, food, spirit drinks*, and bilateral agreement dossiers. Currently, as the most comprehensive search database for GIs in the world, [Gliveu](#) provides a single entry point for data on GIs registered in the EU. It contains more than 5 400 GIs protected in the EU.

The Commission adopted two legislative proposals in 2022 with respect to GIs. One reviewing the existing GI scheme for [agricultural products, wines, and spirits](#) (March 2022), and the other setting up a new scheme for [craft and industrial GI products](#) (April 2022). Both legislative proposals envisage new competences for the Office in respect of managing the GI registration processes, albeit to a different extent. To be ready to ensure legal compliance once the proposed regulations enter into force, the Office prepared and launched a GI legislative reform implementation project, which became operational in October 2022. The project aims to coordinate and support the planning and implementation of tasks within the Office to ensure legal and technical compliance with the forthcoming new GI legal frameworks as proposed by the European Commission. It also aims to provide technical assistance to the Commission in preparing the secondary legislation for both main regulations. This will allow the Office to contribute to a more streamlined, modern, simplified and accessible legal framework for the protection of GIs in the EU.

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<sup>(60)</sup> The Office's ten [Knowledge Circles](#) are comprised by cross-departmental groups of experts with tasks ranging from trade mark and design issues to enforcement and international law, the draft of the Office's Guidelines and advice on other issues.

<sup>(61)</sup> The Guidelines on EUTMs and on RCDs improve the coherence, predictability and quality of Office decisions. They are designed to bring together, systematically, the principles of practice derived from the jurisprudence of the European Court of Justice, the case-law of the Office's Boards of Appeal, the decisions of the Office's Operations Department and the outcomes of the Office's convergence programmes with MS IPOs.

<sup>(62)</sup> Since 2018, the Office has been working with the Commission on assessing applications for new GIs and requests for amendments of registered GIs. The Commission remains fully responsible for assessing and approving the files.

<sup>(63)</sup> Geographical indications establish intellectual property rights for specific products, whose qualities are specifically linked to the area of production [https://agriculture.ec.europa.eu/farming/geographical-indications-and-quality-schemes/geographical-indications-and-quality-schemes-explained\\_en](https://agriculture.ec.europa.eu/farming/geographical-indications-and-quality-schemes/geographical-indications-and-quality-schemes-explained_en).



Following the adoption of the Commission's proposal on the revised Designs Regulation (November 2022), the Office also started working on the implementation project to ensure timely preparation for the ensuing changes.

## 5.2.2 Management of Appeals and IP Litigation <sup>(64)</sup> <sup>(65)</sup>

The Boards of Appeal (BoA) are responsible for independently deciding on appeals against first-instance decisions on EUTMs and RCDs. As part of their commitment to consolidating their role as a high quality, effective, coherent, and modern IP dispute resolution body, the BoA launched a 5-year action plan (2021-2026) <sup>(66)</sup> establishing the direction they will take in the next years, how they will tackle the challenges ahead and how they will contribute to the SP2025. Fourteen projects of the action plan were fully implemented in 2022, leading to a 19 % implementation rate by the end of the year.

In line with the action plan's second focus area (to improve quality by promoting consistent and coherent decisional practice, enhancing alignment, legal certainty and greater predictability for internal and external users), the BoA concentrated on developing a consistent and coherent decisional practice aligned with the case-law of the European Courts. In 2022, the Office held its first ever oral hearing in a hybrid format before the Grand Board with close to 1 000 remote connections <sup>(67)</sup>.

Consistency Circles were set up to analyse and discuss case-law to identify trends with a view to developing a common understanding on relevant legal issues, reflected in case-law research reports <sup>(68)</sup>. To date, the BoA have produced and published 10 reports <sup>(69)</sup> with the aim of enhancing the consistency, coherence and predictability of their work, as well as increasing knowledge, awareness and transparency among their various stakeholders <sup>(70)</sup>.

In 2022, the BoA closely cooperated with IP judges within their networks. They organised two Judges Quality Assurance and Legal Practice Panels where IP judges discussed and exchanged views on trends and findings of the case-law research reports.

A consistent and coherent line of representation is one of the key instruments enabling the BoA to exercise their guiding function on the Office's decision-making practice. The Office places great importance on its representation in actions brought before the EU Courts in IP matters. For this reason, litigation activities systematically consider the views and needs of all internal and external stakeholders, including knowledge sharing and flagging of important case-law. This applies to:

- direct actions brought against decisions of the BoA or in which the Office acts as defendant;

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<sup>(64)</sup> Disclosures covered in this section: 2-25 Processes to remediate negative impacts and 2-26 Mechanisms for seeking advice and raising concerns (additional data also included in the [2022 GRI Content Index](#)).

<sup>(65)</sup> APPENDIX G – The Boards of Appeal Annual Report 2022 has more detailed information regarding the Boards' activities in 2022.

<sup>(66)</sup> This [link](#) has detailed information on the Boards' action plan.

<sup>(67)</sup> *EUIPO's Grand Board: first oral hearing*, [Alicante News – July 2022 edition](#), p. 8

<sup>(68)</sup> While fully respecting and considering the independence of the Member of the BoA in their decision-taking capacity.

<sup>(69)</sup> Published under [Boards of Appeals publications](#) - Boards of Appeal Case-law Research Reports, on the EUIPO website.

<sup>(70)</sup> These reports are working documents that reflect existing case-law, the results of discussions within the Consistency Circles and the General Consistency Meeting of the BoA at the given date of the report. They should not be considered as having any binding effect, on the BoA.



- preliminary ruling cases in IP matters relating to the Office's practice, in which the BoA Litigation Service assists the Legal Service of the Commission.

In 2022:

- 269 new litigation cases were notified (lower than the 308 cases notified in 2021);
- the confirmation rate reported a steady growth (85.9 % in 2022 compared with 81.7 % in 2021);
- 272 litigation strategies were discussed in the Litigation Strategy Board and approved by the President;
- cooperation with the Commission's Legal Service encompassed nine preliminary ruling cases.

Cooperation and coordination of common appeal proceedings issues within the Inter-Agency Appeal Proceedings Network (IAAPN) centres on sharing knowledge and identifying best practices among EU agencies that have appeal boards, as a means to improve dispute resolution for the benefit of their stakeholders. The BoA contributed to the 2022 IAAPN Work Programme by leading two initiatives – the IAAPN 2022 Scoreboard and IAAPN 2022 terminology.

The action plan also envisages that the BoA provide support and strengthen other EU cooperative networks to achieve greater convergence and alignment of practices in the area of appeal proceedings to facilitate users' access to dispute settlement services on offer. In this regard, the BoA are:

- participating in convergence projects<sup>(71)</sup> on bad faith and public order and morality – under the European Cooperation Projects;
- collaborating with the sub-working groups on the EIPIC, the ADR and the PEER initiatives.

In the ambit of furthering and consolidating cooperation, in 2022 the BoA organised bilateral meetings with MS IPOs and their appeal bodies, non-EU IP offices and TM5 appeal bodies. The aim was to share recent case-law and exchange practices on topics of mutual interest.

Planned outreach activities to promote a mediation culture were further underpinned through implementing the annual work plan's deliverables with the network of IP Judges of the EUTM and RCD Courts on mediation and the Stakeholders Advisory Board within the context of ADR<sup>(72)</sup>.

The ADR mechanisms in place reinforce the BoA filter function by avoiding further disputes arising and potentially reaching the General Court and the Court of Justice, giving parties access, at an early stage, to suitable mechanisms and tools to find expert and rapid solutions to their conflicts. During 2022, the volume of cases proposed for ADR followed the trend of the existing appeal cases and reached 35, with sustained acceptance and success rates for these processes. In addition, in view of adapting the data structure to IP Tool and the Mediation Centre's future tools, a historical case data revision has taken place and a more consistent approach has been implemented, meaning minor volume adjustment between years.

In line with [Directive 2008/52/EC](#) on certain aspects of mediation in civil and commercial matters, Article 170 EUTMR contemplates establishing a Mediation Centre. In doing so, the BoA will expand the scope of the voluntary mediation services from the second instance to

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<sup>(71)</sup> Namely, nominated *rapporteurs* for CP13 and CP14 projects.

<sup>(72)</sup> This [link](#) has more information on the ADR networks.

the first instance proceedings to support businesses – in particular SMEs – in resolving their IP disputes at the earliest stage possible of the conflict<sup>(73)</sup>.

Additionally, the increasing pressure in the Office's inflow has driven the promotion of electronic tools such as the fully implemented IP Tool that now also covers all BoA procedures.

### 5.2.3 Customer Management

The Office's customer-centric approach relies on staff providing users with high-level services, valuable information and guidance. This is to enable users to optimise their use of and easily provide feedback on the level of satisfaction with Office products and services.

The online interactive [Customer Service Charter](#) (CSC)<sup>(74)</sup> encapsulates the level of service excellence the Office aims to achieve by measuring performance against three standards: timeliness, accessibility and quality of decisions. Through the CSC, the Office manages customer expectations regarding the delivery of products, quality standards, and conflict resolution. The CSC's 2022 results reflect the Office's continued effort to provide excellent customer service, despite ever-growing volumes, by further developing proactive communication channels and providing more online services.

On average, the Office deals with more than 100 000 telephone calls per year. The First Line Information Centre provides the first contact that customers have with the Office – examiners are available and are also present in the First Line area to directly respond to customer queries or resolve doubts. The Information Centre deals with more 15 000 interactions per month by telephone, chat and email. It operates in the Office's five official languages within the established timeliness standards and records customer feedback to help improve Office services<sup>(75)</sup>.

A switch from traditional channels to chat was notable in 2022. An [online chatbot](#) was introduced in the Easy EUTM filing form to support applicants on a 24/7 basis. Telephone calls decreased by 16 % and emails by 10 %, whereas chats increased by 49 %. Furthermore, the Office received 38 % fewer complaints.

The Office has a new approach for customer services tailored to customer needs. It is based on the insights of the different customer journeys. It aims to address pain points by adjusting the service offer. The goal is to increase efficiency and effectiveness, and ultimately improve user experience and satisfaction. The current Key User Programme will be replaced with a flexible key account management approach to build partnerships with the Office's largest customers through personal interactions and mutual feedback.

This approach will progressively allow the Office to offer customer services that address the needs of all its different user groups (via, among others, customised newsletters, Office tools testing, and monitoring sessions), thus significantly contributing to the SP2025 goal to improve user experience.

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<sup>(73)</sup> This [link](#) has more information on the ADR Service.

<sup>(74)</sup> The APPENDIX A – Performance Data: Customer Service Charter section has detailed 2022 results.

<sup>(75)</sup> The five official Office languages are covered for telephone calls. All European languages are covered for emails. There is a pilot running for Danish, Dutch, Greek, Polish, Portuguese and Swedish as additional languages for chats, supported by machine translation. Likewise, Academy webinars and Ideas Powered for business talks are published with automated subtitles in at least the five official Office languages to further promote multilingualism and accessibility to IP information in other EU languages.

Customer engagement was further reinforced in 2022 to promote an efficient and effective use of IP through the continued coordination of [IPforYou seminars](#) for professionals and [Ideas Powered for business online seminars](#) for SMEs, in collaboration with national and regional IP offices. The Office organised 18 IPforYou seminars and 19 Ideas Powered for business events in 2022.

The Office uses immediate feedback surveys and additional tools to regularly measure customer satisfaction with customer services and online tools, to ensure the best possible experience for its various customer segments.

The results of the [Customer Satisfaction Survey](#), published in May 2022, showed very good outcomes with a 90 % overall customer satisfaction (2 percentage points higher than the previous survey), and even higher in certain areas (e.g. 91 % satisfaction with the Office’s core services relating to trade marks and designs and 94 % for the Guidelines).

The Office launched the [SQAP](#) audits in 2017 to close the gap between the users’ perception of the quality of the Office’s decisions and quality measurements. Currently, representatives from user organisations are invited four times a year to assess the quality of more than 260 decisions on absolute grounds, opposition, cancellation and RCD invalidity and then discuss their findings with the Office’s examiners and legal experts.

SQAP audit on	No of audits	No of decisions checked in 2022	Results			No of SQAP auditors	No of UAs
			In compliance	Excellence	Actions needed		
Cancellation decisions	2	32	84.4%	15.6%	0%	16	10
Opposition decisions	11	60	73.3%	20.0%	6.7%	20	11
Design invalidity decisions	4	26	84.6%	15.4%	0%	13	7
Absolute grounds decisions	7	143	87.4%	1.4%	11.19%	19	11

Figure 11. 2022 SQAP results

Along with the SQAP initiative, in 2020 the Office launched ad hoc customer panels to involve users in shaping Office services and to fully integrate the customer perspective in everything the Office does. A total of 12 customer panels, involving 161 panellists, have taken place since their launch in 2020. In 2022, four customer panels were organised on the following subjects: SMEs, the modernised EUIPO online platform, training and opposition proceedings.

Effective cross-departmental coordination is essential to increase the Office’s capacity to be a more customer-focused organisation. The Office’s Knowledge Circle on Customers steers key internal initiatives to maximise customer satisfaction based on the customer’s IP journey and the different customer segments – from Key Users to SMEs. In this context, the Office recently implemented an internal feedback process to support a more customer-centric approach and ensure the holistic processing of customer feedback across channels and processes.

To help customers on their [IP journey](#), the Office is using the power of the digital world to create a one-stop-shop where they can access a wide range of information, processes and tools, in addition to the registration of IP rights. The new services have been designed around four main pathways of customer interaction with the Office: discover; protect; manage; exploit for their benefit and defend their IP rights.

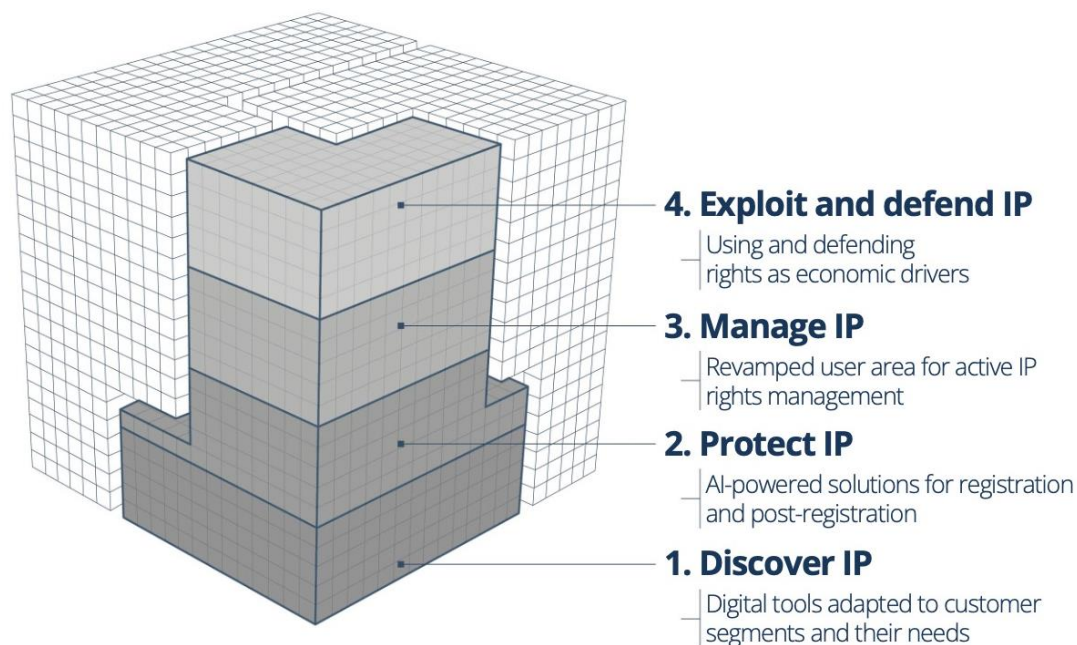


Figure 12. Digital pathways to better customer service

In addition, the Office continued to transform its linguistic business function using technology as an enabler to improve efficiency, process automation and quality assurance. The implementation of the final phase of the initiative started with the procurement and configuration of the selected translation management system.

Progress was also achieved in implementing the Office’s strategy to manage multilingual content of IP core business communications to support the Office’s customer-centric approach. The analysis of the current content management processes and strategy has been completed. Work progressed towards defining the proposed content management strategy and a roadmap for its implementation.

A feasibility study was launched on revamping formatting to improve efficiency and automation in the quality assurance process and to shorten turnaround times in linguistic services. Initial consultation with the Translation Centre took place to explore potential synergies. However, following internal consultations to identify the scope and potential ideas for improvement, it was decided to abandon this initiative due to the lack of a solid business case and limited resources.

Through these initiatives the Office confirms its commitment to improving customer service by identifying the customers’ needs and behaviours, incorporating their feedback and delivering solutions adapted to the different customer segments based on advanced customer research.

#### 5.2.4 Supporting Activities for SMEs

The Ideas Powered for business [SME Fund](#) is a grant scheme of up to EUR 60.1 million over a 3-year period (2022-2024). It is based on a 3-year multiannual contribution agreement signed with the European Commission in the context of its IP Action Plan. The aim is to help EU-based SMEs access and benefit from their IP rights<sup>(76)</sup>.

The SME Fund 2022 introduced improvements resulting from lessons learned from the SME Fund 2021. The Fund is now easier and more accessible for SMEs and covers a wider scope of IP activities to meet the needs of EU SMEs in their IP journey. It was initially launched with a budget of EUR 16 million. EUR 15 million comes from the Office's financial surplus to cover IP Scan and trade marks and designs protection and EUR 1 million comes from the contribution of the European Commission to cover national patents protection.

In April 2022, following the initial success of the SME Fund, an extra EUR 10 million was added to the 2022 budget to ensure continuity of the support for the IP Scan and trade mark and design protection.

By the end of 2022:

- the Office had received over 22 000 application requests of which around 97 % were awarded (these requests represent the majority of the more than 35 000 received since the initiative was launched in January 2021);
- EU SMEs who applied were notified within an average of 7 days – well under the timeliness standard established in the Office's Customer Service Charter (i.e. 10 working days from the end of the week of filing a request);
- over 485 IP Scan experts from 11 countries were trained to provide IP pre-diagnostic service to European SMEs.

Companies from all EU countries applied for the SME Fund. Most applications came from Germany, Spain, France, Italy, and Poland<sup>(77)</sup>. The companies mainly came from the manufacturing, retail, science, technologies, information and communication industries or sectors. Nearly 78 % of these had their first contact with the world of IP through this initiative (no prior national, regional or EU IP rights).

By the end of 2022, over two-thirds of all the awarded vouchers were activated, giving the SMEs the option of requesting reimbursement for more IP rights during the implementation period.

In total, 18 828 IP activities were reimbursed to 12 743 SMEs for a total amount of EUR 10 135 156. This corresponds to an average grant amount paid per SME of EUR 795, which is 59 % more than in 2021 when the average was EUR 500.

As regards the country or region of origin of the IP activities<sup>(78)</sup>, two-thirds were IP rights applied for at the Office, 31.4 % were applied for at MS IPOs, and 2.4 % were applied for at WIPO.

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<sup>(76)</sup> SME definition: [https://single-market-economy.ec.europa.eu/smes/sme-definition\\_en](https://single-market-economy.ec.europa.eu/smes/sme-definition_en).

<sup>(77)</sup> Countries such as Cyprus, Lithuania and Austria also stood out in terms of applications, given their population and the number of SMEs established in their territory, which allows a fairer comparison of results between the EU countries.

<sup>(78)</sup> Not to be confused with the country of origin of applicants (e.g. an Italian SME requesting a trade mark before the Belgian IP office).



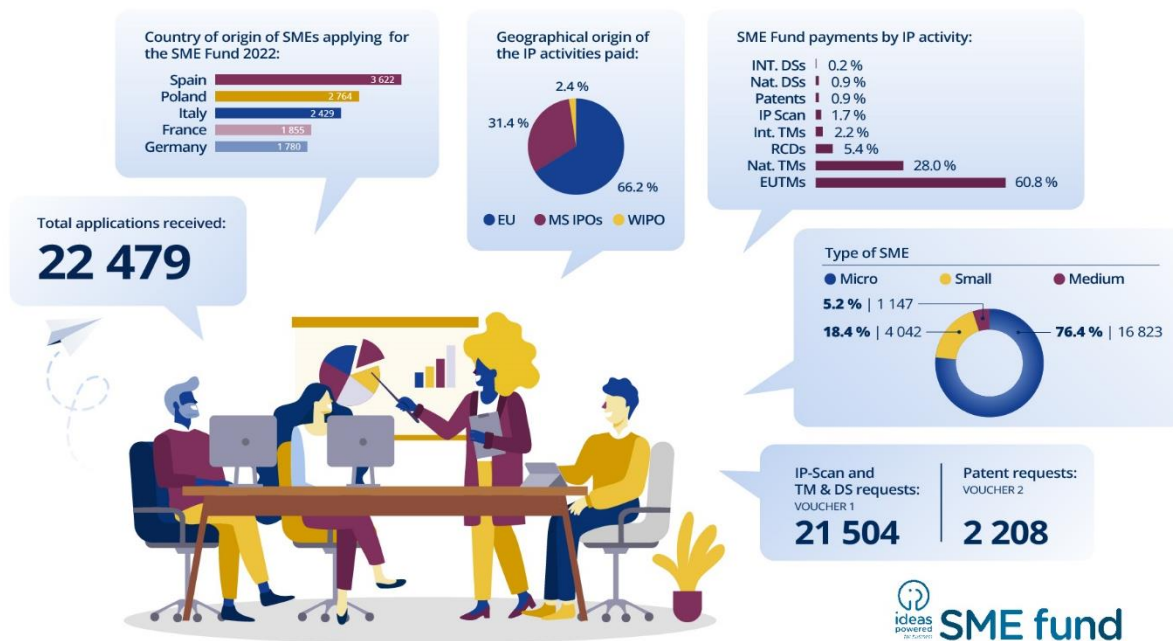


Figure 53. 2022 statistics for the SME Fund

Customer feedback indicates that 93.7 % of EU SMEs are satisfied or very satisfied with the SME Fund initiative.

Communication activities for the SME Fund mainly focused on digital marketing strategies. An influencers campaign ran for the first time with a successful 785 000 reach<sup>(79)</sup> and more than 16 000 interactions<sup>(80)</sup>. The SME Fund webpage received 439 000 visits and the social media channels grew by 4 115 followers leading to a base of 29 370 followers by the end of 2022.

The free IP support initiative connects SMEs with IP experts, either by providing advice, helping with procedures, or preparing documentation. From the beginning, 2 222 SMEs have requested the free IP support. At present, the Office's database contains a total of 264 valid providers that offer this type of support with an overall satisfaction rate of 74 %.

#### Types of support provided






- 47 % help preparing an IP right application;
- 26 % help understanding which IP right is best;
- 9 % help in proceedings before the Office.




<sup>(79)</sup> Unique individuals that have been exposed to a digital marketing campaign or message.

<sup>(80)</sup> Includes likes, comments, saved and clicks.



## 5.2.5 SD2 Strategic Projects under SP2025 <sup>(81)</sup>

EXPECTED OUTCOME	STATUS AND PROGRESS IN 2022 (*)	
<b>AGILE WORKFLOW TOOLS</b>		
<b>IP TOOL <i>EX PARTE</i> DESIGNS</b>		
Efficiently manage the examination procedures for RCD and IRCD applications through more harmonised, simple, and flexible solutions	<p><b>New designs support module</b> was successfully integrated into IP Tool in October 2022.</p> <p>New module includes a <b>dedicated design examination tool</b> and <b>takes advantage of available services within IP Tool</b>, such as fee management, automation of correspondence and management of publication requests.</p>	
<b>BUSINESS AGILITY ORCHESTRATOR (BAO)</b>		
Optimise the use of the Office's capabilities and resources required by the business and customers	Project team set up. Preparation of first deliverable is underway (i.e. <b>high-level software requirements specification</b> ).	
<b>EFFECTIVE WORKING TOOLS</b>		
<b>E3U2 NEW GENERATION TOOLS</b>		
Improved Relative Grounds (RG) and Absolute Grounds (AG) examination tools	<p><b>Finished analysis and procurement phases</b> for the Goods and Services comparer tool, Similarity Feeder, and the AG and RG support tools for examiners.</p> <p>Architectural analysis and analysis phase started to <b>improve the AG and RG drafting tool for examiners</b>.</p> <p>First round of workshops with customers (experts and non-experts) were organised in the context of a new initiative to <b>design pre-assessment solutions for the customers</b>.</p>	
<b>E3U2 TMMEANING ADVANCED</b>		
Increased quality of the results produced by TMmeaning, mainly by reducing noise and adding definitions from reputable dictionaries in the 23 languages	Workstream 1 <b>analysis completed</b> , focusing on the <b>integration of reputable dictionaries</b> (such as Collins for English, Duden for German, etc.) and the <b>reduction of noise in the results</b> to make the examiners' work more efficient.	
<b>CUSTOMER-CENTRIC APPROACH</b>		
<b>CUSTOMER FOCUS</b>		
Advanced customer-centric services through the integration of customer segments' perspective	<p>Nine Customer Focus teams currently <b>attend to different segments of the Office's customers</b>, covering <b>EUTM <i>ex parte</i> proceedings, AG, RCD and opposition proceedings and RG decisions</b>. Activities focused on the participation of examiners in <b>Key Users Monitoring</b> sessions, promotion of <b>direct accessibility</b> to the examiners, developing <b>customer-friendly</b> templates, and testing the <b>Single Examination Report</b>.</p> <p>The Office's <b>Back Office tools</b> are continually adapted for the <b>allocation of incoming applications</b> according to <b>customer segments</b> aligned with the Customer Focus teams.</p>	

(\*)  = materialised;  = on track;  = delayed or deferred

<sup>(81)</sup> This [link](#) has more information regarding the strategic projects under SD2.

**EXPECTED OUTCOME**
**STATUS AND PROGRESS IN 2022 (\*)**
**CUSTOMER SUCCESS SOLUTIONS**

Increased customer satisfaction by improving straight-through files while identifying opportunities for growth and enhanced quality

**Customer segmentation** developed with the outcome and insights gained from the 2022 exercise used as basis for **developing customer centric actions** throughout the Office (e.g. the customer relationship management tool and the modernised EUIPO platform).



**Customer segmentation knowledge** was internalised as an operational activity.

**Business development workstream completed** with the implementation actions reminding the IP owners or their representatives of the **possibility to renew** their EUTMs, after following an A/B testing approach, which had a **positive impact on renewal filings**.

Analysis finalised on expanding **collaboration with organisations** responsible for **registering company names and domain names at EU level**.

**CUSTOMER RELATIONSHIP MANAGEMENT**

Better connection, interpretation, and response to overall interactions with customers throughout the Office, while effectively managing customer data

Two best options to implement a **new customer relationship management tool** were identified in an exercise that included the following criteria: functional and non-functional requirements, benchmarking, mapping of interdependencies, cloud feasibility, and cost estimates.



Workshops done with first recommended option (Salesforce) initially covering a **10 % implementation for the Office's Information Centre**.

**SME PROGRAMME**
**SME SUPPORTIVE INSTRUMENTS**

Enhanced supportive instruments for the Office's SME website

Ongoing implementation with MS IPOs under ECP6, covering **mapping and gap analysis of training and tools available for SMEs**, such as the Train the Advisers pilot or the IP Scan tool prototype.



Continued analysis, including **proofs of concept of new added-value services** and activities that can be presented and discussed with MS IPOs, **to enhance the support to EU SMEs** under the ECP6 project (e.g. TM name generator mapping, IP valuation experts mapping and IP marketplace feasibility study).

**SME WEBSITE**

Better access to consolidated, simplified, trustworthy and relevant information for entrepreneurs, start-ups, and EU SMEs

Go live of **first improved MVP version website** with new content coming from all EUIPN and Ideas Powered for business network members. **New functionalities** developed based on feedback received from SMEs and participating partners.



**Linguistic versions** finalised in **Estonian, Finnish, German and Spanish**. Work is progressing in another 9 languages. **Twelve national and regional IP offices** checked the quality of and validated the linguistic versions of the website before publication.

**SME OUTREACH AND COMMUNICATION**

**EXPECTED OUTCOME**
**STATUS AND PROGRESS IN 2022 (\*)**

Increased communication capacity for the SME programme by positioning the Ideas Powered for business brand and delivering access to consolidated, simplified, trustworthy and relevant information

**New IP Scan landing page** launched with a clear, user-friendly interface.  
**Online campaigns** launched to promote SME Fund on both digital and social media platforms.  
**Ideas Powered for business hub revamped** on the Office website.  
**Increased collaboration on social media platforms** with stakeholders' network.


**SME NETWORK AND COLLABORATION**

Stronger collaborative network with existing and new Office counterparts to stimulate behavioural changes in SMEs, towards IP, innovation, and growth

The **Ideas Powered for business Network** has grown to **20 members** and all were present at [the first ever face-to-face Network event](#).  
**Carried out over 200 activities** with the network members, such as joint events and webinars, and promotion of the SME Fund and the importance of IP; **held first session on 'Train the Advisers'** for accountants.  
 Launched **new concept of 'Ideas Powered for business Talks'** and recorded with three members of the network participating as speakers.


**SME DATA DRIVEN SCIENCE**

Efficient and effective data management, analysis and monitoring to support the evaluation of the SME programme's initiatives and sound, data-based decision taking

**SME Fund 2021 dashboard report** fully operational and new report developed for the **SME Fund 2022** to progressively integrate new information as data became available, to **enable analysis of the SME Programme's initiatives and projects**.  
 Integration of **SME-related data sources** into the **Office's centralised data repository**, as a first step for data related to the SME Fund.  
 The programme's **logic models and high-level programme KPIs** were revised to reflect the programme's evolution.


**BOARDS OF APPEAL**
**BOARDS OF APPEAL IP TOOL**

Increased robustness, security, and reliability of the IP Tool through the inclusion of relevant functionalities related to the BoA

Official **training sessions delivered** and **new tool successfully launched** with subsequent efforts focusing on changes and corrections.  
 The tool is moving to maintenance status as a result of **the project's imminent closure**.


**IMPROVE ESEARCH CASE LAW TOOL**

An easily accessible and technically advanced source of information on case-law on IP rights, delivered by all relevant authorities in the EU (the Office, MS IPOs, EU courts and national courts)

**Revised all existing content of the database**, as well as the collection of requirements; results of the analysis indicate that overall **the database is very complete** as **only 0.6 %** of appeal decisions are not available in eSearch Case Law. **Over 170 requirements** were identified and discussed with working group members.



### 5.3 Strategic Driver 3 IPinnovation

The third strategic driver, ‘Dynamic organisational skill sets and an innovative workplace of choice’ (SD3), transports the Office into the future by focusing on innovation in three aspects: staff development, becoming a more sustainable workplace, and integrating state-of-the-art digital technologies like AI, machine learning and blockchain into the Office’s activities to increase its innovative capacity. Its emphasis on strengthening staff engagement through promoting an innovation-driven culture and providing a sustainable workplace have a direct impact on both the human and environmental capitals. The Office’s commitment to financial effectiveness is directly linked to its economic capital, which is in line with its direct and indirect socioeconomic impact, within the EU and beyond, as a public sector enterprise and an EU agency.

The following graph depicts the execution rate of the strategic projects under SD3 by progress and risk level <sup>(82)</sup>.

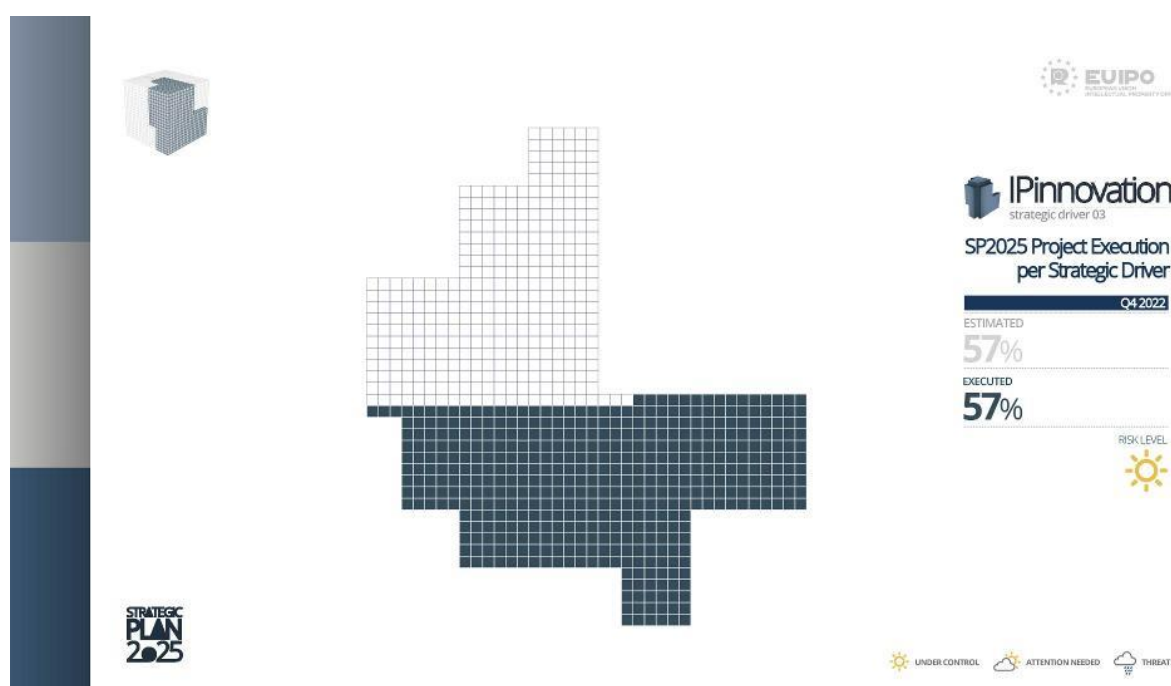


Figure 14. SP2025 project execution per strategic driver (SD3)

#### 5.3.1 Management of Human Resources <sup>(83)</sup>

Throughout 2022, the Office remained committed to

- increasing staff engagement;
- fostering effective talent management and development;
- boosting the modernisation of HR processes through their implementation in the Enterprise Resource Planning tool and other modernisation and automation projects;
- ensuring a healthy environment and sustainable working conditions for staff;

<sup>(82)</sup> ‘SD3 Strategic Projects under SP2025’ at the end of this chapter has detailed information on the relevant strategic projects.

<sup>(83)</sup> Disclosures covered in this section: 2-7 Employees, and 2-8 Workers who are not employees (additional data also included in the [2022 GRI Content Index](#)).

- ensuring all the necessary resources to cover replacements and planned growth, including positioning the Office as an ‘employer of choice’.

The complex economic and political environment of 2022 had an impact on the Office’s activities and budget. The Office significantly reduced the number of new positions initially approved in the 2022 budget and in its Annual Staff Policy Plan<sup>(84)</sup>. Operational replacements were set aside, delayed or, in justified cases, carried over to 2023. Although the business volumes forecast suggests a gradual recovery, to mitigate the effects of the economic unpredictability, the Office is taking a very prudent approach as regards its workforce, notably by making maximum use of current resources and reallocating them as necessary.

Notwithstanding, reserve lists for temporary agents were established for project managers, talent acquisition, marketing and customer specialists, and IP, legal, SAP and business analysis specialists. The lists will enhance the Office’s capacity to respond to future needs in a timely fashion while attracting and retaining the best talent. In parallel, the Office is implementing a succession planning programme for key tasks and functions and has established a career guidance service to further support staff development.

By the end of 2022, the Office headcount was 1 221<sup>(85)</sup>. The Office recruited 156 statutory staff in 2022 (including changes in contracts of existing staff). Of those, 10 were appointed as officials (FT), 109 as temporary agents (TA) and 37 as contract agents (CA).

In 2022, 102 contracts terminated. This was mainly due to:

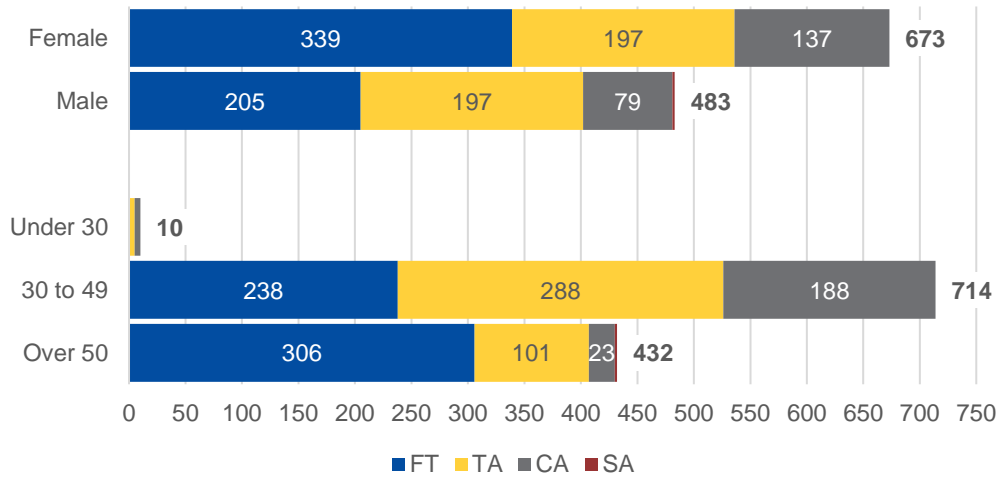
- changes of contract (including contract agents who were appointed to a higher function group or converted into temporary agents);
- end of contract;
- retirements;
- leaving in the interest of the service;
- resignations;
- transfers to other EU institutions and agencies.

Of those recruited in 2022, 44 % were male and 56 % female. The figure below shows the category, gender and age distribution of the full workforce.

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<sup>(84)</sup> The Office’s [Work Programme 2022](#): APPENDIX 4 – Annual Staff Policy Plan.

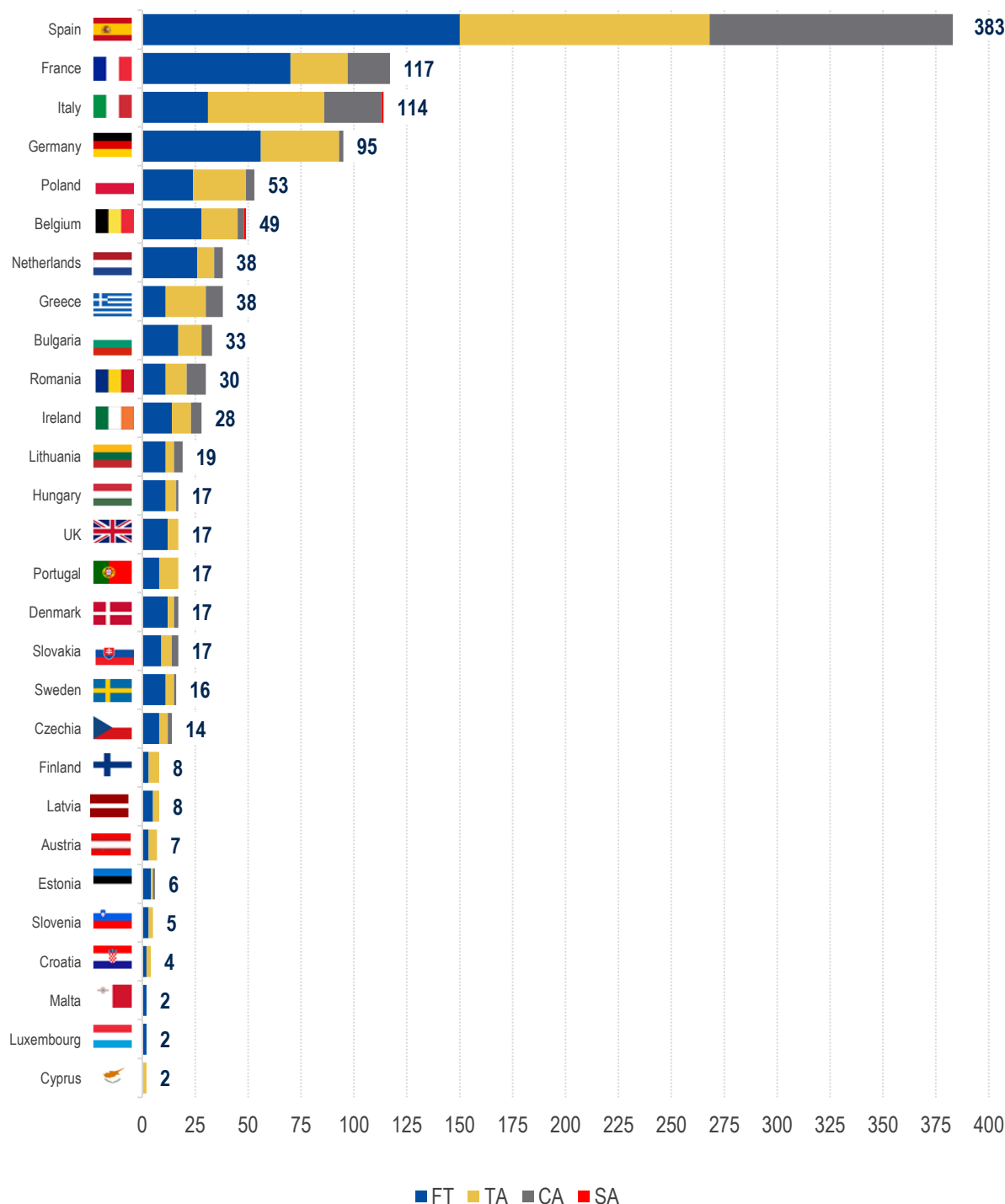
<sup>(85)</sup> Workforce includes officials (FT), temporary agents (TA), contract agents (CA), seconded national experts (SNE). It excludes special advisers (SA), trainees (TRN) and interim staff.



**Figure 6. Total statutory staff by category, gender and age group (2022)**

As regards nationality, 28 different countries were represented in the Office in 2022. The Office continuously monitors the geographical distribution of its workforce and takes active measures to encourage the selection and recruitment of underrepresented countries, in line with the Office's principle of merit and needs, particularly regarding working languages.





**Figure 76. Statutory staff by nationality and category (2022)**

Giving and receiving feedback is essential to the Office’s growth. It helps people and the organisation develop strengths and identify areas of improvement. The 2022 Feedback Exercise included the Staff Satisfaction and Engagement Survey (SSES) and the Peer/360 feedback exercises. The SSES questionnaire was developed by an external service provider with the involvement of Human Resources, the Staff Committee, and the Health and Safety officer. It comprised 39 questions available in the Office’s five working languages. 76 % of staff members expressed their opinion in the 2022 SSES, with Personal Engagement scoring a very high 87 %. Considering the exceptional pandemic context within which the Office has

been operating since the previous Feedback Exercise, scores showed highly positive outcomes across all themes, strong improvements across all comparable questions with the SSS 2020. Moreover, overall results were above the EU benchmark.

Continuous acquisition of new knowledge and expertise is also key to the Office's success in a rapidly changing business environment, as well as a pillar for staff career development. In this context, the Office continues to implement the pilot programme of the Seconded EUIPO Experts initiative to enable staff to gain experience, knowledge and skills in host organisations both within and outside the EU. Negotiations are ongoing with different Office stakeholders on the matter.

Finally, in relation to working conditions, the Office used the opportunity of the new Commission Decision on working time and hybrid working to reinforce its current teleworking scheme, which has been in place for years with extremely good results. After a thorough analysis and staff consultations, the Office decided to request derogation from the Commission's implementing rules to adopt a new Office decision. While the derogation procedure is ongoing, the Office implemented the possibility of teleworking from outside the place of employment for a maximum of 10 days per calendar year, as per the Executive Director's [Communication No 1/22](#). This reflects the Office's determination to maintain the long-established and well-functioning features of its teleworking regime and to continue improving it<sup>(86)</sup>.

### 5.3.2 Academy Activities

The Office's continued investment in staff development in 2022 centred on providing learning content through a catalogue of classroom, blended and hybrid training activities, and digital format via the recently upgraded [Academy Learning Portal](#).

Multiple learning solutions in all core competencies and professional knowledge are available to staff. A significant portion of these is provided via internal knowledge sharing by in-house subject matter experts, on subjects ranging from IP to IT, customer focus, finance, communication and performance management. The internal Learning and Development Network has become an excellent forum to share experiences, practices, and information, and discuss new initiatives benefitting Office staff.

The Academy also provides customised learning support for different customer segments to increase their understanding and knowledge of the use and value of IP rights. The 2022 external stakeholders training plan included:

- the elective phases of the two editions of the [EUIPO Trade Mark and Design Education Programme](#) (ETMD EP) for Practitioners and Paralegals<sup>(87)</sup>;
- [webinars](#) to promote IP knowledge dissemination (with an 88.8 % average satisfaction rate);

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<sup>(86)</sup> For additional information on the Office's management of human resources, please refer to the latest edition of the Human Resources Annual Report that is publicly available via the following [link](#).

<sup>(87)</sup> The ETMD EP is an education programme at the Office. Its objective is to increase knowledge of the EUTM and RCD legal frameworks, in particular Office proceedings and practices, within the community of currently practising IP professionals.

- major IP training events, such as:
  - the XX European Union Trade Mark and XII Community Design [Intensive Modules](#);
  - the virtual EUTM/RCD intensive programme for [Pan-European Seal](#) (PES) universities;
  - regional seminars in the Czech Republic and Lithuania;
  - the [IP Case Law Conference](#);
  - network meetings with the EU IPOs' focal points and members of the Network of IP Academies;
  - a seminar on [Auditing Quality Management Systems 2022](#);
- further implementation of the 'train-the-advisers' initiative to train SME accountants and members of professional associations to help SMEs access their IP rights.

A total of 99 PES trainees from 26 different nationalities (22 EU and 4 non-EU) worked at the Office for the 1-year traineeship period that ended in September 2022. On the one hand, the Office reinforced the PES traineeship programme<sup>(88)</sup> by inviting the 107 PES [universities](#) to participate in the 2022 edition that included a shortlist of more than 500 candidates (twice as many as the previous year). On the other hand, more associated partners joined the [PES Talent Bank](#)<sup>(89)</sup> bringing it to 27 members.

Moreover, in 2022, the Office launched the second edition of its hosting programme for trainees<sup>(90)</sup> in collaboration with five national IP offices (the BOIP, France, Hungary, Slovakia and Spain). It also launched the first edition of its Academic Research Programme, which will host 3 [successful candidates](#) out of the 13 applications received from different countries<sup>(91)</sup>.

In 2022, under the Academic Research Visits initiative, PES university staff members visited the Office for the first time to consult the EUIPO Library for academic research purposes. In addition, more than 150 participants from the academic community, EU institutions, and national IP Offices attended the hybrid 2022 annual meeting of the Network of IP Academies (NIPA).

Under Regulation (EC) No 1049/2001 of the European Parliament and of the Council of 30 May 2001 regarding public access to European Parliament, Council and Commission documents, there were 11 requests for access to documents in the Public Register and no confirmatory requests in 2022. All requests were properly completed within the established time limits. By the end of 2022, the Public Register had listed 4 675 documents.

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<sup>(88)</sup> The PES Traineeship Programme is a comprehensive programme that brings together academia and the labour market in different fields (IP, law, finance, business, engineering, etc.) to promote and disseminate IP among the academic community. It is promoted in partnership with the EPO and strategic university partners.

<sup>(89)</sup> The PES Talent Bank is a new initiative under the PES Traineeship Programme. It connects interested EU and international organisations, academic institutions, law firms and companies offering top quality traineeships and/or job opportunities with former PES trainees in their field of expertise (IP, finance, IT, consultancy, fashion, automotive, etc.).

<sup>(90)</sup> Through this programme, trainees experience different working contexts, while knowledge sharing between the offices is promoted. An open call is made annually to all the MS IPOs to express interest in participating in this initiative.

<sup>(91)</sup> The programme includes a grant offered to any university, researcher, PhD candidate, professor etc. willing to prepare a research paper for a maximum period of 12 months – funded up to approximately 80 % by the Office – on a variety of topics related to Office practices. The only constraint is that the university needs to be based in the EU.

### 5.3.3 Financial Management

Effective and transparent financial management continues to support the achievement of the Office's objectives in compliance with the applicable rules and regulations, as confirmed by the preliminary results of the financial audit carried out by the ECA.

The Office ensures that the budget is spent in line with applicable rules and regulations. It also finances initiatives that address EU-wide IP challenges and support EU SMEs in developing their IP strategies and protecting their IP rights.

In doing so, in 2022 the Office continued mobilising its financial reserves to support EU policies under contribution agreements with the European Commission. These were treated separately in its budgetary planning in line with Article 10(4) (*Budgetary accounting for revenue and appropriations*) of the Office's [Financial Regulation](#) (FR). Following the success of the 2021 SME Fund, and capitalising on lessons learned from this first initiative, in 2022 the Office implemented a new SME Fund that expanded the scope of services offered and simplified the administrative processes for the beneficiaries.

The Office, just like other entities, was impacted by the global economic and geopolitical uncertainty in 2022, a year in which higher inflation and rising prices (e.g. energy) resulted in significant unforeseen expenditure. In addition, greater global volatility and loss of economic confidence led to a significant reduction in filings and thus revenue.

In this context, as soon as the first signals of the crisis appeared in March 2022, the Office took a set of emergency measures to control and contain costs in all areas and activities in view of the decreasing volumes of applications. The Office's strong and sustained efforts paid off and the 2022 financial year closed with a positive operational budget result, which was quite an achievement in view of the challenging circumstances.

However, not all indicators suffered a negative evolution during the year. In July 2022, the European Central Bank (ECB) raised interest rates for the first time in 11 years, followed by a further 0.75 % rate hike in September – the largest in the ECB's history. There was a third increase in December. These rises put the deposit facility rate at 2 % by year-end. As a result, the Office analysed different options to obtain a better return on its treasury while still ensuring a very high level of security as a main guiding principle. A significant part of the treasury was therefore moved to central banks that offered the most attractive conditions in terms of remuneration rate while maintaining a high level of security.

Despite its administrative and financial autonomy, the Office monitored the state of play of the revision of the EU Financial Regulation and the potential impact on its budget. It has also proposed amendments, under the coordination of the EUAN, to increase the flexibility and simplification of the European Union's financial rules and reduce the administrative burden by focusing more on results and EU added value.

In addition to capitalising on its internal financial knowledge through specialised training and guidance, the Office organised a training session on grants and simplified cost options, delivered by the European Commission's experts from DG Budget and hosted by the Office for the first time. This type of financial training initiative is planned to continue in the future to further consolidate the financial actors' knowledge and to guarantee a high level of quality in the Office's financial operations<sup>(92)</sup>.

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<sup>(92)</sup> APPENDIX B - Management of Resources and Assurance has detailed information on the Office's financial management.

#### 5.3.4 General IT Services

In 2022, the Office focused on consolidating the robustness of its digital infrastructure and the use of new technologies as part of its goal to drive its digital transformation and enhance user experience. This effort was recognised by specialised media that included the Office among the ‘most innovative IP offices’<sup>(93)</sup> and centred on:

- managing end-of-life software and hardware through plans to renew, replace and withdraw technology;
- implementing agile and realistic strategies and methods to maintain mission-critical systems and avoid technical debt;
- defining and executing digital transformation initiatives, including new digital services.

The Office reinforced its digital-security related competencies and capacity by working closely with its partners (MS IPOs, EU agencies and the Computer Emergency Response Team for the EU institutions, bodies and agencies - CERT-EU) to develop knowledge and skills in the field of cybersecurity. For example, the renewal of the Office’s commitment to offering disaster recovery services to 10 EU agencies and reinforcing the MS IPOs cybersecurity forum (ISNIPO), linked to the ECP5 project<sup>(94)</sup>, to face the increasing number of cyber threats.

In 2022, the Office also adapted its level of alertness and adopted additional measures to mitigate the increased level of security risk following CERT-EU recommendations. Actions focused on:

- handling increased phishing, vishing (voice phishing) and other cyber threats;
- increasing IT security awareness among staff and ISNIPO partners;
- holding phishing simulations together with CERT-EU;
- automating server security patches installation;
- reviewing policy rules for portable devices and teleworking security;
- significantly upgrading the software platform for the EUIPO portal.

The Office continuously updates its on-premises computer centre facilities and procedures to enlarge the catalogue of services provided to other partners. In line with the request from the EU Parliament, Council and Commission to increase efficiency and accountability in European agencies by fostering synergies and strengthening cooperation in areas of common interest, the Office hosts the disaster recovery systems of several EU agencies. This effort was recognised by the ECA in a recent report on EU institutions, bodies and agencies’ cybersecurity<sup>(95)</sup>.

The Office continued to focus on the maintenance of its IT applications. During 2022, more than 1 300 interventions were launched concerning production environments and new versions of the Office’s software, including front- and back- office systems with an availability rate of over 99 %. In addition, the IT department provided further support for automating core business procedures and generating efficiency gains.

There was an increased automatisisation of processes and operations in 2022 as a result of implementing a new IT Service Management tool in 2021. This happened in parallel with implementing a new database for the IT assets inventory and new workflows to automate manual procedures, including management procedures.

