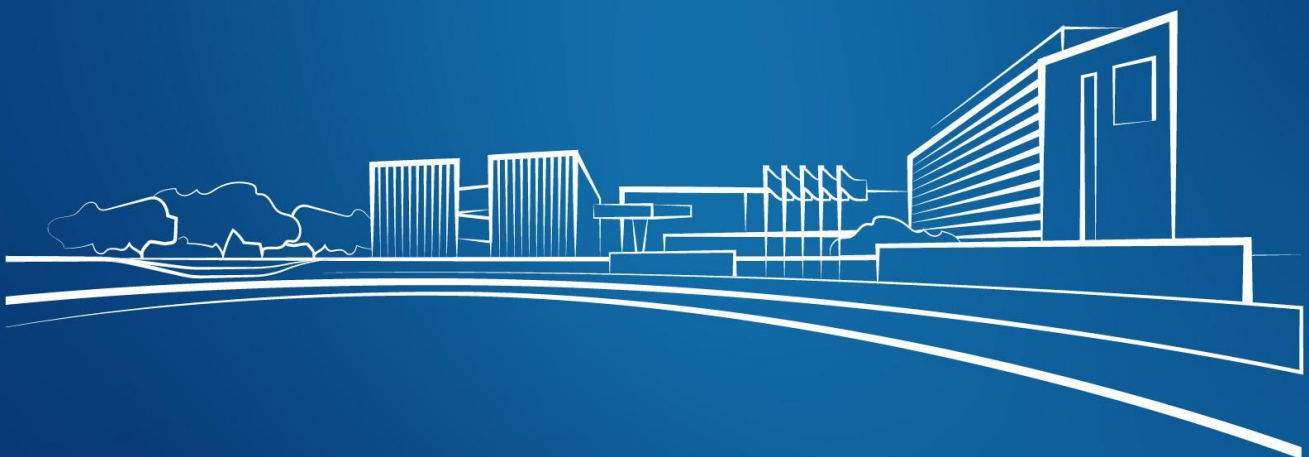








# 2023 CONSOLIDATED ANNUAL ACTIVITY REPORT



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 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 (FR).

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## Message from the Executive Director

Throughout 2023, the Office continued to actively promote, support, and protect innovation in the EU, contributing to a stronger and more competitive European economy.

Although the hitherto negative trend of EU trade mark (EUTM) and registered Community design (RCD) filings continued during the first part of the year, the latter half of the year saw a return to modest growth – with RCD filings increasing markedly, in a year when European Design was celebrated in Berlin with the 2023 edition of the DesignEuropa Awards.

Even with this increase in filings, we maintained our high level of quality and timeliness in line with the established criteria, as confirmed by the external Stakeholder Quality Assurance Panels (SQAP) audits and the internal quality checks. The 2023 Segmented Customer Satisfaction Survey aimed at measuring satisfaction levels with the services and main products of the Office revealed that the overall satisfaction with the service provided is high, standing at 91%, which is a 1 percentage point increase compared to 2022. The EUIPO also saw the beginning of a change of strategic direction with my appointment as Executive Director in October 2023.

Some things, unfortunately, did not change: the war in Ukraine continued throughout 2023, putting Europe's resilience, solidarity and democratic principles to the test. At the EUIPO we rose to the occasion, not only progressing with the implementation of pertinent restrictive measures under the Council Regulation and extending time limits where necessary (as was also done last year for Syria and Turkey due to the effect of the earthquake), but also advancing in our long-standing collaboration with Ukraine, with the signature of a Memorandum of Understanding with the new Ukrainian National Office for Intellectual Property and Innovations (UANIPPO), a personal visit to Kyiv together with an EU delegation, and the extension of the SME Fund to cover Ukrainian SMEs. Last year also saw the landmark decision by the European Council to open accession negotiations with Ukraine and Moldova, and to grant Georgia candidate country status, coinciding with the preparation of a new EU-funded project in the region.