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<sup>(93)</sup> [‘EUIPO and KIPO ranked most innovative IP offices in the world’](#), Tim Lince, WTR, 5 January 2022.

<sup>(94)</sup> Section SD1 Strategic Projects under SP2025 has more information on the ECP5 project.

<sup>(95)</sup> ECA – [Special report 05/2022: Cybersecurity of EU institutions, bodies and agencies: Level of preparedness overall not commensurate with the threats.](#)

This digital transformation provides an opportunity to support EU initiatives in the field of IP, such as GIs, the SME Fund, and other digital services resulting from further alignment with EU policies, notably the digital market and services legislation.

### 5.3.5 Communication Activities

In 2022, the Office's communication centred on reacting to lessons learned during the COVID-19 pandemic, fostering a stronger sense of community as a result of the crisis, and reaching out to new audiences to raise awareness on how IP protection furthers economic growth.

Other global issues also had a strong impact on the Office's external communication, like the military aggression in Ukraine. Since the war began, the Office published an official statement and monitored and reported on publications related to it.

In the IP press media, the year started with the WTR's announcement that the Office was showcased as the most innovative IP office. It ended with the Office's Executive Director being picked by [Managing IP](#) as one of the top people driving IP law, policy, and business<sup>(96)</sup>. The 2022 wider media coverage in print and online reached close to 59 million people across the globe.

As regards social media, the ever-growing interest of IP practitioners in engaging with the Office's accounts led to a content strategy that focused on two main pillars:

- practical and useful information for customers regarding registration services;
- engaging stories on the impact of IP in our daily lives geared towards attracting new audiences.

The positive effect of this strategy is clearly reflected in the Office's social media followers (close to 90 000 in LinkedIn and more than 110 000 in Twitter, and a global growth rate of 47 %). In terms of engagement, the Office leads right after the European Commission and ahead of other prestigious IP organisations like WIPO, the EPO, the USPTO and INTA.

As regards distinctions, two Office initiatives qualified for first prizes in 2022:

- the [IP Register in Blockchain](#), Modernising TMview project won the best application of tech in the public sector category granted by the 2022 Global Business Tech Awards<sup>(97)</sup>;
- the short film [IPdential](#) was granted the *best use of video from the public sector* award at the 2022 Lens Awards<sup>(98)</sup>.

Following the successful launch of IPdential in 2018, the Office produced a second short film [IPdentity](#) to further raise awareness of the value of IP. Given the excellent results achieved by both films (more than a one million views in YouTube), the Office has continued to use them as part of its legacy material to nurture and illustrate its narrative on IP. It also produced two new videos or short films in-house with the help and/or participation of Office staff:

- 7-minute short film about IP, [The IP Link](#);
- [EUIPO Corporate Video](#) launched in September 2022 (a long-term product that can be easily refreshed to ensure that the content is always up to date).

<sup>(96)</sup> [Most influential people in IP 2022: MIP recognises Christian Archambeau at the EUIPO](#), 6 December 2022, ManagingIP.

<sup>(97)</sup> The Global Business Tech Awards recognise, reward and celebrate all things technical in the business world – tech is what keeps companies running <https://globalbusinesstechawards.com/2022-winners/>.

<sup>(98)</sup> The [Lens Awards](#) bring together agencies and organisations to celebrate corporate film and video, and recognise innovation in a range of categories and objectives.



The Office biennially organises the [DesignEuropa Awards](#) to celebrate design excellence among registered Community design owners, regardless of whether they are individual owners, small businesses or large companies<sup>(99)</sup>. The Awards have become ‘an unmissable event in the international design calendar’, as stated by the World Design Organisation<sup>(100)</sup>.

In 2022, the Office hosted its first [DesignEuropa Talks](#). It welcomed more than 400 design enthusiasts to the Office campus in Alicante and online streaming provided access from all over the world. These 1-day events, designed to encourage active discussion among participants, aim to expand the DesignEuropa Awards community and highlight the effective use of design and how its protection can help drive economic, social, cultural, and environmental development.

The Office also successfully implemented communication and awareness activities of all EU international IP cooperation projects in non-EU countries, including social media IP awareness and promotional campaigns.

### 5.3.6 Infrastructure and Logistics Management<sup>(101)</sup>

Health and safety are at the forefront of the Office’s priorities. It particularly remains vigilant and flexible in swiftly adapting its premises to the context of the ‘new normality’. During the third quarter of 2022, the Office returned to full normal operations in its facilities, removing the last remaining measures related to the COVID-19 pandemic.

Based on the experience gained over more than 20 years of implementing teleworking methods, the Office continued to apply the concept of flexible and dynamic workspace to accommodate future staffing. In 2022, five new meeting rooms were equipped with audio-visual and IT systems to enable work in a hybrid model. Hence, there are now 31 hybrid meeting rooms available.

The Office defined, pledged, and continued to meet a series of targets to reduce the following average annual values set for 2021 to 2025:

- 1 million less printed pages compared with 2019;
- 15 % less waste generated;
- 10 % less travel-related greenhouse gas emissions.

Three major environment-related events took place in 2022:

- the Office took part in the Interinstitutional EMAS Days 2022<sup>(102)</sup>, a biennial event for EU institutions and agencies to share environmental best practices and know how acquired by EMAS pioneers;

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<sup>(99)</sup> DesignEuropa 2023 call for entries were opened in October 2022.

<sup>(100)</sup> Conference. ‘DesignEuropa Talks’ <https://www.wdcvalencia2022.com/events/conference-designeuropa-talks/>

<sup>(101)</sup> Disclosure covered in this section: 2-22 Statement on sustainable development strategy (additional data also included in the Office’s 2022 [GRI Content Index](#)).

<sup>(102)</sup> The EU [Eco-Management and Audit Scheme](#) (EMAS) is a premium management instrument developed by the European Commission for companies and other organisations to evaluate, report, and improve their environmental performance.

- the Office won Gold at the 2022 Green World Awards for its achievements in reducing its environmental impact – in the Climate Change category<sup>(103)</sup>;
- one of the buildings on the Office campus was acknowledged as the most sustainable and efficient building in Spain by BREEAM® (Building Research Establishment Environmental Assessment Method)<sup>(104)</sup>.



**Figure 8. EUIPO campus – a sustainable workplace**

The Office headquarters were built with the highest demands for sustainable construction to the point that they consume 70 % less energy compared with buildings with similar characteristics. This is thanks to its design (orientation, insulation, passive solar protection systems, high-efficiency lighting installations, lifts, etc.) and a centralised management system that allows full control over energy consumption and costs.

Other actions undertaken throughout 2022 to improve efficiency in campus-related facilities centred on carrying out technical studies or analysing the feasibility of:

- providing headquarters with recycled water for irrigation;
- connecting the campus to a large-scale photovoltaic facility in the surrounding area (to ensure a verifiable supply of fully renewable energy in the long term);
- adopting necessary measures to improve the thermal fluid conduction systems in the buildings.

In addition, an inter-institutional joint framework contract was awarded, with the lead of the Office, to provide environmental services to the Office and 16 participating EU agencies. Among the services included are consultancy on environmental management systems or reduction and offsetting of greenhouse gas emissions.

<sup>(103)</sup> The Green World Awards were launched as the top tier of the Green Apple Awards – enabling companies and organisations to win environmental recognition not only for themselves, but also for their countries. <https://greenworldawards.com/green-world-award-winners-2022/>.

<sup>(104)</sup> The **BREEAM** assessment recognises buildings with respect to their environmental, social and governance criteria (including, inter alia, the use of renewable energy, water consumption, internal environment or pollution).

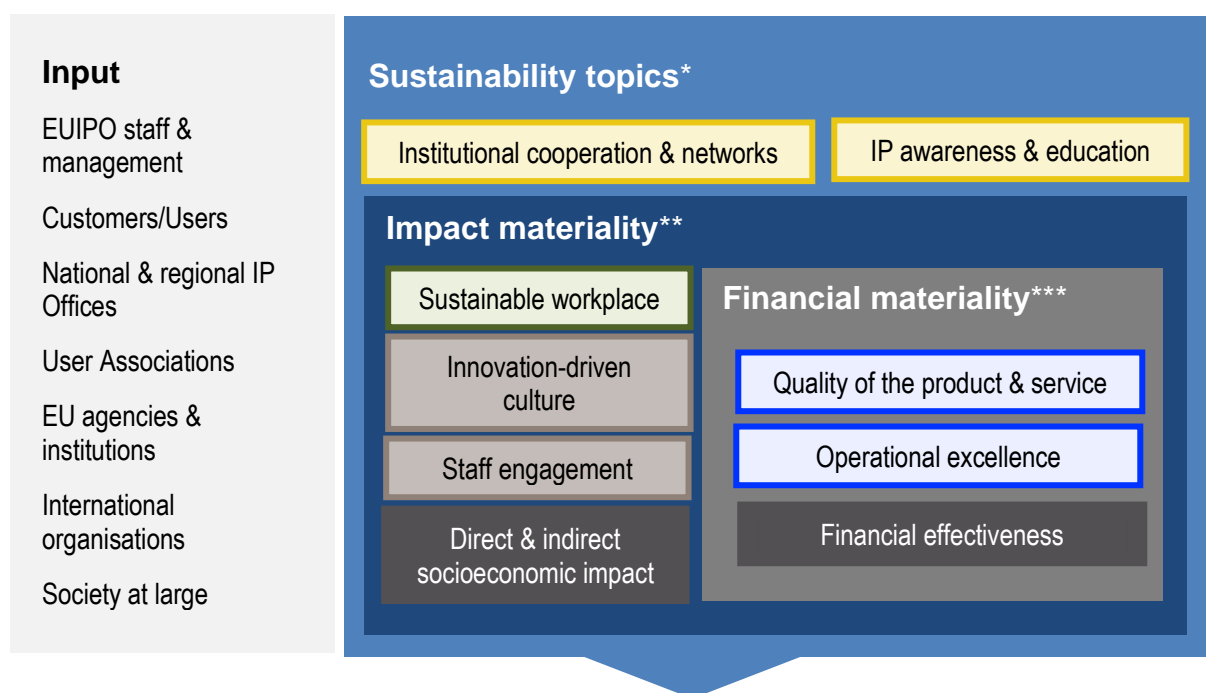
### 5.3.7 Corporate Governance <sup>(105)</sup>

The Office adheres to the highest standards of transparency and accountability through agile and effective reporting. In 2022, the Office further simplified processes in order to:

- increase organisational efficiency and effectiveness, and to
- reinforce its results-oriented culture and to
- allow for flexible decision-making in achieving its SP2025 goals and objectives.

As a front runner on sustainable corporate governance among EU agencies, the Office aims to further ensure that it provides reliable information on environmental, social affairs and governance matters following the recent adoption by the EU Parliament of the Corporate Sustainability Reporting Directive (CSRD) <sup>(106)</sup>.

In 2021, the Office adapted the assessment of its financial and non-financial capitals (organisational, human, relational, economic and environmental) to the double materiality approach proposed in the previous version (the Non-Financial Reporting Directive (NFRD)) of the recently adopted CSRD <sup>(107)</sup>. It did so – even though the Directive is meant for all large private companies in the EU (listed and non-listed) – in the interest of streamlining its journey towards being a sustainable organisation not only by focusing on EU policy priorities (e.g. the Green Deal) but also by being consistent with international standard-setting initiatives, like the [GRI Standards](#) and the UN’s Sustainable Development Goals (SDGs) <sup>(108)</sup>.

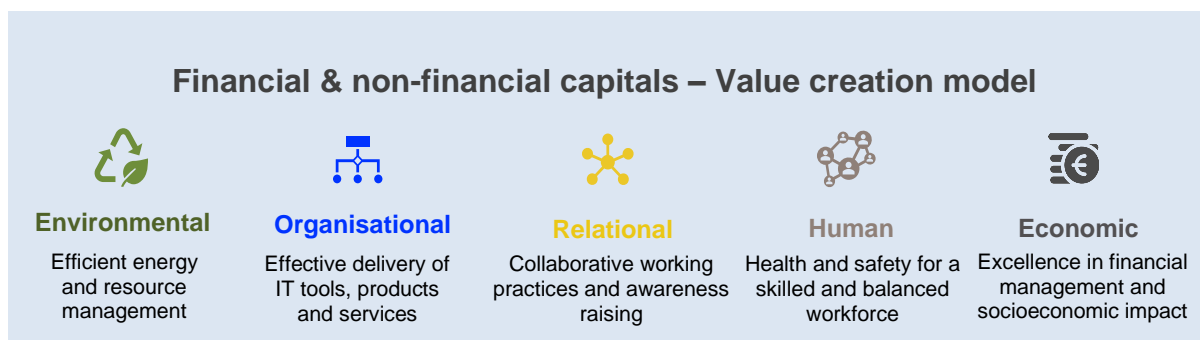


<sup>(105)</sup> Disclosures covered in this section: 2-5: External assurance; 2-17 Collective knowledge of the highest governance body; and 3-2 List of material topics (additional data also included in the Office’s 2022 [GRI Content Index](#)).

<sup>(106)</sup> [Sustainable economy: Parliament adopts new reporting rules for multinationals](#), News – European Parliament 10/11/2022.

<sup>(107)</sup> The NFRD (Directive 2014/95/EU) introduced a requirement for companies to report both on how sustainability issues affect their performance, position and development (the ‘outside-in’ perspective) and on their impact on people and the environment (the ‘inside-out’ perspective). This is often known as ‘double materiality’.

<sup>(108)</sup> [The 2030 Agenda for Sustainable Development](#), adopted by all United Nations Member States in 2015, provides a shared blueprint for peace and prosperity for people and the planet, now and in the future. At its heart are the 17 SDGs. These are an urgent call for action by all countries – developed and developing – in a global partnership. The Office’s [GRI Content Index](#) has more information on its alignment with the SDGs.



**Figure 9. Materiality assessment**

The Office applies the principle of double materiality in determining how sustainability issues may constitute responsibilities or risks. As part of its materiality process, the Office draws upon its corporate sustainability framework and the achievement of nine strategic benefits identified during the public consultation process of its 5-year strategic plan.

In addition, the Office successfully concluded its 2022 [integrated management systems \(IMS\)](#) external audit for its six management systems certifications<sup>(109)</sup>, with no non-conformities reported. The office-wide effort was recognised by the external auditors, who provided very positive feedback concerning the maturity and efficiency of all the management systems. Notwithstanding, the Office immediately started working on implementing the external auditors’ observations and opportunities for improvement.

In 2022, the Office also sought to integrate and align personal data management guidelines and procedures with its processes. After some successful pilot runs, the Data Protection is now routinely involved in the IMS internal audits.

### 5.3.8 Data Protection

In 2022, the Office continued to provide the highest level of protection for the personal data with which it is entrusted and guaranteed that its data protection compliance framework considered the following:

- ongoing changes and regulatory pressure following the Schrems II case<sup>(110)</sup>;
- ongoing implementation of the action plan to mitigate any issues related to Microsoft and Amazon cloud services as a result of the investigation lead by the European Data Protection Supervisor;
- putting forward concerns and suggestions regarding the introduction, in the Office’s contract templates, of the new standard contractual clauses adopted by the Commission<sup>(111)</sup>.

The Office coordinated these actions through several cross-departmental groups (i.e. the Knowledge Circle Data Protection, Data Protection Coordinators’ Network and Microsoft Working Group).

<sup>(109)</sup> The Office is committed to meeting the requirements of recognised international management standards in Quality (ISO 9001), Environment (EMAS Regulation), Occupational Health and Safety (ISO 45001), Information Security (ISO 27001), Universal Accessibility (UNE 170001) and Complaints Handling (ISO 10002).

<sup>(110)</sup> In its July 2020 [Schrems II judgment](#), the Court of Justice of the European Union (CJEU) declared the European Commission’s Privacy Shield Decision invalid on account of invasive US surveillance programmes, thereby making transfers of personal data on the basis of the Privacy Shield Decision illegal.

<sup>(111)</sup> Model contract clauses – so-called [standard contractual clauses \(SCCs\)](#) – that have been ‘pre-approved’ by the European Commission.

The Office also played a key role in evaluating the transfers to international organisations, actively participating in the taskforce set up for this purpose in collaboration with the European Union External Action Service. The European Data Protection Supervisor (EDPS) led the taskforce. Together with the DG for Justice and Consumers, the taskforce completed a final draft of an administrative arrangement and submitted it for the international organisations to review.

In addition, the Office began preparing a new Data Protection Risk Framework to provide the Office with a truly risk-based approach for the applications, services and processes that are being implemented. The aim is to become more transparent and efficient and to reduce workload.

In the area of interinstitutional cooperation, the Office also continued to:

- cooperate with the EDPS and Data Protection Officers of other EU institutions and agencies;
- provide services to the CPVO in data protection and privacy matters;
- cooperate with the EPO in organising a virtual joint event on social media as a key delivery.

In 2022, for the internal data protection audits contemplated in the annual audit plan:

- issuance of the final reports for two DPO audits;
- issuance of final reports on the process in which data protection is integrated by the ISO9001 audit teams.

Based on the Office's data protection audit methodology for evaluating compliance with data protection requirements, the overall compliance of the audited processes was 85 %.

### 5.3.9 Internal Audit

The audit engagements and follow up on previous audits were carried out as specified in the Office's internal audit plan to enhance and protect organisational value by providing risk-based and objective assurance, advice, and insight. The plan is based on a 'risk and request' analysis that considers the corporate risk register<sup>(112)</sup>, internal requests and the internal auditor's professional judgement.

In 2022:

- final reports were issued for two engagements from the 2021 audit plan;
- 2021 Internal Audit Annual Activity Report was issued;
- three internal audit engagements were initiated (one was put on hold);
- draft reports were issued for two engagements from the 2022 audit plan;
- one audit from 2021 was closed after the corresponding follow-up.

Audit reports include recommendations to improve the audited processes with the subsequent preparation of action plans to be followed up by the Office's internal audit team. Their overall compliance stood at 87.5 % in 2022, concurring with the internal audit methodology for evaluating the compliance level of implemented action plans.

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<sup>(112)</sup> APPENDIX D – Corporate Risk Register has additional information on the register.

Additionally, the internal audit team continued to oversee the functioning of the Office's anti-fraud strategy<sup>(113)</sup> and provided internal audit services to the CPVO.

### 5.3.10 Non-IP Legal Advice and Litigation

The Office receives, when needed, internal legal assistance and advice in procurement, finance, statutory, employment and institutional matters, including the protection and enforcement of its own IP rights in the context of its anti-scam policy. Internal legal assistance is also provided in other areas of EU law, such as IT law, data protection, information security, access to documents, enforcement matters, and the Office's possible liability. In addition, the Office ensures its representation before the European and national courts in relation to these matters.

As part of the Office's anti-scam strategy and as lead coordinator of the Anti-scam Network, the internal legal assistance followed up on 17 legal actions initiated by the Office against scammers in 2022<sup>(114)</sup>. The Office also hosted the 7th Anti-Scam Network meeting, which gathered 57 representatives from national and regional EU IP offices, European Free Trade Association countries, the EPO, WIPO, Europol, Eurojust, IP offices of candidate countries and user associations. It was the first meeting attended by representatives of national law enforcement authorities as online observers and by the USPTO as a guest speaker. The meeting highlighted the actions being taken to combat the activities of those who send misleading invoices to IP system users with the intention of defrauding them<sup>(115)</sup>.

At the meeting, the Office reported, among others, on the criminal complaints it has filed against suspected scammers and the notifications of suspected scams it has sent to banks and competent financial supervisory authorities in several jurisdictions. As a result of the notifications, the General Prosecution Service of Georgia has begun criminal proceedings against one individual and a legal entity for fraud and the legalisation of an illegal income committed against enterprises operating within the EU.

As a result of the SLA signed to enhance its cooperation with the Office, Europol published a new analytical report: [Misleading invoice fraud targeting the owners of intellectual property rights - Crime situation in 2021](#). The report was produced in cooperation with the Office. It includes key findings about the financial impact of scams, the obstacles faced by stakeholders fighting against scammers, and recommendations for areas of improvement. In addition, a joint EUIPO-Europol webinar provided users with first-hand up-to-date crime prevention advice.

In 2022, aside from the cases on staff and procurement or contractual matters, the Office's internal legal assistance team ensured its judicial representation in institutional matters before the European Courts relating to decisions and practices as regards professional representation as provided for by the EUTMR and implemented at the Office.

Legal advice was also provided on the actions the Office adopted following the approval of EU measures in response to the Russian Federation's unprovoked and unjustified military aggression against Ukraine (sanctions and implementing measures), as well as to the disinformation and information manipulation actions by the Russian Federation and its associated outlets against the EU and its Member States.

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<sup>(113)</sup> The [EUIPO Anti-Fraud Strategy](#) outlines its commitment to establishing a strong anti-fraud culture within the Office, through a variety of activities.

<sup>(114)</sup> The follow-up currently focuses on cases in the Czech Republic, Georgia, Germany, Hungary and Poland.

<sup>(115)</sup> This [link](#) has more information on the Office's actions related to misleading invoices.



5.3.11 SD3 Strategic Projects under SP2025 <sup>(116)</sup>

EXPECTED OUTCOME	STATUS AND PROGRESS IN 2022 (*)
<b>DIGITAL EVOLUTION</b>	
<b>BLOCKCHAIN IP REGISTER</b>	
<p>Increased connectivity and access to high quality IP rights information and services on a single distributed platform with secure, real time and high-quality data transfer through blockchain</p>	<p><b>New history service</b> is available through TMview and DesignView, introducing a time element that makes the historic changes associated with the IP right records – held in <b>the IP Register in Blockchain</b> – visible. </p> <p>There are currently <b>7 MS IPOs</b>. The offices of <b>Estonia, Italy, Lithuania</b> and <b>Poland</b> joined the <b>IP Register in Blockchain network</b> and ongoing <b>onboarding activities</b> support further integration of <b>Latvia, Hungary</b> and <b>Portugal</b>.</p> <p><b>Close to 5 100 000 records available</b> via the creation of a fast and secure 'Data Transfer Service' between IP offices and the Office's <b>TMview and DesignView, the world's 2 largest trade mark and design databases</b>.</p>
<b>ARTIFICIAL INTELLIGENCE IMPLEMENTATION</b>	
<p>Best use of innovation and technological advancements by ensuring a human-centric approach</p>	<p><b>First AI-based comparison of goods and services (G&amp;S)</b> implemented in the area of <b>relative grounds decisions</b>; allowing for a prediction based on the <b>comparison of historical data</b>, from <b>420 000 pairs of G&amp;S</b>. </p> <p>In-house <b>image search function</b> incorporated into <b>TMview</b> that includes trade marks filed in MS IPOs, allowing users to <b>automatically compare images to trade mark applications</b> in those countries; enabling integrated IP offices to use the image search as <b>an API</b> in their own tools, leading to <b>increased efficiency</b> and <b>reduced costs for participating IP offices</b>.</p> <p>A specific <b>Image search for AG examination</b> was created and deployed in AG support tool. It enables examiners to <b>find similar AG cases in the past</b>.</p> <p><b>AI-based services</b> were created to <b>identify aural and visual similarity</b> between 2 EUTMs, these services are used to assign potentially straightforward cases to newcomers.</p> <p><b>First version of AI-based classification validation</b> provided to OD Nice examiners to replace third-party tool used in classification reports.</p> <p><b>First version on finding similarity with Article 6ter database</b> provided to business in the context of the preassessment tool.</p> <p><b>Seven use cases duly developed</b>.</p>

<sup>(116)</sup> This [link](#) has more information on the strategic projects under SD3.

(\*) 🟢 = materialised; 🟡 = on track; 🟠 = delayed or deferred.

**EXPECTED OUTCOME**
**STATUS AND PROGRESS IN 2022 (\*)**
**DATA GOVERNANCE AND LITERACY**

Increased Office empowerment to make informed decisions based on consistent and useful data information

**10 new SQAP business cases** delivered. **New data exploitation activities** completed to support operational activities (appeals and designs).



**Data repository** enriched to actively support other strategic projects.

Activities of the **Data Governance Network** developed in several areas (data policies, data repository governance and Power BI governance).

**Appeals business dictionary** terms gathered.

Basic **eLearning Data Literacy course** released.

**ENTERPRISE RESOURCE PLANNING**

A more integrated core for human resources (HR) processes completely interoperable with the Office's finance systems and to support the implementation of the HR strategy for the coming years

**Project finalised** with the **completion of all key transformational modules** ('Time Management', 'Working Conditions', 'Allowances' and 'Task Allocation') and the fulfilment of the main benefits initially anticipated – **increased interoperability, transparency, collaboration, efficiency, and savings.**


**IP TERMINOLOGY**

Improved efficiency of the linguistic ecosystem in the EUTM lifecycle

Delivery of **improvements to Euronice**, one of the IT systems involved in translating EUTM filings. It provides a **translation memory** aimed at reusing previous **translations of goods and services. Improving the quality and consistency of data.**



Delivery of a **feasibility study** on possible **synergies between front and back office** regarding **goods and services.**

**Analysis work** done to **optimise the Office's linguistic ecosystem.**

**ROBUST DIGITAL BACKBONE**
**MODERNISED EUIPO ONLINE PLATFORM**

A modern and cloud-based online platform providing a broad integrated range of services addressing stakeholders' needs and oriented towards different segments

**EUTM Filing form** and the **API** for filing EUTMs **opened to all customers**; used in over **30 % of filings** by the end of 2022; **all feedback provided by customers** analysed to continuously improve the solution.



**Design Easy Filing** development completed and opened to a set of users to check and provide feedback.

**Design of new website** in preparation with restricted go live.

**MODERNISED EUIPO APPLICATION LANDSCAPE**

Improved customer satisfaction through investment in the modernisation of the Office's digital infrastructure to increase the availability of tools

Completed migration of the **data warehouse repository** for creating all Office corporate reports to a **cloud-ready solution.**



Preparation of **data migration of the EUIPO-official document repository system** (Filenet) has been launched.

**Phasing out** of legacy systems (Informix).

**EXPECTED OUTCOME**
**STATUS AND PROGRESS IN 2022 (\*)**
**IMPLEMENTATION OF CLOUD STRATEGY**

An agile, dynamic and secure on-premises and in the cloud infrastructure platform, in compliance with a Unified Enterprise Security Policy model

**Office services now offered** in its cloud infrastructure: Business Continuity platform, identity and access management solution, file transfer protocol, and API platform.


**INTEGRATION AND EXPANSION OF IT SECURITY**

An integrated and expanded digital network architecture based on a secure and intelligent hardware and software platform<sup>(117)</sup>

**Zero Trust Datacenter** – finalised automation for deploying security contract for applications segmentation (application centric).

**Network intelligence:** integration between security systems assets.

**New Security Operations Centre** set up to monitor and prevent cybersecurity threats.


**FEE MANAGEMENT SYSTEM**

Simplified, faster, more efficient and better integrated methods of payment, adjusted to customer needs

Analysis work completed (study on **online payment methods, workflows and financial processes**).


**EUIPO VIRTUAL CAMPUS**
**MULTIMEDIA STUDIO**

Better quality content delivered by the Office through various channels (TV, webinars, events, learning materials...)

**Multimedia studio completed** with more space, more equipment, and increased flexibility with various configurations and set-ups; **inventory of multimedia material** also completed.


**VIRTUAL VISITOR CENTRE**

A virtual environment of the Office campus where different types of stakeholders can interact with the Office

Feasibility study completed and **content collected** for future launch.


**LEARNING ECOSYSTEM**

Transform the Office's content-driven learning portal into a user-driven learning ecosystem

Ongoing assessment of **preliminary software requirement specifications** for interoperability, adaptive learning, engagement strategies and performance support.


**DIGITAL PROCESS FOR THE EUIPO WORKPLACE**

Digitised and automatically processed information to enable sound decision-making; compliance with data requests<sup>(118)</sup>; and increased document security and integrity


**Qualified Electronic Signature legal consultation** completed, as well as the **report on Silos of Information**, which contains recommendations on how to correctly manage them.




<sup>(117)</sup> In compliance with a Unified Enterprise Security Policy model.

<sup>(118)</sup> Under [Regulation \(EU\) 2018/1725](#).


**EXPECTED OUTCOME**
**STATUS AND PROGRESS IN 2022 (\*)**
**OTHER SD3 STRATEGIC PROJECTS <sup>(119)</sup>**
**ARTIFICIAL INTELLIGENCE AND JOB MAPPING EVOLUTION**

<p>Increased staff awareness and learning on artificial intelligence to facilitate change and promote innovation</p>	<p>All job profiles revised and refocused to place more <b>emphasis on skills development and outcomes</b> rather than tasks.</p> <p>Pilot initiated on <b>designing reskilling/upskilling programmes</b> identified in 4 emerging skill areas (i.e. customer focus, business analysis, data and digital literacy).</p>	
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**DEVELOPMENT OF EUIPO CAMPUS**

<p>Further expansion and integration of the EUIPO campus</p>	<p>Works for the <b>urbanisation and landscaping of the new plot of land</b> owned by the Office were completed.</p> <p>Following the <b>construction permit granted</b> by the Alicante City Council, the Office <b>integrated the remaining section of the EUIPO campus</b>.</p>	
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**DIGITALISED CONTRACT MANAGEMENT SYSTEMS**

<p>A secured digital solution to manage the entire lifecycle of Office contracts in an effective, efficient, and eco-responsible manner</p>	<p>Ongoing analysis, market research and identification of possible solutions for <b>adaptation to procurement procedures and contract execution activities</b>.</p>	
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<sup>(119)</sup> Strategic projects with no programme assigned.

## 6 About this Report <sup>(120)</sup>

This document has been drawn up under Articles 157(4)(g) and 153(1)(c) (*Annual Report*) of the [European Union Trade Mark Regulation](#) (the ‘Founding Regulation’) of 14 June 2017, and Article 48 (*Consolidated annual activity report*) of Regulation No BC-1-2019 of the Budget Committee of the European Union Intellectual Property Office of 10 July 2019 laying down the financial provisions applicable to the Office ([Financial Regulation](#)).

It outlines the Office’s activities in 2022 under the SP2025. The designated SKIIs are linked to the strategic drivers and the targets set out for 2022, providing an overview of the Office’s achievements and project implementation.

Information on common elements with the UN Sustainable Development Goals (SDGs) and the European Commission’s newly approved CSRD (previously NFRD) has been included in the Office’s 2022 [GRI Content Index](#) <sup>(121)</sup>. The new CSRD envisages the adoption of EU Sustainability Reporting Standards (ESRS). The final standards will apply in financial year 2024, for reports published in 2025. Notwithstanding, the Office, as a leading agency in sustainability reporting, has begun aligning its data to the current ESRS draft, based on comparative research and analysis of a series of documents that connect the GRI Standards with these and other frameworks available on the GRI [website](#).

Measures, activities and key figures refer to the 2022 financial year (1 January to 31 December 2022). If, for some reason, the latest available data does not correspond to 2022, it is so indicated.

The metrics and goals in this integrated report are developed in conjunction with the Office’s stakeholder engagement process, with key input from several cross-departmental Office experts. The information is assessed through an internal process to ensure it provides an accurate, meaningful, and balanced representation of the Office’s financial and non-financial performance.

Following organisational procedures, as well as to avoid repeating information required for certain disclosures that is publicly available in other corporate documents, links have been provided to the most recent versions of those documents. When applicable, a specific citation has been added in the GRI Content Index indicating where the referenced material is publicly available and readily accessible <sup>(122)</sup>, since the report has been written in accordance with the GRI Standards. The report has been adapted to the requirements of the revised GRI Universal Standards that came into effect on 1 January 2023. Hence, the number of disclosures that the Office is reporting on is based on its assessment of which disclosures are relevant to their impact in relation to a specific topic, and not on a minimum number of disclosures to report from the Topic Standards.

Finally, the comparative table below contains the provisions of the European Commission’s guidelines on the template for the Consolidated Annual Activity Report for decentralised

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<sup>(120)</sup> Disclosures covered in this section: 2-3: Reporting period, frequency and contact point; 2-4 Restatements of information; 3-2 List of material topics; and Requirement 8: Provide a statement of use (additional data also included in the [2022 GRI Content Index](#)).

<sup>(121)</sup> Elements not reported under certain aspects in the GRI Content Index have been omitted mostly for the following reasons: not relevant to operations because there are no protected or areas of high biodiversity value near the Office; the Office operations and suppliers pose no risk for incidents of child labour, forced labour or rights of indigenous people; the Office does not operate in a region where human rights are a major concern; and/or the Office as a public agency cannot contribute to political causes.

<sup>(122)</sup> Ibid.

agencies<sup>(123)</sup> and how its content has been adapted by the Office to fulfil its annual corporate reporting commitment.

CAAR European Commission template	EUIPO CAAR
Table of Contents	Table of Contents
Executive Summary	Message from the Executive Director
<b>Part I. Achievements of the year</b>	Key achievements (SD1, SD2, SD3)
<b>Part II (a) Management</b>	
2.1 Management Board (or equivalent)	Appendix B - Management of Resources and Assurance; Appendix D - Corporate Risk Register
2.2 Major developments	GRI Content Index
2.3 Budgetary and financial management	Appendix B - Management of Resources and Assurance
2.4 Delegation and sub-delegation	Appendix B - Management of Resources and Assurance
2.5 Human Resources (HR) management	Strategic Driver 3 - Management of Human Resources
2.6 Strategy for efficiency gains	Information on efficiency gains included under the 'Management of Human Resources' section
2.7 Assessment of audit and ex-post evaluation results during the reporting year	Strategic Driver 3 - Internal Audit; Appendix B - Management of Resources and Assurance
2.7.1 Internal Audit Service (IAS)	Strategic Driver 3 - Internal Audit
2.7.2 Internal Audit Capability (IAC) (where applicable)	Strategic Driver 3 - Internal Audit
2.7.3. European Court of Auditors (ECA)	Appendix B - Management of Resources and Assurance
2.8 a Follow up of recommendations and action plans for audits and evaluations	Appendix B - Management of Resources and Assurance
2.8 b Follow up of recommendations issued following investigations by OLAF	Included whenever applicable
2.9 Follow up of observations from the discharge authority	Included whenever applicable
2.10 Environment management	Strategic Driver 3 - Infrastructure and Logistics Management
2.11 Assessment by management	Appendix B - Management of Resources and Assurance
<b>Part II (b) (when relevant) External Evaluations</b>	Appendix B - Management of Resources and Assurance
<b>Part III Assessment of the effectiveness of the internal control systems</b>	Appendix B - Management of Resources and Assurance
3.1 Effectiveness of internal control systems	Appendix B - Management of Resources and Assurance
3.2 Conclusions of assessment of internal control systems	Appendix B - Management of Resources and Assurance
3.3 Statement of the manager in charge of risk management and internal control	Appendix B - Management of Resources and Assurance

<sup>(123)</sup> [COMMUNICATION FROM THE COMMISSION](#) on the guidelines for programming document for decentralised agencies and the template (though not applicable to the Office as a fully self-financed agency) for the Consolidated Annual Activity Report for decentralised agencies are considered for the Office's reporting purposes as a means for additional transparency.



<b>Part IV. Management assurance</b>	Appendix B - Management of Resources and Assurance
4.1 Review of the elements supporting assurance	Appendix B - Management of Resources and Assurance
4.2 Reservations	Appendix B - Management of Resources and Assurance
<b>Part V. Declaration of assurance</b>	Appendix B - Management of Resources and Assurance
<b>Annexes</b>	
Annex I. Core business statistics	Appendix A - Performance Data
Annex II. Statistics on financial management	Appendix B - Management of Resources and Assurance
Annex III. Organisational chart	Appendix C - Mission Statement and Organisational Chart
Annex IV. Establishment plan and additional information on Human Resources management	Appendix B - Management of Resources and Assurance
Annex V. Human and financial resources by activity	Appendix B - Management of Resources and Assurance; Additional details included in HR Annual Report
Annex VI. Contribution, grant and service level agreements. Financial Framework Partnership Agreements	Appendix E - Plan for grants, contribution and service-level agreements (as of CAAR 2021)
Annex VII. Environment management	Strategic Driver 3 - Infrastructure and Logistics Management; Appendix A - Performance Data
Annex VIII. (draft/final) Annual Accounts	Appendix B - Management of Resources and Assurance; Link to Office annual accounts included under 'Financial Management' section

For more information, or to provide comments and suggestions on this 2022 Consolidated Annual Activity Report, please contact the Office ([CGS@euipo.europa.eu](mailto:CGS@euipo.europa.eu)).

## APPENDIX A – Performance Data <sup>(1)</sup>

Forecasting the supply and demand of EUTMs, RCDs, and associated Office products and services involves identifying and assessing the main risk variables that exist in the complex and volatile global macroeconomic and geopolitical ecosystem in which the Office operates.

Achieving positive performance results in all trade mark and design operations over an extended period of time has allowed the Office to become more demanding, adding new KPIs to its Customer Service Charter and Balanced Scorecard (BSC) to measure both the quantitative and qualitative aspects of EUTM and RCD filings received. The Office's aim is to highlight the competitive advantage gained through the protection and enforcement of IP rights. New services offered to SMEs, the inclusion of new technologies and automation rate of core business activities are closely monitored as a means to achieve the current strategic plan's key objectives.

### Volumes

EUTMs	2020	2021	2022
<b>FILINGS (DIRECT + IR)</b>			
All filings	176 987	197 898	174 152
Total classes filed	438 513	489 498	449 256
<b>DIRECT FILINGS</b>			
Direct filings	149 665	165 922	140 930
% via e-filing	99.90	99.96	99.95
% filed as Fast Track	47.66	47.95	45.15
% published as Fast Track	37.29	34.39	34.93
No of EUTMs filed with 1 class	58 470	65 722	53 804
No of EUTMs filed with 2 classes	37 276	40 585	32 718
No of EUTMs filed with 3 or more classes	53 919	59 615	54 408
Average No of classes per EUTM filing	2.49	2.49	2.60
Total No of classes filed	373 083	413 858	366 697
<b>IR FILINGS</b>			
IR filings	27 322	31 976	33 222
No of IRs filed with 1 class	12 343	14 603	13 005
No of IRs filed with 2 classes	5 686	6 732	6 742
No of IRs filed with 3 or more classes	9 293	10 641	12 204
Average No of classes per IR filing	2.40	2.37	2.58
Total No of classes filed	65 430	75 640	82 559
<b>PROCESSED (DIRECT + IR)</b>			
<b>Examined*</b>	<b>166 454</b>	<b>192 809</b>	<b>171 752</b>
<b>Published*</b>	<b>160 598</b>	<b>188 995</b>	<b>167 225</b>
<b>Registered*</b>	<b>153 470</b>	<b>180 613</b>	<b>165 062</b>
<b>RENEWALS (DIRECT + IR)</b>			
All renewals	57 679	62 490	62 936
1 <sup>st</sup> renewals	43 958	49 154	49 183
% of 1 <sup>st</sup> renewals	49.06	51.68	50.32
2 <sup>nd</sup> renewals	13 721	13 336	13 753

<sup>(1)</sup> CAAR European Commission template equivalent to Annex I. Core business statistics, and Annex VII. Environment management.

% of 2 <sup>nd</sup> renewals	63.00	63.92	64.50
% via e-renewals	99.86	99.91	99.94
<b>OPPOSITIONS (DIRECT + IR)</b>			
All filings	18 881	20 130	19 020
% oppositions via e-filing	98.53	99.72	99.93
<b>No of decisions*</b>	<b>6 389</b>	<b>6 470</b>	<b>7 275</b>
<b>CANCELLATIONS (DIRECT + IR)</b>			
All filings	2 048	2 099	2 191
<b>No of decisions*</b>	<b>1 216</b>	<b>1 191</b>	<b>1 233</b>
<b>RECORDALS (DIRECT + IR)</b>			
All recordals	82 736	91 798	76 869
<b>INTERNATIONAL APPLICATIONS</b>			
All filings	9 909	11 923	11 003
<b>RCDs</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>
<b>FILINGS (DIRECT + IR)</b>			
All filings	115 815	115 563	107 175
<b>DIRECT FILINGS</b>			
Direct filings	99 706	100 975	91 700
% via e-filing	98.17	98.90	99.29
% filed as Fast Track	32.62	31.49	31.97
% registered as Fast Track	28.37	29.40	29.45
Deferred	13 513	14 030	13 000
<b>IRCD FILINGS</b>			
IRCD filings	16 109	14 588	15 475
<b>AVERAGE RCDs/ APPLICATION</b>			
Average RCDs / Application (Direct + IRCD)	3.30	3.14	3.23
<b>PROCESSED (DIRECT)</b>			
<b>Examined*</b>	<b>99 739</b>	<b>103 904</b>	<b>91 704</b>
<b>Published*</b>	<b>99 693</b>	<b>96 937</b>	<b>86 637</b>
<b>Registered*</b>	<b>97 032</b>	<b>101 290</b>	<b>88 837</b>
<b>RENEWALS (DIRECT)</b>			
All renewals	76 730	80 794	88 212
1 <sup>st</sup> renewals	44 090	46 015	49 731
% of 1 <sup>st</sup> renewals	53.46	53.13	52.01
2 <sup>nd</sup> renewals	21 414	22 097	24 866
% of 2 <sup>nd</sup> renewals	59.27	57.77	59.98
3 <sup>rd</sup> renewals	11 226	12 682	13 615
% of 3 <sup>rd</sup> renewals	61.46	61.33	64.00
<b>RECORDALS (DIRECT)</b>			
All recordals	11 922	13 746	10 402
<b>INVALIDITIES (DIRECT)</b>			
All filings	505	548	573
<b>No of decisions*</b>	<b>332</b>	<b>450</b>	<b>434</b>
<b>APPEALS</b>			
All filings	2 479	2 232	2 536
<b>No of decisions*</b>	<b>2 563</b>	<b>2 687</b>	<b>2 499</b>
Cases lodged before General Court	278	306	280

Cases lodged before CJEU	40	61	36
<b>INSPECTIONS</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>
All filings	3 304	2 715	2 041

\* Text and figures in bold font denote the Office's outputs

## Customer Service Charter (CSC)

The Office's priority is to maintain its CSC timeliness commitment with a particular focus on Fast Track cases. For that reason, in 2022 the Fast Track universes were adjusted to 99 % of total cases to reflect the true impact of minor and/or temporary issues in relation to Fast Track. Furthermore, four new indicators were included to measure second actions for EUTMs, IRs, RCDs, and recordals to help accelerate the notification of decisions; in addition to one new indicator to measure non-straightforward first action for recordals.

The timeliness level for cancellation decisions was increased by 1 month, requiring more than 6 months for a cancellation decision to be reported as 'actions needed'. This additional month gives the Office flexibility to move cancellation decision-takers to the opposition decisions area to maintain timeliness under control, as the cases compliant with quality criteria for cancellation decisions remain within 'excellence' level.

The scope for 'timeliness to answer to proceedings customer's communications' was increased up to 15 working days to be reported as 'actions needed'.

A new indicator for Accessibility measures 'chats answered by the Information Centre' as a new channel of communication with users and other relevant stakeholders, to guarantee that the proposed improvements provide benefits and added value for the targeted businesses or users.

For each indicator, three commitment levels have been defined: 'Excellence' (the level for which the Office strives), 'Compliance' (the level considered acceptable), and 'Actions needed' (the Office needs to act to raise the performance standard to 'Compliance'). When an indicator is in 'actions needed', the Office analyses the situation and publishes an explanation – [on its website](#) – on actions taken to restore it to 'Compliance' level.

		2022 Compliance <sup>(2)</sup>	Q1 2022	Q2 2022	Q3 2022	Q4 2022
QUALITY (ROLLING PERIODS) <sup>(3)</sup>			Perf.	Perf.	Perf.	Perf.
% cases compliant with quality criteria (without critical errors)	AG decisions	99-94 %	<b>97.39</b>	<b>97.75</b>	<b>97.76</b>	<b>97.84</b>
	Opposition decisions	99-94 %	<b>96.70</b>	<b>96.82</b>	<b>96.37</b>	<b>96.59</b>
	Cancellation decisions	99-94 %	<b>97.58</b>	<b>98.29</b>	<b>99.21</b>	<b>97.96</b>
	RCD registration	99-94 %	<b>100.00</b>	<b>100.00</b>	<b>99.68</b>	<b>100.00</b>
	RCD invalidity decisions	99-94 %	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>

<sup>(2)</sup> **Green** = Excellence; **Blue** = Compliance; and **Red** = Action Needed

<sup>(3)</sup> All quality indicators reflect the past 3 months, except quality cancellations and invalidities that reflect the past 6 and 12 months, respectively.

FAST TRACK (Perf.: 99 % - AVG: 100 %) <sup>(4)</sup>			Perf.	AVG	Perf.	AVG	Perf.	AVG	Perf.	AVG
EUTMs	Publication	15-20 working days	14	6.4	15	5.2	15	4.7	15	5.0
	Registration	4-5 months	3.9	3.5	4.2	3.6	4.1	3.5	4.0	3.5
RCDs	Registration	2-3 working days	1	0.1	1	0.2	1	0.2	1	2.1

<sup>(4)</sup> The Fast Track universes have changed from 100 % to 99 %, this new measure will reduce timeliness pressure in some areas.

<b>EUTM DIRECT FILINGS (Perf.: 99 % - AVG: 100 %)</b>										
Straightforward	Publication	1-2 months	<b>1.2</b>	0.6	<b>1.3</b>	0.7	<b>1.4</b>	0.7	<b>1.3</b>	0.7
	Registration	5-6 months	<b>4.8</b>	4.0	<b>5.2</b>	4.2	<b>5.3</b>	4.3	<b>5.3</b>	4.3
Non-straightforward	First action	1-2 months	<b>1.9</b>	0.8	<b>1.9</b>	0.8	<b>2.0</b>	0.8	<b>1.9</b>	0.8
	Second action	1-2 months	<b>1.8</b>	0.2	<b>1.8</b>	0.2	<b>1.9</b>	0.3	<b>1.9</b>	0.3

<b>INTERNATIONAL REGISTRATIONS (IRs) (Perf.: 99 % - AVG: 100 %)</b>										
Straightforward	Registration	6-7 months	<b>5.0</b>	4.7	<b>4.8</b>	4.6	<b>4.8</b>	4.7	<b>4.8</b>	4.7
Non-straightforward	First action	1-2 months	<b>3.2</b>	0.8	<b>2.0</b>	0.8	<b>1.8</b>	0.6	<b>1.9</b>	0.8
	Second action	1-2 months	<b>1.5</b>	0.3	<b>1.6</b>	0.3	<b>1.5</b>	0.2	<b>1.4</b>	0.2

<b>RCDs (Perf.: 99 % - AVG: 100 %)</b>										
RCDs	Registration	10-15 working days	<b>9</b>	5.0	<b>9</b>	5.9	<b>9</b>	4.0	<b>9</b>	5.7
	First action	10-15 working days	<b>10</b>	3.6	<b>10</b>	4.0	<b>10</b>	2.6	<b>14</b>	4.0
	Second action	1-2 months	<b>2.0</b>	0.4	<b>1.9</b>	0.3	<b>2.0</b>	0.5	<b>1.8</b>	0.5

<b>INTER PARTES (Perf.: 99 % - AVG: 100 %)</b>										
Timeliness to answer to <i>inter partes</i> proceedings customer's communications		8-15 working days	<b>14</b>	5	<b>14</b>	5	<b>14</b>	5	<b>14</b>	4
EUTMs	Opposition decisions	2-4 months	<b>4.0</b>	3.4	<b>3.9</b>	3.3	<b>3.9</b>	3.3	<b>3.9</b>	3.2
	Cancellation decisions	3-6 months	<b>5.8</b>	4.4	<b>5.8</b>	4.4	<b>5.8</b>	4.5	<b>5.9</b>	4.8
RCDs	Invalidation decisions	2-4 months	<b>3.8</b>	3.2	<b>3.8</b>	3.3	<b>3.8</b>	3.2	<b>3.7</b>	3.0

<b>RECORDALS (Perf.: 99 % - AVG: 100 %)</b>										
Recordals	Recordals	11-22 working days	<b>9</b>	2	<b>11</b>	2	<b>8</b>	2	<b>9</b>	2
Non-straightforward	First action	11-22 working days	<b>22</b>	5	<b>18</b>	4	<b>18</b>	3	<b>22</b>	4
	Second action	1-2 months	<b>0.9</b>	0.0	<b>1.5</b>	0.0	<b>1.0</b>	0.0	<b>1.9</b>	0.0



## APPEALS <sup>(5)</sup>

Appeals	Decisions <i>ex parte</i>	6-12 months	<b>4.6</b>	2.6	<b>3.5</b>	2.2	<b>3.5</b>	2.1	<b>3.8</b>	2.3
	Decisions <i>inter partes</i>	6-12 months	<b>5.6</b>	3.5	<b>5.4</b>	3.2	<b>5.2</b>	2.8	<b>5.2</b>	3.2
	From deadline for filing observation to remittal to the Boards - <i>inter partes</i>	35-70 days	<b>27</b>	2.0	<b>25</b>	1.9	<b>20</b>	1.0	<b>27</b>	2.0
	From deadline for filing rejoinder to remittal to the Boards - RCDs	35-70 days	<b>20</b>	4.7	<b>13</b>	0.0	<b>6</b>	0.0	<b>27</b>	19.0

## ACCESSIBILITY

Accessibility	Telephone calls to First Line / e-business hotline	16-20 seconds	<b>15.10</b>	5.60	<b>14.90</b>	5.80	<b>13.20</b>	6.60	<b>14.70</b>	5.20
	Emails answered by Information Centre	3-4 working days	<b>2.90</b>	0.70	<b>2.20</b>	0.60	<b>1.90</b>	0.50	<b>2.50</b>	0.70
	Chats answered by Information Centre	50-60 seconds	<b>45.00</b>	12.30	<b>49.54</b>	9.00	<b>49.90</b>	16.30	<b>45.01</b>	10.00
	Answer to complaints	6-9 working days	<b>5.70</b>	5.06	<b>5.00</b>	4.80	<b>5.33</b>	4.65	<b>6.30</b>	4.91
	Direct and call back accessibility	99-95 %	<b>99.60</b>	-	<b>99.80</b>	-	<b>98.80</b>	-	<b>99.20</b>	-
	Website availability	99-98 %	<b>99.87</b>	-	<b>99.87</b>	-	<b>99.42</b>	-	<b>98.95</b>	-

<sup>(5)</sup> 85 % sample for Decision *ex parte* and *inter partes*; 98 % sample for remaining Appeal indicators.

## Balanced Scorecard (BSC)

Key Performance Indicators (KPIs)			
STRATEGIC DRIVER 1 INTERCONNECTED, EFFICIENT AND RELIABLE IP SYSTEM FOR THE INTERNAL MARKET			
Goal 1.1 Matching tools and practices with users' needs	2020	2021	2022
<b>1.1.1 Sustainable collaborative networks for the benefit of users</b>			
Trade marks available in TMview (#)	61 598 703	103 163 776	<b>111 421 532</b>
Designs available in DesignView (#)	16 789 324	19 030 743	<b>20 311 624</b>
Number of tools and common practices implemented for the benefit of the users (#)	890	999	<b>1 157</b>
<b>1.1.2 Closer cooperation with EU institutions and bodies</b>			
Number of interactions with EU institutions and bodies (#)	N/A	231	<b>503</b>
<b>1.1.3 Enhanced engagement with global partners for the extension of common tools and practices</b>			
Non-EU offices implementing tools and practices (implementations)	210	249	<b>302</b>
Goal 1.2 Stepping up IP enforcement in defence of rights holders and society	2020	2021	2022
<b>1.2.1 Effective tools and capabilities for IP enforcement</b>			
IP Enforcement Portal usage by enforcement authorities (connections)	3 656	6 162	<b>4 381</b>
<b>1.2.2 Harmonisation and coordination of efforts for enforcement</b>			
Participants attending IP enforcement knowledge building events in the framework of Observatory activities	N/A	N/A	<b>1 201</b>
Goal 1.3 Developing an IP knowledge hub	2020	2021	2022
<b>1.3.1 New and improved information resources</b>			
Usage of national court judgments database (searches)	5 853	5 464	<b>5 801</b>
<b>1.3.2 Evidence-based contributions to IP policy making</b>			
Attendees' satisfaction with events (%)	95.8	98.9	<b>98.9</b>
<b>1.3.3 Wider and deeper understanding of IP</b>			
External participants in training activities (#)	19 653	21 233	<b>24 879</b>
External stakeholders' training satisfaction (%)	88.3	88.1	<b>89.2</b>
Social media followers (#)	97 826	272 816	<b>400 522</b>
Global advertisement value equivalency (K€)	11 286	21 647	<b>16 047</b>
Results of Observatory awareness activities (millions of reaches) <sup>(6)</sup>	1 946	3 560	<b>428.3</b>

### STRATEGIC DRIVER 2 ADVANCED AND CUSTOMER-CENTRIC SERVICES

Goal 2.1 Improved user experience, quality and efficiency	2020	2021	2022
<b>2.1.1 Quality of products and services</b>			
Usage of TMview, DesignView and TMclass (monthly searches)	2 801 119	2 544 692	<b>2 140 745</b>
Level of achievement of the Quality Service Charter objectives (%)	100.0	93.1	<b>100.0</b>
User satisfaction with customer services provided (%)	80.0	83.5	<b>85.9</b>
User satisfaction with online tools (%)	84.0	88.4	<b>85.4</b>
Customer focused events satisfaction (%)	N/A	N/A	<b>96.7</b>
Quality of first instance decisions of the Office as perceived by users (SQAP) (%)	N/A	N/A	<b>96.2</b>

<sup>(6)</sup> Methodology and benchmark for calculation changed since the target was set. Target has been adjusted for 2023.