In 2023, the SME Fund completed a third year of successfully supporting SMEs to protect their innovation and creativity through IP, receiving 37 625 voucher requests from SMEs across all 27 EU Member States and Ukraine, and reimbursing more than EUR 15 million in 2023 alone.

Cooperation with Member State IP offices continued through the implementation of the European Cooperation Projects, including the extension of new initiatives under the European Cooperation Project for Support to SMEs, such as the framing of the European IP Information Centre (EIPIC) to ensure that strategic and operational mechanisms serve the needs of SMEs under the Commission's IP Action Plan, taking the IP SME Scoreboard reports as a reference. The IP Regional Seminar held in Vienna, Austria, provided a platform for sharing knowledge on specific IP issues for the staff of national IP offices as well as representatives of user associations, and the Austrian Pan-European Seal universities.

Another important measure to support businesses, and especially SMEs, was the establishment of the EUIPO's Mediation Centre – a major step in supporting citizens and businesses in managing their IP rights (IPRs) effectively and helping avoid expensive, unpredictable litigation processes when disputes arise. With 42 % of EU trade mark applications coming from non-EU companies, cross-border disputes have become more and more common, highlighting the need for global and cost-effective dispute resolution services.

The EUIPO also continued to actively support the Commission's ongoing legislative initiatives to modernise IPRs in designs and geographical indications (GIs) through continued collaboration with the European Commission in agricultural and non-agricultural matters, with

Regulation 2023/2411 <sup>(1)</sup> providing the Office with a new competence as the entity in charge of the examination and registration at EU level of craft and industrial GIs. The Office offered to provide any necessary support in other areas to help deliver the Commission's IP Action Plan, such as patent-related supplementary protection certificates (SPCs) and standard essential patents (SEPs).

The Office further contributed to the Commission's efforts to implement key EU policies in the field of external actions via the [EU-funded](#) projects implemented in Africa, the Caribbean, Latin America, South-East Asia, China and Georgia. These projects are an important instrument to address issues identified in the Commission's [Report on the protection and enforcement of intellectual property rights in third countries](#).

In 2023, as regards the enforcement of IPRs, the EUIPO provided additional support to Member States, EU institutions and the Commission taking into account the inclusion of IP crime as a priority in the European Multidisciplinary Platform Against Criminal Threats (EMPACT) and the preparation of the Commission Recommendation on measures to combat counterfeiting and enhance the enforcement of IPRs included in the Commission's IP [Action Plan](#). Furthermore, in its [recommendation on combating online piracy of live events](#), the European Commission called upon the EUIPO to establish a specialised network of national administrative authorities and promote activities focused on knowledge building.

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, and setting the scene for the many developments to come.

As we celebrate our 30<sup>th</sup> anniversary, with the collaboration of all our stakeholders and partners, we are also laying the foundations for the upcoming Strategic Plan 2030 as a solid basis for the EUIPO's mission for the coming years.

João Negrão  
Executive Director

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(1) [Regulation \(EU\) 2023/2411](#) of the European Parliament and of the Council of 18 October 2023 on the protection of geographical indications for craft and industrial products and amending Regulations (EU) 2017/1001 and (EU) 2019/1753.

## Key Achievements in 2023

## RETURNED

to positive growth in trade mark and design filing volumes, with direct applications representing an increase of 3.73 % and 6.66 %, respectively, compared to the same period in 2022

## CONTINUED

to invest in cooperation and convergence activities with a significant increase in implementations in Europe and beyond; the total number of trade marks and designs available in TMview and DesignView surpassed 120 million and 21 million, respectively

## COMPLETED

the expansion and unification of the Office campus by opening new spaces for staff and visitors, serving as a hub for IP activities and training

## RELEASED

enhanced versions of core tools that support the examination of absolute and relative grounds for trade marks and oppositions, using AI services for increased efficiency

## PREPARED FOR

new competencies in the field of GI protection for Agri products

## REVAMPED

the EUIPO website with new content and a modern look and feel

## REACHED

≈35 000 applications for the 2023 SME Fund (≈60 000 in total for all SME Funds launched to date)

## INITIATED

61 strategic projects since the beginning of SP2025, 12 of which have already been successfully closed

## CELEBRATED

10 years of ISO 9001 certification in all Office processes, while renewing certification in EMAS and other ISO standards; standing proof of the Office's robust quality and assurance management system

## APPOINTED

as the new EU authority responsible for managing the registration of GI protection for Craft and Industrial products

## HELD

the 4th edition of the DesignEuropa Awards in Berlin, Germany, with nearly 700 applications from a wide range of industries from across the EU, showing European creativity, innovation and ingenuity at its best

## LAUNCHED

the Mediation Centre to expand and broaden the use of alternative dispute resolution

## Key Figures for 2023<sup>(2)</sup>

The Office recorded a 0.87 % increase in the total number of EUTM applications compared to the annual total for 2022. This represents a total of 175 688 EUTM filings received (146 223 direct filings and 29 465 international registrations (IR) filed through the WIPO Madrid System).

Out of the total of EUTM applications received, 175 038 were examined, with some subsequently being rejected, withdrawn, or subjected to opposition proceedings. Ultimately, the Office registered a total of 161 232 EUTMs<sup>(3)</sup>.

RCD filings, on the other hand, reported an overall growth of 7.53 % when compared with the yearly results for 2022. The Office processed a cumulative total of 115 743 RCD filings, comprising 98 300 direct filings and 17 443 international registrations (IRD) filed through the WIPO Hague System. This represents an overall increase of 6.66 % and 12.72 %, respectively, compared to the 2022 statistics.

Of the full set of direct designs received, 98 154 were submitted for examination and a part was subsequently rejected or withdrawn. In the end, the Office registered a total of 96 464 direct RCDs.