<b>2.1.2 Effective and simplified working practices</b>			
Automatic fee handling (%)	96.6	97.0	<b>97.5</b>
EUTM applications automatically classified (%)	55.4	56.3	<b>52.9</b>
EUTM applications expression automatically classified (%)	87.9	86.8	<b>83.3</b>
EUTM automatic translations (%)	92.0	92.4	<b>93.0</b>
Usage of Similarity (visits)	15 463	17 786	<b>17 648</b>
<b>Goal 2.2 New services to increase added value to businesses</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>
<b>2.2.1 Before filing and during registration</b>			
Formalities deficiency rate (%)	2.0	2.2	<b>1.8</b>
Classification deficiency rate (%)	11.7	11.6	<b>13.9</b>
AG objection rate (%)	5.4	5.3	<b>5.2</b>
Appeals confirmation rate <i>ex parte</i> decisions (%)	80.0	78.0	<b>81.0</b>
Appeals confirmation rate <i>inter partes</i> decisions (%)	72.0	74.0	<b>77.0</b>
General Court confirmation rate (%)	79.1	81.0	<b>85.9</b>
EUTM fast track rate (%)	47.60	48.30	<b>45.14</b>
TMs straight-through cases (%)	N/A	N/A	<b>74.1</b>
RCDs straight-through cases (%)	N/A	N/A	<b>85.9</b>
<b>2.2.2 Post-registration IPR management</b>			
Recordal automation	N/A	61.6	<b>66.4</b>
<b>Goal 2.3 IP services for SMEs</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>
<b>2.3.1 Increasing the successful use of IP by SMEs</b>			
Percentage of EU SMEs direct filings TMs and RCDs straight-through cases (%) <sup>(7)</sup>	N/A	N/A	N/A
<b>2.3.2 Increasing SMEs' knowledge on the use and value of IP rights</b>			
Organisations participating in the SME Programme (#)	126	257	<b>335</b>

### **STRATEGIC DRIVER 3 DYNAMIC ORGANISATIONAL SKILL SETS AND INNOVATIVE WORKPLACE OF CHOICE**

<b>Goal 3.1 Continuous learning and sustainable staff engagement</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>
<b>3.1.1 Dynamic skill sets</b>			
Internal staff learning effectiveness (%)	90.1	85.0	<b>84.3</b>
Training days per employee (training days/employee)	4.75	5.88	<b>4.77</b>
Internal training satisfaction (%)	86.0	87.5	<b>88.2</b>
Number of hits on the e-learning portal (#)	199 189	222 480	<b>222 067</b>
<b>3.1.2 Innovation-driven culture and networking</b>			
Cross-departmental collaboration (%)	N/A	6.0	<b>7.7</b>
<b>3.1.3 Staff development and engagement</b>			
Staff mobility rate (%)	6.1	4.8	<b>3.9</b>
Absence due to sickness (short term) (%)	3.4	3.0	<b>3.7</b>
Absence due to sickness (long term) (%)	0.5	0.1	<b>0.1</b>
<b>Goal 3.2 Evolving with the Digital Era</b>	<b>2021</b>	<b>2021</b>	<b>2022</b>
<b>3.2.1 Modernising and consolidating digital infrastructures and services</b>			
Audited personal data processing operations found compliant (%)	93.8	88.7	<b>85.0</b>
IT security index (%)	0.0	83.0	<b>80.5</b>
Office tools availability (%)	99.36	99.86	<b>99.10</b>

(7) The SME information required to report this indicator is not yet available in the Office database due to technical issues.

<b>3.2.2 Embracing opportunities in emerging technologies</b>			
Implementation rate of new technologies in the processes (%)	N/A	28.0	<b>42.9</b>
<b>3.2.3 Expanding Office tools</b>			
IT investments in new projects and initiatives versus total IT cost (%)	41.7	41.7	<b>41.5</b>
IT cost per IT user (€)	11 892.0	15 364.2	<b>16 364.0</b>
Procedures initiated and executed digitally (%)	94.0	99.2	<b>98.4</b>
Budget forecast accuracy (expenditure) (%)	96.2	96.4	<b>96.8</b>
Budget forecast accuracy (revenue) (%)	103.8	97.0	<b>100.6</b>
Budget forecast accuracy (carry over) (%)	89.3	89.4	<b>91.0</b>
Compliance with Internal Audit recommendations (%)	87.0	86.4	<b>87.5</b>
<b>Goal 3.3 Towards the future sustainable workplace</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>
<b>3.3.1 A truly sustainable organisation</b>			
Paper consumption per on-site worker (kg/on-site worker)	5.44	5.52	<b>4.79</b>
Water consumption per on-site worker (m <sup>3</sup> /on-site worker)	3.68	5.12	<b>5.05</b>
Energy consumed (gas + electricity) per on-site worker (MWh/on-site worker)	4.23	5.14	<b>4.89</b>
Quantity of renewable energy produced on-site (%)	34.61	35.23	<b>33.51</b>
<b>3.3.2 Improving the workplace environment</b>			
Occasional teleworking rate (%)	N/A	21.5	<b>21.0</b>
<b>3.3.3 Campus infrastructure and facilities</b>			
Progression of the campus development initiative (%)	N/A	N/A	<b>63.6</b>

## APPENDIX B - Management of Resources and Assurance

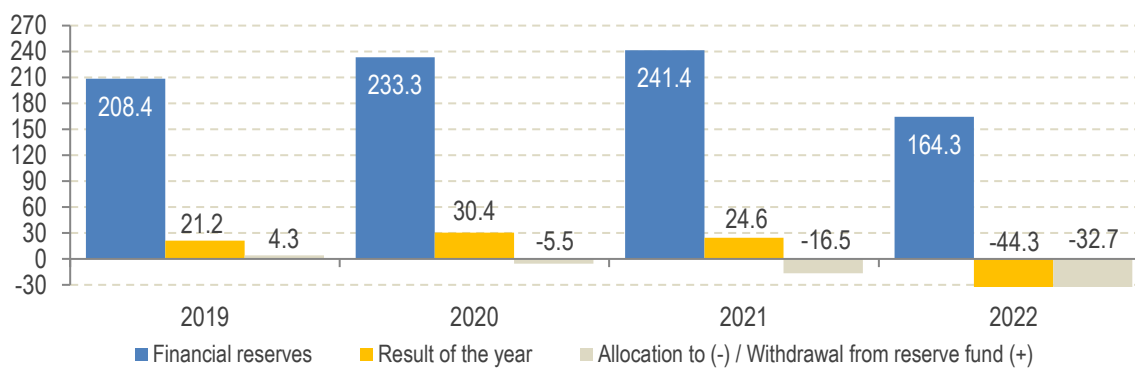
### 1. Budgetary and Financial Management

#### 1.1 Evolution of the accumulated budgetary surplus and yearly budgetary result

The financial reserves are the sum of the accumulated balance from previous years, the budget result of the financial year concerned, and the allocation to or withdrawal from the reserve fund. More concretely, the financial reserves in 2022 are the consequence of the budget results carried over from 2021, the budget result of the 2022 budget in its [amended version](#), and the allocation to the reserve fund.

Pursuant to Article 172(10) of Regulation [\(EU\) 2017/1001](#) <sup>(1)</sup> on the European Union trade mark (EUTMR), the Office shall establish a reserve fund having sufficient funds to ensure the continuity of its operations and the execution of its tasks for one year, that is, the equivalent of the estimated appropriations included in titles 1, 2 and 3 of the Office budget.

Figure 1. Budget results (EUR million)



At the end of 2022, the reserve fund amounted to EUR 293.3 million in accordance with the provisions of Article 172(10) EUTMR. The budgetary balance carried over to 2023 amounts to EUR 164.3 million, of which EUR 15.2 million are reserved for offsetting payments to Member States. These were automatically triggered for financial year 2021 (the offsetting mechanism was not triggered for the 2022 financial year as the conditions set by law were not fulfilled), and EUR 38.3 million are reserved for the contribution to EU policies in 2023.

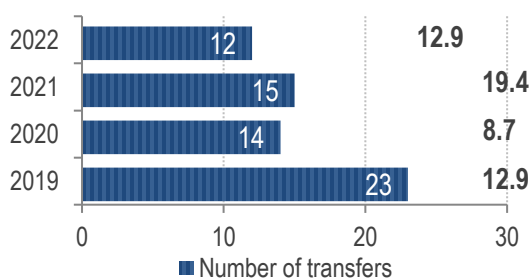
#### 1.2 Number and volume of budget transfers

In 2022, budget transfers decreased in terms of number and volume. In addition, a temporary budget transfer of EUR 10.7 million was included in the amending budget.

<sup>(1)</sup> Regulation [\(EU\) 2017/1001](#) of the European Parliament and of the Council of 14 June 2017 on the European Union trade mark.

More detailed information about these transfers can be found in the Office's [annual accounts](#).

**Figure 2. Number and volume of transfers (EUR million)**



### 1.3 Budget revenue, expenditure and payments

The Office's operational revenue is generated by fees from registering European Union trade marks (EUTMs) and registered Community designs (RCDs), as well as income from interest and other operational revenue.

**Figure 3. Budget revenue by year**

Budget revenue executed	2019 (EUR million)	2020 (EUR million)	2021 (EUR million)	2022 (EUR million)
Revenue generated by fees	254.5	277.3	303.0	287.5
Interest income	0.0	0.0	0.0	0.8
Other operational revenue	0.1	0.3	0.2	0.2
<b>Total operational revenue</b>	<b>254.6</b>	<b>277.6</b>	<b>303.2</b>	<b>288.5</b>

Trade mark and design fees recorded as revenue decreased by 5.1 % compared with 2021. In 2022, the Office accrued <sup>(2)</sup> 171 124 EUTM application fees (compared with 193 722 in 2021) and 106 846 design fees (compared with 113 396 in 2021) as revenue.

The revenue distribution from EUTMs and RCDs remained relatively stable. In 2022, the EUTM share of the revenue from fees stood at 89.2 %, compared with 89.5 % in 2021 and 88.6 % in 2020. Basic fees, fees for additional classes, international application fees and renewal fees represent 96.9 % of all EUTM fees received. This is a stable proportion compared to the previous year.

In 2022, the Office received 128 023 incoming payments<sup>(3)</sup> from customers (-14.5 % when compared to the previous year). The trend over the last few years was that e-Payments (incoming payment by debit or credit card from customers) were on the rise. However, in 2022, their share of the total number of incoming payments decreased and now stands at 46.1 % (down from

<sup>(2)</sup> This means that the fee payment has been received and the filing fee was verified and included in the accounts.

<sup>(3)</sup> Incoming payments: bank transfers and e-Payments (by debit or credit card).



48.4 % in 2021). e-Payments now represent 17 % of incoming funds, down from 19.8 % in 2021.

The table below illustrates the Office’s operational expenditure over the last 4 years. It includes:

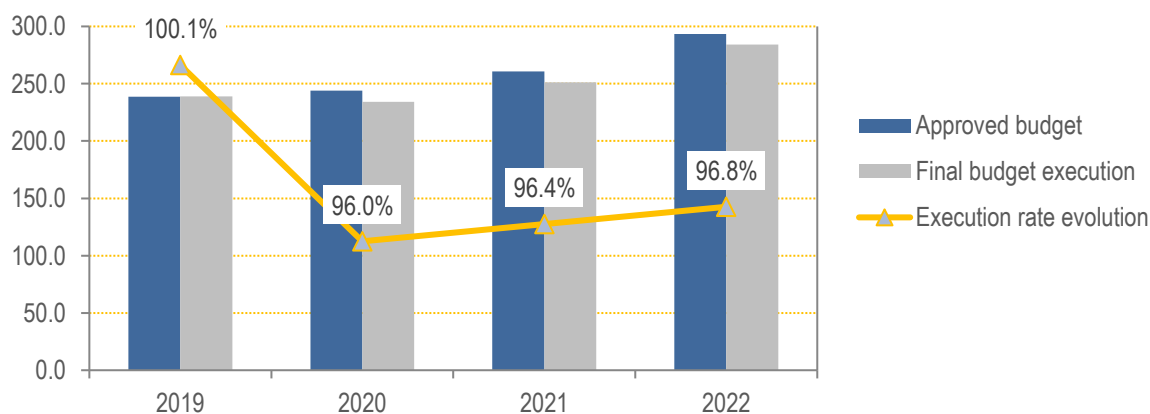
- staff expenditure;
- operating expenditure (IT, buildings, equipment, administrative expenditure); and
- specific expenditure, such as Observatory, translations and cooperation activities with national offices.

**Figure 4. Budget expenditure by year**

<b>Budget expenditure executed</b>	<b>2019 (EUR million)</b>	<b>2020 (EUR million)</b>	<b>2021 (EUR million)</b>	<b>2022 (EUR million)</b>
Staff expenditure (title 1)	123.0	125.7	128.5	145.1
Operating expenditure (title 2)	63.5	56.6	71.4	81.2
Specific expenditure (title 3)	52.4	52.0	51.3	57.8
<b>Total operational expenditure</b>	<b>238.9</b>	<b>234.3</b>	<b>251.2</b>	<b>284.1</b>

The 2022 budget execution rate concerning titles 1, 2 and 3 stands at 96.8 %, respecting again in 2022 the objective of at least 95 %. The chart below shows the evolution of the executed expenditure, focusing on three main titles: staff, operating and specific expenditure <sup>(4)</sup>.

**Figure 5. Operational budget and expenditure (EUR million) and execution rate evolution (titles 1, 2 and 3)**



<sup>(4)</sup> The EU economy entered a challenging phase in 2022. The shocks unleashed by Russia’s war of aggression against Ukraine hit the EU economy both directly and indirectly, setting it on a path of lower growth and higher inflation. In this scenario, the Office was under particular pressure because of the high levels of inflation and the rising energy prices, which also had a direct impact on the costs of administration in title 1 and title 2 (e.g., automatic salary updates, higher energy costs, general price increases due to indexation).

The other expenditure titles covered the following.

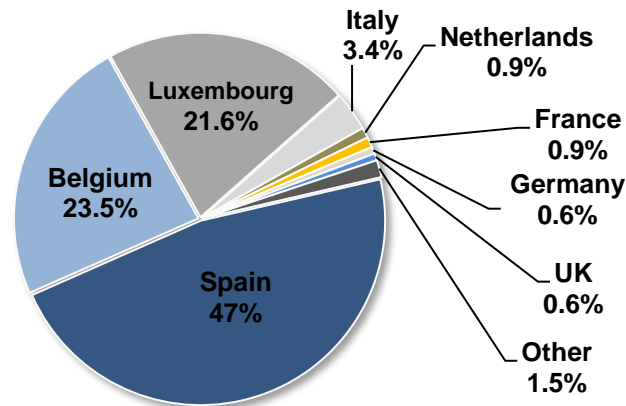
- In the context of mobilising its accumulated financial surplus when supporting EU policies, the Office contributed EUR 39.5 million in 2022 to EU-funded projects, to the European School of Alicante and to the SME Fund under title 4 of its budget (Contribution to EU policies).
- In 2022, the Office paid EUR 13.9 million corresponding to offsetting mechanism<sup>(5)</sup> – automatically triggered for 2020 financial year– under title 5 of the budget (offsetting to Member States).

#### 1.4 Suppliers, payment terms and suspension of payments<sup>(6)</sup>

In 2022, Spanish suppliers accounted for approximately 47 % of purchases, while suppliers based elsewhere accounted for 53 %<sup>(7)</sup>. These figures do not include amounts paid for concepts such as duty travel, committees, interviews, cooperation agreements with Member States and salaries.

**Figure 6. Payment to suppliers per country**

Figures in terms of purchase volume



The Office's policy is to pay suppliers as soon as possible. The contractual time limits for payments are generally 30 days.

Regarding compliance with the time limits laid down in article 116 of the EU Financial Regulation, 97.8 % of the payments were made in due time. The average payment time was 12.4 calendar days in 2022, well below the maximum payment terms. In 2022, four payments resulted in EUR 2 060 of late payment interest being charged.

Regarding suspension of payments, the Office registered 46 cases in 2022 out of 3 700 payments (1.2 %) and the average payment suspension was 49 days.

<sup>(5)</sup> Provided for under Article 172 EUTMR.

<sup>(6)</sup> Disclosure covered in this section: 204-1 Proportion of spending on local suppliers (additional data also included in the [2022 GRI Content Index](#)).

<sup>(7)</sup> Figures in terms of purchase volume.

## 1.5 Activity-based budgeting perspective

Below are the results and breakdown of the Office's expenditure on staff by strategic driver (SD) during the year. The final budget execution amounted to EUR 284.1 million, and is detailed for each strategic driver by financial and human resources <sup>(8)</sup>.

**Figure 7. Office expenditure on staff by strategic driver**

Strategic driver	Budget 2022 <sup>(9)</sup> (EUR million)	Execution 2022 <sup>(10)</sup> (EUR million)	Variation	Budget 2022 (FTE)	Execution 2022 <sup>(11)</sup> (FTE)	Variation
SD1 - Interconnected, efficient and reliable IP system for the Internal Market	66.5	63.8	95.9 %	154	152	99.2 %
SD2 - Advanced customer-centric services	109.3	105.8	96.8 %	641	633	98.7 %
SD3 - Dynamic organisational skill sets and an innovative workplace of choice	117.5	114.5	97.4 %	338	331	98.0 %
<b>Total</b>	<b>293.3</b>	<b>284.1</b>	<b>96.8 %</b>	<b>1 133</b>	<b>1 116</b>	<b>98.6 %</b>

In 2022, the Office executed EUR 9.3 million or 3.2 % less than initially budgeted. This deviation is mainly concentrated in the SD 2 (- EUR 3.5 million or - 3.2 %) mainly due to the postponement of planned recruitments in view of reducing costs and lower translation needs thanks to a more efficient process, as well as other savings in customer services.

In SD 3 (- EUR 3.0 million or - 2.6 %) the deviation reflects the efforts made in the support areas. In the SD 1 (- EUR 2.7 million or - 4.1 %) the deviation mainly concerns the area of European cooperation.

## 1.6 Procurement and grants

In 2022, the Office managed 41 procurement and 3 grants procedures for a total of EUR 119.5 million, distributed as follows:

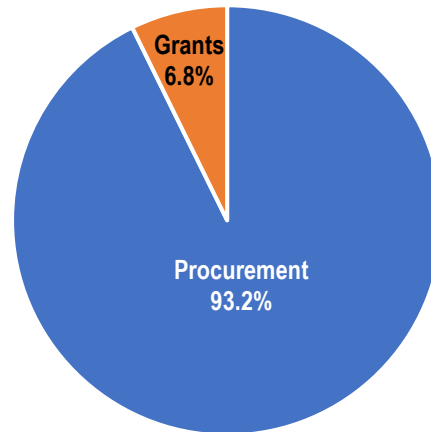
<sup>(8)</sup> The totals / variation in the table may not add up, as all the figures presented are rounded to one decimal.

<sup>(9)</sup> Amending budget No 1/2022 approved in November 2022.

<sup>(10)</sup> Based on payments and commitments.

<sup>(11)</sup> Based on FTE – full-time equivalent (officials, temporary agents, contract agents, seconded national experts).

**Figure 8. Procedures closed in 2022**



### 1.6.1 Grants procedures

The total awarded amount of the three grant schemes sums up to EUR 24.9 million. It includes two implemented calls for proposals (2022 Academy research programme and the 2022 SME Fund) and a direct grant awarded to support the understanding of IP economics.

Following the success of the 2021 SME Fund, and capitalising on lessons learned from this first initiative, in 2022, the Office implemented a new edition of the Fund. This was achieved through a multiannual contribution agreement with the European Commission (2022-2024) which expanded the scope of services offered and simplified the administrative processes for the beneficiaries.

For the two calls for proposals, the time it takes from when applicants are informed of their application's outcome and the signature of the grant agreements (Article 194(2) EU FR) was as follows:

**Figure 9. Time to inform applicants v time to sign grant agreements**

Grants	Time to inform the applicants about the outcome (maximum 6 months)	Time to sign grant agreements / decisions (maximum 3 months)
2022 Academy Research Programme	55 days from the final date for submission of complete proposals	36 days from the date of informing applicants
SME Fund Ideas Powered for business – 2022 Call for proposals	14 days from submission of an application to notify the results and to provide the signed grant decisions to successful applicants	

In addition, and in line with the reporting required by the EU Financial Regulation <sup>(12)</sup> ([EU FR](#)), the Office assessed and confirms that:

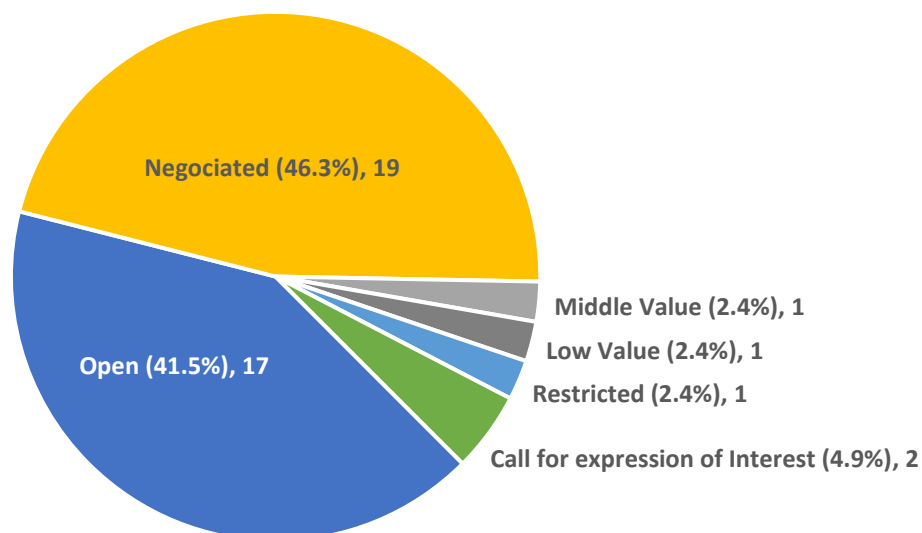
- there were no cases of financing that were not linked to costs (Article 125(3) EU FR);
- there were no cases of flat rates higher than 7 % for indirect costs (Article 181(6) EU FR);
- there were no derogations from the principle of non-retroactivity (Article 193(2) EU FR).

### 1.6.2 Procurement procedures

As regards procurement, the Office closed 41 procurement procedures in 2022, of which 4 were not awarded. The 37 successful procurement procedures correspond to an increase of 45 % compared to 2021. The total volume for these procedures amounts to EUR 94.6 million.

The following chart gives an overview of the different type of procurement procedures carried out and closed during the year.

**Figure 10. Type of procurement procedures**



The 37 successful procurement procedures resulted in the signature of 83 framework / direct contracts in 2022.

Regarding building contracts, the Office purchased from Alicante City Council for EUR 0.53 million the stretch of public road and the piece of municipal land required for the

<sup>(12)</sup> Regulation (EU, Euratom) 2018/1046 of the European Parliament and of the Council of 18 July 2018 on the financial rules applicable to the general budget of the European Union, amending Regulations (EU) No 1296/2013, (EU) No 1301/2013, (EU) No 1303/2013, (EU) No 1304/2013, (EU) No 1309/2013, (EU) No 1316/2013, (EU) No 223/2014, (EU) No 283/2014, and Decision No 541/2014/EU and repealing Regulation (EU, Euratom) No 966/2012.

campus.

In 2022, the Office did not conclude any contracts that were declared secret.

Pursuant to Article 74(10) of the EU Financial Regulation, the authorising officers by delegation shall record, for each financial year, contracts concluded by negotiated procedures in accordance with points (a) to (f) of point 11.1 and point 39 of Annex I.

The proportion of negotiated procedures decreased in terms of number and value of contracts. In 2022, the Office concluded 11.1 % of its contracts in force based on negotiated procedures versus 13 % the previous year. In addition, the value of these contracts also decreased in 2022 to 2.7 % from 4 % in 2021.

**Figure 11. Contracts by type of procurement procedure in 2021 and 2022**

Type of procurement procedure	2021		2022	
	Number of contracts concluded	Value of contracts (EUR million)	Number of contracts concluded	Value of contracts (EUR million)
Negotiated	84 (13 %)	3.08 (4 %)	67 (11.1 %)	2.36 (2.7 %)
Open	564	73.18	532	86.32
Other types of procedures	4	0.21	4	0.09
<b>Total</b>	<b>652</b>	<b>76.47</b>	<b>603</b>	<b>88.77</b>

The following table <sup>(13)</sup> shows the detail of the contracts concluded during 2022, classified by type of procedure.

<sup>(13)</sup> The totals in the table may not add up, as all the figures presented are rounded to one decimal.



PROCEDURE		Property Transaction		Purchase of goods		Purchase of services		TOTAL	
		Number of contracts concluded	Value of contracts EUR million	Number of contracts concluded	Value of contracts EUR million	Number of contracts concluded	Value of contracts EUR million	Number of contracts/agreements concluded	Value of contracts EUR million
Open or restricted procedure	Lowest price tender	1	1.70	10	0.17	7	0.39	18	2.26
	Best value for money	135	1.54	49	5.45	330	77.07	514	84.06
	<b>TOTAL</b>	<b>136</b>	<b>3.24</b>	<b>59</b>	<b>5.62</b>	<b>337</b>	<b>77.46</b>	<b>532</b>	<b>86.32</b>
Negotiated procedure	Low value	0	0	5	0.02	22	0.10	27	0.12
	Middle value	0	0	1	0.02	7	0.05	8	0.07
	Negotiated procedure without publication of contract notices - Additional contract tied by necessity to original contract	0	0	0	0	0	0	0	0
	Negotiated procedure without publication of contract notices - Invitation to tender produced no result	0	0	0	0	0	0	0	0
	Negotiated procedure without publication of contract notices - Other technical and/or legal reason	0	0	1	0.27	3	0.01	4	0.28
	Negotiated procedure without publication of contract notices - Urgent need	0	0	0	0	0	0	0	0
	Negotiated procedure without publication of contract notices (all the rest)	2	0.18	0	0	26	1.71	28	1.89
	Competitive with negotiation	0	0	0	0	0	0	0	0
	Concessions	0	0	0	0	0	0	0	0
	<b>TOTAL</b>	<b>2</b>	<b>0.18</b>	<b>7</b>	<b>0.31</b>	<b>58</b>	<b>1.87</b>	<b>67</b>	<b>2.36</b>
Other types of procedures	Call for expressions of interest	0	0	1	0.002	3	0.09	4	0.09
	External actions	0	0	0	0	0	0	0	0
	Experts	0	0	0	0	0	0	0	0
	Prizes	0	0	0	0	0	0	0	0
	<b>TOTAL</b>	<b>0</b>	<b>0</b>	<b>1</b>	<b>0.002</b>	<b>3</b>	<b>0.09</b>	<b>4</b>	<b>0.09</b>
Inter-institutional Framework contracts	Commission	0	0	28	1.79	174	14.72	202	16.51
	<b>TOTAL</b>	<b>0</b>	<b>0</b>	<b>28</b>	<b>1.79</b>	<b>174</b>	<b>14.72</b>	<b>202</b>	<b>16.51</b>
<b>TOTAL</b>								<b>805</b>	<b>105.28</b>

Figure 12. Contracts concluded in 2022

## 1.7 Waived recovery orders

According to Article 66 of the Office's Financial Regulation<sup>(14)</sup>, Article 101 of the EU Financial Regulation applies to the Office *mutatis mutandis*. This article states that, each year, a report on the recovery orders waived must be drafted. According to Article 181 EUTMR, recovery orders may be waived where the sum is minimal or where the recovery is too uncertain. The amount referred to should be less than EUR 5 000<sup>(15)</sup>. During 2022, seven recovery orders were waived for a total of EUR 5 951.90.

**Figure 13. Recovery orders waived in 2022**

Recovery orders waived in 2022			
Document No	Issue date	Amount (EUR)	Reason
OR 4457	28/10/2022	260.30	Cancellation required by authorising service. It was considered that the costs involved in taking civil proceedings were not cost-effective.
OR 4386	28/10/2022	948.60	
OR 4397	28/10/2022	948.60	
OR 4405	28/10/2022	948.60	
OR 4402	28/10/2022	948.60	
OR 4418	28/10/2022	948.60	
OR 4466	28/10/2022	948.60	
<b>Total</b>		<b>5 951.90</b>	

## 2. Human Resources Management

### The establishment plan and its evolution

As shown in the chart below, the Office's establishment plan<sup>(16)</sup> comprises the available posts in the budget by nature of post, function group and grade. Posts are allocated according to the Office's annual staff policy plan approved by the Management Board<sup>(17)</sup>, and the Office's budget by the Budget Committee.

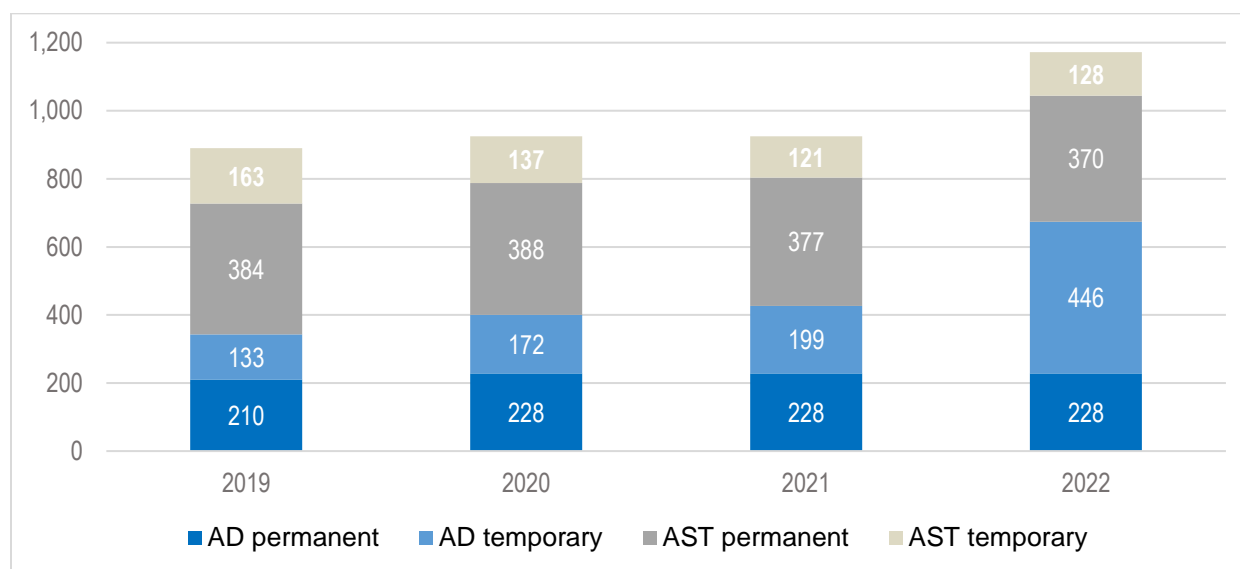
<sup>(14)</sup> Regulation BC-1-2019 of the budget committee of the European Union Intellectual Property Office of 10 July 2019 laying down the financial provisions applicable to the Office.

<sup>(15)</sup> In accordance with the Office's written procedure No BC-28/17.

<sup>(16)</sup> The establishment plan represents the total number of posts authorised, and not the actual number of staff.

<sup>(17)</sup> Please refer to APPENDIX 4 – Annual Staff Policy Plan of [2022 Work Programme](#).

**Figure 14. Evolution of the establishment plan**



In 2022, the number of posts in the establishment plan increased to 1 172 to make budget space with a multiannual perspective and in view of organising the next IP competition. The aim was to create capacity for the Office’s evolving workforce needs.

### **Job-screening benchmark**

The Office regularly runs a benchmarking and job-screening exercise. This exercise generates figures on (1) administrative support and coordination, (2) operational matters and (3) neutral job types in all organisational entities. The definition of these three categories was agreed in a working group composed of EU agency representatives and the Commission.

The table below shows the Office’s workforce distribution in 2022, in terms of full-time equivalents (FTEs) for officials and temporary agents. In short, 72.7 % of FTEs were dedicated to operational activities, a slight increase compared with 2021. 17.7 % were dedicated to administrative support and coordination activities, and 9.7 % to neutral tasks.

		ADMINISTRATIVE SUPPORT & COORDINATION		NEUTRAL		OPERATIONAL	Total
		Administrative support	Coordination	Finance and control	Linguistic tasks	Operational	
Planning (AB 2022)	FTEs	139.83	19.25	70.18	14.41	643.38	887.05
	Percentage of total	15.76 %	2.17 %	7.91 %	1.62 %	72.53 %	100 %
	Subtotal FTEs	159.08		84.59		643.38	887.05
	Subtotal percentage of total	17.93 %		9.54 %		72.53 %	100 %
Execution	FTEs	137.10	17.73	70.32	14.20	636.40	875.75
	Percentage of total	15.66 %	2.02 %	8.03 %	1.62 %	72.67 %	100 %
	Subtotal FTEs	154.83		84.52		636.40	875.75
	Subtotal percentage of total	17.68 %		9.65 %		72.67 %	100 %

Figure 15. Office workforce distribution

### 3. Management Assurance <sup>(18)</sup>

#### 3.1 Elements supporting assurance

The following elements are in place to ensure legality and regulatory compliance.

##### 3.1.1 Assessment by management

Assessment by management must meet the requirements laid down in the EU Financial Regulation on the internal control of the budget implementation. It is based on the results of the

<sup>(18)</sup> Disclosures covered in this section: 2-12 Role of the highest governance body in overseeing the management of impacts; 2-13 Delegation of responsibility for managing impacts; 2-14 Role of the highest governance body in sustainability reporting; 2-15 Conflicts of interest; 2-16 Communication of critical concerns; 2-17 Collective knowledge of the highest governance body; 2-18 Evaluation of the performance of the highest governance body; and 2-27 Compliance with laws and regulations (additional data also included in the [2022 GRI Content Index](#)).

control procedures performed by Office staff and refers to aspects of the legality and regularity of the underlying transactions carried out.

**Figure 16. Assessment by management**

Internal management body	Executive Director	Deputy Executive Director	Head of Cabinet	President of the Boards of Appeal	Chairperson of the Boards of Appeal	Directors	Deputy Directors	Chief Economist	Accounting Officer	All Heads of Service	Heads of Service of Internal Audit	Head of Corporate Governance Service	Head of Communication Service	Data Protection Office	Office's Controller	Team Leaders
Management and Advisory Committee (MAC)	X	X	X	X		X		X			X	X	X	X	X	
Enlarged Management and Advisory Committee (EMAC)	X	X	X	X	X	X	X		X		X			X	X	On invitation

The MAC and the EMAC meet regularly to:

- discuss and advise on important issues concerning Office operations and controls;
- review the performance of Office activities;
- review progress of the SP2025;
- review the achievement of the goals set in the annual work programme.

### 3.1.2 Performance, quality and risk management systems

The Office's Integrated Management Systems (IMS) have served as a strong basis and complementary framework for the implementation of the Office's internal control system, ensuring that controls are intrinsically embedded into its processes.

The Office is committed to ensuring the delivery of high-quality products and services to its customers. It has implemented and become certified in six management systems to ensure it complies with different requirements for [quality](#), [complaints handling](#), information security, [environment](#), occupational health and safety, and universal accessibility. With the implementation of these systems, the Office aims to be proactive in the management of activities, by assessing and responding to risks and pursuing opportunities that create value for stakeholders, while making sure that the Office's activities remain sustainable.

Additionally, to ensure the Office achieves quality standards for its IP products, administrative

decision [No ADM-21-24 on establishing an Integral Quality Framework at the EUIPO](#) provides the legal basis to define a comprehensive quality assurance framework.

The Office's risk management framework, an essential part of its internal control system, is also integrated into the institutional planning and reporting cycle, deeply embedded into the organisational culture. Another essential element is the Office's performance management framework, with the continuous monitoring and measurement of the impact and the results of its activities.

### 3.1.3 Ex ante verification

The Office has opted for a mixed model for *ex ante* verification.

On the one hand, the operational *ex ante* verification, including compliance with the principle of sound financial management, is carried out by the authorising officer responsible for an operation.

On the other hand, financial *ex ante* verification is carried out centrally within the Finance Department, focusing on the legality, regularity and compliance with the legal framework.

*Ex ante* financial verification is performed using a risk-based approach. A normal review for expenditures above EUR 5 000 and a light review for expenditures below this amount. The total number of operations verified *ex ante* in 2022 was 8 101.

This approach is complemented by a yearly risk-based *ex post* financial verification based on a selection of sample transactions as defined in the Office's risk-based financial verification strategy.

### 3.1.4 Register of Exceptions

The Office, following the requirements of its internal control framework, has put in place a system to ensure that all instances of overriding controls or deviations from established processes and procedures are documented in exception reports: the register of exceptions, which is managed centrally by the verification team in the Finance Department.

During 2022, 45 exceptions out of a total of 8 101 operations were registered, compared to 32 in 2021, and representing 0.56 % of the total number of files dealt with.

Following Article 56 of the Office's Financial Regulation (Article 92 of the EU Financial Regulation) any cases of 'confirmation of instructions' will be recorded by the authorising officer by delegation responsible. Internal rules in the Office state that such cases are to be recorded in the register of exceptions. No cases of confirmation of instructions were recorded in the register of exceptions in 2022.

### 3.1.5 Delegation of the powers of the authorising officer and acts of delegation and subdelegation embedded in the Office's financial management system



The delegation of the powers of budget implementation are prepared in accordance with the following.

- Article 157(4)(m) of the EUTM Regulation: the Executive Director (ED) will have the functions of drawing up estimates of the Office's revenue and expenditure and implementing the budget, which may be delegated.
- Article 41(1) of the Office's Financial Regulation: the ED may delegate the powers of budget implementation to employees covered by the staff regulations. Those empowered may act only within the limits of the powers expressly conferred upon them.

The Office has developed a methodology for the delegation of powers of the authorising officer to authorising officers by delegation and subdelegation, based on the following:

- decision of delegation of powers of the Office's Executive Director, including a comprehensive charter of the tasks and responsibilities of authorising officers by delegation and subdelegation;
- preparation of delegation decisions (drafting new delegations, amendments and cancellations) managed by the Office's Finance Department;
- implementation of these delegations in the Office's financial management system, with specific controls implemented that guarantees only authorised persons approving financial transactions in the electronic workflow.

The delegated powers include:

- making budget and legal commitments and carrying out the preliminary actions for these commitments;
- validating and authorising expenditure;
- establishing amounts receivable (including making financial corrections) and issuing recovery orders and cancelling established amounts receivable;
- taking individual decisions on the award of public procurement contracts, grants or prizes;
- proposing transfers of appropriations;
- waiving recovery orders limited to certain delegated authorising officers.

### 3.1.6 Network of administrative and financial officers and training in financial matters

Authorising officers by delegation and subdelegation at the Office are supported by administrative and financial officers, who ensure proper knowledge transfer in financial matters and form a network to share best practices.

Training in financial matters for relevant actors takes place throughout the year, covering procurement, grants, budgeting, internal control aspects, economic files handling, accounting and year-end closure, as well as on the use of the financial management system. Specific training sessions are carried out for newly appointed authorising officers. Additionally, in 2022, the Office organised a training on grants and simplified cost options.

### 3.1.7 External Resources Management System

The External Resources Management System (ERMS) is a system to support and promote optimal use of external resources and provide valuable input for the Office's decision-making processes on

outsourcing.

Its main objective is to establish the regular and systematic documentation of information on the Office's externalised services and its correct storage as part of the its knowledge repository. This will ensure the availability of the information required to promote continual improvement of the use of external service providers and assist in taking decisions for sourcing options and their impact.

The use of the ERMS is compulsory for all contracts over EUR 15 000 with private-sector companies. Agreements with public bodies, such as the Commission's services, other EU bodies, Member States intellectual property offices, and other national or international authorities, do not fall within the scope of the ERMS.

The ERMS is managed in a common knowledge repository. All documentation concerning direct or framework contracts, requests for offers, offers, deliverables, incidents and meeting minutes are stored in a dedicated subfolder for each Office department.

A monthly report on the consumption of the maximum available fund awarded under a framework contract (market), which follows closely and regularly the market situation, is provided to the departments together with the monthly financial status. This information is entered into the ERMS as an update in each department's overall file to help them with their procurement planning and to prepare tender documentation. This monitoring contributes to the improvement of the Office's planning of procurement procedures.

### 3.1.8 Anti-Fraud Strategy

Article 175(5) of Regulation (EU) 2017/1001 of the European Parliament and of the Council of 14 June 2017 on the European Union trade mark (EUTMR) provides that the Budget Committee must adopt an anti-fraud strategy (AFS) that is proportionate to the fraud risks, having regard to the cost-benefit of the measures to be implemented. Furthermore, the Financial Regulation of the European Union Intellectual Property Office (the 'Office') lays down the obligations for the Office and its financial actors in anti-fraud matters. In line with the above, the Office has implemented an AFS, which mainly aims to ensure a consolidated 'anti-fraud' culture in the Office, through staff awareness, processes to combat fraud, and cooperation with external actors, OLAF in particular.

### **3.2 Ex ante and retrospective evaluations of programmes and activities**

Article 29 of the Office's Financial Regulation requires the Office to, among others, perform *ex ante* and retrospective (*ex post*) evaluations of programmes and activities that entail significant spending.

As regards *ex ante* evaluations, all strategic initiatives were presented for approval via standardised project briefs. Additionally, Notes to the Executive Director are used for the proposal of operational initiatives. These describe and assess in detail relevant aspects and criteria of the proposed initiative(s), such as the underlying business case, mission or vision, envisaged objectives, required human and financial resources, risks, expected benefits and added value. Before submitting these projects briefs to the ED for approval, they all underwent a comprehensive review cycle, ensuring the analysis and acceptance by the pertinent stakeholders.

Regarding retrospective evaluations, each completed strategic initiative was subject to an end project report, through which the resulting achievements were thoroughly assessed and

compared against the objectives in the related project brief. The various chapters at the end project report address relevant evaluation criteria, such as effectiveness, efficiency, coherence, relevance and EU added value. These are also often summarised within the annex section of the respective end project report. Similar to the project briefs, the end project reports also underwent a review cycle involving all relevant stakeholders, ensuring their acceptance before submitting them to the ED for approval. A mid-term evaluation report is also prepared on the benefits delivered and value created during the execution of the Strategic Plan.

In addition to the above, in Q4 2022 the European Commission started the [evaluation of Regulation \(EU\) 2017/1001 on the European Union trade mark](#). The purpose of this evaluation is to assess the implementation of the Regulation, the legal framework for cooperation between the EUIPO and Member State IP offices, including the Benelux Office, and the work of the EUIPO.

Further to the legislative reform proposals on Geographical Indications and Designs, two impact assessments have been issued by the European Commission on [GI protection for craft and industrial products](#), and on the [legal protection of designs](#), respectively.

Article 29(4) of the Office's Financial Regulation requires the ED to 'prepare an action plan to follow up on the conclusions' of retrospective evaluations. At the Office, compliance with the Article 29(4) is ensured by the end project reports, which are the actual evaluations, and by the annual prioritisation exercise. The latter was initiated in 2020 within the scope of the strategic plan, and serves as one of the key mechanisms to follow up the SP2025 yearly implementation. Furthermore, within this context, reference is made to the:

- recent evaluation of the Observatory;
- the fact that the Office's founding regulation provides for an evaluation of the EUTMR in 2021 and every 5 years thereafter;
- Office's annual work programmes; and
- regularly performed internal and external audits.

### **3.3 Assessment of audit results during the reporting year**

#### **3.3.1 Internal Audit Service**

There have not been any 'critical' or 'very important' recommendations issued for 2022.

#### **3.3.2 European Court of Auditors**

In its 2021 annual report on EU agencies published on 27/10/2022, the European Court of Auditors (ECA) concluded that 'the Office's annual accounts present fairly, in all material respects, its financial position as of 31 December 2021, and the results of its operations, its cash flows and the changes in net assets for the financial year 2021, in accordance with the provisions of its Financial Regulation and with accounting rules adopted by the Commission's accounting officer and that the revenue and payments underlying the accounts for the year ended 31 December 2021 are legal and regular in all material respects.'

ECA made two observations that did not call into question its positive opinion. These observations

can be found in the ECA 2021 annual report on agencies for the financial year 2021 <sup>(19)</sup>.

- Observation on the legality and regularity of transactions: for 2021, ECA recalled an observation made in the audit report for the 2018 financial year, according to which it considered that a procurement procedure for cleaning and gardening services was irregular due to the relating offer being abnormally low. Therefore, it reported the total amount of payments made in 2022 under the concerned framework contract (EUR 1 708 242) as ECA considers all payments stemming from the implementation of this contract to be irregular.

As the Office did not identify legitimate reasons to justify an early termination of the contract, it has continued implementing it in line with the procurement procedure's result. The Office had followed all the steps envisaged by the Financial Regulation when dealing with an offer that could appear abnormally low. Consequently, the Office did not concur with ECA's statement that offering a service (which is exceptional and rarely used) for a reduced price represents unfair practice and offers unfair competitive advantage for competitors.

Ultimately, it is worth noting that the concept of an abnormally low offer is aimed primarily at ensuring the provider can carry out the necessary services throughout the duration of the contract. This is the case here and has been proven during the contract's implementation.

State of progress: in 2022, the framework contract came to an end. A new one has been awarded and entered into force in May 2022.

- Observation on budgetary management: the observation concerns modifying the agency's budget structure in 2021. Under this new structure, the Office made a payment of EUR 8.5 million to the European School in Alicante under title 4, 'Contribution to EU policies', instead of title 1, 'Expenditure relating to persons working with the Office', which had been the practice in previous years.

The Office justifies this modification in accordance with new provisions of its revised Financial Regulation, which entered into force in 2019, and the signature of a new agreement with the Commission and the European School entering into force late 2020. As presented by the Office in both its work programme and budget, its voluntary contribution to financing the European School of Alicante will be treated as a 'separate budget item' in accordance with the provisions of its revised Financial Regulation and, as a consequence, is funded through the Office's financial reserves. ECA considered that co-financing the European School is an instrument of human resources policy, linked to the wellbeing of EUIPO staff and their families. In that aspect, the re-classification of the related payments as a contribution to an EU policy would go against the nature of the expenditure, according to ECA.

The Office considers that it is not only appropriate but required to report separately in its budget the co-financing of the complementary contribution which, in the absence of contribution agreement with the Office, would continue to be paid by the Commission from the EU budget, in accordance with Article 25 of the Convention defining the Statute of the European Schools of 21 June 1994.

Besides the agreement being limited in time and only renewable upon approval of the

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<sup>(19)</sup> Annual Report on EU agencies for the financial year 2021  
[https://www.eca.europa.eu/Lists/ECADocuments/AGENCIES\\_2021/AGENCIES\\_2021\\_EN.pdf](https://www.eca.europa.eu/Lists/ECADocuments/AGENCIES_2021/AGENCIES_2021_EN.pdf) (pp. 290-298).

Office's governing bodies, the Office considers that it does not constitute recurrent administrative expenditure. This is even more relevant since the legislator did not include this type of expenditure among the Office's tasks or other obligations.

This was transparently presented to all stakeholders involved in the adoption of the Office's budget and work programme, including Commission representatives.

Furthermore, prior to its adoption, a formal consultation on the work programme was carried out with the Commission in accordance with the Office's Financial Regulation and did not call its sound character into question. In addition, the Work Programme template expressly provides for agency contribution agreements with the Commission for the European Schools. These agreements will be treated as separate budget items in accordance with the relevant Financial Regulation provisions.

The Office, however, agreed to consider ECA's observation together with stakeholders involved in the context of future budgeting exercises.

State of progress: the Office will further analyse ECA's observation and exchange with its discharge authority on this subject during the Budget Committee meeting of June 2023.

A short summary of observations made from previous years designated as ongoing in the ECA 2021 annual report follows hereafter, together with the Office's replies and state of play.

- Procurement procedure: in its 2018 audit report, ECA considered a procurement procedure for a framework contract for cleaning and gardening services as irregular due to the related tender being abnormally low. All payments stemming from this contract were therefore considered irregular.

State of progress: this observation was considered ongoing by ECA. The Office has followed all steps provided in its Financial Regulation when dealing with an offer that could appear as abnormally low. Consequently, the Office did not concur with the ECA statement that offering a service (which is exceptional and rarely used) for a reduced price represents unfair practice and offers unfair competitive advantage to competitors. The Office did not identify any reasons to terminate the contract early and it has consequently remained in force until its expiry in March 2022.

- Recruitment procedure: in 2019, ECA concluded that a recruitment procedure was irregular because the vacancy notice included two different profiles that had to be evaluated separately. All candidates were however assessed against all selection criteria. This led to a situation where some candidates would not have been placed on the reserve list as they would not have reached the pre-established pass mark. ECA also indicated that, in the same procedure, the selection committee replaced a candidate who had declined an invitation to an interview with a candidate who had not reached the pre-established pass-mark without providing any documentary justification as to why this candidate, who was already employed by the Office, had been invited.

State of progress: this observation was considered ongoing by ECA. In this particular case there was a misinterpretation with the assessment of the selection criteria. However, the selection boards' decisions are now more regularly documented as minutes are taken in different steps of the procedure, with issues and follow-up measures registered to improve the audit trail. The Office has also stopped publishing vacancy notices with more than one

profile to simplify the work of the selection committee and avoid confusion. The corresponding reserve list was closed in November 2021.

All other observations from previous year audits were considered completed or not applicable according to ECA.

In addition, within the context of its 2021 annual report, ECA carried out a horizontal audit on how agencies handled potential 'revolving door' situations. The Organization for Economic Co-operation and Development (OECD) defines the revolving door concept as follows: 'conflicts of interest can arise and present the risk of policy capture in the movement between positions in the public and private sectors'.

ECA examined cases between 2019 and 2021 in which current or former senior agency staff (executive directors, directors and officials at grades AD14-16) took up a job after leaving an agency or performed a paid outside activity while working for an agency. They also looked into similar cases affecting members and former members of the agencies' boards, cases which some agencies had only assessed on the basis of their own internal rules. The scope included 40 agencies.

ECA concluded that agencies 'mostly comply with their legal obligations'. The Office did not receive any observation related to this exercise and was even positively recognised as one of the 'only few agencies' that 'go beyond the minimal legal requirements when handling potential revolving door situations'. The Office also has specific provisions covering the risk of 'revolving door' situations for their board members.

Besides the annual financial audit, ECA carried out a special audit in 2022 on EU IP rights where the protection of EU trade marks, designs and geographical indications in the Single Market from 2017 to 2021 was audited.

The audit report acknowledges that the EU framework for protecting IP rights is generally solid and robust. It concludes that the Office has implemented its assigned tasks concerning the administration and promotion of EU trade marks and designs, and has therefore contributed well to protecting EU trade marks and designs.

ECA however recommends the Commission to:

- make legislative proposals to:
  - provide for the protection of geographical indications for non-agricultural products;
  - extend EU trade mark enforcement protection to all EU IP rights, introduce intervention thresholds and enlarge the definition of small consignments;
- assess the Office's governance arrangements and methodology for determining fees;
- improve EU geographical indications systems;
- improve the IP rights enforcement framework.

The Office replied on point (b) regarding the governance arrangements and discharge procedure, and the methodology for determining fees.

The Office's governance and accountability framework was confirmed and reinforced by the legislator in the last legislative reform that took place 5 years ago. It is aligned with the common



approach on decentralised agencies and with the provisions of the EU Financial Regulation, which recognise that the agencies' financing structure has an impact on their discharge mechanisms.

The Office also recalled that it is a fully self-financed agency that does not impose any burden on EU taxpayers. It is financially autonomous, financing all its activities with the revenue obtained from the fees paid by customers, mainly industries.

Moreover, the Office has always received clean audit opinions from ECA, and discharge has always been granted unanimously to the Office's ED, decisions on which every single occasion included the positive votes of the European Parliament and the European Commission.

In this context, the Office does not consider that the discharge mechanism confirmed by the legislator during the most recent legislative reform would require any modification, as it is compliant with regulations and aligned to the Office's specific context.

As regards the methodology for determining trade mark fees, the legislator opted to include fees in the founding regulation and laid down the principles on which they are set in its preamble. The fee amounts allow them to fulfil the objectives set by the legislator.