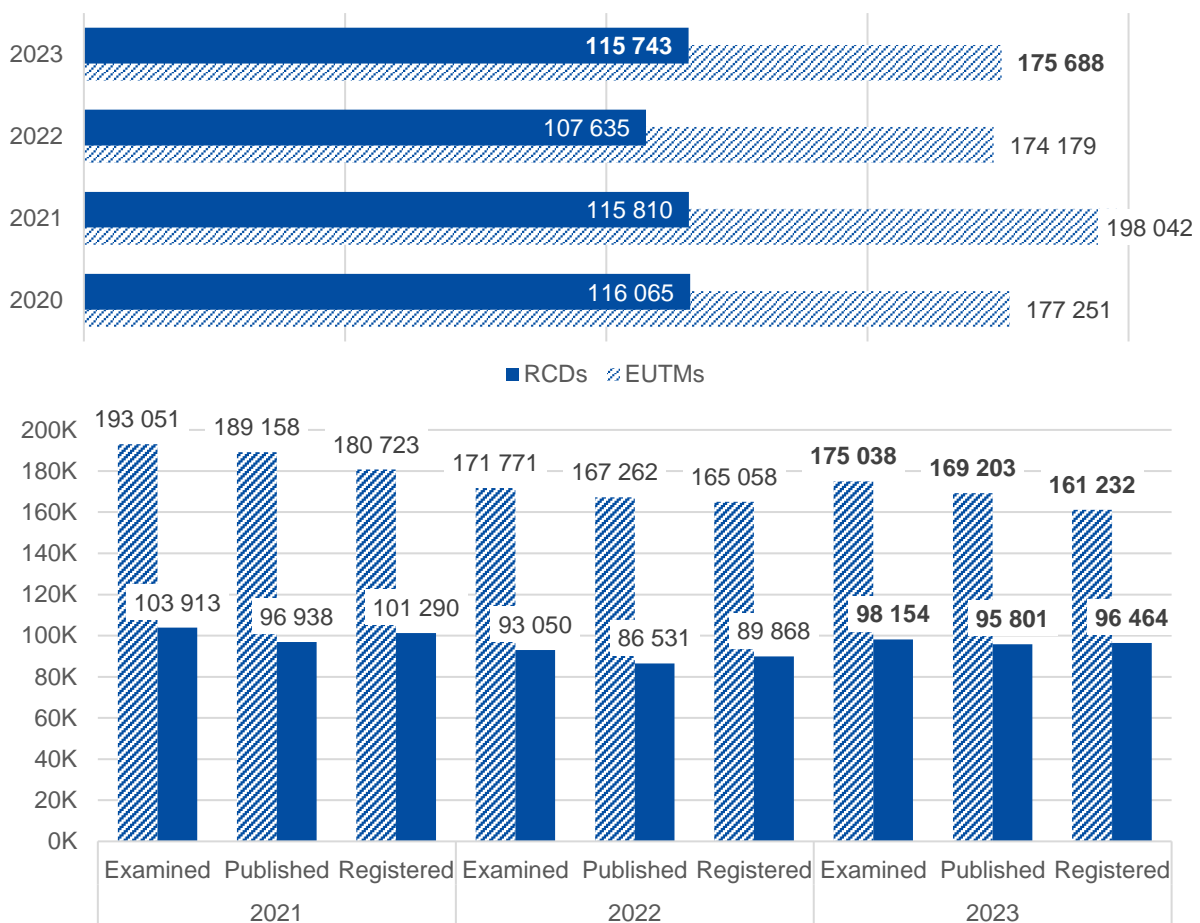


Figure 1. EUTMs & RCDs filed and processed

<sup>(2)</sup> Disclosure covered in this section: 2-6 Activities, value chain and other business relationships (additional data also included in the 2023 [GRI Content Index](#)).

<sup>(3)</sup> Registered EUTMs are valid for 10 years from their filing date and can be renewed, indefinitely, for subsequent 10-year periods. Please refer to APPENDIX A – Performance Data: Volumes for additional information on renewals.

In terms of oppositions, cancellations and RCD invalidities in 2023, the Office demonstrated a noteworthy improvement in decision-making output, despite receiving fewer applications than the previous year. Specifically, there was an 8.32 % increase in opposition decisions, a 2.84 % increase in cancellation decisions, and a 4.38 % increase in RCD invalidity decisions compared to the same period in 2022.

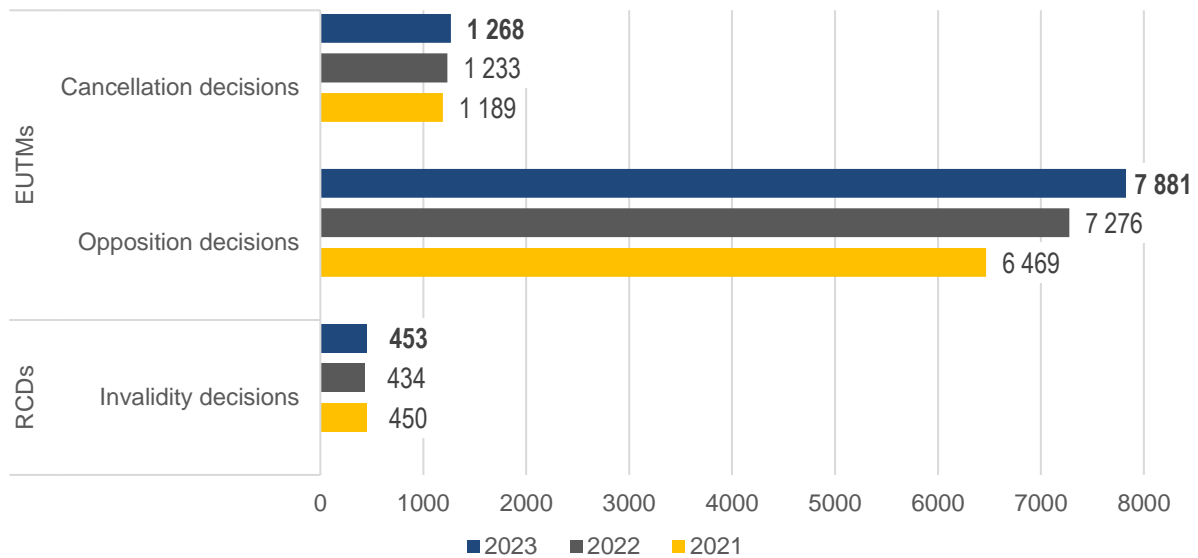


Figure 2. EUTM (opposition & cancellation) & RCD (invalidity) decisions



## Strategic Plan Implementation

The 2025 [Strategic Plan](#) (SP2025) is the Office's roadmap to deliver IP value for businesses and citizens in Europe and beyond based on three strategic drivers (SDs).

**SD1** An interconnected, efficient, and reliable IP system for the Internal Market of the European Union ([IPnetwork](#))

**SD2** Advanced customer-centric services ([IPexcellence](#))

**SD3** Dynamic organisational skill sets and an innovative workplace of choice ([IPinnovation](#))

The SDs are the driving force behind the Office's activity and are measured, among other things, by strategic key impact indicators (SKIIIs)<sup>(4)</sup>.




	2021	2022	2023 <sup>(5)</sup>	
 strategic driver 01	Multi-Office users expressing satisfaction with the network convergence (%)	67.0	68.0	68.0
	National Offices' satisfaction with ECP tools (%)	81.1	85.0	85.0
	Satisfaction of EU institutions and bodies (%)	100.0	100.0	71.4
	Stakeholders satisfied with EU-funded projects (%)	89.5	87.7	87.8
	Quotations of Observatory studies and reports by EU institutions (#)	334	404	443
 strategic driver 02	Overall user satisfaction (%)	88.0	90.0	91.0
	SMEs new to IP (%) <sup>(6)</sup>	N/A	N/A	75.6
	SMEs' satisfaction with the services provided by the Office (%)	84.6	87.0	90.7
	KU satisfaction with the Key User Programme (%)	81.0	81.0	81.0
	User satisfaction with the Office's Guidelines (%)	N/A	93.0	93.0
 strategic driver 03	Staff engagement (%)	82.0	87.0	87.0
	Staff awareness of anti-fraud strategy (%)	65.0	79.0	79.0
	Incoming and outgoing electronic communication with users (%)	94.8	95.6	95.3
	Greenhouse gas emissions per on-site worker (tCO <sub>2</sub> eq/on-site worker)	0.60	0.68	1.51

Figure 3. Strategic key impact indicators

The reasons for reporting three SKIIIs as 'action needed' in 2023 mainly correspond to

- issues identified to survey satisfaction measurement scale and population size; corrective actions planned for implementation in 2024.
- targets set based on the significant number of IPR documents published by EU institutions before the pandemic, which were significantly impacted by its aftermath.
- Key Users' satisfaction will now be assessed using the SCSS, following the transformation of the Key User Programme into Key Accounts.

<sup>(4)</sup> Apart from the SKIIIs, 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>(5)</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>(6)</sup> New indicator added in 2023 to replace KPI *SMEs' trade mark and design filings* due to technical issues that impeded the availability of information required to report it.

The chart<sup>(7)</sup> below depicts the evolution of the execution of the SP2025 in its entirety for all strategic projects under the combined SDs<sup>(8)</sup>.