The high demand for EU trade marks and the high levels of user satisfaction demonstrate that stakeholders do not perceive any issue with the fees.

ECA only issued one recommendation to the Office concerning European cooperation projects. According to ECA, the Office should provide:

- a sound methodology for calculating lump sums;
- proper justification for running costs of EU public databases for EU trade marks and designs;
- improve evaluation systems of the European cooperation projects.

The Office accepted the recommendation to improve the financing, control and evaluation systems of European cooperation projects, and plans to find a feasible solution by the end of 2023.

With respect to the state of play, the Office is analysing possible actions in view of their timely implementation.

Additionally, ECA carried out another horizontal audit on cybersecurity in the EU institutions. The conclusions were included a special report released in March 2022. The report acknowledged positively the fact that the Office offered computer centre facilities for disaster recovery purposes and business continuity since 2019 for the decentralised agencies, allowing for a cost saving of at least 20 % compared to market prices (9 agencies have signed Service Level Agreements for the provision of this disaster recovery solution).

### **3.4 Assessment of the effectiveness of the internal control systems**

The Office assessed its internal control system during 2022 and concluded that it was effective and that the components and principles were present and functioning as intended.

The table below presents the status of the Office's actions as regards the deficiencies or opportunities for improvement identified during the previous year's exercise.

PRINCIPLE	DEFICIENCY / OPPORTUNITY FOR IMPROVEMENT (IDENTIFIED IN 2021)	CURRENT STATUS
6. Specifies suitable objectives	Lack of capacity and knowledge of IT providers resulting in quality issues of the services provided.	The Office has put in place a series of measures to ensure capacity and correct allocation of internal and external resources to the various activities and initiatives, ensuring that it meets the strategic and operational performance goals and objectives. In addition, an IT procurement strategy is being prepared.
11. Selects and develops general control over technology	<p>The Office will assess the possibility of developing and implementing further automatic controls, with the aim of increasing efficiency and consistency.</p> <p>In addition, the use of some Office tools entails international transfers that, after the Schrems II case ruling, have no valid measures in place and transfer are thus unlawful.</p> <p>Increase in the number cyber attacks to access restricted information or to disrupt Office services. As reflected in risk EUIPO_50, the worldwide increase in cyber-attacks raises the need for the Office to continue working on reinforcing IT security policies and processes.</p> <p>Log4j vulnerability affecting the security of EUIPO IT systems.</p>	<p>During 2022, initiatives to improve the automation of controls in the management of trade mark and design processes have been implemented, supporting the Office in managing the unexpected volatility of filings. In addition, the Office has fully implemented a new system to manage internal requests as part of the Robust Digital Backbone programme.</p> <p>The Office has been working extensively with software providers to ensure that all legal and compliance measures are in place, while also mitigating the risk and reducing the personal data transferred. The substitution of the last affected tool is expected to go live early in 2023.</p> <p>The Office has dedicated significant efforts in ensuring appropriate levels of security to effectively face new threats on information security. Among other measures, the strategic project on integration and expansion of IT security aims at deploying cyber intelligence tools, automating detection, analysing data traffic and implementing an intent-based network.</p> <p>As a result of the Log4j vulnerability issue affecting the Office' existing tools, which rose in December 2021, mitigation actions were completed in early 2022.</p>

13. Uses relevant information	<p>An in-depth audit on the Office’s retention policy highlighted that, while the policy is extensive and well-applied for the document management system, it does not cover all the tools currently in use at the Office.</p> <p>Some improvements have been identified in efficient support to decision-making based on data analysis.</p>	<p>The action plan to ensure consistent application of the retention policy across all systems and areas has been launched and almost fully completed.</p> <p>The Office is actively working on this topic, with the implementation of the strategic projects in data governance and literacy, dissemination analysis of IP data and modernisation of the IT landscape.</p>
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**Figure 17. Opportunities for improvement**

In addition to the ongoing actions from previous exercises, during the assessment of the internal control for 2022, several additional improvements were identified for principle 11 (see table below).

PRINCIPLE	DEFICIENCY / OPPORTUNITY FOR IMPROVEMENT
11. Selects and develops general control over technology	<p>The EUIPO website does not offer all the functionality required to accomplish efficient communication. As part of the modernised EUIPO online platform project, a new website will be launched in 2023.</p> <p>Considering that significant technological changes may have an impact on reporting and monitoring tools, the Office will strengthen controls for early identification of all potentially affected reporting and monitoring tools to ensure a smooth transition period.</p> <p>Access rights and permissions across all platforms and tools require regular checks and reviews to keep up with the pace of technological and organisational changes. The Office will focus on strengthening and consolidating adequate controls for this purpose.</p>

**Figure 18. Improvements identified for principle 11**

Combined with the assessment and identification of deficiencies and opportunities for improvement, the Office also identified the best practices and strengths of its internal control system, such as the:

- continual improvement of cybersecurity;
- publicly accessible transparency portal;
- strong performance and risk-based approach to management deeply embedded in the organisational culture;
- implementation of various cross-departmental networks on specific topics;
- implementation of an integral quality framework and quality mapping procedure;
- resilience and adaptability regarding the complex economic and political environment;

- task automation for core business processes.

### 3.5 Assessment on the costs and benefits of internal controls

The Office has implemented several controls, procedures and tools. The aim was to ensure the legality and regularity of its activities, safeguard the sound financial management of its resources, provide adequate transparency and oversight of key activities or resources to support management decisions, as well as maintaining and continuously improving the quality of its outputs.

The functions and activities considered were costs related to financial management, including budget, grant management, verification; costs associated to strategic programming and planning, internal control, assurance and quality management; costs associated to internal and external audits including ISO Certifications; costs of controls associated to IT (IT security and forensics, architecture and quality assurance).

These costs, to the best of the available information, have been classified between *ex ante* and *ex post* controls. The Office will further refine the methodology used to estimate the costs of controls in upcoming years.

**Figure 19. Ex ante and ex post costs**

EX ANTE			EX POST			TOTAL (EUR MILLION)
EFFORT (FTEs)	CONTRACTED COSTS (EUR MILLION)	TOTAL EX ANTE (EUR MILLION)	EFFORT (FTEs)	CONTRACTED COSTS (EUR MILLION)	TOTAL EX POST (EUR MILLION)	
45.07	2.77	7.95	3.96	0.05	0.51	8.46

2.74 % of the total executed budget was invested in the control functions mentioned above.

The controls implemented at the Office bring benefits to the business in addition to merely ensuring compliance. Considering the comprehensive system of internal control at the Office, the benefits comprise both considerations to sound financial management, anti-fraud and legal compliance as well as benefits to both the Office and its users. These have been demonstrated by:

- compliance with regulatory requirements;
- reliable reporting that supports MAC and MBBC decision making on matters such as resource allocation and strategic investments;
- consistent mechanisms for processing financial transactions, supporting quality of information and communications across the Office and with external stakeholders, providing reliable recordkeeping and ongoing integrity of data;
- increased efficiency within functions and processes;
- risk of fraud reduction or irregularities in both financial and non-financial transactions and procedures, as no cases have been identified or arisen;
- minimising risks affecting assets, staff or information;

- ability and confidence to accurately communicate business performance with relevant stakeholders (including other IP offices, customers, etc.), which supports relationship continuity;
- the deterrent effect of controls;
- prevention of conflict of interests;
- the Budget Committee has consistently granted discharge to the Executive Director of the Office to implement the budget;
- avoiding reputational damage;
- ECA consistently expressing an unqualified opinion on the reliability of the accounts and on the legality and regularity of the transactions underlying the accounts;
- the relatively few observations by ECA, IAS and other auditors, as well as the prompt action the Office has taken in addressing the recommendations accompanying these observations, thereby reducing risks.

Further to the above benefits, the Office has implemented a set of monitoring indicators and key performance indicators, and refined this list in the aim of both supporting the monitoring of the work programme and strategic plan implementation as well as reflecting the results of control activities and quality programmes. Some of said indicators, reflecting on the efficiency, effectiveness and economy of controls, are the following:

- compliance with internal audit recommendations;
- reviewed personal data processing operations found compliant;
- staff awareness of anti-fraud strategy;
- budget forecast accuracy (expenditure);
- budget forecast accuracy (revenue);
- budget forecast accuracy (carry-over);
- Office tools availability;
- IT security index.

All the above indicators are within compliance limits or excellence values, as reflected in Appendix A.

The control strategy is therefore considered adequate and, in terms of costs, proportionate to the risks it serves to mitigate and provides reasonable assurance that the budget has been effectively implemented, on time and complying with the rules. Nevertheless, the Office continues to review its internal control procedures and policies to implement improvements, risk management and ensure a proportionate balance between cost and benefits of controls.

### **3.6 Overall conclusions on assurance and reservations**

The ED and the authorising officers by delegation gave reasonable assurance that, overall, suitable controls were in place and working as intended; risks were being monitored and mitigated appropriately and necessary improvements and reinforcements were implemented. The ED, as authorising officer, signed the Declaration of Assurance.



### 3.7 Declaration of Assurance

I, the undersigned, Executive Director of the European Union Intellectual Property Office,

In my capacity as authorising officer,

Declare that the information contained in this report gives a true and fair view.

State that I have reasonable assurance that the resources assigned to the activities described in this report have been used for their intended purpose and in accordance with the principles of sound financial management, and that the control procedures put in place give the necessary guarantees on the legality and regularity of the underlying transactions.

This reasonable assurance is based on my own judgement and on the information at my disposal, such as the results of the self-assessment, *ex ante* and *ex post* controls, the work of the Internal Audit Service, the lessons learned from the ECA reports for the years prior to the year of this declaration.

Confirm that I am not aware of anything not reported here that could harm the interests of the Office.

Alicante, 28 February 2023



Christian Archambeau  
Executive Director

### 3.8 Statement of the Head of Service in charge of risk management and internal control

I, the undersigned, in my capacity as Head of Service in charge of risk management and internal control, declare that in accordance with the internal control framework adopted by the Budget Committee (BC-18-06), have reported my advice and recommendations on the overall state of internal control in the Office to the Executive Director.

I hereby certify that the information provided in the present consolidated annual activity report and in its annexes is, to the best of my knowledge, accurate, complete and reliable.

Alicante, 28 February 2023



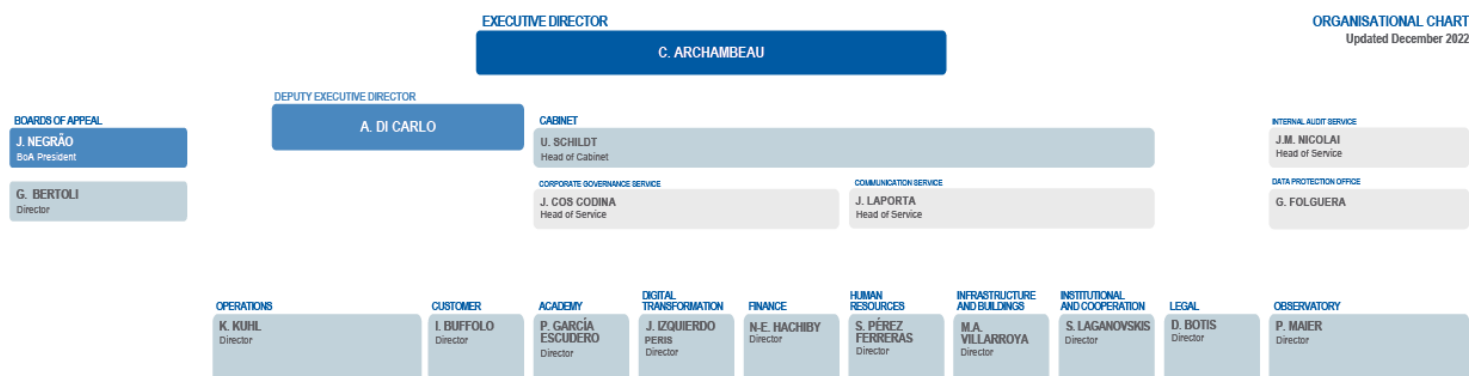
Jaime Cos Codina  
CGS Head of Service

## APPENDIX C - Mission Statement and Organisational Chart <sup>(1)</sup>

The Office's mission is to administer and promote the EU trade mark system and design systems. To do so, the Office carries out examination, registration, opposition and cancellation procedures for EUTMs and examination, registration and invalidity procedures for RCDs. All decisions adversely affecting a party to a proceeding can be appealed to the Office's Boards of Appeal.

The Office is also responsible for promoting convergence of practices and tools in the fields of trade marks and designs. To do so, it cooperates with the central industrial property offices of the Member States (including the Benelux Office for Intellectual Property) and other institutions, authorities, industrial property offices and international organisations.

The Observatory's mission is to increase public understanding of intellectual property rights and their infringement. It does this through economic studies, awareness-raising events and educational projects, as well as by managing the EU database on orphan works and a public single online portal for out-of-commerce works <sup>(2)</sup>.



\* Please refer to the following [link](#) in the EUIPO website for the most updated version of the Office's organisational chart

<sup>(1)</sup> CAAR European Commission template equivalent to Annex III. Organisational chart. Disclosure covered in this section: 2-9 Governance structure and composition (additional data also included in the [2022 GRI Content Index](#)).

<sup>(2)</sup> As laid down in Directive (EU) 2019/790/EU of the European Parliament and of the Council of 17 April 2019 on copyright and related rights in the Digital Single Market, the Office is responsible for establishing and managing a public single online portal for out-of-commerce works.

## APPENDIX D — Corporate Risk Register

Risk ID (risk raised)	Risk Description	Risk Type	Existing Controls or Actions Already Taken	Residual Risk Level Impact (I) Likelihood (L)	Risk Response Avoid / Transfer / Reduce / Accept(watch)	Action Plan Summary Additional (ongoing) actions to mitigate risk
EUIPO_66 (Q1/2022)	<p><b>Uncertainty and volatility of the world economy is affecting the implementation of the Office strategy and the Work Programme.</b></p> <p>Adequate planning and budgeting need to be aligned with the current market volatility and economic uncertainties, which requires close monitoring of all expenses, continuous forecasting of filings volume and the prioritisation of projects, among others.</p> <p>The economic shocks – which have been accentuated/accelerated by the war in Ukraine – are threatening Office operations and generally disrupting IP systems.</p> <p>The combination of a drop in filings with increased prices requires the Office to manage expenses in a prudent manner while ensuring operational effectiveness and making the investments that are essential for the achievement of the SP2025 main goals.</p> <p>The IMF in January 2023 saw a 'turning point' for the global economy as it raised its growth outlook for the first time in a year. Global inflation is expected to fall slowly and remain still above pre-pandemic levels at least until the end of 2024, according to the IMF's most recent world economic outlook. Slight upgrades in terms of economic growth predicted by the IMF shows that a widespread recession is less likely than before.</p> <p><i>The ongoing conflict also may increase the likelihood of cyberattacks. See mitigating actions at the corporate risk EUIPO_50.</i></p>	Corporate / Reputational	<p>The Office coordinated the adaptation of the scopes of projects for 2023, in line with budget availability and following a similar exercise in 2022.</p> <p>Regular forecasts prepared and discussed (volume of filings).</p> <p>Close monitoring of all expenses to try to compensate for inflation with savings where feasible.</p> <p>Prioritisation exercise: deliverables planned for projects in 2023 have been carefully revised.</p> <p>Working Group on the Ukraine situation was created with the purpose of monitoring actions to be taken, in line with EC instructions.</p> <p>Customer feedback is thoroughly analysed. Online chat services provided to users and customers.</p> <p>Communications on external channels, mainly the Office website and social media corporate accounts. Monitoring reactions from different angles (IP community, third countries, EU Institutions and bodies, IP press coverage etc.).</p>	20 I (4) L (5)	Reduce	<ul style="list-style-type: none"> <li>- Continue the detailed forecasting exercise of filings, together with the close monitoring of all expenses and the prioritisation of projects.</li> <li>- Coordinate actions and responses with the European Commission.</li> <li>- The Working Group on the Ukraine situation to continue its regular follow-up meetings. The extension of all deadlines for parties residing in Ukraine is currently granted until 3 April 2023 (to be extended if needed).</li> </ul>
EUIPO_50 (Q2/2018)	<p><b>Cyberattacks disrupting Office services.</b></p> <p>The growth of the Office's business, with the corresponding increase in its digital footprint, coupled with a worldwide increase in 'cyberattacks', raises the</p>	Safeguarding of assets, information and staff	<p>Staff awareness activities on information security organised regularly.</p> <p>Mechanisms in place to prevent attacks, including multi-factor authentication for access from outside the Office.</p>	20 I (4) L (5)	Reduce	<ul style="list-style-type: none"> <li>- Continuous update and review of IT security processes and policies coordinated by the IT security team, conducting simulations and social engineering tests.</li> </ul>

RISK ID (risk raised)	RISK DESCRIPTION	RISK TYPE	EXISTING CONTROLS OR ACTIONS ALREADY TAKEN	RESIDUAL RISK LEVEL Impact (I) Likelihood (L)	RISK RESPONSE Avoid / Transfer / Reduce / Accept(watch)	ACTION PLAN SUMMARY Additional (ongoing) actions to mitigate risk
	possibility of suffering 'cyberattacks' aimed at gaining access to this information or at disrupting the Office's services.		<p>Improved perimeter security systems for automated attacks.</p> <p>Improved network infrastructure and data leak protection.</p> <p>Implementation of information security hardware and infrastructure.</p> <p>The Network Admission Control (NAC) initiative ensures that only safe devices from external companies are allowed to connect.</p>			<ul style="list-style-type: none"> <li>- Implementation of quarterly vulnerability scans and penetration tests of the Office's security perimeter, monthly vulnerability scans of servers.</li> <li>- Enhancement of the patching process with new technology to deal with the ever-increasing number of vulnerabilities.</li> <li>- Strategic project on integration and expansion of IT security is launched to deploy cyber intelligence tools, automate detection, analyse data traffic and implement an intent-based network.</li> </ul>
EUIPO_60 (Q1 2020)	<p><b>Lack of capacity and knowledge of the IT providers resulting in quality issues in the services provided.</b></p> <p>The proper functioning of IT operations, the maintenance of the IT systems landscape and the delivery of strategic changes can be impacted by the lack of knowledge or capacity of the service providers and can potentially lower the quality of the services delivered.</p>	Operational / Strategic	<p>Continuous follow up of activities implemented.</p> <p>Regular meetings with IT providers' management.</p> <p>Reinforce and monitor SLAs and KPIs in all service contracts to be delivered from offshore and near site premises: deliverables on time, with the expected quality, and report rejections.</p> <p>Specific training organised for newcomers joining a service provider.</p> <p>Close follow up of the IT maintenance provider and monitoring of the releases delivered.</p> <p>The Office reserves the right to use contractual remedies if the services delivered by the provider do not meet the established quality and timeliness criteria.</p>	<b>16</b> I (4) L (4)	Reduce	<ul style="list-style-type: none"> <li>- Work closely with service managers to monitor the knowledge and performance of the teams and organise a continuous service improvement programme including technical and organisational actions.</li> <li>- Monitor the knowledge acquired and maintained by the IT experts working for the IT adaptive and maintenance provider and monitor the releases delivered to detect any anomalies at the earliest stage.</li> </ul>
EUIPO_65 (Q4/2021)	<p><b>Risk of insufficient reinforcement of SMEs in terms of IP protection, due to the complexity of the SME landscape in the current volatile market situation.</b></p> <p>The Office is already investing, and will continue to invest, significant resources in SME-related activities. Many European and international stakeholders – European Commission, Member State IP Offices, user associations, beneficiaries and customers – will be impacted.</p> <p>The complexity of the SME landscape requires coordinated actions in the Office to ensure the best possible outcome for all stakeholders. Due to this complexity and</p>	Strategic / Reputational	<p>2023 SME fund call published (open for applications as of 23 January 2023) with its own application webpage, following the closure of the 2022 fund in December 2022.</p> <p>Communication and outreach materials shared with IP Offices, the European Commission and with 'Ideas Powered for business' stakeholders.</p> <p>Regular communication via existing channels (newsletters, regular and ad hoc meetings).</p> <p>Bimonthly meetings organised with IP Offices and the European Commission to coordinate the activities.</p> <p>An <a href="#">online chat</a> for users is available and <a href="#">specific FAQ are published</a> in addition to the</p>	<b>15</b> I (5) L (3)	Reduce	<ul style="list-style-type: none"> <li>- Set up and discuss with all relevant stakeholders an integrated strategy on the various SME initiatives, to establish measurable impact targets.</li> <li>- Implementation of the new re-defined governance for SME initiatives as of August 2022.</li> <li>- Ongoing discussions with the EC on the enlargement of the SME Fund with new voucher actions to - be implemented in 2023.</li> <li>- Ongoing implementation of the 'Ideas Powered for Business' SME Fund Intellectual Property Voucher Control Strategy (approved in October 2022).</li> </ul>

Risk ID (risk raised)	Risk Description	Risk Type	Existing Controls or Actions Already Taken	Residual Risk Level Impact (I) Likelihood (L)	Risk Response Avoid / Transfer / Reduce / Accept(watch)	Action Plan Summary Additional (ongoing) actions to mitigate risk
	<p>the volatile situation on the market, there is a risk that the Office's efforts to disseminate information and reinforce the position of SMEs in terms of IP protection may not be sufficiently effective.</p> <p>Outreach has to be ensured to a vast target population and the Office must coordinate communication efforts and avoid duplication of efforts.</p> <p>These activities are complementary, each relying on the action of the other to engage partners and make the necessary human and IT resources available.</p> <p>Processes need to be simplified as much as possible, while ensuring compliance with the applicable regulations.</p>		<p>webpage. SMEs' satisfaction and feedback are measured, monitored and reported.</p> <p>SME projects under the SME programme follow a strategic project governance model with regular reporting and communication. In addition, the SME programme is presented and discussed with stakeholders via regular institutional meetings.</p> <p>Two internal audits and one data protection audit were carried out on SME Fund-related activities in 2022.</p> <p>Communication activities are coordinated under the 'SME outreach' strategic project and under various activities for European and international cooperation partners.</p> <p>A financial mechanism is in place under cooperation agreements with the Member States using the methodology of European Cooperation Programmes, in compliance with Article 152 of the European Union trade mark regulation, related to cooperation actions with Member States.</p> <p>Social media accounts are maintained and there is a paid advertising strategy on social media. There is multilingual, EU-wide advertising and a marketing campaign to raise awareness of the programme.</p>			<p>- Ensure regular communication and reporting of the SME programme and the SME Fund internally and externally.</p> <p>- Ensure engagement of the Member States' IP Offices, User Associations and the European Commission in the timely and successful implementation of actions (regular meetings, technical visits, among others).</p>
EUIPO_47 (Q2/2018)	<p><b>Unauthorised access to restricted information (data leaks).</b></p> <p>As part of the Strategic Plan, the Office is running the Cloud Strategy project with the aim of driving a more agile digital workplace. In the cloud, information (i.e., data in general, including e.g., temporary files, etc.) referring to emails, personal data, Microsoft 365 solutions and video conferencing tools is managed. The possibility of making this information available to unauthorised persons could have a relevant strategic, operational and reputational impact for both the Office and the Cloud Solutions Providers (CSPs). Video conferencing tools and in particular Teams and Zoom have been identified as potential risks in terms of telemetry data shared with third parties acting as sub processors.</p>	Strategic/ Operational/ Reputational/ Safeguarding of assets, information and staff	<p>The Office activated multi-factor authentication (MFA) for access from outside of the Office network.</p> <p>Modernisation of ITSM Tool, IT security risk assessment is in place for all new cloud products.</p> <p>The Office has signed up to the framework contract that is enforcing all EC regulations in terms of security and data protection.</p> <p>A cloud policy and a cloud usage tracker is in place to create a security assessment log and the progress of open issues is regularly monitored.</p> <p>Continuous monitoring of IT security issues related to cloud services is ensured, supported by CERT-EU investigation and adverts.</p>	15 I (5) L (3)	Reduce	<p>- Any system accessible from the internet and offering an authentication page without MFA is at risk; several systems are identified where this risk is increasing; the Office monitors these systems for which the risk likelihood increases.</p> <p>- Increase awareness of policies in place through information sessions organised throughout the Office, with a focus on Microsoft 365 terms of use.</p> <p>- The outcome of the cloud policy and each DPO assessment has a go/no-go decision, literally avoiding tools that cannot prove through certificates and processes that the data is protected, including from an accessibility perspective.</p>

## APPENDIX E – Plan for grants, contribution and service-level agreement (1)

GENERAL INFORMATION						FINANCIAL IMPACT (IN EUR) – TOTAL AMOUNT PER YEAR					
	ACTUAL OR EXPECTED SIGNATURE DATE	TOTAL AMOUNT (IN EUR)	DURATION	COUNTERPART	SHORT DESCRIPTION	2022	2023	2024	2025	2026	
<b>GRANTS</b>											
1.	GR/002/21 Support for awareness-raising on the value of IP and damage caused by counterfeiting and piracy	October 2021	980 521	1 year	Different beneficiaries	Support for awareness- raising on the value of IP and damage caused by counterfeiting and piracy	599 108				
<b>CONTRIBUTION AGREEMENTS</b>											
1.	PaGoDa – IPKey SEA	11/05/2017	7 000 000	01/09/2017- 31/03/2022	DG TRADE and Service for Foreign Policy Instruments (FPI)	The overall objective of the project is to act on a national level to establish a fair implementation of IP rights protection, greater transparency and an improved enforcement system for EU companies operating in Southeast Asia (SEA).	2 000 000				
2.	PaGoDa – IPKey China II	11/05/2017	7 000 000	01/09/2017- 31/08/2022	DG TRADE and FPI	The overall objective of the project is to promote a more level playing field for companies operating in China by contributing to greater transparency and a fair	1 200 000				

(1) CAAR European Commission template equivalent to Annex VI. Contribution, grant, and service-level agreements. Financial Framework Partnership Agreements.

GENERAL INFORMATION						FINANCIAL IMPACT (IN EUR) – TOTAL AMOUNT PER YEAR				
	ACTUAL OR EXPECTED SIGNATURE DATE	TOTAL AMOUNT (IN EUR)	DURATION	COUNTERPART	SHORT DESCRIPTION	2022	2023	2024	2025	2026
					implementation of the IP rights protection and enforcement system in China.					
3. PaGoDa – ARISE + IPR SEA	31/12/2017	5 555 556	01/01/2018-31/12/2022	DG INTPA and DG TRADE	The objective of the project is to support the Association of Southeast Asian Nations (ASEAN) regional integration and further upgrade and improve the systems for IP creation, protection, utilisation, administration and enforcement in the ASEAN region, in line with international IP best practice and standards and the ASEAN IPR Action Plan 2016-2025. The EUIPO carries out all budget implementation tasks. In this context, it mainly tenders services during the implementation of its project activities for the benefit of SEA/EU businesses and SEA IP offices/IP authorities.	1 280 058				
4. Contribution agreement - Caribbean Regional IPR Project	03/10/2019	4 000 000	01/11/2019-30/04/2024	EUD to CARICOM/ CARIFORUM and DG INTPA	The overall objective of the project is to contribute to the integration of the Caribbean Forum (CARIFORUM) States in the world economy by strengthening the framework that enables and stimulates the innovation and competitiveness of the private sector.	1 000 000	1 000 000	580 000		



GENERAL INFORMATION						FINANCIAL IMPACT (IN EUR) – TOTAL AMOUNT PER YEAR					
	ACTUAL OR EXPECTED SIGNATURE DATE	TOTAL AMOUNT (IN EUR)	DURATION	COUNTERPART	SHORT DESCRIPTION	2022	2023	2024	2025	2026	
5.	Contribution agreement - Georgia IPR Project	16/12/2019	1 170 000	01/02/2020-31/12/2022	DG NEAR	The overall objective of the project is to support the Georgian authorities in their efforts to harmonise with European standards and integrate into the global economy, stimulating economic development and market opportunities.	400 000				
6.	Contribution agreement - Pan-African IPR Project	20/12/2019	17 140 000	01/02/2020-31/01/2025	DG INTPA	The project's overall objective is to facilitate intra-African trade and African and European investment. The EUIPO implements all budget implementation tasks. In this context, it mainly tenders services during the implementation of the project activities for the benefit of African and EU businesses and African IP offices and IP authorities.	4 000 000	4 000 000	4 000 000	4 000 000	
7.	Contribution agreement – IP Key Latin America – Phase II	TBC	4 333 333	01/01/2021-30/11/2024	DG TRADE and FPI	The overall objective of the project is to promote a more level playing field for EU companies operating in Latin America by contributing to greater transparency and a fair implementation of the IP rights protection and enforcement systems in Latin America.	1 444 444.33	1 444 444.33	1 444 444.33		
8.	SME support via the EU programme for the	Nov-Dec 2020	20 000 000	12 months	DG GROW	Contribution agreement from the COSME Programme for the implementation of an action to provide financial relief to	19 800 000				

GENERAL INFORMATION						FINANCIAL IMPACT (IN EUR) – TOTAL AMOUNT PER YEAR				
	ACTUAL OR EXPECTED SIGNATURE DATE	TOTAL AMOUNT (IN EUR)	DURATION	COUNTERPART	SHORT DESCRIPTION	2022	2023	2024	2025	2026
competitiveness of enterprises and small and medium-sized enterprises (COSME)					SMEs for IP-related costs. The action implemented by the EUIPO will support innovative SMEs to continue with their IP strategies, providing grants to EU SMEs to cover the costs of applying for EU or national trade marks and designs.					
8.1 Addendum to SME support via COSME	Nov-Dec 2020			DG GROW	Extension of time frame to 2022 financial year.					
9. SME support via Single Market Programme	Nov-Dec 2021	30 000 000 <sup>(2)</sup>	01/01/2022-31/12/2026	DG GROW	Multiannual Contribution agreement from Single Market Programme for implementation of an action to provide financial relief to SMEs with IP-related costs. The annual transfer of fund agreements will be concluded between the European Commission (EC) and the EUIPO establishing yearly budgets and actions. The action implemented by the EUIPO will support SMEs to continue with their IP strategies and thereby maintain and improve their competitiveness by receiving financial help for IP-related activities in the form of grants.	16 000 000	7 000 000	7 000 000		
10. European School	10/07/2020	1 947 663.83	01/09/2020-31/08/2025	European School of Alicante	The MoU between the School and the EUIPO covers	382 663.83	350 000.00	405 000.00	405 000.00	

<sup>(2)</sup> The figure includes the EC's contribution of EUR 2 000 000.

GENERAL INFORMATION						FINANCIAL IMPACT (IN EUR) – TOTAL AMOUNT PER YEAR				
	ACTUAL OR EXPECTED SIGNATURE DATE	TOTAL AMOUNT (IN EUR)	DURATION	COUNTERPART	SHORT DESCRIPTION	2022	2023	2024	2025	2026
					cooperation in the area of pre-school or post-school activities and related support activities.					
11. European School	26/06/2019	44 653 244.37	01/09/2020-31/12/2025	European School of Alicante, European Commission and the European Schools	The Financing Agreement is a tripartite agreement signed between the EC, the EUIPO and the Office of the Secretary General of the European School, about the financing of the budget of the European School of Alicante.	8 447 152.00	8 804 560.00	8 962 766.15	9 132 767.45	
<b>Total Contribution Agreements</b>		<b>142 799 797.20</b>								
<b>SERVICE-LEVEL AGREEMENTS (SLA)</b>										
1. Administrative Agreement with DG AGRI	17/12/2019	N/A	Indefinite. May be terminated either by mutual consent of both parties or unilaterally by giving 6 month notice.	European Commission-DG AGRI	The MoU signed on 25 April 2019 between the EC and the EUIPO provides a framework for the conclusion of detailed working arrangements with individual Commission departments, and specifically envisages closer practical cooperation between the EUIPO and DG AGRI in Chapter 7.	N/A	N/A	N/A	N/A	N/A
2. EUIPO-Europol	07/11/2019	3 800 000	07/11/2019-31/12/2023	Europol	SLA to increase cooperation in the field of counterfeiting and piracy to prevent and combat criminal activities that infringe IP.	950 000	950 000			
3. EUIPO-DG HR	16/12/2015		01/03/2016-26/05/2024	DG HR	SLA on the issuance process of the <i>laissez-passer</i> of the EU in accordance with Council Regulation (EU) No 1417/2013 relating to the cooperation between the EC	6 000	5 000	11 400		

GENERAL INFORMATION						FINANCIAL IMPACT (IN EUR) – TOTAL AMOUNT PER YEAR					
	ACTUAL OR EXPECTED SIGNATURE DATE	TOTAL AMOUNT (IN EUR)	DURATION	COUNTERPART	SHORT DESCRIPTION	2022	2023	2024	2025	2026	
					acting as a central service and the institutions of the EU under this Regulation.						
4.	EUIPO-DG HR	14/12/2017		01/10/2018- unlimited duration	DG HR	The SLA establishes the conditions under which DG HR provides services, goods or works ('services') to the EUIPO. The services provided in particular are related to learning and development, medical services, security badges and clearance.	11 310	9 405	9 405	9 405	1 905
5.	EUIPO-European External Action Service (EEAS)	29/06/2018		29/06/2018- unlimited duration	EEAS	The SLA sets out general rules and principles applicable to the hosting of EUIPO office and staff members within the EU Delegations, as well as the specific conditions of services and assistance that the EEAS provides to the EUIPO to enable the EUIPO to carry out its mandate and responsibilities in countries outside the EU where it has an established office.	215 000	250 000	300 000	300 000	300 000
6.	EUIPO-Paymaster Office (PMO)	29/11/2018		01/10/2019- unlimited duration (new SLA under process of signature)	PMO	The SLA establishes the conditions under which the PMO provides services, goods or works ('services') to the EUIPO. In particular, the services provided cover: sickness, accidents, occupational disease; unemployment; pensions, invalidity allowance, transfers, severance grants; salary	734 735.71	746 124.11	757 689.04	769 433.22	734 735.71

GENERAL INFORMATION						FINANCIAL IMPACT (IN EUR) – TOTAL AMOUNT PER YEAR				
	ACTUAL OR EXPECTED SIGNATURE DATE	TOTAL AMOUNT (IN EUR)	DURATION	COUNTERPART	SHORT DESCRIPTION	2022	2023	2024	2025	2026
					calculation and payment; determination of individual entitlements and allowances and reimbursements on taking up appointment; transfers during the career or leaving the service; the determination of mission expenses under the EU staff rules; the reimbursement of expenses outside the EU staff rules: expenses of experts and candidates; reimbursement of expenses outside of the EU staff rules: expenses of seconded national experts; visa services; other services.					
7.	EUIPO-EU Agencies Network (EUAN) (DG HR)		01/01/2019-unlimited duration	EUAN (DG HR)	Expat administrative support. The costs relating to the SLA EUIPO EUAN (DG HR) agreement are not fixed as they are approved by the Heads of Agencies each year in October due to the yearly budgetary cycle.	152 703.35	154 573.77	162 237.97	162 514.52	165 160.06
8.	EUIPO-European Personnel Selection Office (EPSO) European School of Administration (EUSA)	04/04/2019	N/A	01/04/2019-unlimited duration	EPSO	The SLA establishes the conditions under which EPSO and EUSA ('service providers') provide services, goods or works ('services') to the EUIPO. In particular, the services covered include: EPSO provides assistance to institutions, agencies and bodies at their request to select	N/A	N/A	N/A	N/A

GENERAL INFORMATION						FINANCIAL IMPACT (IN EUR) – TOTAL AMOUNT PER YEAR				
	ACTUAL OR EXPECTED SIGNATURE DATE	TOTAL AMOUNT (IN EUR)	DURATION	COUNTERPART	SHORT DESCRIPTION	2022	2023	2024	2025	2026
					officials, TAs and CAs to ensure the transparency and standardisation of their selection procedures. EUSA provides training services to the EU agencies, institutions and bodies. This replaces a previous agreement. Unless tailor-made or outside the scope of the present SLA, the services are free of charge.					
9.	Corrigendum + Addendum to the SLA EUIPO-EPPO EUSA	July 2020	210 000	21/06/2019-06/07/2021	EPPO					
10.	Administrative agreement EUIPO-DG TAXUD	04/06/2018		3 years (until 04/06/2021) – extended one year (until 03/06/2022)	DG TAXUD	69 583				
11.	EUIPO- EUROJUST	10/03/2021	750 000	31/12/2024	EUROJUST	187 300	187 300	187 300		
12.	EUIPO-European Anti-Fraud Office (OLAF)	01/03/22	1 412 260	31/12/2024	OLAF	563 410	580 035	268 815		
13.	EUIPO-DG TAXUD	4/07/2022	961 918	3/7/2025	DG TAXUD	100 918	279 000	291 000	291 000	

## APPENDIX F — European Observatory on Infringements of Intellectual Property Rights 2022 Annual Activity Report

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## 1 Executive Director's Introduction

In 2002, the Office celebrated the 10th anniversary of the entry into force of Regulation (EU) No 386/2012 of the European Parliament and of the Council of 19 April 2012 on entrusting the Office with the European Observatory on Infringements of Intellectual Property Rights. Over the past 10 years, the Observatory has built a broad and rich network of public, private and civil society stakeholders and observers. It has published more than 110 studies on economic and other aspects of IP, and its studies and initiatives have been cited almost 900 times in EU policy documents. The Observatory's work helps the Office close the IP circle from registration to enforcement, while raising awareness of IP in the process.

The EUIPO's Strategic Plan 2025, includes several high-level initiatives of relevance to the work of the Observatory, such as working with intermediaries, artificial intelligence (AI) and technology, and small and medium-sized enterprises (SMEs). As an integral part of the Office, the Observatory contributes to the execution of the Strategic Plan. This is reflected in the 2022 Work Programme of the Observatory.

As shown by the most recent IP Contribution Study published in partnership with the European Patent Office (EPO), the economic importance of IP rights to jobs, GDP and trade in the EU has become even greater in recent years. Many of the studies carried out by the Observatory aim to address three areas – to quantify the importance of intellectual property rights (IPRs) to the economy; to map what European Union citizens and SMEs think and know about IPRs; and to quantify the extent of IPR infringement and its consequences for the economy and society more generally. Two of the 'foundation' studies were also updated in 2022: the Intellectual Property and Youth Scoreboard and the SME Scoreboard. Both are on their third edition.

During 2022, the Office continued its collaboration with the Organisation for Economic Cooperation and Development (OECD) by carrying out two studies of international trade in counterfeit goods: a study on counterfeits that can pose a threat to health, safety and the environment, and a study on the impact of IPR infringement on SMEs. The Office continued to participate actively in the leadership of the OECD's Task Force on Countering Illicit Trade, in close coordination with the European Commission.

The research conducted by the Observatory with partners such as Europol has demonstrated that the idea that intellectual property (IP) crime is a victimless crime is wrong, and that IP crime is as dangerous as other types of crime. Also, it seriously damages the economic and societal interests of the European Union. IP crime is now included as a priority for law enforcement in the European Multidisciplinary Platform Against Criminal Threats (EMPACT) policy cycle, which runs from 2022 to 2025, and the Office is supporting the enforcement actions within the mandate of Regulation (EU) No 386/2012.

During 2022, there was a continued focus on awareness-raising activities, and in particular on IP in education.

Successful pan-European media campaigns were carried out, especially on the occasion of the World Anti-Counterfeiting Day in June. The European online content portal, Agorateka, contained information from portals in 22 Member States, as well as Switzerland and the UK, covering more than 3 460 legal offer sites at the end of the year. The network of Authenticities continued to grow and now includes 11 cities in 5 countries.

On the wider international stage, the Office cooperated closely with the European Commission and EU enforcement agencies to ensure close alignment with broader EU policies and priorities in the field of IP. To strengthen the fight against counterfeiting and piracy, the EUIPO cooperated with Europol and Eurojust, supporting their fight against IP crime. Intensive

cooperation is also ongoing with the European Union Agency for Law Enforcement Training (CEPOL), and the European Anti-Fraud Office (OLAF).

Following the disruption caused by the COVID-19 pandemic in 2020 and 2021, 2022 marked a resumption of face-to-face meetings (albeit often with an online component) and, in general, a return to normal working practices. However, the war in Ukraine and the resulting economic disruption affected the Office negatively in 2022 and resulted in financial constraints. Nevertheless, the Observatory was able to carry out its 2022 Work Programme successfully.

Christian Archambeau  
Executive Director, EUIPO

## 2 The Observatory and the EUIPO

The EUIPO's Observatory is the secretariat of the European Observatory on Infringements of Intellectual Property Rights. Headed by a Director, it comprises the Operations & Projects Area, led by a deputy director, and includes services for Enforcement, IP in the Digital World, Outreach and Knowledge of IP<sup>(1)</sup>, and Economics & Statistics.

As well as representatives of the 27 Member States, the Observatory network includes 70 representatives from the private sector, 11 organisations representing civil society, 15 European and international organisations that act as observers, and 5 MEPs designated by the European Parliament, who follow its activities.

Private sector representatives include a broad and balanced range of EU and international bodies representing the various economic sectors – including the creative industries, which are the most involved or experienced sector in the fight against infringements of IPRs. Consumer organisations, SMEs, authors, and other creators are also represented. In this way, the Office complies with the requirement of proper representation in the Observatory of all the actors mentioned in Article 4(2) of Regulation (EU) No 386/2012 of the European Parliament and of the Council of 19 April 2012 on entrusting the Office for Harmonization in the Internal Market (Trade Marks and Designs) with tasks related to the enforcement of intellectual property rights.

A full list of members of the network is available on the Observatory website at: <https://euipo.europa.eu/ohimportal/en/web/observatory/observatory-network>

The Observatory has a published set of criteria for private sector stakeholders, designed to ensure that the Observatory can benefit from a broad range of expertise, while ensuring that only organisations directly interested in its work participate (See Box 1).

### Box 1 – Observatory criteria for new private stakeholders

- Pan-European associations or international organisations;
- Registered in the [EU Transparency Register](#);
- Not individual corporations;
- Affected by counterfeiting or piracy and/or active in enforcement;
- Able to represent civil society / consumers or companies/authors/creators within their specific sectors;
- Able to provide key information about a particular sector, including statistical data in compliance with [Article 5\(2\)\(b\) of Regulation \(EU\) No 386/2012](#).

To ensure that the Observatory network represents a wide range of perspectives, additional civil society organisations are encouraged to become stakeholders. During 2022, two national consumer associations joined the network: CEIP – Centre for Consumer Education and Information (Croatia) and InfoCons Association (Romania). Such national civil society organisations are exempt from the requirement of registration in the EU Transparency Register.

The Observatory representatives collaborate in working groups (WGs) on several different subjects. The members of these WGs provide valuable feedback and support for the Observatory's projects, so that expert advice from all sectors involved can be considered.

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<sup>(1)</sup> This reflects the reorganisation of the department that came into effect in July 2022. Prior to that, the Operations & Projects area consisted of two services.

There are currently four WGs:

- Enforcement;
- IP in the Digital World;
- Public Awareness;
- Economics and Statistics.

The WGs meet twice a year, in spring and autumn.

In recent years, several new activities that transcend the existing WGs have been taken on board, such as the activities in support of the European Commission's SME initiatives, cooperation with intermediaries or the need to monitor new technologies. In addition, now that the foundations have been laid through various studies and tools, the focus of the Observatory is shifting towards more specific activities such as IP in Education or International Cooperation, while, of course, always respecting the framework laid down by Regulation (EU) No 386/2012.

The issues dealt with by the former Legal and International WG and the abovementioned specialised subjects are dealt with by focused expert groups (EGs). In these, experts in the specialised areas provide expertise and input to Observatory initiatives. The EGs help to guide the implementation of Observatory projects in specialised areas and are made up of experts. Experts represent themselves and not a particular organisation or institution.

A particular EG will only exist if its work is still required; however, new EGs can be created as needed.

There are currently five Observatory EGs:

- Observatory Outreach;
- Legal;
- Impact of Technology;
- Cooperation with Intermediaries;
- International Cooperation.

The four WGs met in Alicante from 29-31 March 2022 and in Brussels from 15-17 November 2022. The EGs on Observatory Outreach, Legal, and Cooperation with Intermediaries also met in Brussels concurrently with the autumn WG meetings.

In addition to the EGs, the Observatory is undertaking a separate workstream on Demand for Counterfeits, initiated in 2021. This workstream is designed to explore, in depth, consumer behaviour in connection with the purchase of counterfeit goods and the consequent impact on IPR owners. In carrying out the activities under this workstream, the Observatory draws on the expertise of an advisory panel, consisting of members drawn from private and public stakeholders, civil society, and academia.

Observatory planning is embedded in the EUIPO Strategic Plan 2025 (SP2025).

The three main goals of the Observatory, as set out in Regulation (EU) No 386/2012, are:

- to provide facts and evidence for use by policymakers in the formulation of effective IP policies;
- to create tools and resources to boost the fight against IP infringement;
- to raise awareness of IP and of the negative effects of counterfeiting and piracy.

The process followed by the Observatory to produce its reports and studies is based on the following principles:

- Observatory stakeholders should be involved in the identification of the reports and studies to be undertaken, as well as in the definition of the scope and terms of references for the identified reports/studies;
- the reports/studies should be carried out in full, according to the agreed terms of reference, and in an independent manner;
- Observatory stakeholders should be given access to the conclusions of the reports/studies in advance;
- the rules governing the Office, and more particularly its decision-making processes, should be complied with.

The Observatory produced 18 publications in 2022, with executive summaries available in all EU languages in most cases<sup>(2)</sup>. These were disseminated via the internet, social media and, where relevant, the press, as well as to institutional stakeholders.

In the following sections, the activities carried out to support the three main goals within the scope of each of the WGs and EGs are described in detail. This is supplemented with separate sections on tools, cooperation and communication activities, and on activities in support of the EUIPO's SME Programme.

Article 7(3) of Regulation (EU) No 386/2012 requires that the representatives of the public administrations, bodies and organisations in the Member States be duly consulted on the Annual Activity Report. The public stakeholders are asked for their input on, and are kept informed about, the work programme. In addition, the results of the Observatory's work are reported to them on a regular basis. The formal submission of the report under Article 7(3) of Regulation (EU) No 386/2012 took place in the Public Sector Stakeholders meeting, held in Stockholm from 14-15 February 2023.

### **3 IP in the Digital World**

The activities of the IP in the Digital World Working Group consist of studies in support of the first main goal of the Observatory, which is to provide facts and evidence for enforcers and policymakers. In addition, the Orphan Works Database is established under a specific legal mandate, Directive 2012/28/EU of the European Parliament and of the Council of 25 October 2012 on certain permitted uses of orphan works. Directive (EU) 2019/790/EU of the European Parliament and of the Council of 17 April 2019 on copyright and related rights in the Digital Single Market entrusted the EUIPO with building a European Out-Of-Commerce Works Portal. Finally, Agorateka, the European online content portal, assists consumers in finding legitimate digital content, and thereby supports the third Observatory goal of raising awareness of IP.

#### **3.1 Agorateka – the European online content portal**

In September 2016, the Office launched a portal to improve consumer information regarding the availability of legal offers within Europe in the realms of music, sport, films/TV, video games and books. [Agorateka](#), the European online content portal, provides a single access point to national portals that lead consumers to legal offers. As of December 2022, 22 EU Member States are participating, along with Switzerland and the UK. Altogether, 3 463 legal offer sites are accessible through the portal.

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<sup>(2)</sup> The exceptions are the Discussion Papers which are only published in English.

A major software update of Agorateka took place in 2022, and efforts are also focused on improving the national portals using the toolkit built by the Office.

An effort was also made to facilitate updates of legal offer sites in national aggregators. Some 100 new national portals / legal offers, not yet included in national platforms or country profiles, were suggested to stakeholders to keep Agorateka as up to date as possible. All content fields were considered, but particular attention was paid to the sports category.

Agorateka also benefits from collaboration with enforcement authorities in anti-piracy actions. An attempt to access an IP-infringing website that has been blocked after a court order, results in a redirection to the Agorateka portal to encourage the visitor to access the legal offers instead.

An Agorateka network meeting took place in Alicante on 11 May 2022, providing the opportunity for all stakeholders to review progress and to explore next steps.

### 3.2 Out-Of-Commerce Works Portal

On 7 June 2021, the [Out-Of-Commerce Works Portal](#) was launched by the Office, as required by the Directive on Copyright in the Digital Single Market<sup>(3)</sup>. Out-of-commerce works are works that are still protected by copyright but are no longer (or have never been) commercially available. The portal provides access to information about ongoing and future uses of out-of-commerce works and makes it easier for the rights holders of these works to exercise their rights.

As a result of the efforts of cultural heritage institutions, more and more sources of out-of-commerce works are being identified. An important part of European cultural heritage is made available to the public through the portal, which hosts over 900 000 entries. In that context, the Office organised the out-of-commerce works 'Datathon' event on 28 June 2022, in cooperation with Europeana<sup>(4)</sup>, to raise awareness of the newly available out-of-commerce works. The portal's key stakeholders shared examples of good practice for digitising out-of-commerce works and creating networks for cooperation and information exchange. In addition, the portal's stakeholder network meeting took place on 29 June 2022 to discuss national authorities' initial experiences related to Directive (EU) 2019/790, focusing on aspects of out-of-commerce works that are relevant to the functioning of the portal.

### 3.3 Studies

Several reports were developed during 2021 with contributions from experts and stakeholders alike. A study on [online advertising on IPR-infringing websites and apps](#) was published in February 2022. The study looks at online advertising found on IPR-infringing websites and mobile apps during 2021. It also evaluates the estimated amount and type of such advertising, and estimates the associated ad revenues. The total worldwide advertising revenue generated by the monitored websites was estimated at EUR 912.7 million, while the worldwide advertising revenue generated by the monitored apps was EUR 57.1 million.

The Expert Group on Impact of Technology began an examination of the role of artificial intelligence (AI) in IP. A [study on the impact of AI on the infringement and enforcement of copyright and designs](#), published in March 2022, benefited from input from the EG. A unique method of analysing the impact of new technologies on IP has been developed, bearing in

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<sup>(3)</sup> Directive (EU) 2019/790.

<sup>(4)</sup> Europeana is a web portal created by the European Union containing digitised cultural heritage collections of more than 3 000 institutions across Europe. See: <https://www.europeana.eu>.



mind the fact that use of a particular technology can facilitate both the infringement and enforcement of IPR. The report applies this methodology on AI to detailed storylines on the infringement and enforcement of copyright and designs in the production and marketing of physical goods and the sharing of digital content. It is meant as a practical, practitioner-oriented tool to help understand the impact of AI and put this impact into a broader perspective. To this end, 20 scenarios were developed to demonstrate the existing or potential misuse of AI technologies to infringe copyright (and related rights) and designs, as well as the use of AI to enforce these same rights.

A discussion paper on [Automated Content Recognition \(ACR\)](#) was published in September 2022. The paper focuses on the uses of ACR technologies (such as watermarking, fingerprinting or AI-based solutions) and their potential as tools to support the protection and management of IP rights through a series of concrete use cases, including solutions to detect IP-infringing listings on e-commerce marketplaces; smartphone solutions to detect genuine or counterfeit products; solutions to recognise 3D printing files and 3D-printed products; solutions to protect and manage copyright and neighbouring rights on content-sharing services; and solutions to identify live streams of IP-protected content.

### **3.4 Anti-counterfeiting infrastructure on blockchain**

Following the launch of a design competition, on 17 March 2022, the Office held an award ceremony to announce the Anti-counterfeiting Blockathon Infrastructure winner. The design solutions were assessed by a multi-stakeholder jury comprising a wide range of experts related to the business case. The Office plans to start by defining a proof of concept and presenting a live pilot by the end of 2023. The authentication platform is planned to be finalised in 2024. The Office will continue working with key partners through the Blockathon Forum (a network of blockchain experts and different entities involved in the fight against counterfeiting) to refine the use case and ensure the viability of the pilot. The Office is also collaborating with the European Commission to explore the possibility of linking with the European Blockchain Services Infrastructure (EBSI).

## **4 Public Awareness**

The activities of the Public Awareness Working Group support the third main goal of the Observatory: to raise awareness of IP and of the negative effects of counterfeiting and piracy. Much of this work is based on the studies that are conducted by the Observatory within other areas – particularly Economics & Statistics and IP in the Digital World – but also specific awareness studies. In June 2022, one of the key studies in this area was published, the third edition of the [Intellectual Property and Youth Scoreboard 2022](#). This EU-wide survey of young people (aged 15-24 years) showed that while an increasing proportion of young people express a preference for legal sources of digital content, a significant minority (21 %) continue to access illegal sources. All the more worrying is the increasing propensity to buy counterfeits, with 37 % of respondents admitting to buying fake products intentionally.

### **4.1 Targeting youth**

The findings of the Youth Scoreboard underline the need for activities directed at young people, to raise the visibility of IP and the damage caused by its infringement. The activities under the Ideas Powered initiative aim to develop an online dialogue in social media and build engagement in the community.