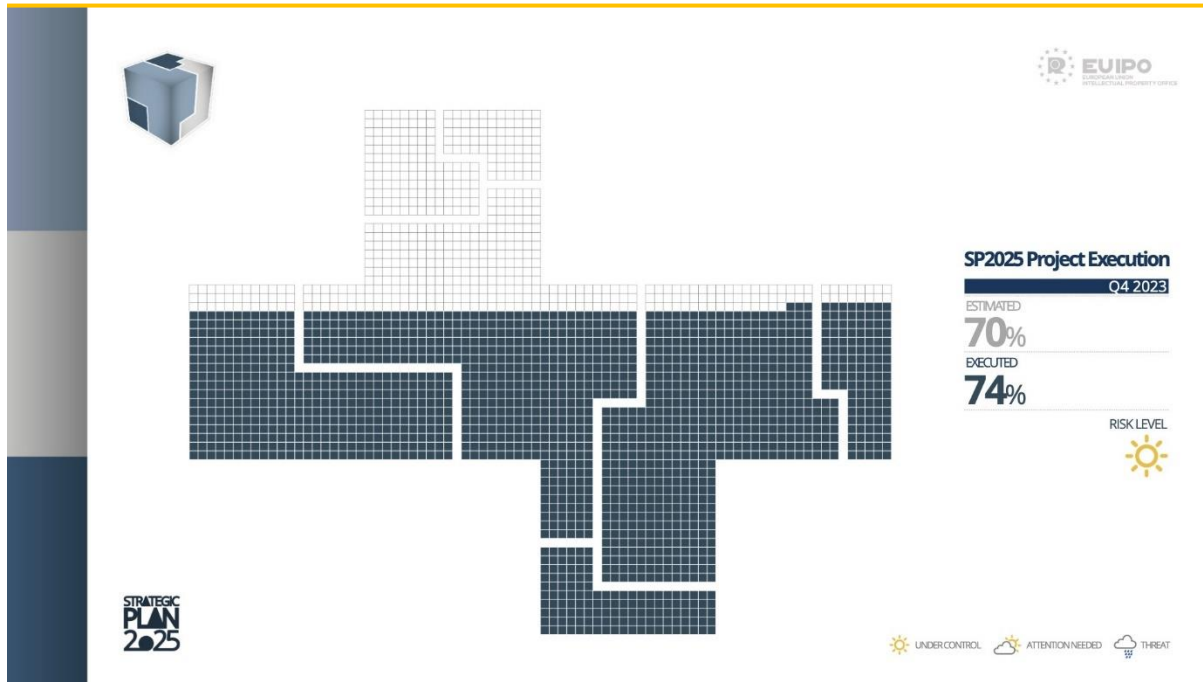


Figure 4. SP2025 Project Execution

By the end of 2023, as a direct result of the encouraging level of progress in all strategic projects, the SP2025 completion rate was reported at 74 %; with three-quarters of the planned activities completed slightly ahead of schedule<sup>(9)</sup>.

### Strategic Driver 1 IPnetwork ✨

The first strategic driver, '[An interconnected, efficient and reliable IP System for the Internal Market](#)', centres on the Office's cooperation activities in the EU and globally and underpins the relational capital by raising IP awareness through strong institutional cooperation and sustainable networks.

The execution rate of the strategic projects under SD1 are depicted by progress and risk level in the following graph, where it can be seen that the 2023 execution has been three points above the estimated level<sup>(10)</sup>.

<sup>(7)</sup> Charts depicting the progress and risk level of the strategic projects under all three SDs are included in the introductory section for each SD.

<sup>(8)</sup> The calculation of the 'project execution forecast' is based on the list of SP2025 projects approved by the Office.

<sup>(9)</sup> Disclosure covered in this section: 2-24 Embedding policy commitments (additional data included in the [2023 GRI Content Index](#)).

<sup>(10)</sup> The 'SD1 Strategic Projects under SP2025' section at the end of this chapter contains detailed information on the relevant strategic projects.

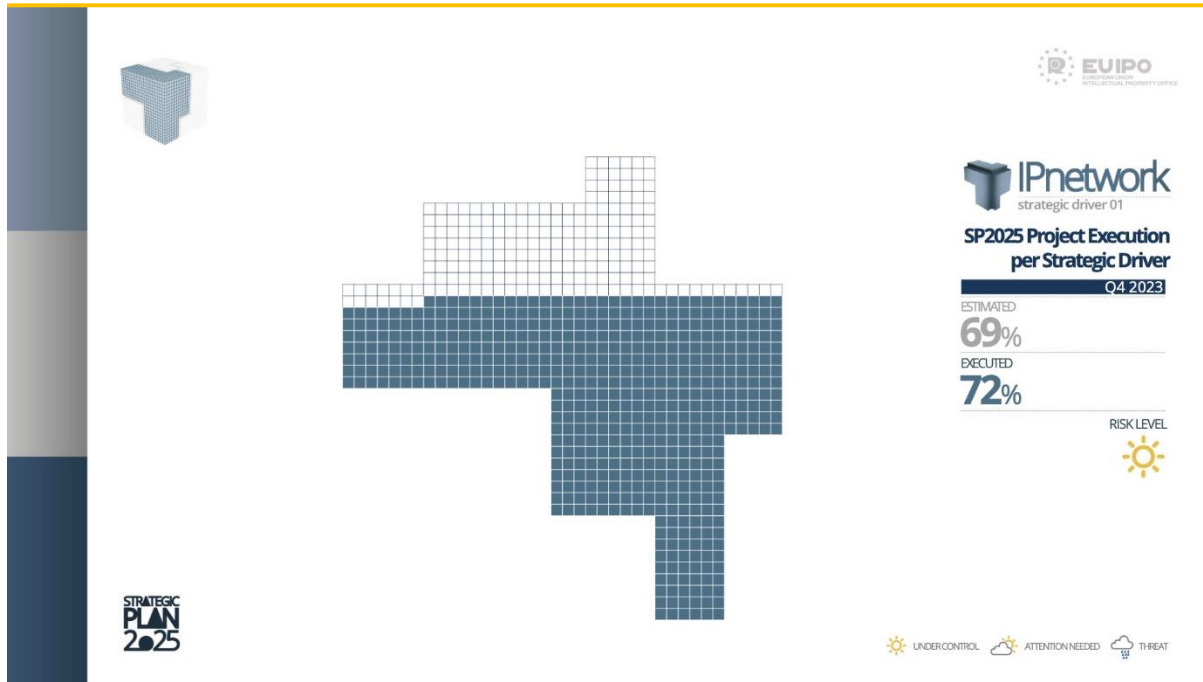


Figure 5. SP2025 project execution per strategic driver (SD1)

## STAKEHOLDER RELATIONSHIP MANAGEMENT <sup>(11)</sup>

Throughout 2023, the Office engaged its EU and international partners in activities covering strategic areas of common interest for the benefit of end-users (particularly SMEs) and managed 1 050 events. Attendees' satisfaction with the events remained fully in line with the positive results obtained in previous years, reaching an outstanding score of 100 %.

The annual liaison meetings <sup>(12)</sup> on Cooperation, Trade Marks, and Designs, served as an important forum for the sharing of knowledge and know-how. These meetings focused on the measures taken in response to the crisis in Ukraine, the office-led cooperation and digital transformation projects, the support to SMEs, the Common Practices, the Guidelines and the Designs reform. In addition, the participants zoomed out of the EU Region and had exchanges in the international cooperation sphere, focusing on the area of Eastern Partnership, where the EUIPO presented the plan to support Georgia, Moldova, and Ukraine via the EU-funded framework. The meetings allowed for an exchange of views on the impact of AI on IP and the regulation of the metaverse and non-fungible tokens (NFTs). Key challenges were highlighted, including how these new technologies would affect the examination of goods and services and how the digitalised world affects IP rights.