Ideas Powered aims to bring IP closer to the younger generations, both online and in places where young people gather. In 2022, the Observatory resumed the in-person workshops, with an influencer workshop held in Alicante in December.

The Ideas Powered social media channels on Facebook, Twitter and Instagram have continued to grow, with 42 600, 21 600, and 20 600 followers respectively, giving a total of almost 85 000 followers.

In addition, the Observatory makes use of the EUIPO's social media channels, which have 114 000 followers on Twitter, 91 000 on LinkedIn, 86 000 on Facebook and 9 700 on Instagram. The Ideas Powered brand has been extended to the IP in Education programme (IdeasPowered@School) and to the EUIPO's SME Programme (Ideas Powered for business).

## 4.2 Pan-European and national campaigns

As part of the annual pan-European media [campaign](#), and to mark World Anti-Counterfeiting Day in early June 2022, the Observatory successfully launched the 2022 edition of the spring awareness campaign in collaboration with stakeholders. The campaign was based on the Youth Scoreboard 2022. It shed both a European and a national light on the factors driving young people to purchase counterfeit goods or access digital content from illegal sources. It also stressed the elements that could help our younger generations curb their infringing behaviour.

The campaign achieved impressive reach in all Member States, in the print, online and audiovisual press, and benefited from the involvement of consumer associations and other stakeholders, who contributed to the dissemination of the campaign in their respective countries. The campaign reached, in total, more than 38 million people, with 1 612 clippings for a total advertising value equivalency (AVE) of more than EUR 10 000 000, covering all EU Member States.

Media campaigns were also implemented in selected countries to coincide with the launch of major studies.

With regard to other national awareness campaigns, the 12 projects awarded as part of the 2021 call for awareness proposals were finalised. This call targeted educational initiatives and youth and consumer initiatives and campaigns.

Member States also obtained financial support for public authority awareness initiatives by making use of the existing cooperation framework between the EUIPO and national IP offices. In the context of the cooperation programmes with Member States, the [Authenticities](#) Cooperation Project continued to develop. The project brings together national and regional IP offices, municipalities and local organisations to help combat the problem of fake products and piracy, to increase awareness of IP rights among citizens and businesses, and to build a European network of certified 'Authenticities' to share best practices and ideas and to put joint awareness activities in motion. So far, there are 11 certified 'Authenticities' in the network, in Bulgaria, Greece, Portugal, Slovakia and Spain, with additional cities expected to join the network in the coming months.

On 4 April 2022, the first Authenticities annual network event was organised in Thessaloniki, together with the EUIPN Annual Cooperation meeting.

### 4.3 IP in Education

One finding of the Youth Scoreboard study was that significant proportions of young Europeans displayed tolerant attitudes towards counterfeiting or copyright infringement. At the same time, education has been identified as an appropriate channel to raise awareness about the importance of respecting IP. Therefore, raising pupils' awareness in schools, by showing how they can reap the benefits of IP knowledge in their private and future professional lives, has become a priority.

The IP in Education network met in Paris in May 2022. The participants took part in several workshops, discussing IP competences, curricula and the need for new materials and their dissemination.

A teacher training session took place with trainers and teachers from all over Europe in June 2022 at the EUIPO, in Alicante.

New materials, such as IP games and new lesson kits for secondary school teachers, were published on the dedicated portal, [IdeasPowered@School](#), as well as many new online resources from partners.

These new materials, together with the FAQs on copyright for teachers also released earlier this year, attracted lots of interest at two educational fairs in Seville and Vienna in May 2022. The Office attended those fairs at the invitation of network members – the Spanish IP office (OEPM) and the Austrian Federal Ministry of Education, Science and Research, respectively.

At an institutional level, the Office has been working with the Directorate-General for Education, Youth, Sport and Culture (DG EAC) on the first report of the Expert Group on Tackling Disinformation and Promoting Digital Literacy and with the European Commission's Joint Research Centre (JRC). In October 2022, the Office presented the IP in Education project at the Education Committee meeting of the European Council at the invitation of the Czech Presidency.

In February 2022, the Observatory published [Frequently Asked Questions \(FAQs\) on copyright for teachers](#), accompanied by a dissemination and social media campaign. They provide answers to the 15 most frequently asked questions that EU teachers and students have about copyright in education. This new FAQ document follows in the footsteps of the successful [FAQs on copyright for consumers](#) (first launched in 2016). For each FAQ document, answers are available in English and in at least one official language of each Member State. They are reviewed regularly to keep them up to date. The FAQs for teachers were referred to and linked in [DigComp 2.2 – The digital competence framework for citizens](#), to which the Office contributed and which the JRC published in March 2022.

### 4.4 Contribution to policy making

To measure the relevance of the Observatory studies and reports for EU policy making, a monitoring system has been set up that enables the Office to identify when one of its studies is quoted in a policy document from the European Parliament, European Council, or the European Commission. According to this system, as of the end of December 2022, there were 404 documents published by the three EU institutions mentioning Observatory activities and reports, 70 of which were published during 2022.

## 5 Enforcement

The activities under this heading support the second main goal of the Observatory: that of providing tools and databases for use in enforcement and carrying out knowledge-building activities for enforcers and other stakeholders. Many of those activities are carried out jointly with Europol, Eurojust, and CEPOL, as well as European Commission services – in particular the Directorate-General for Taxation and Customs Union (DG TAXUD) and OLAF.

### 5.1 EMPACT priorities

In 2021, intellectual property crime and the counterfeiting of goods and currencies was finally included in the priorities for law enforcement under the EU Policy Cycle, the European Multidisciplinary Platform Against Criminal Threats (EMPACT) for the period 2022-2025, thus launching a new framework for enforcement actions and cooperation at EU level.

The Office contributed to the 2022 Action Plan with a proposal to create a new handbook on criminal investigation, developed in collaboration with the United Nations Interregional Crime and Justice Research Institute (UNICRI) and based on contributions from Europol, 12 Member States, 4 non-EU countries, OLAF and Eurojust. The handbook, published on the CEPOL platform, includes:

- data gathered from interviews with investigators, prosecutors and private sector representatives;
- a review of cases and good investigative practices;
- a review of criminal *modi operandi*;
- a discussion of key investigative tools and alternative investigative avenues;
- lessons learned on deepening investigations to go up the infringement chain.

Further training activities were organised in collaboration with CEPOL. The Office supported 10 activities directly and indirectly through the collaboration framework with Europol and organised three events in Alicante under the EMPACT umbrella.

### 5.2 EUIPO co-operation activities: agreements with Europol, OLAF and Eurojust

Since the first signing of the EUIPO-Europol Agreement in 2016, the Office has funded Europol's IP crime unit (Intellectual Property Crime Coordinate Coalition, IPC3). Thanks to the increased support provided by the Office, the unit was able to further intensify its operational work. This resulted in 47 successful operations being carried out by national law enforcement authorities in coordination with Europol, leading to 492 arrests and the dismantling of 73 organised crime groups. Examples include the global operation *In Our Sites*, under which law enforcement authorities from 27 countries took down 12 526 websites, disconnected 32 servers used to distribute and host illegal content for 2 294 television channels and shut down 15 online shops selling counterfeit products on social media sites, and *Operation Shield*, during which law enforcers from 28 countries targeted counterfeit and misused medicines and doping substances, seizing merchandise worth more than EUR 40 million. Altogether, since 2020, nearly EUR 700 million worth of counterfeit goods has been seized by Member States participating in operations, which Europol was able to support thanks to the funding provided by the Office.

Work with Eurojust continued in the framework of the agreement signed in 2021, providing impetus to the European Intellectual Property Prosecutors Network (EIPPN). In September 2022, Eurojust supported the organisation of the EIPPN meeting and published documents on relevant topics, for example on the legal nature of counterfeit goods.

In March 2022, with the signature of a Service-Level Agreement with OLAF, work started on the analysis prior to the development of an IT tool to collect and analyse customs data, including nominal data related to counterfeiting cases at EU level.

### **5.3 Knowledge building for enforcers**

#### *Pre-operational training*

Pre-operational training targets topics or sectors related to identified threats for which enforcement authorities have planned actions in the near future. In 2022, three events were organised in Alicante in cooperation with Europol for the launch of operations in the context of EMPACT. Furthermore, two conferences were organised together with OLAF. The events brought together enforcers from all participating countries, including many EU and non-EU countries as well as relevant rights holders in order to exchange information.

In 2022, two regional seminars were organised, one in Athens in June and a second one in Budapest in October. These seminars had a special focus on the Belt and Road Initiative and looked into maritime shipping, railroad and possible future threats.

The Office continues to cooperate with market surveillance authorities (MSAs) in charge of enforcing product safety regulations and promotes cooperation in the meetings of the Agri-Food Fraud Network (managed by the Directorate-General for Health and Food Safety) and of Safety Gate / RAPEX (managed by the Directorate-General for Justice and Consumers (DG JUST)).

#### *Training activities in cooperation with CEPOL*

The annual one-week course on IP enforcement for new enforcement colleagues took place in Alicante in May 2022. Three webinars were held on: pharmaceuticals, cigarettes, and geographical indications. The 2022 training plan with CEPOL was carried out under the EMPACT umbrella.

In addition to in-person training sessions and webinars, the Office continues to work with CEPOL on the development and promotion of the Virtual Training Centre on IPR for enforcement authorities. In 2022, the customs course was finished, and 11 IP training modules were created. Furthermore, a new course on criminal investigation was started, and four new modules for police officers were published.

### **5.4 Judges network**

In May 2022, following a consultation with the network, the Office started a new initiative of short webinars for judges dealing with intellectual property rights and related infringements. These webinars enable judges to stay updated on the most recent developments in IP case-law. The first webinar focused on designs solely dictated by a technical function. Two in-person seminars were also organised in 2022, one on the darknet in October and one on injunctions in December.

## 5.5 Data collection, analysis and reporting

In December 2022, the Observatory, together with DG TAXUD, published the report [EU enforcement of intellectual property rights: results at the EU border and in the EU internal market 2021](#). This report was based on data on the detentions at EU borders reported by the customs authorities of all the Member States, as well as the data on detentions within the internal market reported by EU Member State police authorities through the IP Enforcement Portal (IPEP). Its objective is to provide useful information to support the analysis of IPR infringements in the EU and the development of appropriate countermeasures. On a broader scale, it should provide EU policymakers with data to develop an evidence base for priorities and policies.

The preparation of this report took place under a co-operation agreement with DG TAXUD, which also includes developments on the joint tools: the IP Enforcement Portal and COPIS, as described in section 8.

In March 2022, the joint EUIPO-Europol [Intellectual Property Crime Threat Assessment 2022](#) was published. This second edition covers the situation in the EU from 2019 to 2021. The assessment takes into consideration that the COVID-19 pandemic presented new business opportunities to distribute counterfeit goods, mostly on digital platforms, with counterfeit products being offered via live-streaming sales, instant messaging services, videos and sponsored advertising on social media.

A key element of prosecutor cooperation in the EIPPN is the sharing of good investigative and prosecutorial practices. To support this, the Office has engaged UNICRI to conduct three in-depth case studies of successful IP crime prosecutions every year. The studies carried out in 2022 included a case about counterfeit food, one about illegal IPTV, and one on trade mark invoice fraud. Since the inception of this cooperation, 19 such case studies have been produced.

## 5.6 Contribution to the European Commission EU Toolbox against counterfeiting

The work of the Cooperation with Intermediaries Expert Group has led to the publication of several discussion papers covering social media, domain names, and payment providers, as well as the sharing of information, transport, and logistics. These papers have been used as a basis for discussion in four thematic workshops that were co-organised by the European Commission's Directorate-General for Internal Market, Industry, Entrepreneurship and SMEs (DG GROW) and the Observatory as part of the stakeholder dialogue on the forthcoming EU Toolbox against counterfeiting. The Observatory also contributed to organising a workshop on information sharing for the purpose of fighting IP-infringing activities.

## 6 Economics & Statistics

The activities in the Economics & Statistics area consist principally of studies and analyses that support the first main goal of the Observatory, to provide facts and evidence to support policy formulation and public awareness efforts.

### 6.1 Quantification of infringement

During 2022, one joint EUIPO-Organisation for Economic Cooperation and Development (OECD) study was published, and a second study was prepared for publication in early 2023.

A study on [counterfeit goods that pose health, safety and environmental risks](#) was published in March 2022. This study quantitatively assesses the scope and trends of the trade in counterfeit products that pose health, safety and environmental threats. It is based on an analysis of a unique international set of customs seizure data and other enforcement data, combined with structured interviews with enforcement experts.

A study on the impact of IPR infringement on SMEs was also completed in 2022, but publication was set for late January 2023. The study shows that having its IPR infringed significantly increases the risk that an SME will go out of business during the subsequent years.

## **6.2 Studies on the role of IP in the economy**

The fourth edition of the [industry-level IP Contribution Study](#) was published in October 2022 by the EUIPO and EPO. This study provides an up-to-date assessment of the contribution to the EU economy of industries that, taken as a whole, make intensive use of the various types of intellectual property rights (IPRs). It also provides an assessment of that same data but in relation to individual Member States. In addition, trade among EU Member States and the sectors that use green technologies and produce green goods and services, is analysed for the first time. The main finding of the study is that the importance of IPR-intensive industries to the EU economy continues to increase.

Using the data collated in all four editions of the IP Contribution Studies (2013, 2016, 2019 and 2022), the evolution of IPR-intensive industries in the EU was analysed in a [study on IPR intensity and industrial dynamics](#). This was then published in August 2022. The study shows that changes in patterns of IPR use by European industry are related to important economic phenomena that are crucial for future prospects of the EU economy, such as productivity or firms' opportunities for growth. It also shows that the use of IPR is becoming more widespread in the economy.

During the past years, as the implementing agency for the European Commission's IP Key programme in Latin America, the Office has been encouraging research on the importance of IP in that region as well. During 2020 and 2021, IP Contribution Studies were conducted in five Latin American countries (Mexico, Peru, Argentina, Chile and Uruguay), and in January 2022 the Observatory published a report entitled [Intellectual property right-intensive industries and economic performance in Latin American countries](#), summarising and comparing the results of the five individual country studies. The report concludes that IP rights are as important in the Latin American economies as they are in the EU and the United States.

In April 2022, a joint EUIPO-Community Plant Variety Office study on plant variety rights was published. The report [Impact of the Community Plant Variety Rights system on the EU economy and the environment](#) quantifies the economic contribution in the European Union of the Community Plant Variety Rights (CPVR) system. While it is analogous to the EUIPO studies on the economic contribution of the other IP rights, it considers specific aspects of agriculture and horticulture, such as the contribution of the PVR system to the global competitiveness of EU farmers and growers. In addition to the economic contribution, the study also quantifies the benefits to the environment and the sustainability derived from the CPVR system.

## **6.3 Economic impact of the COVID-19 pandemic**

Besides its human cost, the pandemic had a significant negative economic impact in the EU and elsewhere due to the combined effect of lockdowns, restrictions on travel, and the



concomitant reduced demand for services such as hospitality and transport. Beginning in 2021, the Observatory has been monitoring the evolution of IPR-intensive industries in the EU and the Member States, and quarterly updates have been published in March, June, September and [December 2022](#), with the latest report covering the period until September 2022. Most IPR-intensive sectors are now at, or above, their pre-pandemic output levels.

#### **6.4 Support for the memorandum of understanding (MoU) on the sale of counterfeit goods on the internet**

Since 2017, the Observatory has assisted the European Commission (DG GROW) in measuring the key performance indicators (KPIs) related to the MoU on the sale of counterfeit goods over the internet signed in June 2016. The role of the Observatory is to be the trusted neutral party that receives the raw data from the parties to the MoU, analyses it and provides the results to DG GROW. The dialogue between the brand owners and the internet sales platforms is viewed as constructive and beneficial by all parties to the MoU.

#### **6.5 EPIP grant**

In September 2022, the Office signed a 4-year agreement with the European Policy for IP (EPIP) Association, the premier academic organisation of IP researchers in Europe. The funding provided by the Office supports the annual EPIP conferences, beginning with the 2022 edition held in Cambridge from 14-16 September 2022. Members of the Observatory staff play an active role, presenting economic studies and encouraging academic research related to trade marks and designs and other topics of interest to the Office.

### **7 Cooperation with Intermediaries**

Cooperation with intermediaries is one of the priorities of the Office's Strategic Plan 2025, and of the EU Toolbox against counterfeiting, which is part of the European Commission's IP Action Plan. In line with priorities identified together with stakeholders, under the Strategic Plan project 'Enhancing IP protection on e-commerce marketplaces', the Office is developing initiatives intended to reduce IPR infringement on such marketplaces.

The work of the **Cooperation with Intermediaries Expert Group** has led to the publication of several discussion papers covering social media, domain names, and payment providers, as well as transport and logistics. These papers were used as a basis for discussion in four thematic workshops that were co-organised by DG GROW and the Observatory as part of the stakeholder dialogue on the EU Toolbox against counterfeiting.

In September 2022, the Observatory published a [discussion paper on transport and logistics](#), a result of the EG's work. This discussion paper aims to contribute to a better understanding of the very complex and innovative transport and logistics system and of the challenges to counteract the misuse of its services for IP-infringing activities. The paper also identifies good practices to meet these challenges.

### **8 Tools for IPR Enforcement**

#### **8.1 IP Enforcement Portal**

The IP Enforcement Portal (IPEP), launched in June 2019, is an interactive, reliable and user-friendly tool for EU IPR enforcement, serving as a secure communication tool between all

related parties. In 2022, the electronic application for action (e-AFA), developed in close cooperation with DG TAXUD, has become a reality for requesting, extending and amending applications for action throughout the EU, as well as providing an overview of companies' AFA portfolios and the possibility for extension and amendment of previously filed AFAs.

The number of users of the tool is increasing, with 1 343 companies, 76 enforcement authorities, including all EU national customs authorities and other national and EU enforcement bodies such as Europol, OLAF, DG JUST, the European Public Prosecutor's Office (EPPO), and market surveillance authorities. With a new strategic project, Enhancing IP protection on e-commerce marketplaces, a new version has been developed to bring such marketplaces into IPEP, to allow a first exchange with rights holders.

In terms of statistics, IPEP's 'Report Detentions' module provides a collection of EU-wide data from customs and internal market detentions, covering more than 1.2 million detentions. This data constituted the basis for the joint EUIPO-DG TAXUD report on detentions published in December 2022. Improvements in this module have been made that will support big data and a broader collection of data fields.

## **8.2 Technical Group on IP Enforcement and Data Exchange**

The Technical Group on IP Enforcement and Data Exchange aims to improve the targeting and effectiveness of data collection and analysis across EU enforcement-related systems and databases. Three areas have been defined as key to improving the situation: the simplification of data collection, improved search capabilities, and the creation of a dashboard.

As an initial step, the technical group found a solution for enhancing data collection in the customs domain. A business case was defined in cooperation with OLAF for the automated transfer of nominal customs seizure data from Member States' databases to the Customs Information System at OLAF, which is accessible to national customs authorities. The case resulted in the signing of a service-level agreement (SLA) between the EUIPO and OLAF in early 2022 to implement this project. During 2022, two meetings took place with national contacts to analyse the status quo and to prepare the design of the tool. The developments are expected to finish in 3 years. The technical group will also investigate a possible parallel solution for police data collection.

## **9 International Cooperation Activities**

For several years now, the Office has been the implementing agency of the EU's cooperation projects in non-EU countries initiated by the European Commission. These programmes are co-financed by the Office. The Observatory is now wholly involved in these programmes as, under Regulation (EU) No 386/2012, which stipulates that the EUIPO will be entrusted with the Observatory, the Office is also tasked with encouraging international cooperation, in close alignment with broader EU policies and priorities in the field of IP.

In line with this principle, the Office's engagement in EU-funded projects in non-EU countries allows the Observatory to provide input on how to increase respect for IP and help European companies investing in these areas to protect their IP rights.

The Observatory's international activities have focused on events with an IPR enforcement background and are aimed at reinforcing cooperation and networking among enforcement authorities across the different regions covered by the EU-funded projects.

In 2022, the Office continued to cooperate with the Directorate-General for Trade (DG Trade) to consolidate the EU Delegations IP Network. In particular, the Observatory disseminated the public consultation launched by DG Trade for the update of the Third Country Report. Furthermore, the Observatory collaborated on the preparatory phase of the 2022 edition of the Counterfeit and Piracy Watch List with several of its studies, as well as coordinating the involvement of Europol's IP Unit.

The Observatory also continued providing internal and external expertise to enforcement-related activities on an international scale.

In addition to providing expertise, the Observatory contributed to the annual programming phase by providing proposals to the Annual Work Programmes of the IP Key and AfRIPI projects, based on consultations with stakeholders and the International Cooperation Expert Group.

Apart from EU-funded projects, the Observatory also provides support to the Office's bilateral cooperation activities.

## **9.1 Cooperation with the European Commission and EU agencies**

The Observatory's enforcement work is based on a very broad and deep cooperation with our European Union agency partners, such as Europol, Eurojust, OLAF, CEPOL and FRONTEX, as well as relevant EU Commission Directorate-Generals, in particular DG GROW, and other bodies. It also involves national law enforcement authorities. The Office has seconded staff members at the European Commission (OLAF, DG TAXUD, DG GROW, DG Trade and the Directorate-General for Agriculture and Rural Development) and Europol.

Cooperation with Europol dates back to 2016. In 2019, the latest 4-year SLA was signed. This agreement envisages cooperation in four high-level activities in the areas of operational and technical support in cross-border IP investigations; research and analysis; knowledge and expertise sharing; and a platform for stakeholders.

Cooperation with Eurojust continued during 2022, following the signature of the agreement in 2021, and has resulted in the more effective collection and sharing of good prosecutorial practices. It has also added content and depth to the work of the EIPP. Eurojust, along with Europol (co-leader), OLAF, 12 EU Member States and 4 non-EU countries also actively participated in the development of the Intellectual Property Crime Investigation Handbook under the Operational Action led by the Office in the framework of the EMPACT action plan for 2022.

The Office's collaboration with OLAF intensified in 2022, with the signature of a new SLA, covering the development of an automatic tool to collect nominal data in the context of the technical group's work. The cooperation on pre-operational work also continues.

Many of the knowledge-building events and activities that are organised in cooperation with Europol and Eurojust also benefit from cooperation with CEPOL, the European Union Agency for Law Enforcement Training, as well as OLAF.

DG CONNECT (DG for Communications Networks, Content and Technology) also supports the Observatory's activities, in particular the Blockathon Forum and related follow-up activities, as well as the Out-of-Commerce Works Portal.

Cooperation with DG JUST covers the area of counterfeits that pose health and safety risks. The Observatory also enjoys close cooperation with Eurostat and DG EAC of the European Commission, in the project on measuring the economic value of cultural activities.

In April 2022, the Observatory published a joint study with the Community Plant Variety Office on the contribution of Community plant variety rights to the EU economy and to the environmental objectives of the EU. Subsequently, several joint outreach activities following on from this study have been undertaken.

## **9.2 Cooperation with other organisations**

### Organisation for Economic Cooperation and Development (OECD)

The cooperation between the Office and the OECD continued in 2022 under a memorandum of understanding (MoU) signed in June 2017 and extended indefinitely in 2021. Under this MoU, the Office finances the joint studies with the OECD under 2-year contribution agreements. The current agreement runs until July 2023.

The Office is represented on the OECD's Task Force on Countering Illicit Trade. During 2022, the Office participated in ongoing work on the operationalisation of the Code of Conduct regarding Free Trade Zones (FTZs). The adoption of the Certification Scheme for Clean FTZs by the members of the task force during the plenary meeting held in March 2022 was a milestone. The joint research projects are also carried out under the auspices of the task force.

### European Patent Office

The Office and the EPO cooperate on many levels. In terms of Observatory-specific activities, the main areas of cooperation are joint economic studies such as the industry-level IP Contribution Study, published in October 2022: Intellectual property rights intensive industries and economic performance in the European Union. In addition, the Observatory participates in the annual IP Executive Week, a week-long training event for officials from IP offices around the world, organised jointly by the Office and the EPO.

### United Nations Interregional Crime and Justice Research Institute (UNICRI)

Based on the MoU between the Office and UNICRI signed in 2016, UNICRI is developing a series of in-depth studies of IPR criminal cases from initiation to final judgment. Each case study includes an anonymised case note and a supporting presentation and is intended to be used by prosecutors as legal literature in court, to raise awareness among prosecutors and to increase the quality of seminars, meetings and workshops directed towards prosecutors. Cases are selected to reflect as many different issues relevant to prosecutors dealing with IPR criminal cases as possible. Three new cases were developed in 2022, bringing the total to 19.

### European Audiovisual Observatory

In late 2016, the Office signed an MoU on bilateral cooperation with the European Audiovisual Observatory. Its scope includes cooperation on activities of common interest such as joint legal publications relevant to IP enforcement and the audiovisual sector, information exchange on audiovisual economics, methodology and data, and information exchange as regards case-law and other legal developments related to IP enforcement and the audiovisual sector. In December 2021, the MoU was extended until 2026.

### World Intellectual Property Organization (WIPO)

The Observatory continued to collaborate with the WIPO on a multilateral level, notably by inviting its representatives to attend meetings and by attending relevant WIPO events such as

the Advisory Committee on Enforcement (ACE). Furthermore, the Observatory takes part in the IP Economists' Network, coordinated by the WIPO.

## 10 SME Activities

The Observatory actively contributes to the implementation and development of the Office's SME Programme.

In addition to participating in the Office's SME Steering Committee, the Observatory continues to be involved in updating the Ideas Powered for business website, developing Discover Guides, and creating training content. It has also continued to participate in the ECP6 'Supporting SMEs' Working Group. The Observatory is also actively participating in implementing several projects under the Office's SME Programme, such as the SME Supportive Instruments, SME Network and Collaboration, and SME Outreach and Communication, and in the respective working groups.

The Observatory is actively collaborating with the following members of the Ideas Powered for business Network:

- the European Institute of Innovation and Technology (EIT);
- the European DIGITAL SME Alliance;
- the European Business Angels Network (EBAN);
- the European Startup Network (ESN).

In addition, the Observatory has been engaged in preparing the Ideas Powered for business Network's first Annual Stakeholder Event that took place in Alicante on 28 October 2022.

Moreover, the Observatory has been exploring options for the potential inclusion of enforcement-related activities for SMEs. Under this umbrella, it conducted a mapping exercise on IP monitoring services and also started exploring the possibilities of enhancing the IP Scan with enforcement-related content for SMEs, in close cooperation with DG GROW and in the context of the upcoming Toolbox against counterfeiting. Contacts with the Council of Bars and Law Societies of Europe (CCBE) are also being organised in order to explore the possibilities of providing more legal assistance to SMEs.

In September 2022, the third edition of the flagship study [2022 IP SME Scoreboard](#) was published, which is a key source of information for policymakers on SMEs and IP. As a follow-up to the 2016 and 2019 editions of the study, the 2022 SME Scoreboard continues to increase knowledge on how and why SMEs use, or do not use, intellectual property rights. The study provides valuable data that could serve as input for the implementation of the European Commission's SME strategy for a sustainable and digital Europe and the IP action plan. The scoreboard data is also key to improving the Office's initiatives aimed at supporting European SMEs.

## 11 Communication

Communication is of crucial importance to the ability of the Observatory to fulfil the role assigned to it by the legislator. Specific channels are used to address the different target audiences, including policymakers, public and private stakeholders and other official and private participants, enforcers and the general public.

## 11.1 Media outreach

Media coverage monitors the performance of the media campaigns developed for the release of major studies (such as the joint studies with the OECD and the IP Contribution study), and mainly targets the four largest Member States (Germany, France, Italy, Spain) as well as Belgium. For cost-effectiveness reasons, media impact is measured over a period of 1 week for each release. A media campaign targeting all Member States is carried out on the occasion of World Anti-Counterfeiting Day each June.

In terms of qualitative assessment, Observatory studies, and their results/data, are increasingly mentioned and assessed positively in major print or online press in the target countries. They are also attracting attention in audiovisual media, depending on the period of the release or the topic of the publication, in addition to more traditional coverage in the trade and IP-specialised press.

Overall, in 2022 alone, the Observatory's media outreach activities generated an advertising value equivalency of more than EUR 15 million.

## 11.2 Website

The [Observatory website](#) contains a wealth of content, including all past conference reports and the minutes of past stakeholder and working group meetings, as well as a dedicated restricted-access area for stakeholders. Observatory publications and studies feature prominently. The list of stakeholders and working group members are updated when there are changes, and new events are listed, as are any new public awareness campaigns, videos and other material provided by stakeholders.

Production of webinars, featuring Observatory studies and tools, is now a significant element of its outreach.

## 11.3 Ideas Powered

Ideas Powered aims to bring IP closer to the younger generations and continues to ensure a consistent presence online. The annual event with influencers was held in December 2022. Content published in 2022 on existing Ideas Powered social media channels received over 20 million impressions during the year.

The Ideas Powered initiative has developed in a more integrated manner following a rebranding exercise. **Ideas Powered for schools** covers the education project and the development of the dedicated web page, **Ideas Powered for youth** with the management of the social media accounts and youth events, and the **Ideas Powered for business** addresses SMEs.

## 11.4 Newsletter

The Observatory Newsletter has been published on a quarterly basis since December 2013. The main objectives of the newsletter are to share information with the stakeholders on the current work streams of the Observatory, and to provide members of the network with the opportunity to express their views and engage actively in its work by providing input to each edition. Each issue contains an update on activities, the calendar of upcoming events and news from stakeholders.

The newsletter is published in English. It currently reaches approximately 2 000 recipients.

## 11.5 Stakeholder meetings

There are two meetings per year for each of the established WGs, in the spring and in the autumn. The structure of the meetings continues to consist of group meetings over 3 days, with some of the meetings held in parallel, and a common session for all WGs. The spring meetings were held from 29-31 March 2022 in Alicante, while the autumn meetings were held from 15-17 November 2022 in Brussels.

The 2022 public sector representatives meeting was held in Paris on 4-5 May 2022. Participants endorsed the 2021 Observatory Annual Activity Report and were given updates on the Observatory's work, including the latest studies. A visit to French customs at Charles de Gaulle airport was also carried out.

The private sector representatives meeting was held online on 24 February 2022. An online meeting with civil society stakeholders was held on 2 March 2022.

The Observatory Plenary meeting was held in Alicante from 28-29 September 2022. The meeting was partly devoted to a celebration of the tenth anniversary of the Observatory at the Office. A publication entitled [\*Ten Years of the EU Observatory: Achievements and Perspectives\*](#) was presented to the stakeholders. It provides a summary of the Observatory's achievements and the milestones of its first decade at the Office and also looks forward to the future.

The plenary also looked forward and discussed the direction to take in the next decade. The 2023 Work Programme of the Observatory was presented and suggestions from the stakeholders were discussed.

## 12 Overall Assessment

According to Article 7(3)(c) of Regulation (EU) No 386/2012, the Annual Report should contain 'an overall assessment of the fulfilment of the Office's tasks as provided for in this Regulation and in the work programme'.

The tasks assigned to the Office are set out in Article 2(1) of Regulation (EU) No 386/2012. These tasks are listed below, together with the activities and projects carried out in 2022 in support of each task. It should be noted that in some cases an activity can contribute to more than one task (for example, the Youth Scoreboard contributes to the understanding of infringement and to awareness-raising efforts). In addition, the Orphan Works Database is set up under a specific legal mandate, Directive 2012/28/EU of the European Parliament and of the Council of 25 October 2012 on certain permitted uses of orphan works, while the work on the Out-of-Commerce Works Database is carried out pursuant to Directive 2019/790/EU of the European Parliament and of the Council of 17 April 2019 on copyright and related rights in the Digital Single Market.

### (a) Improving understanding of the value of intellectual property:

- industry-level IP Contribution study;
- Study of the Community Plant Variety Rights system;
- Study of the economic impact of COVID-19;
- SME support activities outlined in section 10 of this report;
- Study on IPR intensity and industrial dynamics;



- EPIP grant.
- (b)** Improving understanding of the scope and impact of IPR infringements:
- infringement quantification: joint studies with the OECD;
  - report on the detentions at the EU border and in the EU internal market 2021;
  - 2022 crime threat assessment;
  - link between counterfeits and unsafe goods;
  - the Demand for Counterfeits workstream;
  - transport and logistics discussion paper;
  - Youth Scoreboard;
  - SME Scoreboard.
- (c)** Enhancing knowledge of best public and private sector practices to protect IPR:
- data collection, analysis, reporting;
  - cooperation with intermediaries;
  - support for the MoUs of the European Commission;
  - pre-operational training with co-operation partners (Europol, OLAF);
  - regional meetings for inter-agency cooperation;
  - CEPOL IP enforcement training week;
  - webinars with CEPOL;
  - on-line training via the Virtual Training Centre;
  - IPEP Forum.
- (d)** Assisting in raising citizens' awareness of the impact of IPR infringements:
- Agorateka, the European online content portal;
  - FAQs on copyright for consumers;
  - FAQs on copyright for teachers;
  - Ideas Powered;
  - support for awareness-raising activities in Member States;
  - IP in Education;
  - media campaigns;
  - Youth Scoreboard;
  - SME Scoreboard.
- (e)** Enhancing the expertise of those involved in IPR enforcement:
- pre-operational training with cooperation partners (Europol, OLAF);
  - regional meetings for inter-agency cooperation;
  - CEPOL IP enforcement training week;
  - webinars with CEPOL;
  - collaboration with DG JUST and MSA;
  - studies related to infringement listed under items (b) and (c) above;
  - online training on IPR through the Virtual Training Centre;
  - EIPPN meetings and exchanges;
  - UNICRI case studies;
  - seminars for judges;
  - collaboration with Law Enforcement Working Party (Customs).

- (f) Enhancing knowledge of technical tools to prevent and tackle IPR infringements, including tracking and tracing systems, which help to distinguish genuine products from counterfeit ones:
- IP Enforcement Portal;
  - the automated content recognition discussion paper;
  - the Blockathon Forum and follow-up activities;
  - enforcement technology watch.
- (g) Providing mechanisms that help to improve the online exchange, between Member States' authorities working in the field of IPR, of information relating to the enforcement of such rights, and fostering cooperation with and between those authorities:
- IP Enforcement Portal (information exchange module and statistical module);
  - support for protection of IP rights outside the EU;
  - EIPPN;
  - SLA with Europol;
  - SLA with Eurojust.
- (h) Working in consultation with Member States to foster international cooperation with intellectual property offices in non-EU countries, and thereby build strategies and develop techniques, skills and tools for the enforcement of IPRs:
- IPEP – third country exchange module;
  - cooperation activities discussed in section 9 of this report, in particular:
    - engagement in EU-funded projects;
    - cooperation within the OECD's Task Force on Countering Illicit Trade;
    - participation of non-EU officials in knowledge-building events organised by the Observatory.

In summary, the Office is carrying out a broad range of activities to accomplish all the tasks assigned to the Observatory in Regulation (EU) No 386/2012.

## 13 Challenges for 2023

2022 marked the tenth anniversary of the entry into force of Regulation (EU) No 386/2012 entrusting the EUIPO (at that time the OHIM) with the European Observatory on Infringements of Intellectual Property Rights.

The first decade of the Observatory at the Office was devoted to laying the foundations for raising awareness through studies such as the IP Contribution and IP Perception studies, and to creating tools such as the IP Enforcement Portal or Agorateka. Now that those foundations are laid and the tools have been built, the challenge is to maximise their impact for the benefits of IP rights holders and, ultimately, society at large. This means improving them and increasing their use by rights holders, beneficiaries, and enforcement authorities.

Developing synergies between projects such as Ideas Powered and Authenticities, and campaigns and cooperation with national and regional IP offices, will be a clear priority for 2023. New initiatives to enhance awareness of the negative consequences of IPR infringement and bring the value of IP closer to citizens and consumers will be explored.

The publication of the joint studies with the OECD on counterfeit trade and the other studies on infringement have greatly added to the knowledge of the economic and social impact of

counterfeiting. These findings, leveraged through cooperation with the Member States, contributed to making IP crime a priority area in the 2022-2025 EMPACT policy cycle. In 2022 and the coming years, the Office will work actively with the Operational Action Plan Driver and the various action leaders, and all involved EU agencies and stakeholders, by leading one action and supporting the corresponding operational activities by other parties – always within the scope of Regulation (EU) No 386/2012. Special efforts will be dedicated to advocacy in these respects, in the context of the half-term Serious and Organised Crime Threat Assessment review, to lay the groundwork for keeping IP crime among EU priorities in the fight against organised crime in the next EMPACT cycle.

The Office's Strategic Plan 2025 includes several high-level initiatives of relevance to the work of the Observatory, such as working with intermediaries, AI and technology, anti-counterfeiting technologies and SMEs. As an integral part of the Office, the Observatory will contribute to the carrying out of the Strategic Plan.

Making sure that the intermediaries, in the broad sense of the term (including shippers, payment providers, internet platforms, for example), and rights owners cooperate to create a 'clean' market for genuine products in the EU will continue to require considerable effort.

Improving the use of IP rights by SMEs is vital for the future of the EU economy, and the Observatory intends to do its part in the context of the IP Action Plan adopted by the European Commission in November 2020.

Regulation (EU) 2022/2065 of the European Parliament and of the Council of 19 October 2022 on a Single Market For Digital Services and amending Directive 2000/31/EC (Digital Services Act) entered into force on 16 November 2022. The Observatory stands ready to provide assistance and analysis to the Commission during the implementation of the Act, if requested to do so.

The tenth anniversary is also an opportunity to look ahead at what the activities of the Observatory might be for the next 10 years. As always, the stakeholder network and other Observatory networks will be invited to actively contribute to the programmes for the future.

New areas of study will be explored and communication of the results will be intensified. Cooperation with academia and think tanks will be fostered and the Ideas Powered@School programme will be enhanced to ensure that IP is in the curriculum at all levels and that teachers are trained on IP.

Notwithstanding any new activities, cooperation partners and areas of research, the Observatory will continue to carry out the core tasks of quantifying IPR infringement, examining the importance of IPR to the economy, studying citizens' perception of IP and raising their awareness of its importance, helping enforcers do their job by providing tools and knowledge sharing, and will in general continue to deliver on the mandate set out in Regulation (EU) No 386/2012.

## Annex 1 — 2022 Budget Execution

The Observatory is part of the EUIPO, and its budget is embedded in the overall budget of the Office. For 2022, the total expenditure on Observatory activities (including salaries of statutory staff and other staff-related expenditure) was EUR 15.0 million.

The table below summarises the expenditure by subject area. Due to the activity-based budget used in the Office, the Observatory budget is still organised using the previous structure. However, all activities described in this report are included in one of the subject areas below.

Observatory activities	Execution 2022 (EUR million)
Economics and Statistics	1.7
Enforcement	5.1
IP in the Digital World	0.9
Legal and International	0.6
Public Awareness	3.6
Statutory meetings*	0.8
SP2025 Projects	2.3
<b>TOTAL</b>	<b>15.0</b>

\* 'Statutory meetings' refers to the cost of hosting meetings such as the Public and Private Stakeholder meetings, the Plenary, and the working group meetings.

## **Annex 2 — List of Observatory Publications in 2022**

[Intellectual property right-intensive industries and economic performance in Latin American countries](#), January 2022.

[Online advertising on IPR-Infringing Websites and Apps 2021](#), February 2022.

[Study on the impact of artificial intelligence on the infringement and enforcement of copyright and designs](#), March 2022.

[Intellectual Property Crime Threat Assessment 2022](#), March 2022 (with Europol).

[Economic performance of IPR indicators: December 2021 update](#), March 2022.

[Dangerous Fakes: Trade in counterfeit products that pose health, safety and environmental risks](#), March 2022 (with OECD).

[Impact of the Community Plant Variety Rights system on the EU economy and the environment](#), April 2022 (with the Community Plant Variety Office).

[Intellectual Property and Youth Scoreboard 2022](#), June 2022.

[Economic performance of IPR indicators: March 2022 update](#), June 2022.

[Ten Years of the EU Observatory: Achievements and Perspectives](#), July 2022.

[Report on IPR Intensity and Industrial dynamics](#), August 2022.

[Economic performance of IPR indicators: June 2022 update](#), September 2022.

[Automated Content Recognition - Phase 2 Discussion Paper](#), September 2022.

[Transport and Logistics Discussion Paper](#), September 2022.

[2022 Intellectual Property SME Scoreboard](#), September 2022.

[IPR intensive industries and economic performance in the European Union](#), October 2022 (with the EPO).

[Economic performance of IPR indicators: September 2022 update](#), December 2022.

[EU enforcement of IPRs results at the EU border and in the EU internal market 2021](#),

December 2022 (with DG TAXUD).

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## 1. Preamble

Throughout 2022, the Office's Boards of Appeal (BoA) continued delivering high-quality services to users of the EU IP system and maintained high levels of production.

The exceptional circumstances worldwide had some impact on economic activity and filing appeals, thereby leading to an increase of 13.67 % to 2 536 appeal cases. However, in terms of production and decision-making, there is a decrease of around 7.2 % in the number of notified decisions while the stock of appeals increased by 15.66 %.

	2020	2021	2022
Decisions notified	2 563	2 688	2 495
EUTM	2 420	2 599	2 333
RCD	143	89	162

Figure 1. Decisions notified

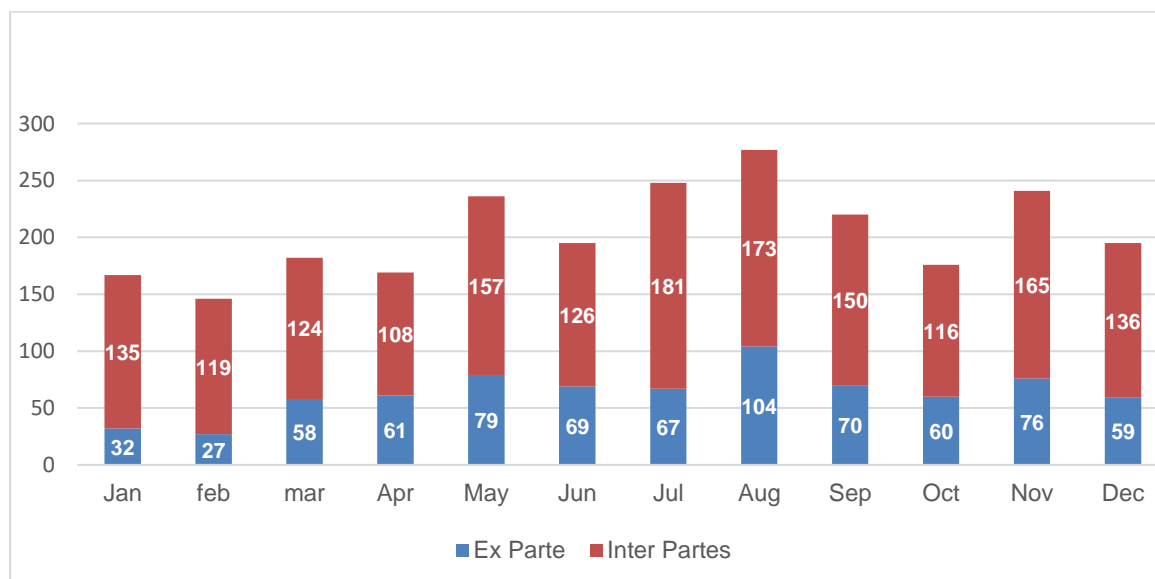
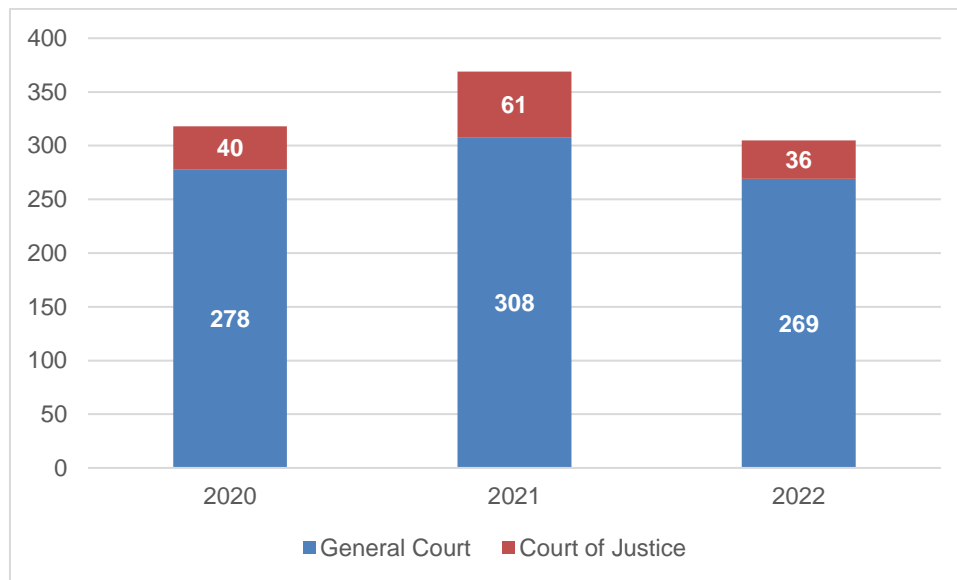


Figure 2. EUTM appeals filed 2022

	2020	2021	2022
Pending cases	970	662	777

Figure 3. Cases ready for decision at the end of year

With respect to litigation in 2022, 305 new actions were brought before the EU Courts in relation to BoA decisions. The confirmation rate of BoA decisions by the General Court remained high at around 85.9 %. As to Preliminary Rulings, nine were conducted in 2022.



**Figure 4. Cases before the EU Courts**

Finally, the volume of alternative dispute resolution (ADR) cases, in particular mediations and conciliations proposed, reached 35. In addition, in view of the adaptation of the data structure to IP Tool and the EUIPO Mediation Centre's future tools, a revision of historical case data has taken place and a more consistent approach has been implemented. This means some minor volume adjustment between the years.

Both acceptance trends of proposed cases and settlement rates are sustained over time. Hence, overall, when parties agree to solve their dispute through ADR mechanisms, they reach a settlement in around 75-80 % of the cases.

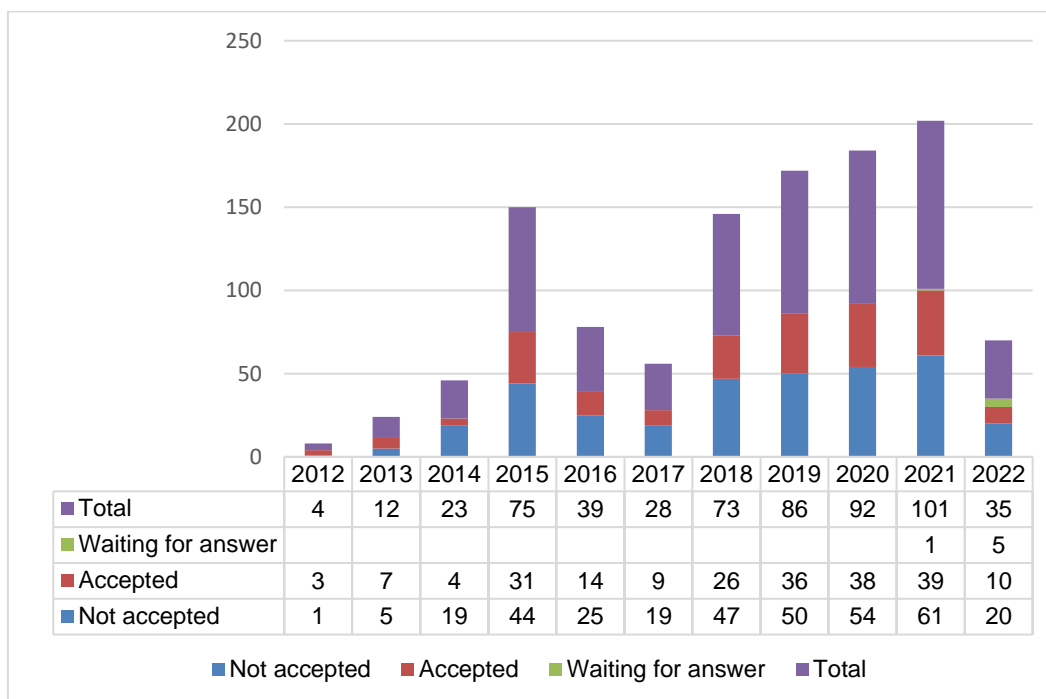


Figure 5. Proposed ADR cases

To further improve quality, the five Consistency Circles (CCs) have continued their discussion forums and the generation of reports; 10 of which have been published on the EUIPO website. The work carried out by the CCs explores a new, collaborative approach with the ultimate objective of enhancing alignment with the case-law of the General Court and Court of Justice and promoting further coherence in the decision-making practice of the Boards.

The role of the Grand Board of Appeal (GB) as a tool pursuing those goals was also strengthened, with a decrease in the stock of cases pending before it.

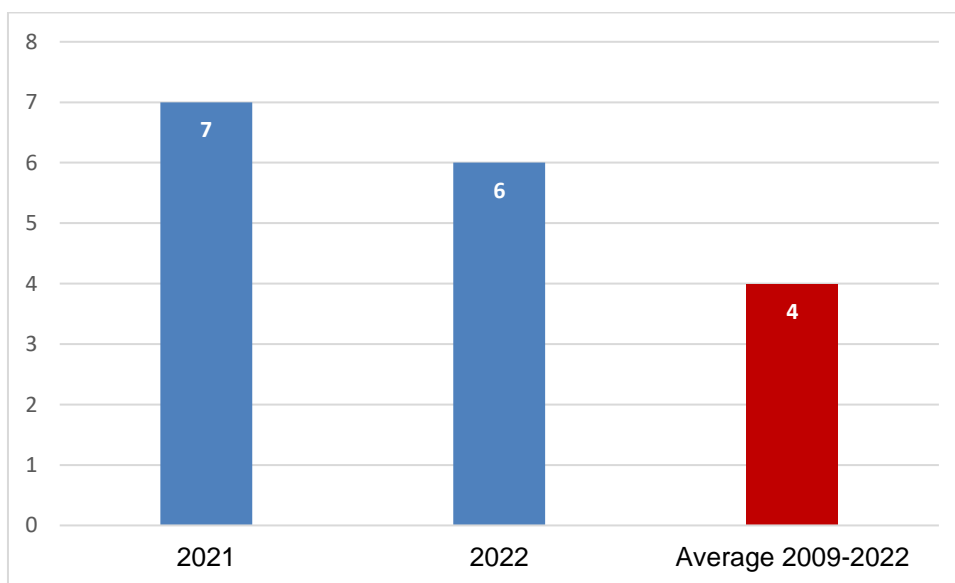


Figure 6. Grand Board completed cases comparative

Furthermore, the BoA's contribution to innovation and economic development within the EU and beyond focuses on cooperation and assisting innovators, as well as small and medium-sized enterprises (SMEs). In particular, the Boards continue to share knowledge and best practices among various external stakeholders and to tighten relations with the national intellectual property (IP) offices, national courts and users through different networks. Cooperation activity continuity was secured via numerous online bilateral meetings, multilateral meetings, conferences, workshops, seminars and regular meetings that took place remotely or in a hybrid format.

The Boards managed to comply with the main objectives of the *BoA Action Plan 2021-2026*. In particular, the five focus areas of the *BoA Action Plan* and 19 interconnected key initiatives – except for one starting in 2023 – were fully rolled out in 2022.

At present, 14 of the action plan's projects were fully implemented in 2022 and the total implementation rate at the end of the year was 19 %. Additionally, the programme 'Expand and Broaden the use of ADR' within its focus Area 4, which was prepared in 2022, is dedicated to expanding ADR services throughout the Office by establishing the Mediation Centre. As from 2023, the value of this programme with its four underlying projects has been fully recognised and integrated in the Office's Strategic Plan 2025. This marks the Office's resolute and consistent commitment to the benefits of ADR, which will be provided to the users of the IP system.

## 2. Structure and vision of the Boards of Appeal

The BoA are responsible for deciding on appeals against the Office's first-instance decisions concerning European Union trade marks and registered Community designs (RCDs). The BoA are independent and, in deciding a case, are not bound by any instructions. The main objective of the BoA is to render effective dispute resolution services for the EU IP system's users and addresses, particularly the needs of SMEs.

A Board of Appeal deciding on a case consists of three Members, including the Chairperson. The GB consists of nine Members, comprising the President of the Boards of Appeal as Chairperson, the Chairpersons of the Boards and Board Members. A Board may refer a case to the GB if it believes that this is justified because of its legal difficulty, significance or special circumstances. For the same reasons, the Presidium may refer a case to the GB. The BoA currently consist of four Boards exclusively dealing with trade mark cases and one Board that deals with design cases. Additionally, the GB may hear any case for both trade marks and designs.

The Presidium is responsible for the BoA's rules and organisation. It is composed of the President of the Boards of Appeal, who chairs it, as well as the Chairpersons of the Boards and Members elected for each calendar year by all the Members of the Boards.

The President of the Boards of Appeal is appointed by the Council of the European Union. The President has managerial and organisational powers and chairs the Presidium and the GB. The Chairpersons of the BoA are also appointed by the Council of the European Union. They have managerial and organisational responsibility for their respective Boards and are

responsible for appointing the Rapporteur in each appeal case. The Members of the BoA are appointed by the Office's Management Board.

➤ [Members of the BoA](#)

Following a selection procedure, the Office's Management Board appointed two new Members to the BoA, whose mandate started on 1 September 2022. This triggered a change in the Boards' composition. As a result, the Presidium of the BoA amended the decision on the calendar year scheme 2022 to reflect the new composition of the Second and Fifth Board. In December, the Presidium adopted the decision on the calendar year scheme 2023.

The Litigation Service, responsible for representing the Office in trade mark and design cases before the Court of Justice, forms part of the BoA operations area in the interest of centralising the appeal stages of IP litigation. This strengthens the guiding function of the Boards on the Office's practice.

Moreover, this structure ensures that interactions between the General Court and the Office's BoA is further optimised, enhancing and strengthening the consistency, predictability and quality of the BoA's decisional practice and reinforcing coherence in the Office's representation through actions brought before the General Court. The President of the Boards of Appeal's power to appoint Office agents who can act before the Court of Justice has been sub-delegated by the Executive Director of the Office.

The Executive Director's Administrative Decision No 20/32 deals with the administrative structure of the BoA, specifically under Article 3. It states that the BoA operations area is established to manage their operations, including matters such as legal support, quality performance, IT and risk analysis.

The Executive Director of the Office appoints the Director of the BoA Operations Area after consultation with the President of the Boards. The appointed person operates under the authority of the President of the Boards. To guarantee their independence, the Director, in the exercise of their powers, does not interfere with the Boards' decision-making competence.

The BoA operations area comprises four services:

- the Registry;
- the Knowledge and Information Support Service;
- the Alternative Dispute Resolution Service;
- the Litigation Service.

The Executive Director appoints Heads of these four services, including the Registrar, after consultation with the President of the Boards. The appointed persons report to the Director without prejudice to the Registrar's functions under the authority of the President of the Boards of Appeal pursuant to the EUTMR, EUTMDR and the decisions of the Presidium of the Boards.

In relation to the Registry, Article 4 of the Executive Director's Administrative Decision No 20/32 applies, whereby the Registry, for the purposes of the management of the appeal

proceedings, will have the competences as laid down in Article 42 EUTMDR. It is headed by a Registrar.

Within the BoA, the Alternative Dispute Resolution Service (ADRS) is in charge of providing businesses, including SMEs, with a complementary and effective path to conflicts with other parties. ADR mechanisms such as mediation and conciliation are interest-based rather than rights-based processes. They offer parties in conflict a cost-effective, confidential and amicable approach to solving IP disputes, which has continued yielding good results for users of the EU IP system during 2022.

### 3. The Boards of Appeal

#### 3.1 Decision-making activities

	2020	2021	2022
Decisions notified	2 563	2 688	2 495
EUTM	2 420	2 599	2 333
RCD	111	89	162

Figure 7. Decisions notified

	2020	2021	2022
GB completed cases	3	7	6
GB pending cases	15	15	11

Figure 8. GB decisions notified and GB cases pending as at 31 December

	2020	2021	2022
Pending cases	970	662	777

Figure 9. Cases ready for decision by the end of year

##### 3.1.1 Grand Board decisions

In 2022, the GB reduced its stock by six cases. Three final decisions were issued, and three cases were sent back to an individual Board pursuant to Article 37(3) EUTMDR. One new case was referred to the GB by an interim decision of the First Board. By the end of December 2022, 11 cases were still pending before the GB. The first ever oral hearing before the GB took place in a hybrid format, with the GB Members, the parties and their representatives on-

site, and almost 1000 attendees online. The parties were provided with ample opportunities to present their arguments and cross-examine witnesses and experts.

The most important GB decisions delivered in 2022 are the following.

- In case [R 0964/2020-G, Zoraya / Viña zoraya](#), on the basis of the arguments, facts and evidence presented before it, as well as generally known facts, the GB decided that ‘non-alcoholic beverages’ and ‘aromatized carbonated beverages’ are at least slightly similar to ‘wines, spirits and liqueurs’ for the relevant public in Spain. For these goods, there is also a likelihood of confusion due to the high degree of similarity of the signs. The remaining goods applied for, namely ‘waters; mineral water [beverages] enriched with vitamins’ are dissimilar with the goods covered by the earlier mark, there can therefore be no likelihood of confusion. In view of the above considerations, the GB partially upheld the opposition that was based on Article 8(1)(b) EUTMR.
- In cases [R 1238/2019-G, Iceland](#) and [R 1613/2019-G, Iceland \(fig.\)](#), the GB confirmed the finding of invalidity of the word mark and the figurative mark concerned, following oral proceedings. Both marks had been registered by Iceland Foods, a UK chain of supermarkets specialising in frozen food for a range of goods and services in Classes 7, 11, 29, 30, 31, 32 and 35. Invalidity requests were filed, inter alia, by the Icelandic Ministry for Foreign Affairs and Business Iceland (a.k.a Íslandsstofa a public-private partnership established to improve the competitiveness of Icelandic companies in foreign markets).

The GB confirmed the two contested decisions of the Cancellation Division. Following a recap of the case-law relating to trade marks containing a geographical name, the GB applied the ‘Chiemsee’ criteria and found that the marks in question would be perceived by the relevant public as indicating that the goods and services so indicated originate from Iceland.

The GB was particularly mindful of the fact that the geographical name in question is that of a Member State of the European Economic Area, with deep economic, historical and socio-cultural ties with the European Union and, in particular, Denmark from whom it obtained independence in 1944. The cancellation applicants filed evidence relating to the economic importance of Iceland and its capacity to produce a wide range of goods and services. It was also shown that Iceland, in addition to being one of the most eco-friendly countries in the world, enjoys significant economic prosperity as measured by its high per capita GDP and its ranking by Brand Finance, as the world’s most valuable nation brand in 2017.

The GB emphasised that it was not necessary for the cancellation applicants to demonstrate that Iceland enjoyed reputation or was well-known for all the goods and services for which the contested marks had been registered. It only needed to be established that the geographical term was – or might be in the future – associated with the goods and services of the contested mark.

Evaluating the degree of familiarity of the relevant public with Iceland, the characteristics of the country and its capacity to produce a wide range of goods and services, the GB concluded that both marks had been registered contrary to the provisions of Article 7(1)(c) EUTMR. The graphic elements of the figurative mark were unable to avoid the application of that article.





Figure 10. Iceland logo

All GB cases, closed and pending, can be consulted on the [EUIPO website](#).

### 3.1.2 Other important appeal decisions

In addition to the binding decisions of the GB, the most important appeal decisions are also regularly disseminated through digital publications, such as [Alicante News](#) and the [Boards of Appeal Decisions Overview](#) (under Boards of Appeal publications).

## 3.2 Confirmation rates

The confirmation rates of first-instance decisions by the BoA are shown in Figure 11. The positive evolution of Design Invalidation cases is particularly relevant, which increased from 73 % in 2021 to 90 % in 2022. The EUTMA and Opposition proceedings confirmation rate have increased from the previous year, while the confirmation rate for Cancellation decisions has slightly decreased.

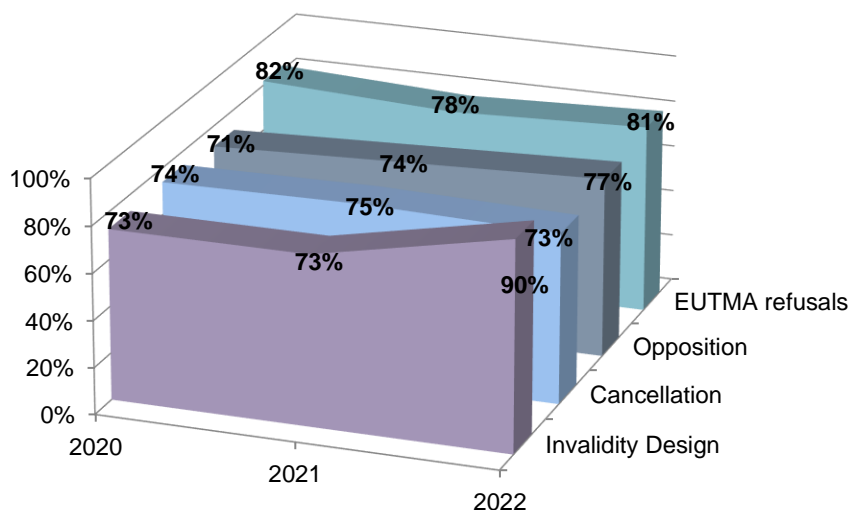
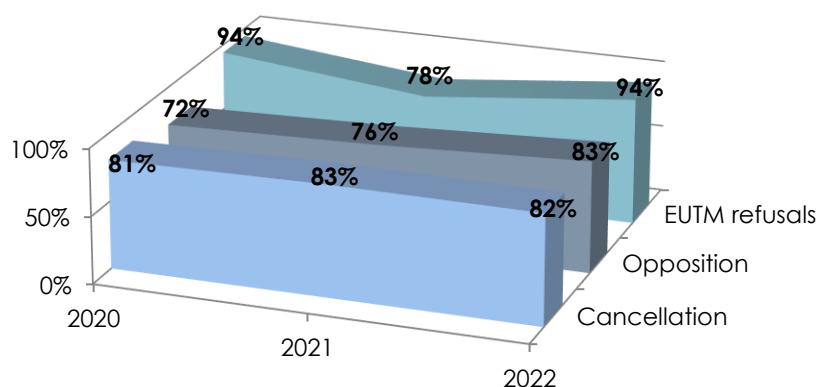


Figure 11. Confirmation rate of first instance decisions

The confirmation rates of BoA decision by the General Court are shown in Figure 12. These confirmation rates are closely linked to the appeal rate, as their result depends on the number of cases appealed before the General Court.

**The appeal rate was maintained from 2021 and was at 11.8 % in 2022.**

The confirmation rate for BoA decisions in relation to opposition decisions increased by 7 %, while for EUTM refusals it reached a similar level as in 2020. For cancellations, there was a slight decrease.



**Figure 12. General Court Confirmation rate**

### 3.3 Operational activities

#### 3.3.1 Registry

2022 continued to be challenging following the COVID-19 pandemic, the increase of appeals filed and the introduction of the BoA IP Tool. Both the Registry and the Boards responded and adapted positively to these challenges. The implemented method of making appeal files available electronically to the Boards has now become the norm, still allowing the possibility of printing a specific file on request.

In addition to being responsible for the management of appeal proceedings, the Registry has been involved in a broad range of activities. On the technical side, it contributed to making improvements to existing IT systems (BoAST and DAS), particularly to the intensive development and user acceptance tests of the BoA IP Tool from a business perspective. Registry-oriented statistics have been further improved.

The BoA IP Tool's launch contributed, by means of technology, to the harmonisation and simplification of procedures. However, the tool itself will not suffice if it is not accompanied by other measures, as identified in the *BoA Action Plan 2021-2026*, such as the following.

- KI4 P2 – Revision of the Registry manual to simplify and harmonise internal processes.
- KI4 P3 – Adoption and amendment by the Presidium or the President of the Boards of Appeal, when necessary; instructions to the Registry in line with procedural simplification and harmonisation, including, where needed, amendments to the Rules of Procedure).
- KI4 P4 – Reorganisation of the Registry into functional / linguistic teams, ensuring more flexibility in the management of Registry resources, greater efficiency in the Registry's operations and enhanced predictability for users. Working groups with multi-service participation were set up to deal with the abovementioned key initiatives and concluded

their work at the end of 2022.

During 2022, the Registry coped with its workload of tasks associated with the notification of the GB cases, as well as part of the administrative management of ADR cases that were mainly taken over by the ADRS. The Registry finalised training for some ADR colleagues for the operational workflow of the dispute resolution processes.

On substantial procedural matters the Registry closely collaborated with the CC procedure and Registry to harmonise or clarify diverse procedural issues pertaining to appeals. This included the ongoing revision of several Registry standard letters to align them with the rules of procedure before the BoA. It continued to put into production a substantial part of its templates' translations in all EU languages, a process that started in 2021. It also contributed to organising the first ever oral hearing – in a hybrid format – before the GB with almost 1 000 remote connections. Registry staff have participated in different working groups in the Office to which they were appointed, such as the Ecomm roadmap group, the customer panel on EUTM and RCDs and appeal proceedings, and the European cooperation projects (ECPs): front office, customer-centric services.

The Registry had to coordinate the reallocation of appeal files stemming from the BoA's reorganisation, which became effective as from January 2022.

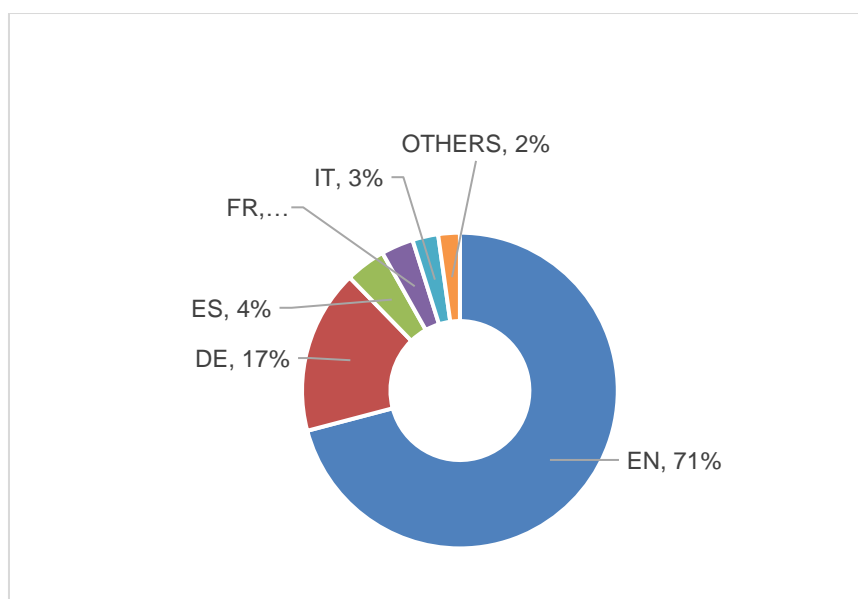


Figure 13. Appeals filed during 2022, per language of the proceedings

English was the most frequent language of the procedure, followed by German and Spanish.

	2020	2021	2022
Appeals filed	2 479	2 231	2 536
EUTM	2 382	2 102	2 452
RCD	97	129	84

Figure 14. Appeals filed

During 2022, a total of 2 536 appeals were received, representing an increase of 13.67 % from 2021. Most of the appeals concern *inter partes* decisions (69.75 % of the total). For appeals against RCD decisions, after an increase of 33 % in the previous year, it decreased by 35 %.

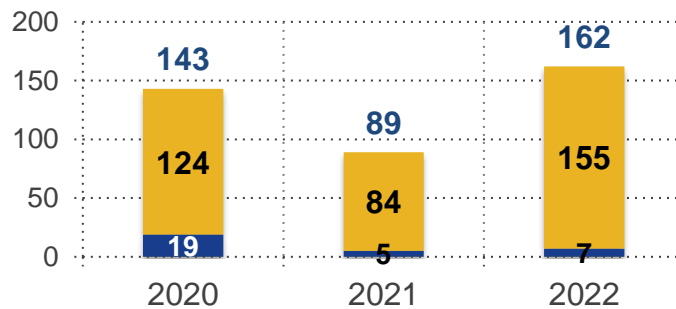


Figure 155. Year by year evolution of appeal decisions on Community designs

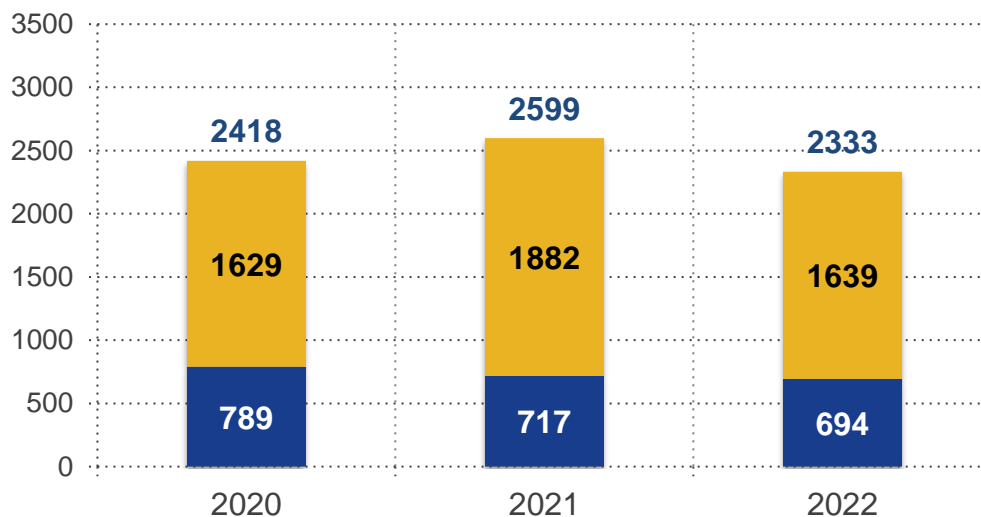


Figure 166. Year by year evolution of appeal decisions on trade marks

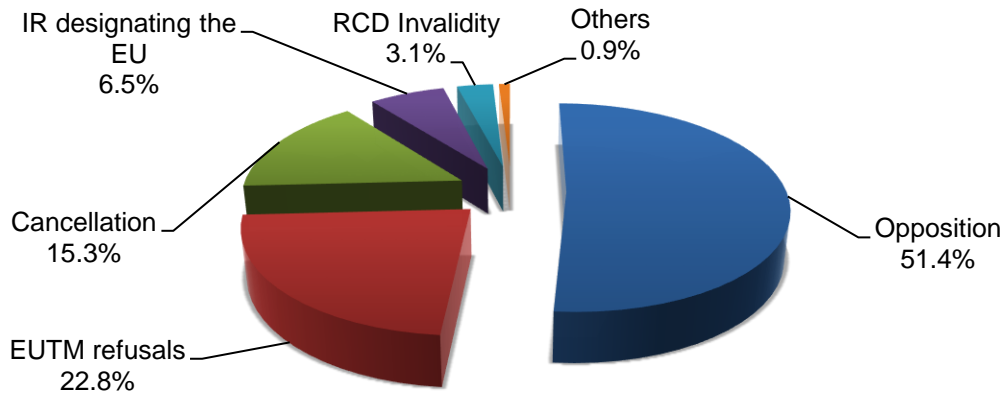


Figure 177. Filing ratio by type of first-instance decision

Appeals filed by type	2020	2021	2022
Opposition	1 247	1 119	1 303
EUTM Refusals	557	524	578
Cancellation	471	321	387
IR Designating the EU	86	118	165
RCD Invalidity	85	120	79
Others	34	29	24
<b>Total</b>	<b>2 480</b>	<b>2 231</b>	<b>2 536</b>

Figure 188. Appeals filed, by type of first-instance decision

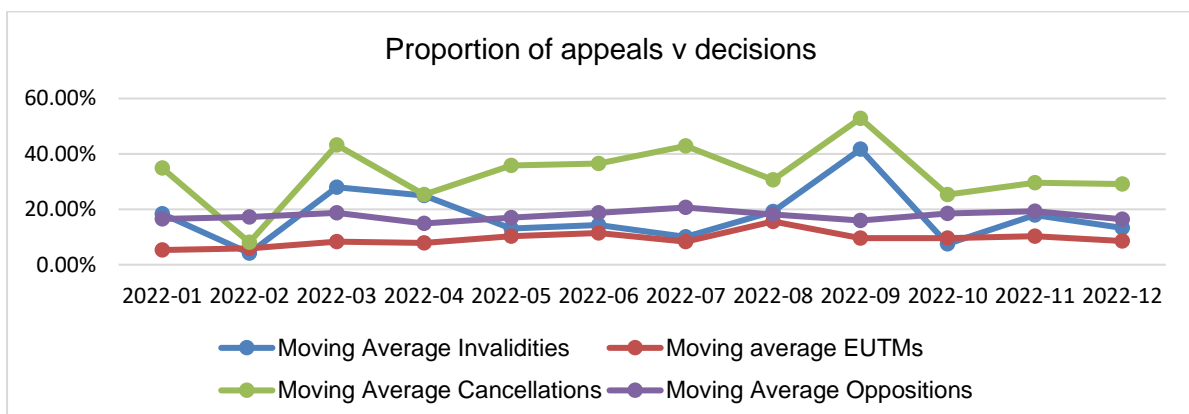
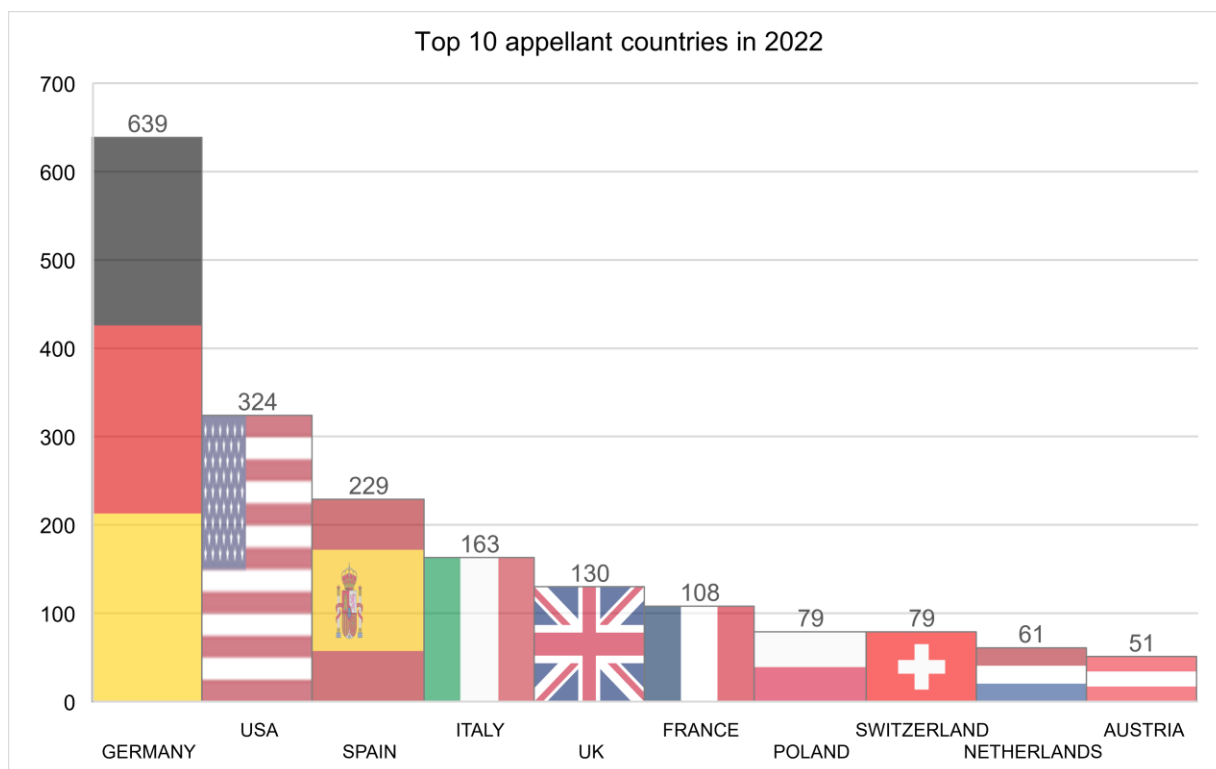


Figure 19. Average ratio of appeals v first-instance decisions



**Figure 190. Top 10 appeals per appellant nationality**

### 3.3.1.1 Interactive Collaborative Appeal Management

The method of interactive collaborative working, set up in 2019 to optimise the quality and consistency of appeal proceedings by identifying and clarifying procedural issues, continued throughout the course of 2022 to be a forum for presentation, discussion, training and continuous update of appeal proceedings-related topics in virtual meetings.

Interactive Collaborative Appeal Management (ICAM) shared an intensifying palette of professional practice, knowledge and expertise as well as novel approaches for a bottom-up feedback and possible amendments to appeal proceedings practice. In 2022 it served as a very useful platform to discuss the BoA IP Tool workflow issues, bugs detected and practicalities to be solved. Furthermore, ICAM provided a great deal of social, professional and personal fulfilment and involvement for the BoA Registry staff.

### 3.3.2 Litigation Service

The BoA's Litigation Service is responsible for representing the Office in actions brought before the EU Courts (General Court and Court of Justice) related to decisions of the BoA. The Litigation Service also assists the European Commission's Legal Service by stating the Office's position with reference to a Preliminary Ruling relating to trade marks, designs, geographical indications and other IP rights. The Litigation Service is instrumental for the BoA's guiding function on the Office's practice.

In 2022, 305 new actions were brought before the EU Courts in relation to the decisions of the BoA. In total, the Litigation Service dealt with 315 pending actions (as at 31/12/2022) before the EU Courts.

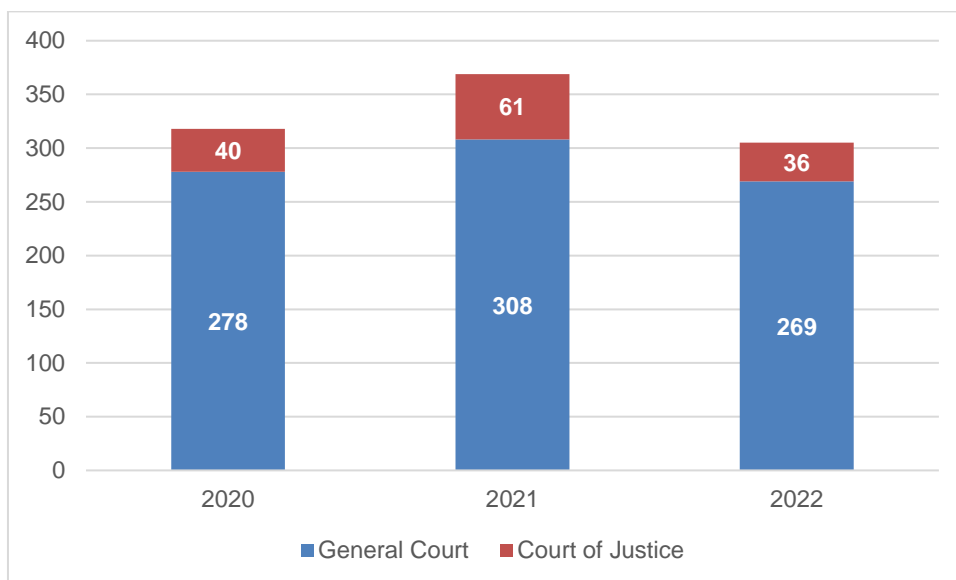


Figure 201. Cases before the EU Courts

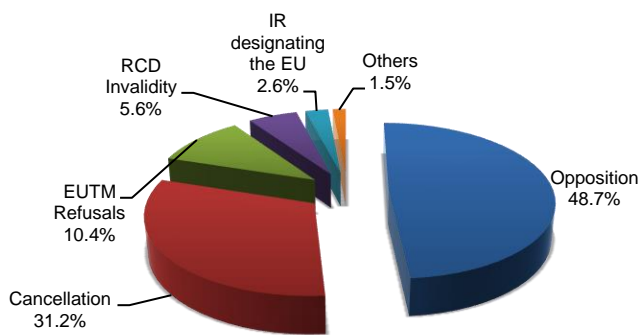


Figure 21. GC cases lodging ratio by type of first-instance decision

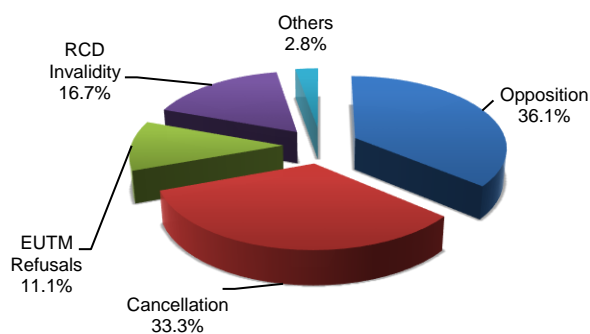


Figure 223. CJ cases lodging ratio by type of first-instance decision

It should be noted that the Litigation Service has been able to ensure that the Office was represented in all oral hearings convened by the EU Courts, despite the ongoing challenges of the pandemic, particularly in the first half of 2022.

The confirmation rates of BoA decisions by the General Court are displayed above [see para. 3.2].



The Litigation Service also contributed to nine preliminary ruling proceedings before the Court of Justice.

### 3.3.3 Alternative Dispute Resolution Service

Within the BoA, the ADRS provides to businesses, including SMEs, a complementary and effective path to solving conflicts with other parties. ADR mechanisms such as mediation and conciliation are interest-based rather than a rights-based processes, and they offer parties in conflict a cost-effective, confidential and friendly approach to solving IP disputes. This has continued yielding good results for users of the EU IP system in 2022.

Since 2011, the BoA have offered parties in *inter partes* disputes the possibility to make use of a range of ADR services that include mediation, conciliation, expert determination and a specific service for SMEs that became popular during the pandemic. Such a portfolio of services that are complementary to the traditional and classical decision-making path fully reflects the multifaceted nature of the disputes the parties may face. Moreover, it has been acknowledged that the area of IP is particularly prone to cross-border disputes for which global solutions are necessary but where traditional litigation simply encourages confrontations on multiple fronts.

During 2022, the volume of cases proposed for ADR followed the trend of the existing appeal cases and reached 35, with sustained acceptance and success rates for these processes. In addition, in view of adapting the data structure to IP Tool and the Mediation Centre's future tools, a historical case data revision has taken place and a more consistent approach has been implemented, meaning minor volume adjustment between years.

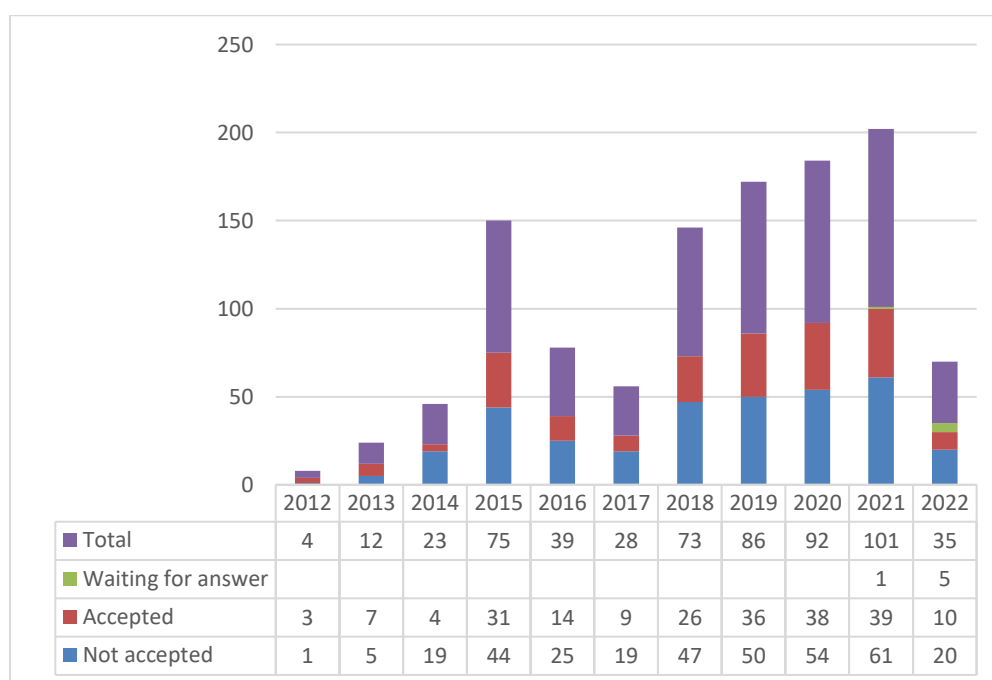
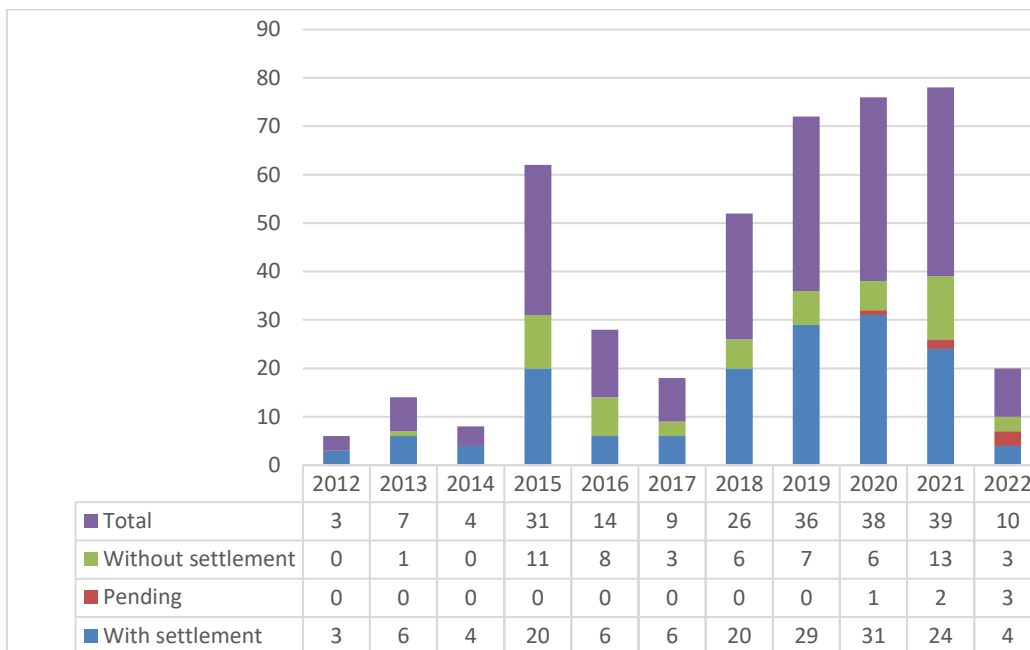
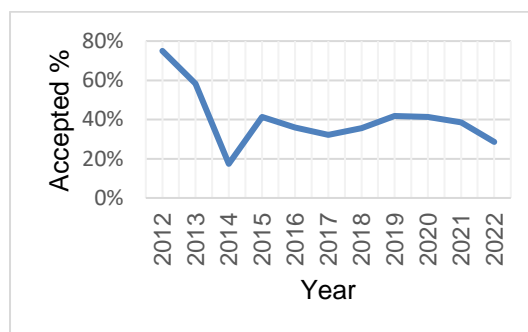


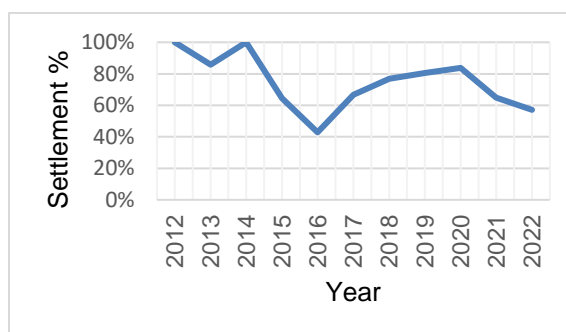
Figure 234. ADR proposed cases



**Figure 245. Accepted ADR following proposal**



**Figure 256. ADR acceptance trend**



**Figure 26. ADR settlement trend**

Overall, as shown by the graph in Figure 27, when parties agree to solve their dispute through ADR mechanisms, they average settlement rate of the cases is around 70%. This appears to be a convincing incentive for parties to explore the possibilities that ADR mechanisms can offer.

The BoA's ADR services are coordinated by the ADRS and are currently provided by an internal team of 21 experienced accredited mediators. They carry out mediations in nine EU languages, including the five languages of the Office. Over 2021-2022, some 20 additional internal staff became accredited mediators, providing future cover in 16 EU languages. The accredited mediators need to go through the mediator learning and continuous development path to be part of the Office's internal mediator team. The list of accredited staff members as mediators is approved by the Presidium of the BoA.

### 3.3.3.1 Alternative Dispute Resolution networks

In 2022, ADRS coordinated activities focusing on the most steadfast ADR networks, such as the ADR-Stakeholders Advisory Board (ADR-SAB) and the Network of IP Judges of the EUTM and RCD courts on mediation (Network of IP Judges).

#### **ADR-Stakeholders Advisory Board**

The ADR-SAB was conceived in 2019 as a stakeholder network bringing together representatives of IP users, EU business associations, EU national IP offices offering or intending to offer ADR, the Commission, international ADR centres, EU bar associations and other entities with relevant expertise. The aim of the ADR-SAB is to advise and support the Office in developing its ADR activities.

The SAB met remotely twice in 2022, in April and in November. Throughout 2022, the BoA continued engaging with the SAB to deliver on all the items of the approved annual work plan. The work plan of 2022 included, among other items, the feasibility analysis for the adoption of early neutral evaluation as a new ADR mechanism. The preparation of the next edition of the IP Mediation Conference, expected for the fourth quarter of 2023; the preparation of a position paper outlining the main features of the Singapore Convention on Mediation for users of the EU IP system; and the development of a checklist of criteria to guide users in order to assess whether an IP dispute is suitable for ADR and in particular for mediation.

Each of the activities listed above have been developed in its own working group formed by SAB members and BoA ADRS staff for each deliverable. Working groups have met several times during 2022.

The work plan 2023 for the SAB was approved in a meeting in November 2022. It includes two main workstreams that will be supported by a working group: 1) **ADR awareness and capacity building**. The objective of the first workstream is to discuss and disseminate initiatives to support ADR awareness actions and training opportunities, with a focus on IP disputes; and 2) **ADR users' perspective**. The objective of the second workstream is to provide user feedback on the services that will be offered by the Office's Mediation Centre, such as the online tools.

Further working groups may be created for ad-hoc topics, depending on either the interests of ADR-SAB members, or upon the proposal of the BoA.

## Network of IP Judges of the EUTM and RCD Courts on mediation

The Network of IP Judges of the EUTM and RCD Courts on mediation brings together judges from the EU and national Courts that have jurisdiction in intellectual and industrial property matters, that is, Members of the judiciary at EU and national level, specialised in trade marks and designs, and judges' associations supporting or favouring mediation and other ADR tools.

The main goals pursued by the Network are:

- to increase the use and impact of mediation in IP;
- to raise awareness among IP rights owners involved in multiple disputes in order to arrive at sustainable global settlement agreements;
- to promote the use of mediation using a road map for judges to refer IP cases to ADR when appropriate;
- to foster the creation of links between judges who favour the use of mediation.

The Judges Network met twice in 2022, on 4 May and on 11 November, in a hybrid meeting format combining physical and online attendance.

As from 2022, the meetings of IP Judges of EUTM and RCD Courts on mediation took place back-to-back with the Judges' Quality Assurance and Legal Practice Panels (J-QALPP) and a Case-law Seminar, making it a two-day event which gathered Judges from all over the EU. Such organisation improves the synergies of both networks benefiting from the overlap of around 70 % of the judges participating.

In these meetings, the Judges Network discussed the progress on their 2022-2023 work plan as approved in the meeting of December 2022. The work plan includes five initiatives: a Report from the implementation of the checklists; the preparation of a guide on strategies for the use of ADR in court cases; the comparative study on EU mediation and its extension; the report on enforcement of mediated settlement agreements and finally, support for the IP Mediation Conference 2023. The comparative study on how mediation is applied in the jurisdictions of the EU was completed and endorsed by the Network and the other deliverables progressed well during 2022.

Throughout the course of 2022, ADRS also participated and coordinated the BoA's participation in numerous activities and events on ADR, among others: technical meetings with the EU institutional partners (Directorate-General for Internal Market, Industry, Entrepreneurship and SMEs, Directorate-General for Justice and Consumers); World Intellectual Property Organization (WIPO) Arbitration and the Mediation Centre. Moreover, the BoA spoke at EU-funded training and development activities with an ADR component (such as ARISE + IPR and IP Key Latin America) at the ECTA Annual Conference, the UIA World Forum of Mediation Centres and other training activities such as at Lund University, the Föreningen Immaterialrättsligt Forum and the IANL Legal Academy webinar. In addition, the BoA organised two webinars to promote ADR processes: 'The benefits of ADR mechanisms', jointly with WIPO; and 'Is my case suitable for mediation? Paving the road to a friendly settlement'.

Moreover, following the adoption of the *BoA Action Plan 2021-2026*, ADRS launched the preparatory work for the programme 'Expand and Broaden the use of ADR' within its focus

area 4. It is dedicated to tackling the expansion of the ADR services to all Office decision-taking instances through establishing the Mediation Centre pursuant to Article 170 EUTMR. The value of this programme with its four underlying projects has been fully recognised and integrated in the Office's Strategic Plan 2025 as of 2023. This marks the Office's resolute and consistent commitment for the benefits of ADR that will be provided to users of the EU IP system.

### 3.3.4 Knowledge and Information Support Service

The Knowledge and Information Support Service (KIS) is responsible for subjects like information technology, legal and administrative support, quality performance and risks, as well as publications on BoA activities. In that respect, KIS is involved in implementing the *BoA Action Plan* under focus area 1, 'Optimise operational efficiency and effectiveness towards organisational excellence'. KIS is also involved in knowledge development and compiling judgment and decision summaries aiming to create an expert knowledge hub by improving knowledge acquisition, management and sharing (key initiative 5).

In 2022, KIS ensured the dissemination of case-law related information in appeal decisions and Court of Justice of the European Union and General Court (CJ/GC) judgments by regularly contributing to Alicante News and updating the [Overview of CJ/GC Case-law](#) (under BoA Publications). This publication is a comprehensive compilation for users to learn about IP case-law of the European Courts in a quick and easy manner. It contains a systematic compilation of key points from judgments and orders rendered by the CJ/GC from 2019 to 2022 on appeals of BoA decisions in trade mark and design matters as well as judgments rendered by the Court of Justice in preliminary rulings on IP rights and their enforcement. Each key point is preceded by keywords (to quickly identify the relevant issues) and hyperlinks to the Office's eSearch Case Law database.

In 2022, KIS also performed the indexation of 2 208 appeal decisions compared to 2 554 in 2021 (a decrease of 13.54 %) to support the functioning of the eSearch Case Law tool. It was involved in the work of the project team responsible for preparing the tool's upgrade under the SP2025 project, e-Search Case Law Database: Improve Tool (key initiative 3).

## 4. Quality

### 4.1 Boards of Appeal consistency circles

Under the *BoA Action Plan 2021-2026* second focus area (to improve quality by promoting consistent and coherent decisional practice, enhancing alignment, legal certainty and greater predictability for internal and external users), the BoA set up CCs in absolute grounds, relative grounds, goods and services, designs and registry and procedure in 2021 (key initiative 6).

The CCs analyse and discuss case-law to identify trends and develop a common understanding on relevant legal issues. They are hubs for sharing knowledge and exchanging ideas, searching for consensus in controversial practice matters. Each CC is composed of participants from all areas of the BoA (Members of the BoA, legal assistants, litigation agents and legal experts from other areas) to ensure a diversity of expertise and

views. They draw up case-law research reports on trade mark and design topics and appeal procedural matters. While operating in full respect of the independence of the President, Chairpersons and Members of the BoA, the CCs enhance legal discussion within the BoA and contribute to a harmonised approach on relevant legal matters.

The findings of the CCs are periodically discussed by the entire BoA legal community at **General Consistency Meetings** (GCMs), internally within the Office through Knowledge Circles, as well as externally with stakeholders (key initiatives 8 and 12).

With the successful conclusion of the project's initial pilot phase in May 2022 and building on the experiences and lessons learned, the CCs and GCMs have become regular BoA operational activities.

In 2022, the BoA produced and published 10 case-law research reports<sup>(1)</sup> aiming to enhance their work's consistency, coherence and predictability, as well as increasing knowledge, awareness and transparency among their various stakeholders.

## Boards of Appeal Case-law Research Reports

[Similarity between beers and other beverages](#)

[Identification of the features of a design under Article 8\(1\) CDR](#)

[Proof of a technical function of a design under Article 8\(1\) CDR](#)

[Similarity between foodstuffs/drinks and services for providing food and drink](#)

[Trade marks contrary to public policy or accepted principles of morality](#)

[The distinctive character of slogans](#)

[The neutralisation principle](#)

[Clear and precise definition of goods and services](#)

[Identification of the product](#)

[Res judicata - The scope of re-examination of the appeal following annulment by the EU courts](#)

Several of these reports have been discussed with European IP judges under the Judges Quality Assurance and Legal Practice Panels (May and November 2022) and presented to IP offices and user associations at Trade Mark and Design Liaison meetings (March and October 2022). The CCs have also responded to legal consultations within the Boards, facilitated the Boards' input in ongoing European cooperation programmes, participated in the Office's Knowledge Circles and provided input on the Office's Guidelines.

## 4.2 Judges' Quality Assurance and Legal Practice Panels

The Judges' Quality Assurance and Legal Practice Panels (J-QALPP), operational since

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<sup>(1)</sup> Published under the [BoA publications](#) – BoA Case-Law Research Reports, in the EUIPO website.

2020, is the BoA's external network of national IP judges from all over the EU, aiming to involve national judges in a dialogue on trends in trade mark and design decisional practice. The J-QALPP met twice in 2022 (in March and November) to discuss the findings of BoA case-law research reports and exchange information on national decisional practice in diverse areas of trade mark and design law.

Since November 2022, the J -QALPP meeting is a part of the IP judges network week. This includes sessions by IP Judges of EUTM and RCD Courts on mediation and a Case-Law Seminar. The Case-Law Seminars complement activities of existing IP judge networks and aim to present and discuss recent cases of the BoA and the GB, together with judgments of national Courts.

### 4.3 Timeliness of appeal files

The timeliness of appeal files provides indications as to the extent that the BoA have respected the delivery of some key aspects of their services. The tables below shows the key indicators for both proceedings and decision-making activities during 2022.

Appeal proceedings indicator	% of cases	Service standard (days)	2022
EUTM <i>inter partes</i> appeals remitted to the BoA from filing of Observations	98 %	<35	Excellence
RCD <i>inter partes</i> appeals remitted to the BoA from filing of Observations / Rejoinder	98 %	<35	Excellence

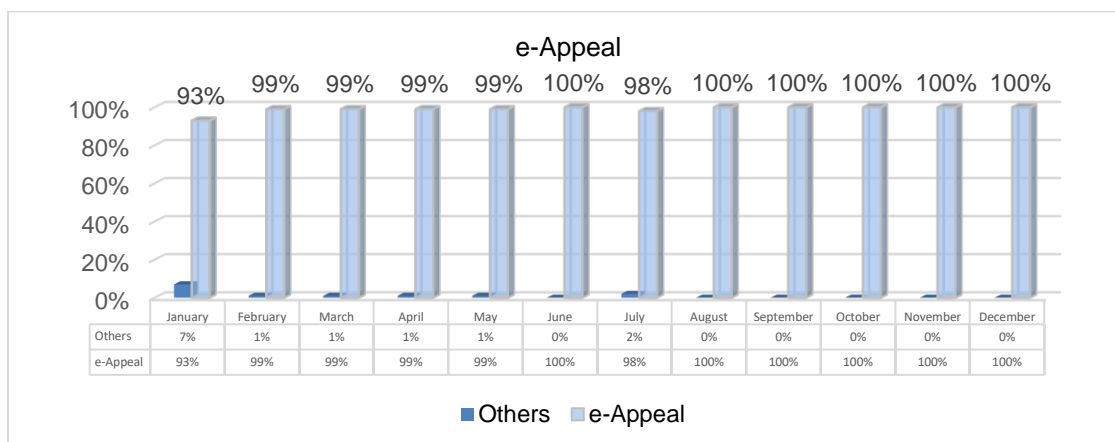
Decision-making indicator	% of cases	Service standard (months)	Average	2022
<i>Ex parte</i> decisions notified after reception from the Registry	85 %	<6	5.4	Excellence
<i>Inter partes</i> decisions notified after reception from the Registry	85 %	<6	5.8	Excellence

Actual deliveries are aligned with the level of service corresponding to 'excellence'.

### 4.4 Accessibility

The e-Appeal filing system was extensively used in 2022, reaching 100 %. It provides a user-friendly way to submit an appeal and is an important tool for SMEs with a very high satisfaction rate.





**Figure 27. e-Appeal filing rates 2022**

#### 4.4.1 Registry call-back strategy

The call-back strategy, adopted in several Office departments, has proved its benefits, contributing to the Office's overall user accessibility by providing a simpler and extended service in terms of 'opening hours' to achieve business hours coherence. All call-back messages passed on to the Registry (117 in total) were answered within the compliance time-limit (95 % of the call-back within the excellent timeframe), thereby valuably contributing to the user accessibility service level standard.

## 4.5 Quality initiatives

#### 4.5.1 Boards of Appeal Quality Expert Group

The BoA Quality Expert Group is composed of members from different services across the Boards, coordinated by the Internal Control Correspondent.

The main objectives of this group are to contribute to the Office's quality management system (QMS) to maintain the ISO 9001 certification and report on performance and quality standards. They assess working methods, update work instructions and identify operational risks. They also handle communication actions for all the relevant aspects of the QMS, particularly those oriented to BoA staff.

The group identifies issues on quality and proposes solutions. It acts as a feedback channel for staff, handling ideas for improvement and following up on implementing preventive and corrective actions. It ensures the alignment of the BoA's QMS with the EUIPO strategy.

In 2022, the Quality Expert Group members and other key users were involved in preparing and releasing the new BoA IP Tool and related documentation for its users.

#### 4.5.2 Drafting Editor Tool

In the context of key initiative 1 (Upgrade the existing BoA IT tools and take advantage of new technologies to develop new tools) and in parallel to releasing the new IT back office (see section on IP Tool below), the EUIPO Drafting Editor tool was further developed and adapted to the specificities of the BoA. This was done particularly by enabling the automatic incorporation of data from BoA IP Tool. Moreover, a specific set of hybrid templates was implemented to allow efficiency gain by enabling draft decisions based on the automatic incorporation of data and with the view to easily incorporate the standard paragraphs drafted by KIS and the CCs (see section above).

In 2022, approximately 300 standard paragraphs were written in English and uploaded into the new tool, to provide consistency and coherence to BoA decisions and practices, notably on procedural matters.

#### 4.5.3 Quality Reading

The BoA do not have one working language but take decisions directly in the language of the proceedings. Decisions can therefore be drafted in any of the 24 official languages by non-native speakers. To control quality, draft decisions can be submitted to KIS for a linguistic and factual check. In addition to improving linguistic quality for the benefit of stakeholders, quality reading also helps to avoid mistakes that could create a distortion in the machine translation tool due to linguistic ambiguity in the master copy. Among other tools, the BoA Quality Reading Manual and the Case Quotation Manual are used as points of reference.

In 2022, the KIS Quality Reading Team checked 2 026 draft appeal decisions, corresponding to 42 802 pages, compared to 1 956 decisions and 42 721 pages in 2021 (i.e. respective increases of 3.58 % for decisions and 0.2 % for the total number of pages). The average number of pages per decision is similar to the previous year, 21.8 in 2021 to 21.1 in 2022, (i.e. a decrease of 3.2 %), and the average number of days to return decisions from the quality reading activity rose from 4.78 in 2021 to 9.96 in 2022 (i.e. an increase of 108.37 %).

## 5. Communication

### 5.1 Communication Group

The BoA Communication Group has operated since the first lockdown brought about by the COVID-19 pandemic. It has focused its attention on supporting the Office's efforts in COVID-19 communication actions. This later expanded to supporting social activities for BoA staff by organising virtual meetings with an informative but casual tone.

The Communication Group has been redesigned and the updated terms of reference were approved at the end of April 2021. The objective was to give an overview of the communication priorities for the BoA, enable the Communication Group to bring structure and methodology to the department's communication needs, contribute with ideas and support their implementation and communication actions by creating a knowledge network.

The Communication Group must explore, analyse, implement and assess effective communication channels so information flows in an efficient manner between the department's different stakeholders, including the Cabinet, each Service's managing bodies, Team Leaders and BoA staff. The group also coordinates its actions with the Communication Service via the Communication Correspondent and BoA Head of Cabinet.

## 5.2 Communication actions

The BoA Communication Group set up a network of key information nodes to support regular communication actions. The network has been providing the basic information used by the group to prepare the appropriate communication actions.

The group proceeded with several actions in 2022, among them the following:

- regular feeds on the BoA screens, as well as videos disseminated by email and on the BoA Insite, with news on newcomers and HR matters, promoting an awareness of the Office's news items, BoA statistics and events;
- circulating informative emails on various topics;
- raising awareness on BoA decisions through email and social media.

Moreover, since April 2021, the Communication Group has been editing and publishing a newsletter addressed to BoA staff, promoting the activities described above to raise awareness, as well as creating social content to enhance cooperation, communication and social activities among colleagues.

The Communications Correspondent has been coordinating the Communication Group, as well as the external communications.

- The external promotion of BoA events and actions, as well as decisions of the Presidium and Referrals through different channels (e.g. EUIPO Monthly communication to User Associations, national offices, European Institutions);
- Case-law articles to Key users via Flash News;
- Alicante News case-law articles;
- Promotion of BoA events through social media.

## 5.3 The Boards of Appeal on social media

49 posts were published on social media in 2022, from important decisions and latest case-law to BoA events:

- 12 on Twitter;
- 37 on LinkedIn.

They received a total of 533 961 impressions:

- 28 571 on Twitter;
- 505 930 on LinkedIn.

And 33 341 total engagements (likes, comments, shares and links):

- 2 107 on Twitter;
- 31 234 on LinkedIn.

BoA posts performed above average in terms of engagement rate, especially on LinkedIn.

The average engagement rate is high: 7.4 % on Twitter and 6.2 % on LinkedIn (anything above the threshold of 2 % is considered a good percentage).

Moreover, two dedicated event pages were created, which attracted thousands more interested IP professionals following the events:

- IP Case Law Conference ([LinkedIn](#) and [EUIPO website](#))
- Oral Hearing Appeal case R 1613/2019-G and R 1238/2019-G, Iceland ([EUIPO website](#))

## 6. Legal Developments

### 6.1 Key Presidium decisions

The Presidium of the BoA is responsible for laying down the rules and organising the work of the Boards. During 2022, it adopted 17 formal decisions on a wide variety of topics spanning several areas. The following are the most important decisions of the Presidium:

- the End of Pilot Report for the CCs was adopted and the terms of reference for the CCs was revised;
- 10 Case Law Research Reports were endorsed for external publication;
- two decisions appointing new mediators were adopted and the list of mediators as per Article 7(2) of the 'Decision on Mediation' (2013-3) was updated;
- following the judgment of the General Court in Case T-722/18 BASIC, a case was reallocated to a BoA and one case was reallocated to the GB pursuant to Article 1(d) of Commission Regulation 216/96.

As always, the Presidium took all necessary measures to ensure the BoA's proper functioning, including the amendment of the decision on the Calendar Year Scheme for 2022 and the adoption of the Calendar Year Scheme 2023, laying out the constitution of the Boards following the appointment of two new Members by the Management Board, as well as the Expenditure Requirements for 2023.

➤ [Decisions of the Presidium](#)

## 6.2 Rules of procedure

Following consultation with the user associations, the Presidium of the BoA adopted the rules of procedure of the BoA for the first time in 2020. These rules contain procedural provisions applicable to appeal proceedings concerning both EUTMs and RCDs. They compile and codify the BoA's existing procedural practice as governed by the regulations, and general principles of EU law, including the principles of equal treatment and sound administration as interpreted by the CJ/GC. In addition, the rules encompass the relevant specifications laid down in decisions of the Executive Director of the Office and consider procedural flows already established internally at the BoA.

As such, the rules of procedure provide both users of the EUTM or RCD system and BoA staff with a single comprehensive set of procedural rules that are applied in all proceedings before the BoA. The rules therefore increase the transparency, consistency and efficiency of BoA decisional practice.

The rules of procedure were amended in 2021 to reflect the evolution of case-law on procedural issues, as well as new procedural practices established at the Office. The amendments concern, inter alia, notifications to the parties, oral hearings, use of data carriers and evidence by means of reference.

In 2022, the consolidated and comparative versions of the rules of procedure were published on the EUIPO website. Furthermore, under the *BoA Action Plan* projects, a yearly revision cycle that includes consultation with external stakeholders was set up. The rules of procedure will be reviewed and updated on a yearly basis, and a new consolidated version will be published on the EUIPO website at the beginning of each year.

- [Rules of Procedure before the BoA \(RoP\)](#)
- [Rules of Procedure – comparative consolidated version](#)

## 6.3 Data protection

In 2022, the BoA continued promoting awareness about personal data protection, answering queries from its staff and advising on the following data protection aspects of new projects.

- Purchase of the online platform for mediation and other ADR services; a preliminary risk assessment on data transfers for the screening of candidates or vendors established outside the EU was conducted, and then a full data protection assessment on the contract terms and further legal and security aspects was carried out.
- The Office's first GB public oral hearing in appeal cases broadcast live via the Zoom platform on 9 September 2022; both data protection compliance and the integrity of the oral hearing were ensured especially via specific communications to parties and *in situ* participants, as well as implementation of the appropriate security measures.

The following data protection records and corresponding data protection statements have been updated:

- BoA events (on the occasion of the IP Case Law Conference 2022 and in view of the Mediation Conference 2023);
- mediation and other ADR services (now included as an annex to the Mediation Agreement model, Schedule 2); and
- IP litigation files.

The work instructions were also updated to include links to the corresponding data protection statements.

Finally, the BoA Data Protection Coordinators regularly cooperated with the Office's data protection officer and participated in DPC network meetings and knowledge circle on data protection, which in 2022 primarily dealt with issues on international data transfers, data breaches and the EUIPO IT applications catalogue.

## **7. External Relations**

### **7.1 Cooperation with international institutions and other appeal bodies**

#### **7.1.1 Meeting with the Registry of the General Court of the European Union**

In November 2022, a face-to-face meeting was organised, following up the annual visits over 8 consecutive years and thereby strengthening the cooperation between the two Registries. The conference gave the opportunity for a further exchange of experiences on new ways of working after the COVID-19 pandemic. Further interesting topics that were discussed included the latest organisational developments within the BoA and the Court, highlights of the EUIPO *BoA Action Plan*, IT projects of the General Court including use of artificial intelligence, draft modification of the rules of procedure of the General Court and proactive case management.

#### **7.1.2 Cooperation with the Registry**

##### **a) Cooperation with the BoA registry and the European Patent Office**

Again, in 2022, it was not possible to proceed with a presential event in Alicante. Instead, a videoconference took place in November with the aim of continuing the fruitful regular exchange of information on practices and enhancing the interaction between the two Registries. During this meeting several topics, common to both Registries, were discussed and benchmarked, such as the results of Key Performance Indicators, statistical information, European Patent Office (EPO) updates on its Registry Team, the EPO and a paperless BoA and round table discussions sharing experiences.

##### **b) Cooperation with the BoA Registry and the Community Plant Variety Office Registrar**

Following an agreement between the President of Community Plant Variety Office (CPVO) and the President of the BoA, the CPVO Registrar visited the BoA Registry for an introduction training on appeal processes. She has been working together with colleagues of the Registry,

support services and a BoA to get an overview of the administrative and appeal processes, including the IT systems used.

### 7.1.3 Inter-agency cooperation

The Inter-Agency Appeal Proceedings Network (IAAPN) was established in 2018 with the aim of promoting cooperation, coordination, sharing of knowledge and best practices on appeal proceeding issues of common interest among the EU Agencies' appeal bodies. In 2022, the BoA conducted two main activities of the IAAPN work programme. This focused on quality management of appeals and measurement of decision-making quality (in particular, introduction of the 2022 IAAPN scoreboard) and harmonisation of terminology used in appeal proceedings. Activity outcomes were presented and discussed with appeal bodies in the IAAPN annual meeting on 17 November 2022.

### 7.1.4 Meetings with the World Intellectual Property Organization

Under the cooperation between the Office's BoA and WIPO, several meetings took place in 2022. On 2 September 2022, the Institutional and Cooperation Department organised a face-to-face technical meeting with WIPO at the EUIPO premises. The aim of this visit was to review, at technical level, the cooperation activities and identify areas of interests and needs for cooperation for the upcoming 2023 work programme, to continue reinforcing the cooperation between both organisations. Moreover, on 14 September 2022, a technical meeting between ADRS and WIPO took place. The aim of this meeting was to discuss cooperation areas on ADR for the future Memorandum of Understanding and subsequent work programmes between WIPO and the Office.

### 7.1.5 Bilateral cooperation with the TM5/ID5 appeal bodies

In 2022, the BoA continued its close cooperation with TM5/ID5 appeal bodies and met virtually with the IP Trial and Appeal Boards of the Korean Intellectual Property Office in April and with the CNIPA Re-examination and Invalidation Department in September. At these meetings, appeal bodies exchanged information on their recent activities and operations, and shared knowledge, experience and best practices on topics of mutual interest. The BoA presented and discussed recent important case-law and identified trends in trade mark and design practices.

## 7.2 Cooperation with national IP offices and their appeal bodies

### 7.2.1 European cooperation and convergence projects

#### European cooperation projects

The ECPs 2020-2025 were launched in September 2020. BoA representatives are actively engaged in the following ECPs working groups.

- ECP2 improvement and upgrade of EUIPN tools: major improvements to back office,

front office, maximise the use of collaborative work tools, major improvements to similarity tool.

- ECP3 new tools: decision desktop, integrated multiple assessment solution.
- ECP4 convergence of practices: convergence analysis 2.0 and maintenance of common practices.
- CP13: trade mark applications made in bad faith.
- CP14: trade marks contrary to public policy or to accepted principles of morality.
- ECP5 sustainability of the network: support on project and quality management development emerging technologies incubator.
- ECP6 supporting SMEs: sub-working groups on ADR and EU Information Centre.
- ECP7 IP legislative and practice repository: IP legislative and practice repository, implementation support with tools and training.
- ECP8 collaborative services: PEER coordination, assistance on Art (8)4 EUTMR IP rights/PEER national rights, peer absolute and relative grounds.

In addition, in the ECP6 supporting SMEs working group meetings, significant input and feedback was given on the SME Fund, SME website, IP pre-diagnostics initiative, pro-bono platform, effective dispute resolution service, IP valuation initiative and EU IP Information Centre. As the working group members claimed at this stage that more room for discussion should be allowed on the mechanism and scope of these supportive instruments, and on how such services could be integrated in their offices, the MB/BC approved the creation of specific sub-working groups to continue discussions on specific SME support actions, considering that the setup of the services are not included within the scope of ECP6.

The sub-working groups' objective is to develop concrete proposals in their respective competence areas and be presented to the entire ECP6 working group. The BoA participate in two of the newly created sub-working groups: the **sub-working group 'Outreach & Information'** that includes the EU IP Information Centre; and the **sub-working group 'Alternative Dispute Resolution'** that includes ADR services. The work continued at high pace and great commitment by the sub-working group members throughout 2022, thereby reaching all the objectives for technical deliverables mandated.

In all the projects mentioned above, the BoA contributed with expertise and knowledge to the specialist analysis and the discussions conducted in the context of the projects. The Boards were intensively involved in developing common practices for convergence projects CP13 and CP14. The BoA bring a particular perspective and expertise to the working groups due to their guiding role on Office practices.

### 7.2.2 SME programme and other SP 2025 initiatives

Staff from the BoA participated in several projects as members of the working groups under the SME programme (e.g. IPPD group). Additionally, as mentioned above, the BoA has contributed to other projects, such as ECP6 supporting SMEs, particularly in ADR and the EU Information Centre.



### 7.2.3 EU national IP offices

Over the past few years, the BoA have developed strong ties with the EU national IP offices and their appeal bodies. The Boards regularly visit the national offices and participate in regional IP events (conferences, seminars, workshops) they organise. In 2022, the Boards co-organised with national IP offices 21 regional seminars for IP users or IP judges in which it presented and discussed recent BoA case-law, key initiatives launched for developing coherent and consistent trade mark and design decisional practice, ADR services offered by the Office to users and the status of the *2021-2026 BoA Action Plan's* implementation. Moreover, in close cooperation with the ICD, the Boards provided speakers for various regional seminars.

### 7.2.4 Non-EU national IP offices

In 2019, the BoA visited the Singapore Intellectual Property Office for the first time. This marked the beginning of a very close relationship created with this office. The bilateral meeting was organised in October 2022, in which recent developments at both offices, important case-law on AG and RG and the topic of expert evidence were presented and discussed.

In 2022, the Boards launched cooperation with the Turkish Patent and Trademark Office. In two bilateral meetings in April and September, they discussed recent developments of both offices' appeal bodies and presented case-law, particularly on bad faith.

#### 7.2.4.1 Cooperation under the EU-funded projects

##### **EU-Georgia Intellectual Property Project**

With the implementation of the Georgia EU-funded project, the BoA actively participated in various events and activities, including a contribution to the Sakpatenti study.

##### **Other EU-funded projects**

For the implementation of other EU-funded projects, ADRS participated in two workshops on ADR for ARISE+ and IPKey Latin America. The Boards also participated as guest speaker in the event organised by EU-funded projects.

## **8. Events and Conferences**

### **8.1 Intellectual Property Case Law Conference 2022**

Building on the successful Intellectual Property Case Law Conferences (IPCLC) of 2016, 2018 and 2020, the BoA in cooperation with the EUIPO Academy, organised the fourth edition of the IPCLC in Alicante. This conference brought together leading intellectual property experts from multiple jurisdictions, with around 1 200 participants from 89 countries, who attended both onsite in Alicante and online.

Moreover, this edition of the IPCLC marked the 25th Anniversary of the BoA and was designed with a new sectorial approach to address current global challenges facing the IP community. Delegates and speakers from leading IP offices from the EU and beyond, policy and law makers, judges, academics and lawyers represented a broad spectrum who actively discussed the latest case-law in fields such as health, fashion, the environment, artificial intelligence, automobiles and the food industry.

## **8.2 Oral Hearing Appeal case R 1613/2019-G and R 1238/2019-G, Iceland**

The first ever [oral hearing](#) before the GB took place in a hybrid format, with the Members of the GB, the parties and their representatives on-site, as well as almost 1 000 attendees online.

## **9. BoA Studies and Experts Opinions**

### **9.1 BoA Studies**

The BoA traditionally commission a study each year. The purpose of these studies is to provide information and facilitate understanding of market realities and the legal and economic regulations and practices on specific issues especially when a gap in the knowledge is identified. These studies produce benefits not only for BoA decision takers but also for any stakeholders who may wish to expand their knowledge and understanding on specific IP matters.

In 2022, a *Study on the knowledge of foreign languages by the relevant public in each EU Member State* was launched to obtain a comprehensive overview of the general public's knowledge on the Office's five working languages.

### **9.2 Expert opinions**

The BoA have requested a written expert's opinion on blockchain and IP, to analyse one of the most pressing legal issues that could arise when introducing blockchain applications in the IP ecosystem, which has not yet been adequately addressed by legal doctrine, namely the legal value of evidence provided by blockchain systems. This expert's opinion is particularly relevant for IP offices that plan to deploy blockchain networks for the administration of registered IP rights.

## **10. Challenges**

### **10.1 BoA Action Plan 2021-2026**

In parallel with the intense set-up phases of the [BoA Action Plan 2021-2026](#) implementation, adopted by the Presidium, some of the projects were launched in 2021. Two of them, the BoA IP Tool and the e-Statement of Grounds (e-SoG), will be explained in detail below. In connection with the BoA IP Tool drafting editor analysis, this was the subject of various meetings and analysis papers, including demos of a pilot considering the standard clauses proposed in the CCs.

In view of the kick-off meeting on e-Search Case Law, some formal and informal preparation was carried out to allocate resources, data cleansing and further clarification of the project's scope, especially in coordination with the European Cooperation Service under ECP7 to incorporate decisions from national IP offices and National Courts.

## **10.2 Consistency and the Grand Board**

The proliferation of case-law on trade marks and designs coupled with recent developments (changes in the behaviour of economic operators, evolution of market realities, increasing complexity in examination, etc.) have made coherence and consistency of IP practice a matter of paramount importance. The BoA intends to invest a large amount of its resources into achieving more coherent and consistent IP practices, such as CCs, early active case management, general consistency meetings and – above all – the GB, the decisions of which are binding on all the Office's decision-making instances. Ensuring that an increased number of appropriate cases are referred to the GB's nine-member composition, as the law provides, while continuing to deliver high-quality output, is one of the challenges that the BoA are determined to successfully tackle in the coming years.

## **10.3 BoA IP Tool gone live**

2022 was the year that all the efforts put in by the BoA IP Tool team since 2020 finally came to fruition. The BoA IP Tool project demanded full dedication from the team in the final stages of its launch and its ultimate successful delivery.

The launch on 17 October 2022 was an overall success, despite some expected issues that had to be overcome. Thanks to the close collaboration, effort and commitment by all the BoA IP Tool team, key users, users of the IP system and DTD staff, business continuity was assured from day one. 2023 will be a year of getting accustomed and becoming more proficient with using the IP Tool for all concerned.

The project has finally been completed and rolled out to production for use by BoA staff and IP Tool users. All the goods and services have been delivered and the goals reached in terms of time, cost, scope and benefits as per the latest approved standards. Following the decision of the Program Board, the project has been cleared to enter its closure phase.

## **10.4 e-Statement of Grounds**

Following the preparatory phase that took place during Q1 2020, the e-SoG project began to take shape in 2021. The e-SoG is closely linked to developing and delivering the BoA IP Tool project and the level of dependency vis-à-vis the latter is high.

The development is on track and first delivery is planned for April 2023. However, given that the project's development and implementation depend on shared resources with other projects and not a dedicated team, this could result in some delays to its final completion.

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## 1 Foreword from the Executive Director

The EUIPO's Strategic Plan 2025 began in July 2020, in the midst of the Covid-19 pandemic, halfway through the Brexit transition period, with an uncertain sociopolitical situation on the horizon, and during what has been termed "the worst year in terms of climate change".

The SP2025 was already designed with flexibility in mind, as well as with an eye to dealing with the rapid and unpredictable changes brought about by socio-economic and technological change.

This allowed us to not only weather the delicate economic situation at the start of the SP2025, but also to expedite certain aspects of our ambitious strategic plan in order to help the overall EU strategy for recovery from this crisis, while also dealing with record volumes of applications in 2020 and 2021, as well as the subsequent drop in volumes during 2022.

And of course, 2022 also brought war in Europe, a global energy crisis and the highest level of inflation in the Eurozone since record-keeping began in 1997.

Through a combination of decisive actions, the adaptability of the SP2025, and the dedication and commitment of our staff during this especially challenging period, by the halfway point in our Strategic Plan, we had accomplished a lot – with very tangible results for businesses, for Institutions and for citizens, as detailed in this Report.

Overall, the IP system has become more accessible for the Small and Medium Enterprises (SMEs), the use of IP has intensified and, as demonstrated by our studies, the increase in use of IP rights generates better results for companies. Citizens are more aware of the importance of IP and the negative consequences of its infringement thanks to different EUIPO initiatives, projects, and programmes with a special focus on the younger generation, the future of Europe.

Our cooperation with Member States and the Institutions has intensified during this period to the point where the EUIPO is the European Commission's natural partner for implementing IP-related activities according to EU policies, and the funding provided by the EUIPO for all contributions to EU policies including EU cooperation during the first half of the SP 2025 has more than doubled.

The value that has been realised for all these different beneficiaries by completing the different projects that make up the SP 2025 and that have put advanced customer services and advanced technology in the service of IP has been duly acknowledged by our governing bodies, and has served to further strengthen the European Union IP Network (EUIPN), our network of networks centred on the IP Offices of the EU Member States, which emerged from the recent social, economic and geopolitical uncertainty as an even stronger force.

Going forward, this will allow the EUIPN to deliver further positive results for EU citizens and businesses, building on the value created and detailed in this report.

As an Office we can be proud of the way we have navigated these troubled waters in a period that will undoubtedly be remembered as one of the most challenging in recent global history. The EUIPO's achievements during this first half of the SP 2025 would not have been possible without the professionalism, commitment, and dedication of the EUIPO's staff – they are the true driving force behind our success story.

Christian Archambeau  
Executive Director

## 2 SP2025 Implementation Progress

The [Strategic Plan 2025](#) (SP2025) launched on 1 July 2020 marked a new strategic cycle for the European Union Intellectual Property Office ('EUIPO' or 'the Office'). The SP2025 is built on the vision of delivering 'IP value for businesses and citizens in Europe' through several interlinked activities – uniting the Office, its stakeholders and customers for a common purpose – to become a true intellectual property (IP) hub of excellence. It is organised in three strategic drivers.

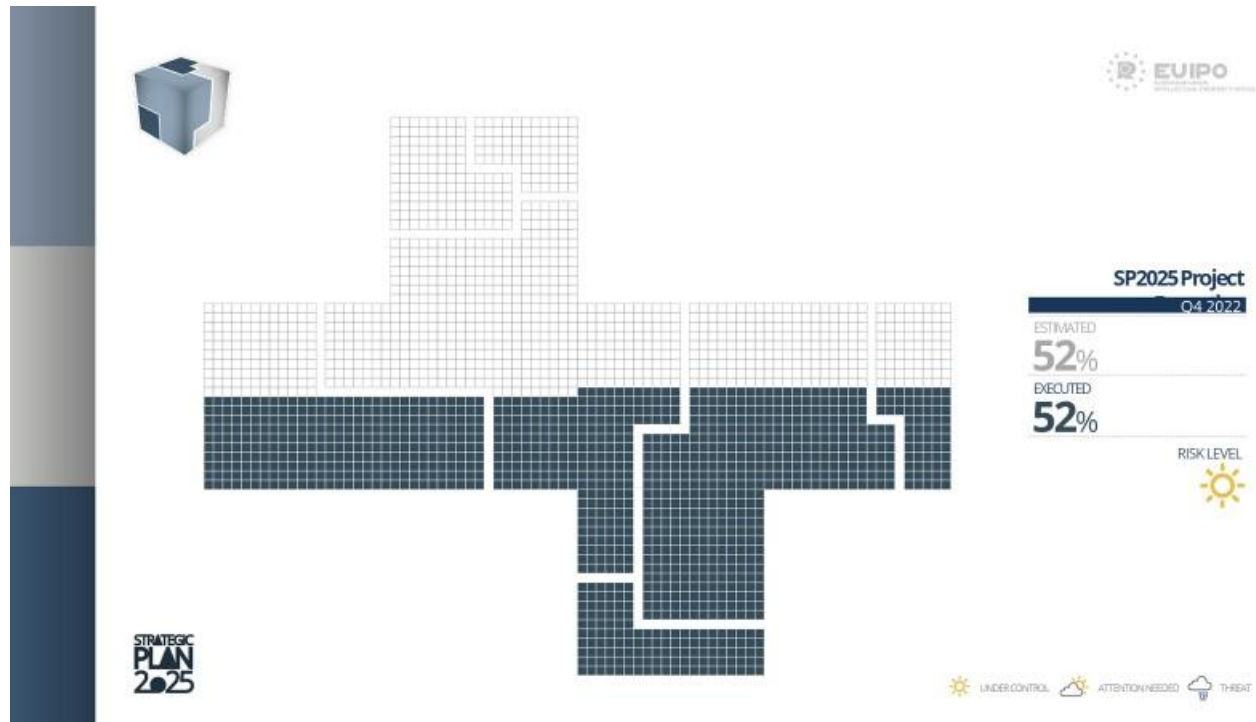


Figure 1. SP2025 execution

The SP2025 cycle develops against the backdrop of a global crisis, as a result of the repercussions of the COVID-19 pandemic and the invasion of Ukraine on world economies and society. Therefore, supporting its customers (particularly small and medium-sized enterprises (SMEs)) in line with EU priorities is one of its key priorities. New ways of delivering added value for businesses, institutions and society were required in view of the new needs of the Office's stakeholders.

The Office needs to create value for the long term and in a sustainable manner. This objective requires meeting the Office's organisational, economic, human, relational and environmental capitals. These five capitals define the Office's value creation model and continue on from the previous strategic plan.



Figure 2. SP2025 Benefits Framework

**The present report** marks the midterm period of the SP2025's strategic cycle, wrapping up the value delivered by the Office and identifying the foundations on which the sustainable value delivery strategy of the Office will evolve until the end of the plan. It is **structured** in three main chapters, in an attempt to highlight achievements that build on three main concepts of value, in pursuit of the SP2025's vision: IP value for businesses and citizens: **IP Value for Businesses, IP Value for Institutions** and **IP Value for Citizens**.



### 3 IP Value for Businesses

The quality of the product and services delivered by the Office is at the core of its organisational capital and, hence, its operational excellence. The Office's ultimate goal is to provide IP users, including large businesses, practitioners, and SMEs, with state-of-the-art tools and services so they can thrive.

IP rights, as intangible assets, increasingly drive the success of individual companies and entire economies. For many firms the value of their intangible assets far exceeds the value of their physical ones.

The Office set its ambition to provide **customer-centric services** against the backdrop of challenges presented by COVID-19, BREXIT, the war against Ukraine and the subsequent economic consequences, including **significant fluctuations in the number of incoming trade mark and design applications**.

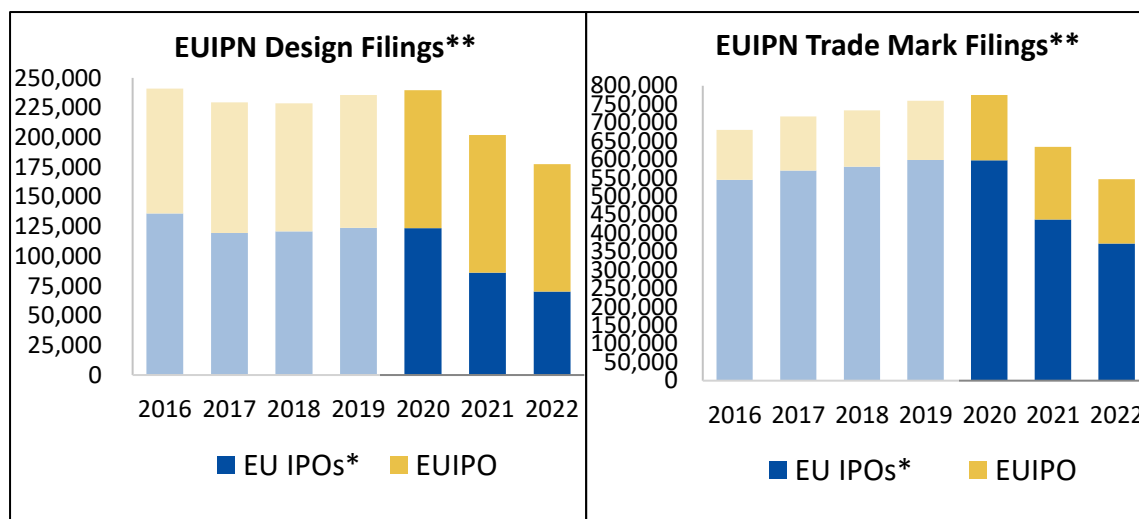


Figure 4. EUIPN

Figure 3. EUIPN trade mark filing volumes

\* MS IPOs information is from TMview

\*\* UK filings not included as of 2021

Consequently, the Office had to adapt to these circumstances, increasing its operational flexibility and efficiency.

For example, the decrease in deficiency rates in EUTM applications over the last 5 years, by nearly 44 % in formalities and 26 % in absolute grounds, have subsequently reduced the FTE effort in dealing with these deficiencies and helped the Office to cope with fluctuating filing volumes between 2020 and 2022 and enabled that attention and effort was dedicated to a number of customer focused initiatives.

#### 3.1 Advanced customer-centric services

##### 3.1.1 Service excellence: products and services of the highest quality

The SP2025 introduced an [Integral Quality Framework](#) to ensure that the product that reaches the customer is of the highest quality.

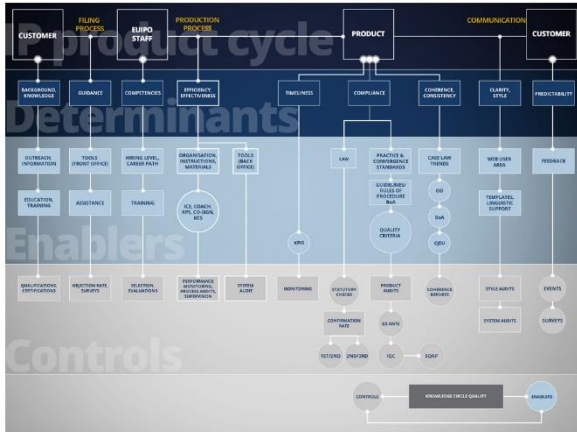
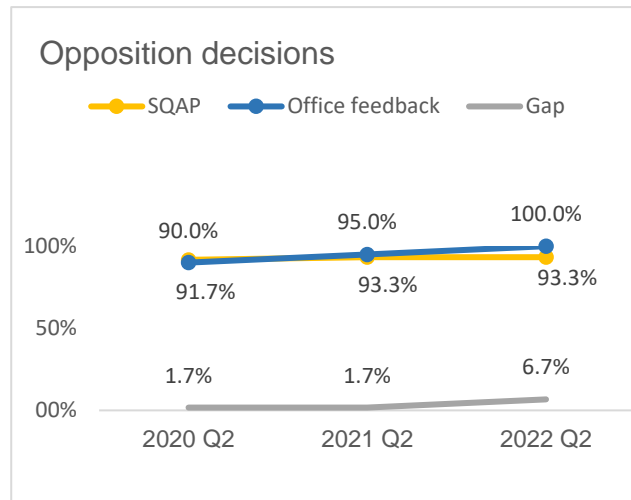
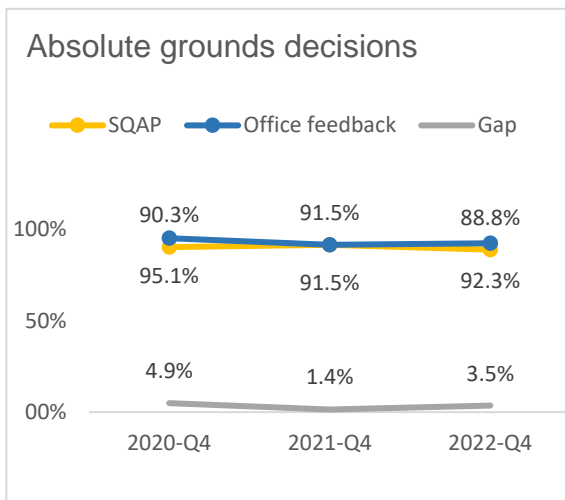


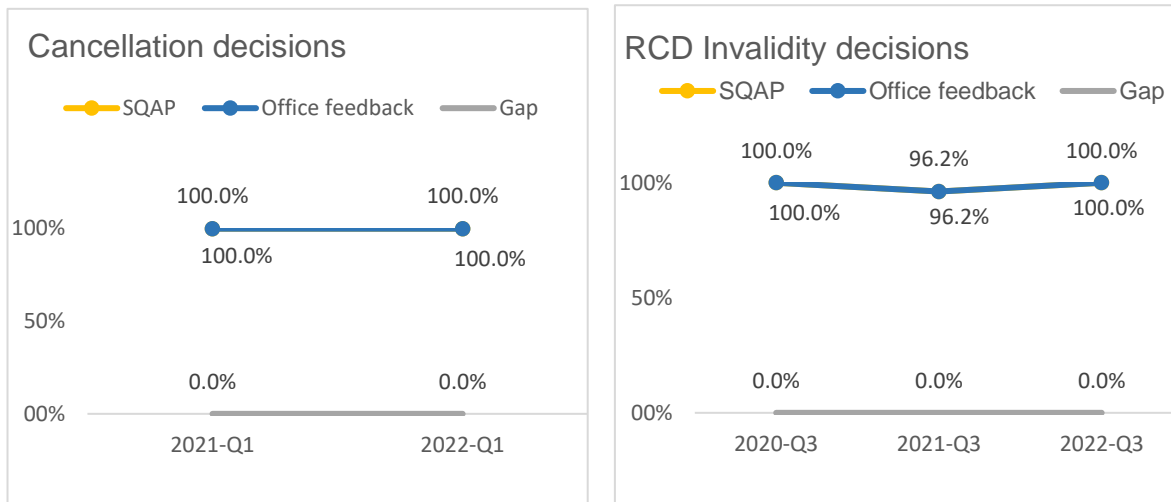
Figure 5. EUIPO Integral Quality Framework

As suggested by users, the new edition of the [Guidelines](#), which has already achieved a 93 % satisfaction rate among customers, is more interactive with over **5 000 new hyperlinks** to trade mark regulations, the [eSearch Case Law](#) database, e-learning and recent case-law from the Court of Justice (CJEU). In 2022, [10 reports](#) were elaborated and published by the BoA Consistency Circles within the [BoA Action Plan 2021-2026](#), with the scope of enhancing the consistency, coherence and predictability of the work of the BoA, as well as increasing knowledge, awareness and transparency among the various stakeholders. These working documents reflect existing case-law at the given date of the report and have no binding effect on the BoA. Additionally, decisions refusing EUTM applications on absolute grounds are now [public](#).

More than 750 Office **decisions** were **audited** by representatives from user associations (UAs) under the framework of the [Stakeholders Quality Assurance Panels \(SQAP\)](#) between 2020 and 2022. This effort was publicly rewarded and recognised by the European Contact Centre and Customer Service Awards (ECCCSAs) in 2021. The SQAP initiative earned the Silver Award under the 'Best Use of Customer Insight' category for its ground-breaking role in integrating customer feedback into the EUIPO's product quality process.



CONTINUOUS IMPROVEMENT



NO QUALITY PERCEPTION GAP

**Figure 6. Quality perception gaps identified in SQAP audits**

The level of service excellence the Office aims to deliver is **constantly improving through ambitious targets** set in its [Customer Service Charter](#). With full transparency, the Office [reports](#) and publishes its results on quality, timeliness and accessibility every quarter. Since 2020 these results have reached the 'compliance' level at least with very few exceptions in certain quarters, even reaching excellence levels for extended periods of time.

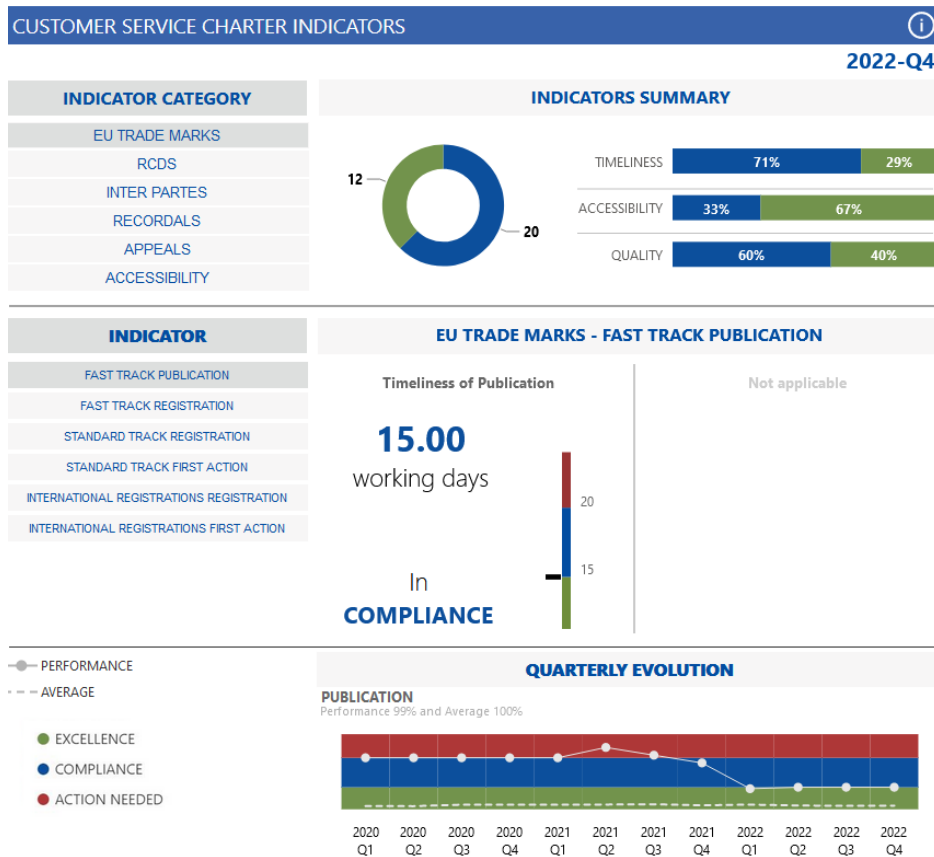


Figure 7. EUIPO 2022 Customer Service Charter results

### 3.1.2 Modern approach to capture customer feedback

**Customers have a strong voice** in the evolution of the Office's products and services. As a part of its commitment to improve and facilitate its interaction with customers, the Office has developed a series of feedback mechanisms to measure their satisfaction with its products and services, to identify areas for improvement and to facilitate change in line with evolving customer needs and expectations.

Between 2020 and 2022, 12 **customer panels** took place on topics such as smart IP services, accepted payment methods, training, and the modernised EUIPO platform, among others. As a result, the Office received close to 200 suggestions that led, for example, to the following implementations:

- customer requirements incorporated in ongoing analyses and developments (e.g. the new EUIPO online platform);
- tool tips (explaining features of EUIPO tools) were added to the Key User newsletter;
- simplification of the SME Fund grant decision template;
- improved FAQs and customer experience for the SME Fund;
- improved webinar descriptions based on outcome and prior knowledge (possibility to ask questions before the webinar).



Since 2020, more than 493 531 interactions have been handled by the Office through the various channels available: chat, telephone, emails, letters, etc. Furthermore, more than 34 889 calls (of which 14 361 were callbacks) have been received or scheduled with Office examiners resulting in many file-related questions being solved immediately. The latest Office survey shows that 94 % of its customers are satisfied with the Callback service.

### 3.1.3 Customer-centric approach

Understanding the needs of customers is key to delivering a better level of service. During the 2021-2022 period, the Office created **nine [Customer Focus](#) teams** that concentrated on identifying the key needs of its different customer segments.

Around 250 examiners were trained on understanding and adapting to customer expectations. This training included nine company visits to foster a more direct understanding of customer needs and constraints.

**Customer journeys** were created to **identify ‘pain points’ and positive milestones throughout the customer journeys, and to consequently** support the design of adapted improvement actions that respond to customers’ real needs.

In 2022, customers reported an outstanding 90 % rate of satisfaction with EUIPO services. These results reflect a two-percentage point increase when compared with 2020.

### 3.1.4 Tailored digital user experience

The Office uses the power of the digital world to create a one-stop-shop where customers can access a wide range of information, processes and tools – in addition to the registration of IP rights – to help them on their [IP digital journey](#).

In 2021 the Office made several enhancements to the [online application form for designs](#). Followed in 2022 by a [new application programming interface \(API\) platform](#) made available to all Office customers. Frequent filers of EUTMs can now integrate their own IP management solution with the Office through the API platform ([Decision No EX-22-6](#)), saving time and reducing the risk of errors.

*‘Intellectual property is a strategic asset for Europe’s competitiveness. As the largest association of SMEs in the digital sector, the European DIGITAL SME Alliance, strongly advocates for the EU to support SMEs’ innovation capacity: the development, the protection, and the exploitation of intellectual property by SMEs are key to Europe’s success and strategic autonomy in the digital revolution.’*

**Sebastiano Toffaletti, Secretary General of the Digital SME Alliance**

The new and improved [EUTM filing form](#) took into consideration the input received from customers which, together with easy filing, replaced the old TMFiling which was decommissioned. It is more **intuitive, easier to use** and has **new features**, including:

- customisation options, allowing users to tailor their filing experience;
- a new design with full guidance and contextual help;

- faster goods and services management and enhanced security.

A new design easy filing form is available for users in Q1 2023.

95 % of communications with users are already sent and received electronically. The possibility of filing EUTM applications using fax was phased out in March 2021, and an alternative cloud-based solution was set up in case of any disruption to the web services.

The Office launched its first **virtual assistant** in [Easy Filing](#) – the **EUIPO Chatbot** – providing general information on basic questions and doubts that users may have when filing online, offering faster responses to generic queries when compared to telephone calls or emails. The Information Centre deals with more than 15 000 interactions per month by telephone. In addition to the chatbot, the chat option is growing in importance when compared to email. A switch from traditional channels to chat was noticed in 2022, particularly for SMEs.

### 3.2 Making the EU IP system work for SMEs.

#### 3.2.1 Accessible IP for SMEs

The Office hosts a number of services to provide more effective and efficient **access for SMEs to their IP rights** through its [Ideas Powered for business](#) hub, helping to increase SMEs' competitiveness through IP.

Access to consolidated, simplified, trustworthy and relevant information on trade marks and designs is made available as well as personalised IP support for SMEs, helping **SMEs to improve their IP rights knowledge** and benefit from the huge value of their IP for their businesses. SME-focused support activities and services to specific target groups have been defined in **cooperation with the EU IP offices through IP awareness** events (both face to face and online), networking, online campaigns, publications or videos, and a training catalogue on IP rights for SMEs.

From 1 July 2020, the Office took action on the following SME **supportive initiatives**:

- **free IP consultation matching tool** – the Office acts as an intermediary linking over 270 pro bono providers with more than 2 100 SMEs who have requested this service;
- **effective dispute resolution (EDR)** – a special non-legal service to help SMEs make informed decisions about which dispute resolution mechanism to select should they need to settle a dispute before the Office;
- a **dedicated SMEs section** – [Ideas Powered for business](#) hub – on the EUIPO website, acting as a gateway to the SME website; close to 40 000 visitors had explored the content available by the end of 2022;
- **simplified online registration** through an **easy filing system** to register IP rights especially designed with SMEs in mind.

#### 3.2.2 Financial support for SMEs to protect their intellectual assets

In early 2021, the Office – in collaboration with the European Commission – quickly developed and deployed the [SME Fund](#) and converted the scheme into the multiannual 2022-2024 SME Fund.

Of the **applicants** for the 2022 SME Fund, the vast majority of the 21 976 SMEs that applied (from 27 different EU countries) were micro businesses. Voucher 1, which consisted of a **grant for trade mark, design and IP Scan applications**, proved to be by far the most popular, receiving 21 504 applications, for which a total amount of EUR 32 184 000 was awarded. Voucher 2 (national patents), a new addition to the 2022 SME Fund, received 2 208 requests.

The 2022 SME Fund included more eligible IP-related activities compared to 2021, such as national patents and international trade marks and designs. Additionally, 2022 included a higher grant amount and co-financing rate, as well as a simpler application process.

The total budget for 2022 was initially set at EUR 15 million to cover the activities of voucher 1: IP scan, trade marks and designs within and outside the EU, and by EUR 1 million for voucher 2: patent-related activities at national level. However, given the number of applications and the proportion of the budget already awarded by 17 May 2022, the budget was increased for voucher 1 by EUR 10 million to ensure the fund's continuity.

Requests from the SME Fund predominantly came from companies involved in the services sector, followed by those in the wholesale and retail sectors, and then the manufacturing sector. The SME Fund is open to all small and medium-sized enterprises established in the European Union. Its second and third edition saw improvements in service provision and the time needed to process the requests. The 2022 edition of the SME Fund offered more services, financially supported more SMEs (more than 14 000 SMEs in 2022 compared to 7 500 SMEs in 2021) and paid more money per SME (EUR 821 paid per SME in 2022 compared to EUR 499 per SME in 2021).

For 77 % of the 2022 SME Fund grant applicants, it was their first time applying for an IP right. Furthermore, there was a 94 % satisfaction rate among applicants after the reimbursement was made and 55 % of the beneficiaries self-reported a change in IP protection/IP management practices. Almost three quarters of the grant decision notifications were sent to the SMEs within, or under, 7 working days from the deadline, while the original target was 10 working days. This average has been steadily improving since the scheme's launch.



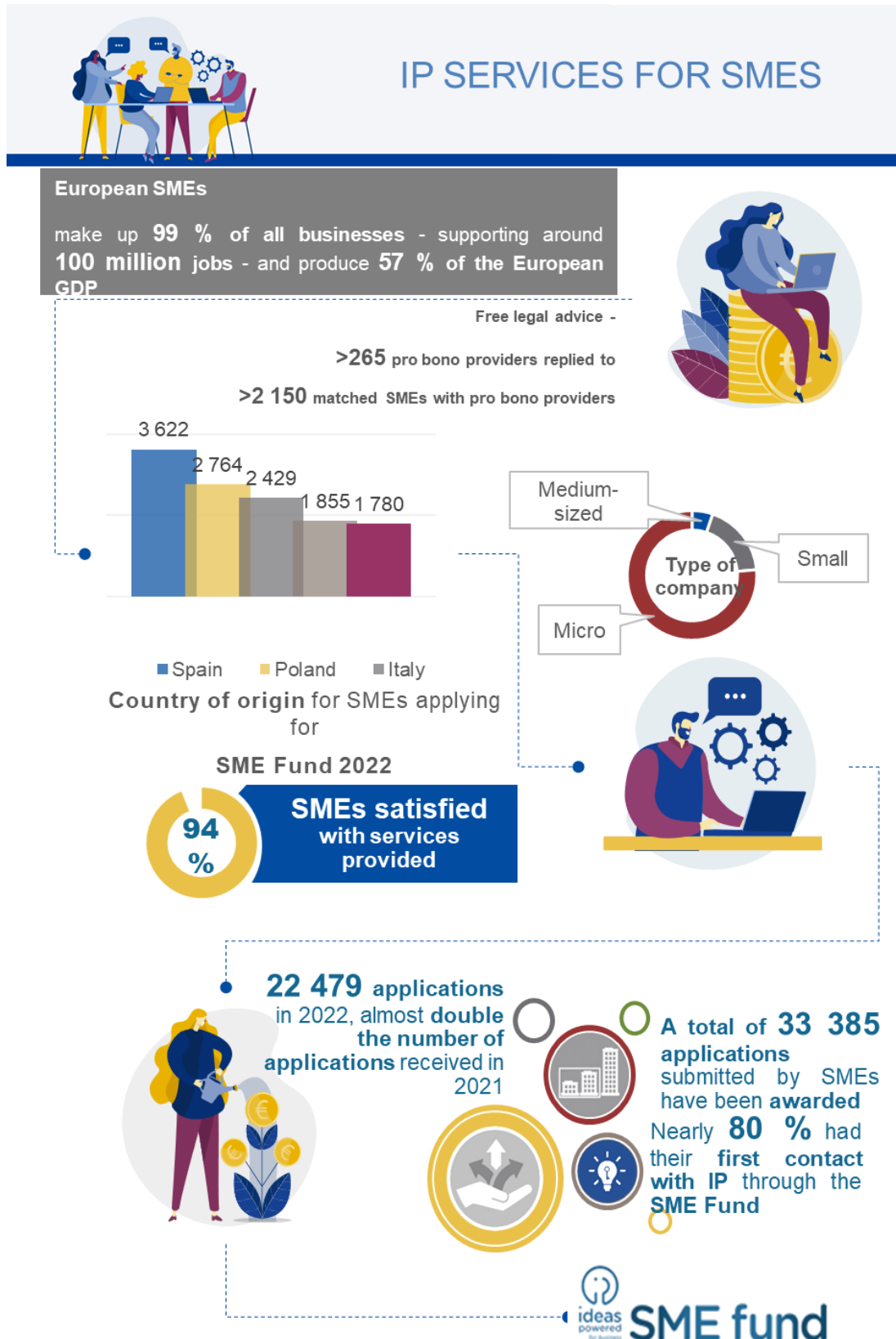


Figure 8. IP for SMEs key figures



### 3.2.3 Coordinated and sustainable actions for SMEs: Ideas Powered for business network

SMEs create prosperity and opportunities within local communities as a source of innovation and creativity. Micro, small and medium-sized enterprises make up 99 % of all businesses, supporting around 100 million jobs and producing 57 % of the EU's GDP.

A thorough mapping of tools, services, data, and other national initiatives related to SMEs, or national intermediaries working with SMEs, was undertaken for a more efficient and effective delivery of support. These actions were also accompanied by a benchmark on services and tools and the definition of best practices. Collaboration with EU IP offices and UAs in 2019, under the framework of the European Cooperation Projects (namely, ECP6 'Supporting SMEs'), and the recently launched European IP Information Centre (EIPIC) came about as a result of the extension of the EU IP office's network of SMEs and the support resources deployed or financed for the network. By the end of 2022, the SME website was fully operational, 15 EU IP offices had joined the EIPIC, and 7 deployed network supports (DNS) were operational.

The Office's SME Network and Collaboration initiative aimed to build a **strong collaborative network** of over 335 traditional and new Office stakeholders by the end of 2022, with the purpose of **reaching out to SMEs** to stimulate and reinforce behavioural changes towards IP, innovation and growth. These included online marketplaces, chambers of commerce, SME associations, business angels, business schools, private capital providers, crowdfunding entities, and trade associations. Key developments highlighted were the creation of a real network in 2022, the development of IP skills for business advisors, and the development of IP Scan experts, with over 500 experts having been trained.

Within the cooperation envisaged with the European Innovation Council and SMEs Executive Agency (EISMEA) and the Directorate-General for Research and Innovation, a number of working groups on IP data sharing, IP awareness and support to SMEs operated in the framework of the tripartite Letter of Intent signed in 2021. These working groups, coordinated by the Office, held a total of 19 meetings and led to the signature of the Service Level Agreement between EISMEA and the EUIPO on IP Due Diligence in October 2022.

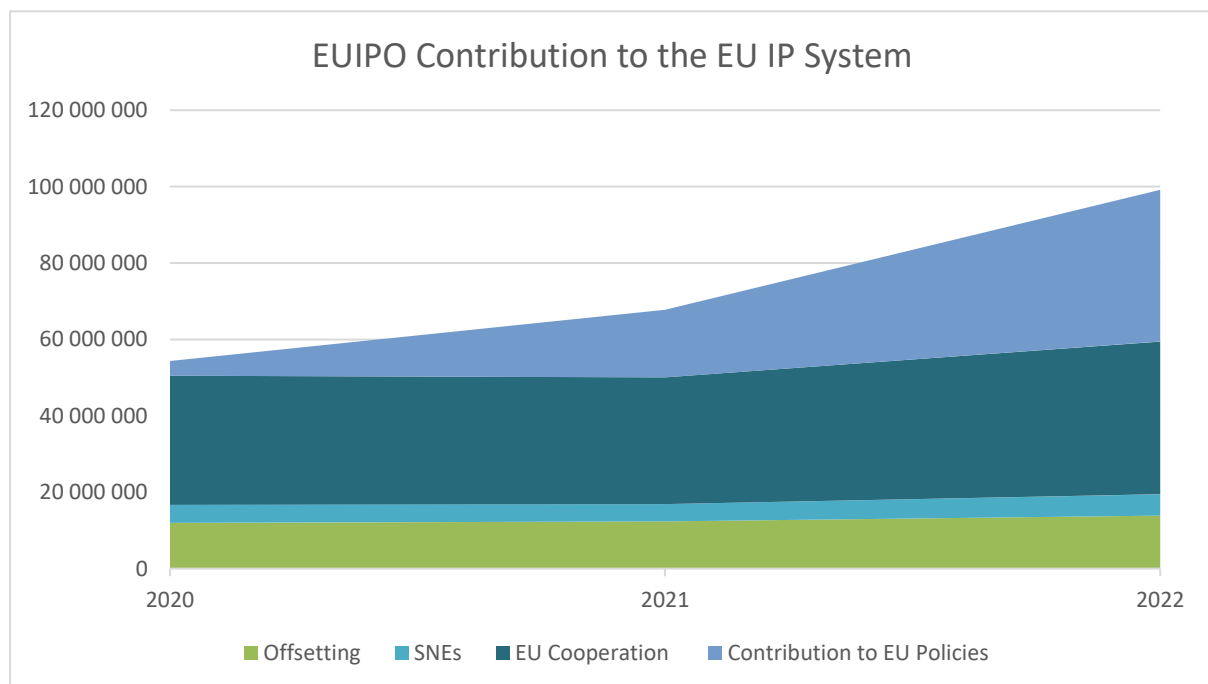
## 4 IP Value for Institutions

The key focus of the Office's relational capital is raising IP awareness through stronger institutional networks of IP stakeholders, including IP offices, users, judges, prosecutors, enforcement and education authorities.

This has resulted in the modernisation of the EU trade mark and design system and closer links between IP offices, and enforcement and education authorities, all of which contribute to making the IP system more 'joined up'.

By 2022 the EUIPO support to the EU policies increased to almost EUR 40 million and the internal effort consisted in 40 FTEs dedicated to these activities, including EU-funded projects and the SME Fund.

In 2022, the Office **invested approximately EUR 100 million in support to the EU IP system**, for example **in cooperation**, by implementing tools, services, common practices and collaborative networks, **in offsetting** payments for the EU IP offices, in payments for Seconded National Experts (**SNEs**) and in **contribution to EU policies** by implementing EU-funded IP initiatives in third countries and supporting the EU SMEs. This represents an increase of 34% in the amount invested in EU cooperation activities and an 18-fold increase in the amount invested in contribution to EU policies in comparison to 2018.



**Figure 9 EUIPO Support to the EU IP System**

## 4.1 European IP Network

A very high participation of the EU IP offices in the EU Cooperation projects – to **build advanced tools** and services, **develop common practices and improve collaboration** – is particularly relevant considering the voluntary character of this collaboration. It is indeed one of the main achievements of the Office working together with the EU national IP offices, user associations and other IP organisations.

*‘The EUIPN has been engaged in strengthening the intellectual property system by facilitating cooperation between IP offices and other relevant agents. The progress made will enable us to overcome the challenges of today’s EU and to achieve uniform IP protection among all the Member States and, ultimately, citizens and enterprises.’*

**Adrián Vázquez Lázara, Chair of the Committee on Legal Affairs of the European Parliament**

### 4.1.1 Simplified IP landscape and legal certainty for EU companies

The EUIPN has taken the Office a step closer to a more innovation-driven collaborative approach as a result of **new technological advances, common practices and services, and collaborative networks (e.g. the Peer TM examiners networks)** of EU IP offices in the examination of trade mark and design applications for registration.

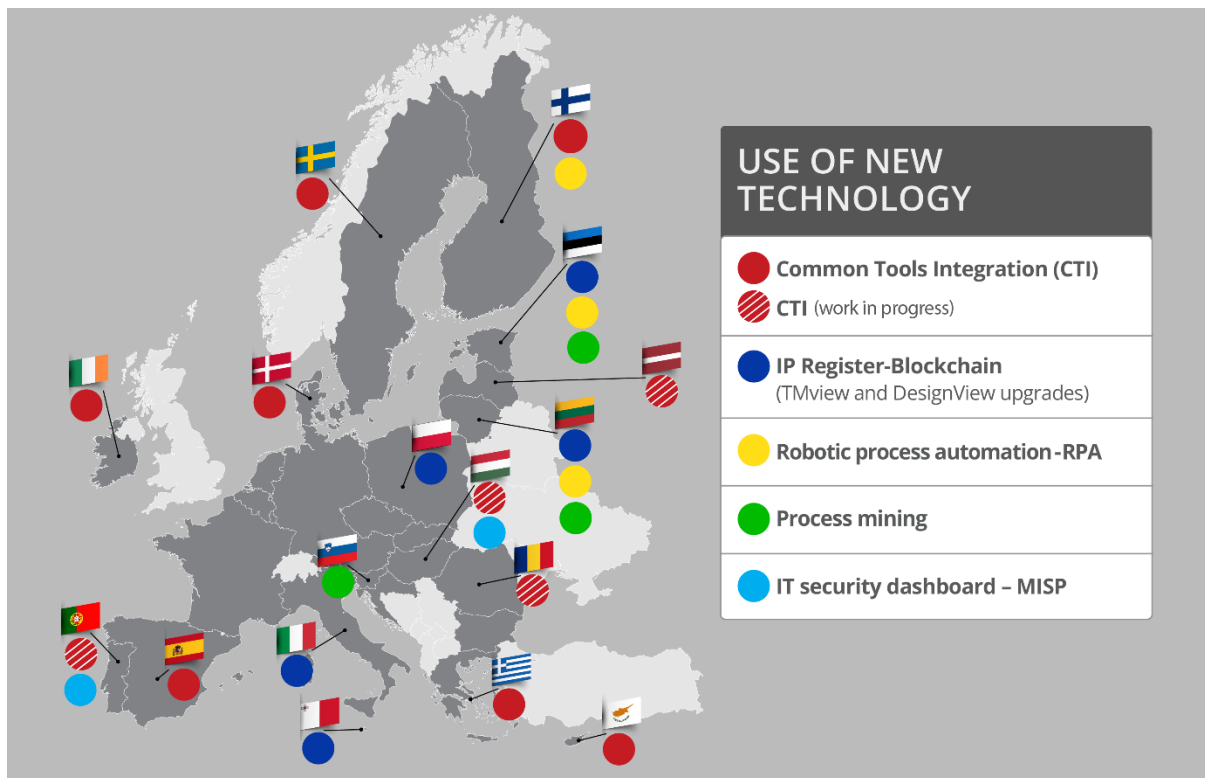
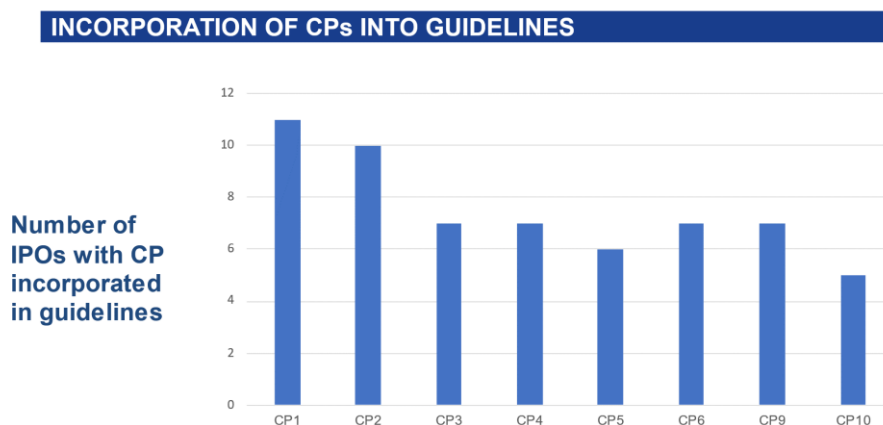


Figure 10. EUIPN new technology implementations

Cooperation and convergence provide industrial systems with transparency, legal certainty, consistency, predictability, quality, efficiency, and effectiveness in the examination and management of business rights when applying for a trade mark or design both at national and EU level across the EUIPN.



Source: Maintenance Report Form, October 2020

Figure 11. EUIPN implementations of convergence of practices in the examination of IP applications

These are instrumental to the users' ability to operate seamlessly within the EU market. This leads to a strengthened IP system in the EU and enables better, easier, more user-friendly, effective, and efficient access to the protection offered by registration systems.

**Operational efficiency and organisational excellence** in EU IP offices is increased through the support offered in the examination procedure and related tasks, including technologies to secure data provision services across the EUIPN, such as, the Software Package Back Office (implemented in 12 EU IP offices), Front Office (implemented in 21 EU IP offices), the IP User Repository, Decision Desktop (to facilitate the decision-drafting process for examiners), an integrated multiple assessment solution (IMAS) (to provide decision support tools to examiners), as well as an IT infrastructure through cloud computing to support national IP offices in making use of this capability in a secure way. The [SP2025 Implementation of the cloud strategy project](#) has set the foundations for offering cloud-based nodes for blockchain purposes for national IP offices in 2023.

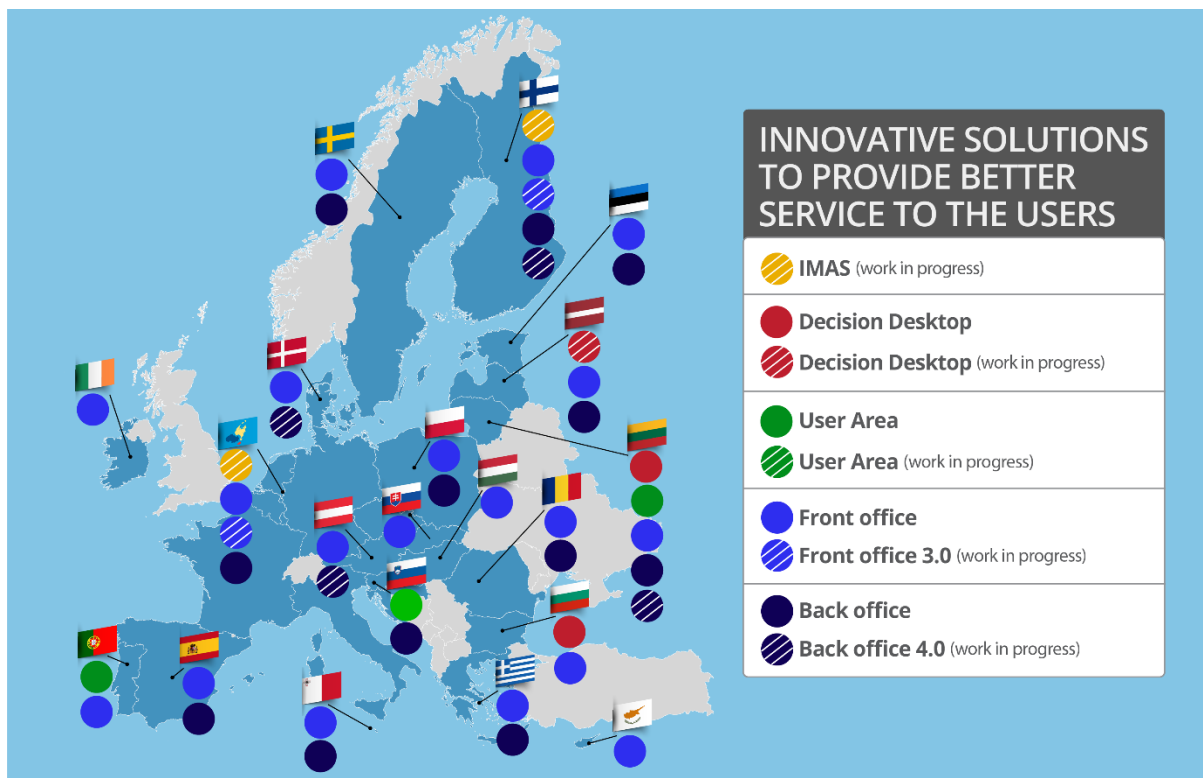


Figure 12. EUIPN implementations of solutions for better services to users

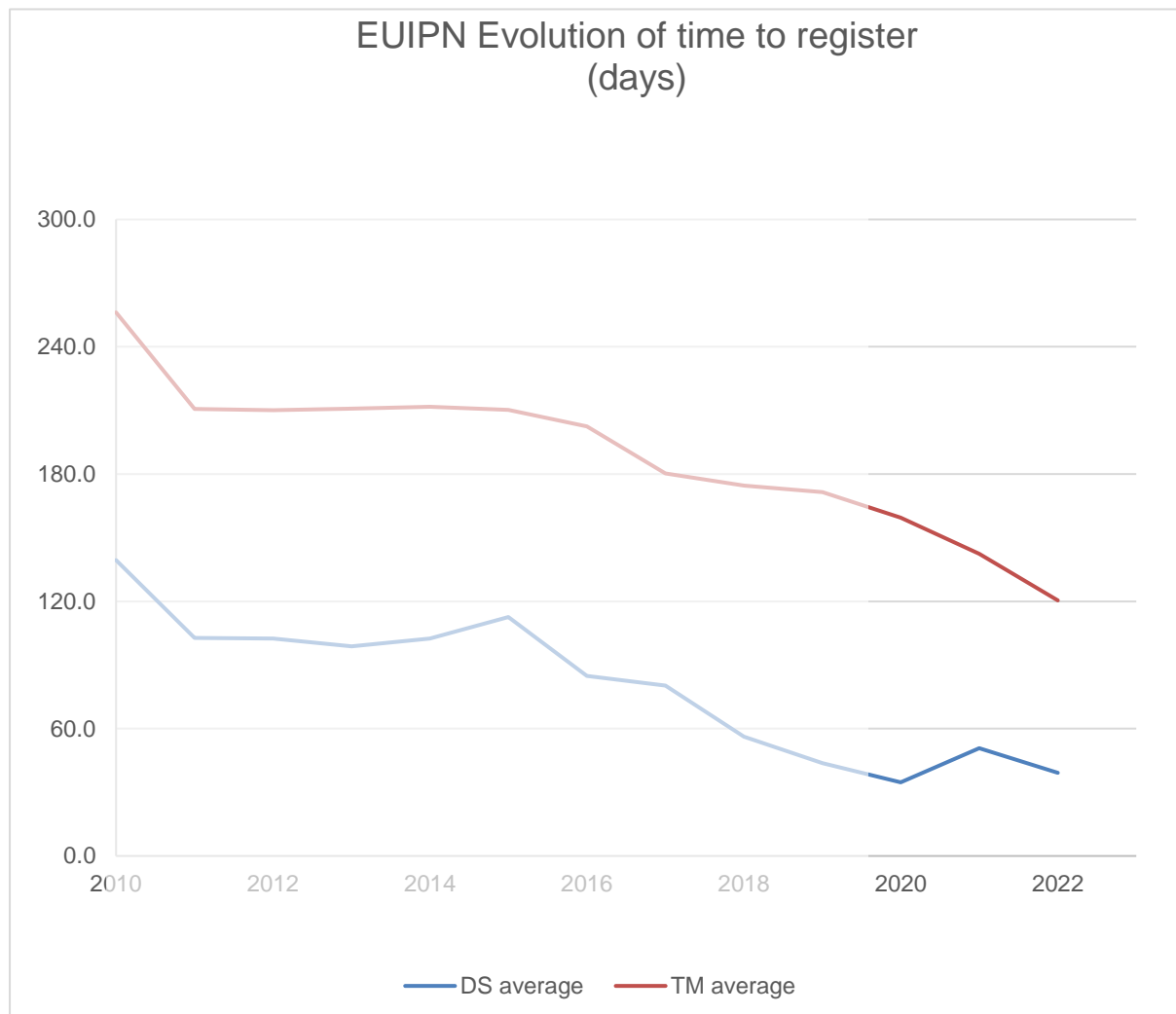
**Online services are now available** thanks to the modernisation of the national IP offices (via remote application and provision of e-services). The deployment of a significant number of new electronic tools was crucial in the context of the COVID-19 pandemic. By the time of the EUIPN's 10th anniversary in 2021, e-filing was being offered by all EU IP offices with extensive use of the front office (21 out of 27 offices) and back office tools (rising to 12 offices in 2021)

developed by the EUIPN. The current satisfaction rate with the back-office tool in particular among the national offices stands at over 80 %.

The use of new technologies includes, for example, blockchain, robotic process automation and process mining. Common tools integration (CTI) ensures the availability of the IP office's data in TMview and DesignView and their consistency with the back office system. CTI is the basis for the IP Register's implementation and includes a data quality validator module allowing constant, reliable updates to TMview and DesignView with a special focus on data quality.

By the end of 2022, the EUIPN had successfully implemented 1 157 tools, services, certifications, and common practices through collaborative networks.

Over the course of the last decade, data available in TMview and DesignView show that the average time it takes to register a trade mark in the EU has dropped by 47 %, while the average time it takes to register a design has fallen by 78 %.



**Figure 13. EUIPN evolution of the average time to register a design or a trade mark**

#### 4.1.2 Enhanced interoperability and sustainability of the network

The EUIPN is constantly developing new tools and standards to achieve its goal through innovative solutions and an increased and optimised usage of emerging technologies.

The interoperability of databases and IT systems of national and EU IP registration systems within the EUIPN was achieved through the participation of 77 regional and national IP offices in TMview. More than 130 million trade marks and designs are available in [DesignView](#) and [TMview](#). The EUIPN has launched 12 projects in different areas of practice covering not only trade marks and designs but also appeal proceedings.

To date, twelve common practices have been agreed and have been widely implemented throughout the EU resulting in 68 % of multi-office users being satisfied with the convergence of practices. 100 % of the UAs that responded (2020 survey) affirmed that the common practices impacted users positively or very positively.

The **PEER network of European IP experts** drawn from the EU IP offices, the UAs and the EUIPO, is a platform in which the 'community' **generates networked services and knowledge**.

A number of projects focus on collaborative networks (i.e. SME, peer collaboration and assistance, among others), **building and strengthening the sustainability of the network** through investments in **developing the skills of EUIPN staff** and **business process management, while streamlining the communication** with IP offices. This is further supported by initiatives linked to quality and project management development via the **certification of staff in relevant project and IT management** methodologies like **ISO 9001 and 27001** or setting up project management offices (PMOs).

## 4.2 International Cooperation

By the end of 2022, more than 300 EUIPN tools or practices had been adopted in various global jurisdictions. The promotion and development of common examination standards and practices increases the legal certainty and level of harmonisation of these standards and practices not only at EU level but right across the globe.

### 4.2.1 Comparable IP standards outside the EU IP system

The Office, acting as the **implementing agency for eight EU-funded projects**, has helped deliver solutions and expand IP practices worldwide with the support of the EUIPN.

The aim is to contribute to EU policies in the field of IP, so that European businesses can count on tools and practices that facilitate their access to emerging markets.

### 4.2.2 Reduced context constraints for EU businesses in IP systems outside the EU

Over the past 2 years, the Office has collaborated closely with WIPO on aligning the EU's [Harmonised Database](#) of goods and services with WIPO's [Madrid Goods and Services](#)

Manager. By being able to check the acceptability of specific terms from an up-to-date and accurate list, users are **less likely to receive irregularity notices**.

The Office has been a partner and **implementing agency** in eight [projects](#) in the field of IP in China, Latin America, South-East Asia, Africa, Georgia, and the Caribbean.

These projects focus on providing support to the EU policies on IP in non-EU countries, on knowledge sharing, the creation of common IT platforms and support for EU users with registration and enforcement abroad, in cooperation with EU Member States and EU Delegations. **SMEs also receive a refund of Madrid and Hague international registration system fees** as part of the SME Fund. By the end of 2022, the Office had received more than 1 100 international trade mark and design applications.

*‘Intellectual property – in all its forms, from patents or trade marks to GIs or copyright – is essential for society at large, by fostering innovation and creativity and by contributing to the dissemination of technology and knowledge. Countries with a well-functioning system of intellectual property tend to attract more investment and more trade. The EU-funded IP projects in third countries play a vital role in improving transparency, understanding and enforcement of intellectual property rights for the benefit of everyone.’ Sabine Weyand, Director-General, Directorate-General for Trade, European Commission.*

The Office deploys IP experts in regions and countries where the European Commission (Directorate-General for Trade) feels the need to reinforce its capabilities on IP matters. The five IP attachés that the Office currently has deployed in Buenos Aires, Beijing, Geneva, Brussels and Bangkok work hand in hand with other EU staff in EU Delegations in non-EU countries to defend EU interests and to offer a more tailored support to EU businesses.

The IP attachés provide the EU Delegations with expert knowledge on IP matters, while playing an important role in terms of intelligence analysis and reporting to EU headquarters.



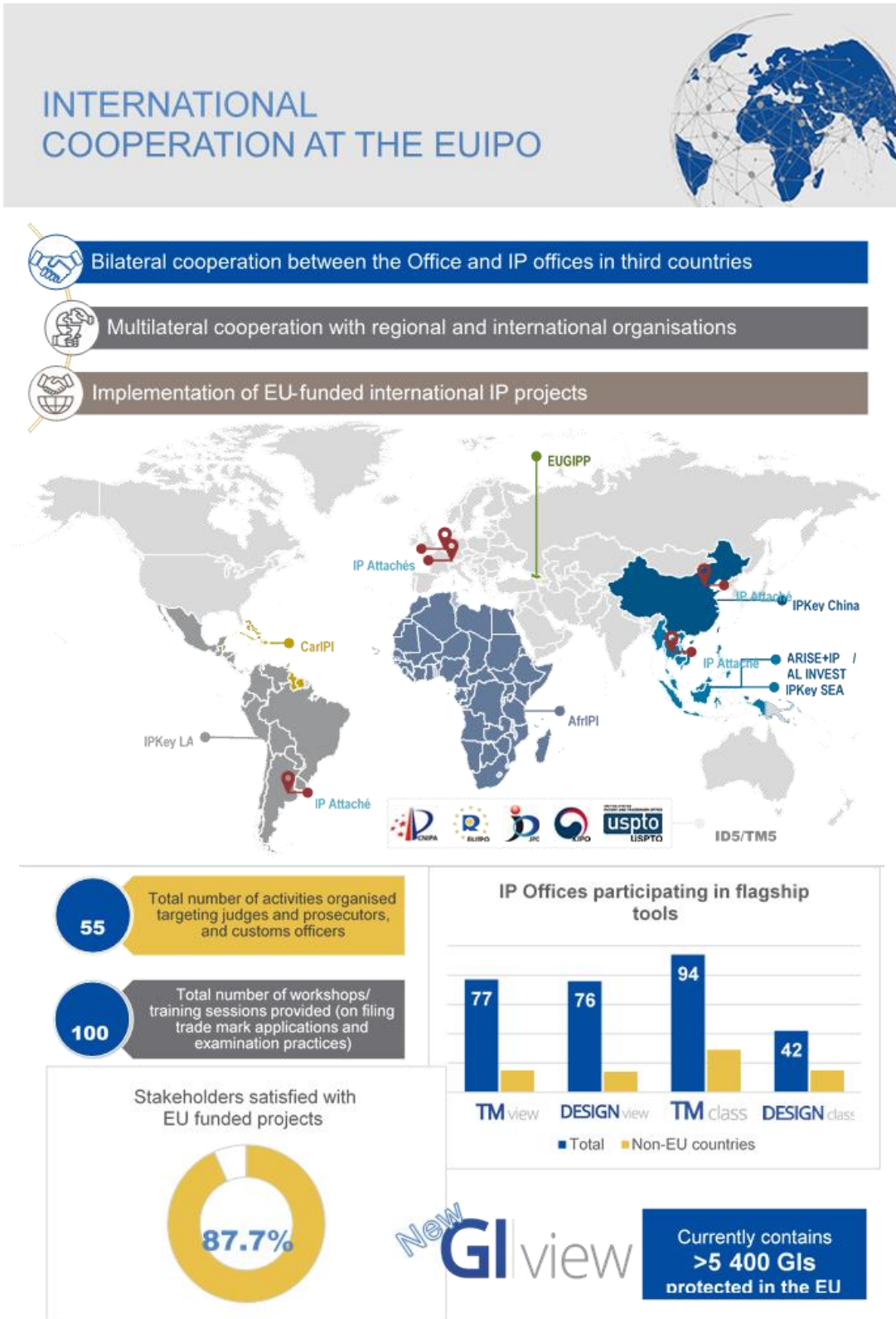


Figure 14. Projects to reduce contextual constraints for EU businesses internationally

### 4.3 Expert contributions to the evolution of IP rights

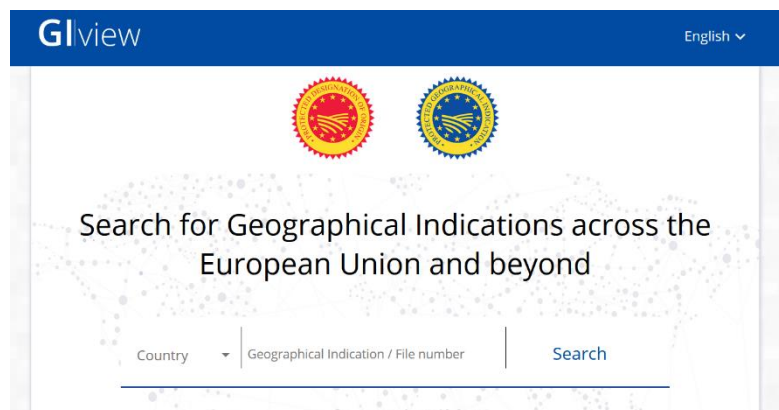
On 13 April 2022, the European Commission presented the first ever EU framework to protect the IP of European **craft and industrial products (CI GIs)**. The objective was to allow these products to benefit as geographical indications (GIs), an IP right at EU level. The Office contributed to the design of the craft GI procedures in cooperation with the Directorate-General for Internal Market, Industry, Entrepreneurship and SMEs (**DG GROW**).

GIs are a key economic asset for the European Union embodied in the EU-wide system of IP rights. According to [research](#) by the Office and the European Patent Office (EPO), GI rights-intensive industries contribute over **EUR 15 billion to the EU's GDP**.

During 2020-2022, the Office contributed to assessing around 1 200 **agricultural GI applications**, providing valuable support to the Directorate-General for Agriculture and Rural Development (**DG AGRI**) in this respect. In 2022, the Office actively contributed to the awareness raising of its activities in the GIs sphere in general, with regard to the CI GIs as well as agricultural GIs, and organised a series of more than 50 visits, meetings and webinars with different producer associations, national authorities as well as with the Members of the European Parliament, representatives of the European Commission and representatives of the Committee of the Regions. The Office was also present at several annual meetings held by the producer associations and at one of the most significant international GI conferences. At the end of 2022, the Office cooperated with the Czech Presidency and brought the IP attachés from the EU Member States to Alicante to celebrate the achievements reached in the CI GIs proposal throughout the Presidency, among other achievements.

Ensuring access to the public to GIs is possible thanks to [Giview](#), a new **search database** for all protected names linked to the EU Register of **geographical indications**. Giview was made available by the Office in close cooperation with DG AGRI. The database, regarded as the most complete and reliable GI data worldwide, currently contains more than **5 400 GIs protected in the EU**.

It also provides easy access to the Office's Exchange Information module – for representatives of GI rights holders – through the Observatory's [IP Enforcement Portal](#).



### 4.4 Collaboration for efficient administrative capabilities of EU bodies

The Office collaborates with the EC on the implementation of its 'New **human resources strategy for the Commission**' action plan, following the successful implementation of the Office's **Enterprise Resource Planning** project.

The Office's cooperation with other EU agencies has been intensified to share further services and deliver synergies and efficiency gains within the EU public sector. This cooperation is built

on the work done in the areas of internal audit, disaster recovery, public procurement, environmental management and data protection.

In the scope of the inter agencies collaborations, the Office not only **hosts** the Disaster Recovery System for **nine EU agencies**, but also an **interinstitutional contract for environmental management**, launched in the second quarter of 2022, with **17 participating EU agencies**.

The total estimated value of the shared services among EU agencies reported between 2020 and 2022 was approximately EUR 4.3 million, to which the Office contributed with data protection, data centre facilities for disaster recovery and internal audit services estimated at EUR 2 789 000.

The European Court of Auditors highlighted the added value of the disaster recovery services provided by the Office to nine decentralised EU agencies, allowing for a cost saving of at least 20 % compared to market prices <sup>(1)</sup>.

Another important achievement showcasing the collaboration and efficient administrative capabilities of EU bodies is the successful completion of a modernisation programme for the Translation Centre for the Bodies of the EU (Centre de Traduction des Organes de l'Union Européenne – CdT). This effort has been recognised by both the CdT and the European Commission as an example of interinstitutional collaboration that has delivered concrete benefits for the system.

#### 4.5 Supporting efficient enforcement of IP rights

*'EUIPO has become a hub of excellence on IP infringements, a central source of knowledge, development and sharing of best practice in the EU and internationally. The EUIPO acts as a facilitator and driver for cooperation between national authorities and right holders across the EU and is an important contributor to the Commission's initiatives in IP within the EU and further afield <sup>(2)</sup>.'*

Conclusion of the European Commission's evaluation  
on the work delivered by the Observatory.

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(1) [ECA report on cybersecurity and agencies, bodies: 05-2022](#).

(2) [COM's evaluation of the Observatory](#), published November 2020 [last accessed 17/09/2022].



## Intellectual Property SME Scoreboard 2022

### 4.5.1 Evidence in support of the IP enforcement policies

During the first half of the SP2025, the [European Observatory on Infringements of IP rights](#) has published 47 [studies](#), in cooperation with the Organisation for Economic Co-operation and Development (OECD), the EPO, Europol, the UN Interregional Crime and Justice Research Institute and the Community Plant Variety Office, among others. These studies have been widely welcomed as providing a solid evidence base for policy discussions on IP, and their findings are referenced in key European Commission speeches relating to IP.

- [IP Perception](#), a comprehensive assessment of public perceptions of IP and the relevant drivers of consumers and/or business behaviours. It was updated in 2020.
- [Intellectual Property and Youth Scoreboard](#) study, published in 2022, aimed both to assess **changes in attitudes and behaviours** since the 2019 study and to obtain new and enhanced insights that could directly inform appropriate policy responses.
- [SME Scoreboard](#) study, updated in 2022, consisted of a survey conducted with SMEs in the Member States of the EU.
- [IP Contribution](#), a series of studies that look at the overall contribution made by IP rights-intensive industries to the EU economy and at the role of intellectual property rights in individual firms. They were made in partnership with the [European Patent Office](#) and, for the plant variety part, the [Community Plant Variety Office](#).
- The second joint [Intellectual Property Crime Threat Assessment](#) produced with Europol takes into consideration that the COVID-19 pandemic presented new business opportunities to distribute counterfeit goods, mostly on digital platforms, with **counterfeit products being offered via live-streaming sales, instant messaging services, videos and sponsored advertising on social media**.

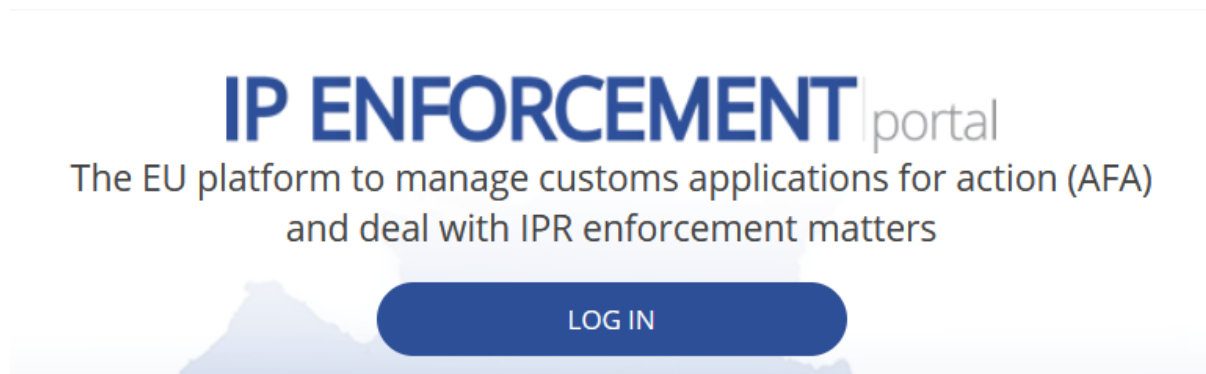
Between mid-2020 to 2022, 206 EU policy documents cited the Observatory while quoting its studies or initiatives more than 500 times.

#### 4.5.2 Support for an efficient fight against IP infringement

One of the key areas of the Commission's [Action Plan on IP](#) focuses on fighting counterfeiting and improving the enforcement of IP rights.

The Observatory's work to **promote and facilitate effective cooperation between IP rights holders, intermediaries and law enforcement authorities** was used as a starting kit for the Commission's plan to establish an EU anti-counterfeiting toolbox and to develop and use suitable tools and new technologies.

The Office's [IP Enforcement Portal \(IPEP\)](#) has become **the only e-filing and management tool** for lodging an application for action (AFA) with the competent customs department to request them to act in 24 Member States (though an alternative system does exist for Germany, Italy and Spain).



Cooperation is enhanced through the exchange of data among enforcement authorities (police, customs, judges and prosecutors), private parties (intermediaries and rights holders) and the European Commission, with a special focus on the promotion of a wider use of IPEP and big data analysis results.

By the end of 2022, 1 343 companies were registered in IPEP having uploaded information on 8 331 products and 45 525 IP rights. The 76 registered EU law enforcement authorities have recorded some 450 accesses per month performing searches for information or exchanging information with rights holders or other authorities.

e-Commerce keeps growing and plays an important role for many businesses. The Office engaged with and put together a list of [e-commerce marketplaces](#) that includes information about and links to IP protection resources, such as **notification systems, IP protection programmes or contact points**.

Furthermore, in view of the increasingly critical threat that counterfeiting poses to supply chains and the lack of information on anti-counterfeiting solutions, the Office – together with members of the Observatory expert groups – developed and published the [Anti-Counterfeiting Technology Guide](#). The guide is intended for all traders and enterprises (including SMEs) interested in learning more about and implementing the anti-counterfeiting solutions that are currently on the market. This sets the groundwork for users to build an all-round anti-counterfeiting strategy based on their particular business needs.



The Observatory provides support to enforcers and the judiciary in many ways, but particularly with tools, such as the [case-law collection](#), and [knowledge-building activities](#) for enforcers, prosecutors and judges, usually in collaboration with Europol, the European Anti-Fraud Office, Eurojust, the European Union Agency for Law Enforcement Training, the Directorate-General for Taxation and Customs Union, the Directorate-General for Justice and Consumers, DG GROW and Member State authorities. In doing so, it enhances the expertise of those involved in the enforcement of IP rights, including highlighting new threats and infringement trends, emerging modus operandi and technological solutions on product authentication track and trace systems.

## 5 IP Value for Citizens

In cooperation with stakeholders from multiple networks, the Office launched a series of common awareness activities to encourage a stronger focus on the importance of IP rights among the EU institutions, and to raise awareness at key high-impact events targeting young people, SMEs, consumers and the media.

### 5.1 Better understanding of the value of IP rights

Society, as a whole, though particularly priority groups, such as young people, future entrepreneurs, and existing small businesses, need to be engaged in the future of IP and understand the message that 'IP is for everyone'.

#### 5.1.1 Understand the added value of IP rights

The Office plays a substantial role in creating and enhancing **IP value awareness** through initiatives, projects, resources, and the stories of creators and innovators that have or will shape the present and future of the IP world. The following are examples.



- The 3rd edition of the [DesignEuropa Awards in Eindhoven in 2021](#) – this event celebrates excellence in design and design management and [promotes design as a valuable IP right](#) that underpins the European economy and supports jobs. 752 valid applications and nominations were received. That is 168 % more than in 2016, when the first edition of the Design Europa Awards took place. The 2021 edition was estimated to have transferred over EUR 3 000 000 in advertisement value equivalent (AVE) to the private sector (the finalists) through the two waves of promotional campaigns.
- Two [Powered Up Festivals \(2021 and 2022\)](#) by [Ideas Powered](#), in which some of Europe's youngest and most brilliant minds shared their creative process tips and tricks with the Office (from coding to how to succeed as a creator). These events jointly reached close to 2 million impressions across the Office's social media channels. The 2022 figures show an almost 400 % increase in the number of impressions.

- The [IP in Education](#) project, which provides a wide range of [materials](#) from [IP basics for teachers](#) to the [Creativity Diary](#), to raise awareness on the importance of protecting creativity and innovation. The Office's [IP in Education Network](#) collaborated with experts from the Joint Research Centre in the creation of **IP-related competences** that will be included for the first time in the Digital

## IP and



- youth

Young (IP) love: why and how IP matters for the youth

Competence Framework for Citizens (DigComp).

- [Invitations to schools](#) from all over the EU to sign up for the interactive online learning [EUIPO Virtual School Visits](#) experience – available in the Office's five official languages – developed under the umbrella of the [EUIPO Virtual](#)

[Campus Programme](#). Over 600 students have attended, with a satisfaction rate of over 90 % when asked for their opinion on the programme.

- A [grant scheme](#) of more than EUR 980 000 to provide support for awareness-raising on the value of IP and the damage caused by counterfeiting and piracy among young people, consumers and teachers, covering various topics drawn up by diverse entities (universities, NGOs, media agencies and companies from the private sector).
- Two collections, developed by the Observatory, of 15 frequently asked questions (FAQs) on copyright for [consumers](#) and for [teachers](#), covering key topics concerning copyright for all EU Member States.

Besides the promotional activities implemented by the IP offices through the cooperation agreements under the European Cooperation framework, the Office's Academy provides **training and educational activities for interested IP groups** through the use of new learning trends and technology. Close to 29 000 external participants have improved their knowledge of IPR through **webinars**, the [ETMD](#) Education Programme for practitioners and paralegals or major IP events (such as the IP and Regional Seminars) developed for users' representatives.



In 2021, the Office launched one of its most innovative hybrid facilities for immersive learning, that is, a new **virtual classroom** with high-definition screens capable of displaying up to **64 online participants** simultaneously. It is also capable of displaying high-quality live documents and video sharing.



The [Academy Learning Portal](#) contains a training catalogue with more than 500 learning opportunities from general IP knowledge to specific topics covering all aspects of trade mark and design registration.

In cooperation with the EPO and university partners (114 universities from 37 countries, of which 26 are EU Member States and 11 are European Patent Convention countries), the Office's [Pan-European Seal](#) (PES) is a comprehensive traineeship programme that bridges academia and the labour market. It covers the PES [Talent Bank](#), the EPO [Exchange Programme](#), the IP Campus and the EUIPO Trainees' Career Event, the Hosting Programme with national IP offices, and the Network of IP Academies (NIPA). Around 600 trainees representing 40 different nationalities have been welcomed to both the Office and the EPO since 2020.

### 5.1.2 Understand the negative consequences of IP infringement

Younger generations are more exposed to the consumption of unlawful digital content and the purchase of counterfeits. They are also more tolerant of IP rights infringement, as revealed by the [IP Youth scoreboard](#) published in June 2022. A [recent study](#) published by the Office reveals that there is a positive association between the proportion of young people (aged 15 to 24) in a country's population and the extent of film piracy recorded.

[IP awareness campaigns](#) such as [SAFEorFAKE](#), [24sata – RAP SCHOOL](#), [IP Why Not](#), [That's MY idea](#), [We all say NO](#), Pan-European awareness media campaigns and World Anti-Counterfeiting Day 2022 were created and implemented throughout the first half of the SP2025.

In addition, the Office has collaborated with the Commission and other stakeholders to facilitate access to the collections of European cultural heritage institutions, supported through the [Orphan Works Database](#) and the [Out-of-Commerce Works Portal](#) and legal offers promoted through the [agorateka](#) portal.



One of the main goals of the Authenticities initiative – initially launched under the grants scheme and now a fully-fledged EUIPO European Cooperation Project – is to create a true European network of cities across the EU engaged in raising the public's awareness of the fight against counterfeiting. The [network of Authenticities](#) brings together national and regional intellectual property offices in the EU, 11 European municipalities across the EU (9 with ongoing certification) and local organisations, to empower local authorities to engage citizens and partner organisations across the EU in the fight against counterfeiting.

## 6 Behind the Scenes of IP Value Creation

After topping the ranking in 2017, 2018 and 2019, the Office was once again ranked as the most innovative IP office in the world by the prestigious [World Trademark Review](#) (WTR) in 2021. Its 'boundary-pushing approach to collaboration and innovation', through the implementation of AI and blockchain and the development of new non-core services and enhanced cooperation efforts, has set the Office apart.

This 'boundary-pushing approach' is founded not only on having good tools but also on staff delivering a high level of services to provide users with valuable information and guidance for the optimal use of these tools and processes. This directly impacts the Office's organisational, human, economic and environmental capital.

### 6.1 Efficient and secure digital and physical working place

#### 6.1.1 Robust and secure infrastructure

The Office has maintained and monitored a **robust and secure infrastructure** that is now demonstrating its **efficiency to work in a hybrid setting**. This value was clearly demonstrated when, unlike in other organisations, the Office staff were able to continue working from home and to return to the office earlier thanks to its remote and hybrid capabilities, including the Microsoft 365 office-based approach via individual laptops, enabling the continuation of services under strict business continuity plan conditions.

The Office continues reinforcing **digital security-related competencies and capacity** by working in close cooperation with other partners (the EU IP offices, European agencies and the Computer Emergency Response Team for EU (CERT-EU) institutions, bodies, and agencies) to develop knowledge and skills in the field of cybersecurity and following CERT-EU recommendations.

The Office is fully immersed in cybersecurity development, and a number of actions have been implemented, such as the automation of patching, the new security operation centre capability, the new Zero Trust policy and policy on the Internet of Things on campus, developed under the Robust Digital Backbone strategic programme.

In the interests of providing a state-of-the-art registration service, the Office focused on how best to **leverage emerging technologies, develop skills and deepen knowledge** to achieve its full potential. In this respect the recent deliverables on data literacy learning capabilities are important to highlight: the Office is heading towards a state of data self-service.

A cross-departmental Technology Watch group identified new use cases where **novel technology can improve operational activities**, further developing **robotic process automation (RPA)** to help manage the increase in filings and prototyping **data mining** to identify potential bottlenecks in internal processes. RPA is being applied for the third year running in relation to the SME Fund's management, with four robots doing routine work that is saving several FTEs in the Office.

Furthermore, the Office is currently exploring **diverse aspects of the Metaverse** with the support of the EUIPO Tech Watch Group's Metaverse task force to assess **the Metaverse and its impact on IP**.

### 6.1.2 Advanced technology in the service of IP

Every aspect of the Office's operations relies on advanced digital tools and services. AI clearly brings new opportunities.

As part of its digital transformation programme, the Office released its first **in-house image search tool** [eSearch plus](#) in 2021. Having an advanced [AI-empowered image search](#) algorithm, which can be combined with other IP rights attributes, places the Office in a strategic position within the field of IP search capabilities, since searching figurative marks is one of the biggest challenges in the IP world.

The image search function was incorporated into TMview in July 2022, allowing users to automatically compare images to trade mark applications in supporting IP offices.

This addition enables integrated IP offices to use **the image search as an Application Programming Interface (API)** in their own tools. Not only has this breakthrough led to increased efficiency and a reduction of costs for participating IP offices, but it also further reinforces the network's collaborative ties.

Embedded as a function of [eSearch plus](#), the Office launched its first official **eRegister** in 2021 ([Decision No EX-21-4](#)). The tool allows access to the historical records of EUTMs and RCDs increasing their traceability. It was visited more than 200 000 times in 2022.

## eSearch Case Law

### **Integrated automatic translation service for machine translations of court decisions.**

Users can now retrieve decisions of the EU courts and the Office from the [eSearch Case Law](#) database (first-instance decisions, BoA decisions, and General Court and CJEU judgments), and automatically translate them into 31 different language combinations<sup>(3)</sup>. This can be useful for gaining an immediate general understanding of the content of a particular judgment before obtaining certified translations, saving the user time and money. Also, in the area of automatic translation reuse for IP, new technologies released in production enabled additional savings of around EUR 5.13 million between July 2020 and December 2022 and 1 FTE in terms of efficiency gains, when compared with the situation before the beginning of the SP2025.

Further automation was reached in the examination process, specifically in the area of opposition proceedings, recordals, priority and seniority. This led to a remarkable [productivity increase](#). For example, the number of *inter partes* proceedings tasks closed per FTE increased by 27.2 % in 2021 compared with 2017. Furthermore, the implementation of an [AI-based comparison of Goods & Services \(G&S\)](#) in the area of relative grounds decisions has helped examiners ensure the highest quality of service.

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<sup>(3)</sup> The eSearch Case Law engine is a joint effort released by the Office and the European Commission's eTranslation team. It is a machine translation engine specialised in the IP case-law domain.

The Office's [IP Register in Blockchain](#) project won the Global Business Tech Award in the [Best Application of Tech – Public Sector](#) category in 2022.

Concrete milestones had already been delivered through the Office's cloud-related services, an alternative system of communication in case of web failure, and the first filing service (which is currently being tested for Easy Filing in the cloud).

Additionally, and building upon the 2018 EU Blockathon Competition and the 2019 creation of the [Anti-Counterfeiting Blockathon Forum](#), the Anti-Counterfeiting Blockathon Infrastructure Project is expected to be a positive contribution to the fight against counterfeiting by offering an innovative way to authenticate products and exchange data between all parties in the supply and logistic chain, interconnecting products' 'track and trace' solutions with the risk analysis systems of enforcement authorities and the EUIPO tools ([TMview](#), [DesignView](#), [IPEP](#) and IP Register in Blockchain). At the end of 2022, the first new service was released in TMview thanks to blockchain: the historical record of each trade mark registration. This is a new feature of TMview and DesignView for EUTMs and RCDs. Already six IP offices, including the EUIPO, are in the blockchain. Blockchain technology ensures that TMview and DesignView, the largest global IP databases, provide a speedy, reliable and secure delivery of information.



Furthermore, this project will leverage the [European Blockchain Service Infrastructure](#), allowing involved partners to reap additional gains and benefits from a global EU multi-service and multi-purpose platform.

## 6.2 Skilled and balanced workforce

### 6.2.1 Knowledgeable and skilled staff

To deliver a better, higher-quality service to users and increase the sense of achievement and personal satisfaction of staff, the Office has set itself the goal of becoming the workplace of choice for the best candidates.

As part of its core international cooperation activities, the Office not only had on average 10 **staff members deployed** in non-EU countries as project leads or IP attachés<sup>(4)</sup>, it also hosted around 62 local, regional, national, or intergovernmental public administration staff within the framework of its Seconded National Experts (SNE) programme per year between 2020 and 2022.



The Office is committed to facing the future using a human-centric and benefits-driven approach<sup>(5)</sup> that relies on staff's knowledge and skills, their adaptability and innovation, steady performance and modern management. Following the Office's digitalisation, and in anticipation of the evolution of the Office's job profiles, reskilling and upskilling its workforce has become a priority for the Office to ensure staff have the necessary skill sets to deal with new technologies, tasks and profiles. To this end, the [Artificial intelligence and job mapping evolution](#) project is successfully ongoing.

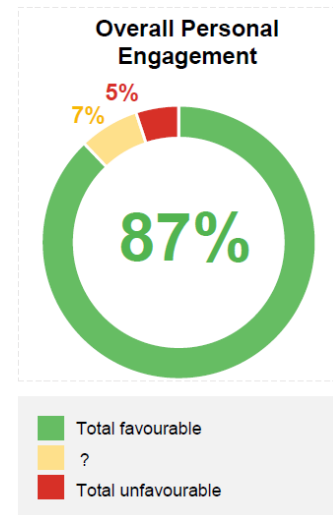
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<sup>(4)</sup> Thanks to the fruitful cooperation between the European External Action Service (EEAS) and the Office, framed by a set of legal instruments, Office staff can rely on the necessary support from the EEAS in their deployment, granting them duty of care and due protection from the Union Delegations, ensuring physical and infrastructure security, emergency preparedness, country evacuation, protection of classified information, security of communications and security training.

<sup>(5)</sup> Please refer to the following [link](#) on the EUIPO website for more information about what it is like to work for the EUIPO.

The Office has invested on average **15.17 training days per employee over the 3 years between 2020 and 2022** to enhance staff's knowledge and skills. Continuous staff development and engagement is fostered through leadership development initiatives, calls for talent, calls for innovation, the mentoring programme and job shadowing. A career advisory service has also been established. Internal and external (Seconded EUIPO Expert (SEE) initiative) mobility and other contractual improvement initiatives are successfully ongoing, and knowledge is retained through the permanent engagement of knowledgeable and deserving staff.

Among the benefits of these initiatives are the improvement of the staff working conditions, and increased motivation and staff engagement. The 2022 edition of the Staff Satisfaction and Engagement Survey showed that overall, 87 % of staff are personally engaged with the EUIPO, feel proud to be associated with the EUIPO, are willing to recommend the EUIPO as a good place to work and believe in the EUIPO's goals and objectives.



**Figure 15. EUIPO staff personal engagement 2022**

### 6.2.2 Balanced workforce

The Office has invested in the continuous development of staff so that they can adapt to changes, perform at their best and have long-term and satisfying careers. The idea has been to retain knowledge whilst having a flexible workforce that can adapt to changing needs. This is achieved through the selection, recruitment and development of the best talent. Preparations for an open competition are currently being made.

A succession planning initiative was also launched and is currently underway.

By 2022, the Office workforce was made up of 1 221 staff members from all EU countries to ensure suitable staffing levels for the 888 391 filings for EUTM and RCD applications (and the related services) received by the Office between 2020 and 2022. Of those recruited in 2022, 44 % were men and 56 % women, in alignment with a corporate culture that embraces gender balance, diversity, fair treatment and a commitment to having women at the helm.

### 6.3 Green and sustainable workplace

The continued drive towards becoming a sustainable organisation is founded on an increased focus on our carbon footprint, waste and paper consumption reduction, new technical facilities that meet the highest environmental standards, and 'green' public procurement (GPP).



The [EUIPO Campus strategic project](#) delivered a number of milestones that provided the Office with an accessible, secure and safe campus and buildings. The Office is well on its way to having sustainable premises through low energy and water consumption, and by using geothermal energy.



The EUIPO campus has become a hub for IP activities and training. Its meeting rooms equipped for hybrid and on-site events are also at the service of society in general as local, regional, national and European events are regularly held at the Office.

Despite the increase in Office activity during 2021 and 2022, the total amount of waste generated in 2022 was 45.12 % lower than in 2020, with a total of 80.52 tonnes generated.

Cutting its carbon footprint is one of the Office's main reduction goals. Full offsetting of emissions for 2020 was achieved, following the carbon neutral organisation policy. Specifically, the Office offset 1 071 tonnes of CO<sub>2</sub>e in 2020 and 1 179 tonnes in 2021 through various offsetting projects.

The Office's AA3 building remains the most sustainable and efficient building in Spain, as acknowledged by [BREEAM](#) (Building Research Establishment Environmental Assessment Method) in 2022.

Measures intended to reduce greenhouse gas emissions include among others, the replacement of paper-based processes for automatic electronic ones, increased access to a high-quality virtual environment (i.e. more use of video conferencing), and the use of other online collaboration tools in cooperation activities. In 2021, the Office launched one of its most innovative hybrid facilities for immersive learning: a new virtual classroom with high-definition screens capable of displaying up to 64 online participants simultaneously and high-quality live document and video sharing.

Other related activities include the development of guidelines on business travel management, the promotion of more sustainable modes of travel (e.g. the promotion of public transport, charging facilities for electric cars or the use of personal mobility vehicles) and measures to reduce energy consumption (e.g. heating and air conditioning).



As a result of its continued commitment to applying sound environmental management principles, the Office won Gold in the 2022 edition of the [Green World Awards](#) in the **Climate Change category** for its overall achievements and efforts to reduce the Office's energy and paper consumption as well as its carbon footprint.

In addition, an interinstitutional joint framework contract was awarded (the Office having taken the lead) to provide environmental services to the Office and 16 participating EU agencies. Among the services included are consultancy on

environmental management systems or reduction and offsetting of greenhouse gas emissions. The Office has also created a database for the management of green public procurement criteria, serving as a repository for the preparation of proposals and a monitoring tool for the execution of Office contracts. In this context, the Office also signed a Memorandum of Understanding in 2020 to participate in the interinstitutional Green Public Procurement Helpdesk comprised of 23 participating institutions and bodies of the EU.

The Observatory published a study on goods and services specifications, [Green EU Trade Marks](#), with a description of the 2 million EUTM applications filed at the Office since it began operating in 1996. These trade marks were analysed for the presence of terms that could be said to relate to environmental protection or sustainability. The main finding of the report is that a growing interest in sustainability is indeed reflected in the EUTMs filed. Of the approximately 46 700 EUTM applications received in 1996, 1 588 were 'green' trade marks. In 2020, the number of green EUTMs filed was close to 16 000 with Germany, Spain, France, Italy and the Netherlands leading the list of top filing countries in the EU.



## 7 Looking Ahead

It seems clear that over the next decade, IP rights and their protection will play an even bigger role in the success of economies and businesses and the well-being of the citizens.

In the future, the Office must combine dealing effectively with the often-fluctuating demand for IP rights and the growth in new tasks while remaining agile enough to respond to new requests to deliver even further added value for the EU and its citizens respond to changes in the EU's 'innovation ecosystem' by providing support to the EU Commission policies and, at the same time, cooperate with, and engage the EU IP Network more deeply in, the innovation process, making sure that the system as a whole is properly joined-up (connected). The EU IP Network must continue focusing on delivering value for the benefit of the users, for example through the European Intellectual Property Information Centre (EIPIC) and the unified trade marks and designs register in blockchain.

Having a more 'joined-up' IP system facilitates input into the prospective EU Design reform or the development of geographical indications and other important rights, which have a high profile in international trade agreements. The design legal reform aims to amend both the design regulations and the design directive that have not been revised since their adoption in early 1998 and 2002. The completion of this process may lead to significant changes not just at the Office, but around Europe. The reform seeks to analyse to what extent the EU legislation on design protection has achieved its objectives and if it is still fit-for-purpose.

Intellectual property is, alongside financial resources, an important success factor in the achievement of the Commission's European Green Deal objectives. New technologies will be created, new products and services will be brought to the market, and existing products will be redesigned to make them more sustainable.

Overall, the Office needs to ensure it is an attractive and reliable entry point for IP protection covering a broad range of IP rights. In its path to become an IP hub of excellence it must provide a high-quality public service to assist European businesses in becoming more competitive in an increasingly global and digital environment. To offer added value services that are cost-efficient and smooth, users will, in the near future, be able to benefit from a complementary path for solving their disputes through the implementation of the EUIPO Mediation Centre, as envisaged in the basic Regulation governing the Office. Mediation will become an accessible and suitable alternative to settling disputes within the context of EUTM opposition and cancellation proceedings, as well as RCD invalidities and appeal proceedings.

Looking forward, emerging technologies such as 5G/6G networks and the applications based on them – the Internet of Things, decentralised internet, blockchain-based applications, virtual and augmented reality, and the metaverse – have the potential to disrupt the way we communicate and interact by blurring the boundaries between the physical and digital worlds. In addition to tackling the challenge of digitisation and new technologies, international cooperation will become even more important in the future. It will allow the Office, including the Observatory on Infringements of IP Rights to build on the work of the EU-funded projects in non-EU countries, in cooperation with the European Commission, and on the work with partners such as the OECD. The possibility of extending IPEP to trusted non-EU-country partners should be explored. Both within the EU and in the wider world, the Observatory must continue to be a trusted reference for understanding IP rights in all their facets, a facilitator and driver for cooperation between national authorities and the private sector as well as civil society, and a contributor to the Commission's initiatives on IP within the EU and internationally.