On 27 April 2023, the European Commission (EC) unveiled three regulation proposals to help companies, especially SMEs, make the most of their inventions, leverage new technologies and contribute to the EU's competitiveness and technological sovereignty <sup>(13)</sup>. The proposed Regulations on Standard Essential Patents (SEPs), the compulsory licensing of patents in crisis situations, and the revision of the legislation on Supplementary Protection Certificates (SPCs), will create a more transparent, effective, and futureproof IP rights framework. The EC

<sup>(11)</sup> Disclosure covered in this section: 2-29 Approach to stakeholder engagement (additional data also included in the [2023 GRI Content Index](#)).

<sup>(12)</sup> The Liaison Meetings constitute the official office fora in which experts (mainly from the National IPOs, the BOIP, EFTA countries, EPO, WIPO, candidate countries, representatives from User Associations and the European Commission) gather to discuss technical and expert matters. <https://www.euipo.europa.eu/en/the-office/governance/cooperation>

<sup>(13)</sup> Press conference by Thierry Breton, European Commissioner, on new rules to complete the Single Market for patents <https://audiovisual.ec.europa.eu/en/video/l-240304>

has expressed its confidence in the ability of the Office to implement these new regulations in the years to come.

The Office also held a series of high-level meetings with representatives from the European Parliament and the European Commission with the objective of continuing its contribution to IP policies and the protection of IPRs in the EU, supporting the Spanish Presidency of the Council of the European Union in IP matters and providing support to the [EUIPN](#) in a highly volatile economic and geopolitical context.

Discussions on the legislation on GI protection for craft and industrial products and the review of the current GI rules for agricultural products, wines and spirit drinks were held with a delegation of ten Members of the European Parliament (MEPs) of the Committee on Legal Affairs (JURI) and of the Committee on Agriculture and Rural Development (AGRI), who visited the Office in early 2023. The legislation's goal is to harmonise differing national systems, increase consumer awareness and enhance the competitiveness of producers. These discussions were key for the Office to become the EU's competent authority with full competence for the management of the registration process of GIs for craft and industrial products, under the corresponding EU Regulation, which entered into force on 16 November 2023.

Still in the field of GIs, special emphasis was placed on opening communication channels with new stakeholders to raise awareness concerning the Office's activities and work in 2023. In this context, the Office hosted the Fédération Française des Indications Géographiques Industrielles et Artisanales (FFIGIA) and the Organization for an International Geographical Indications Network (oriGIn), and held meetings with the Bureau National Interprofessionnel du Cognac (BNIC), the Comité Champagne, and the Port and Douro Wines Institute (IVDP). The Office also participated in various GI-related events, such as a conference organised by AREPO (Association of European Regions for Products of Origin), the EU Industry days and the oriGIn annual conference.

The concept of gradually transforming the Office into a 'one-stop-shop for IP' to exchange information on EU and national support systems, gained ground in 2023 through continued dialogues with European Commission Directorate-Generals to further promote enhanced support for SMEs as part of the EU's economic recovery.

Intensive interactions with user associations (UAs) were maintained and consolidated during 2023 with round tables, webinars, congresses, working groups, conferences, annual meetings as well as the formal User Group meetings, which saw 16 UAs participating in March and October. The discussions, which assisted the Office in keeping a user-centric focus in its activities, addressed a number of crucial business topics, strategic activities and emerging challenges mainly focused on:

- the implementation of the European Union's 11th package of sanctions to respond to the crisis in Ukraine;
- the Office's efforts to assist SMEs;
- the European and international cooperation projects;
- the Office's digital transformation;
- the legislative reforms in the field of designs;
- the impact of artificial intelligence (AI) on intellectual property (IP) law, in particular on how AI could affect the examination of goods and services in the IP landscape;
- the initiative for new pre-assessment checks to make the process of securing a trade mark smoother, simpler and less prone to errors.

The meeting in October also presented a novel component, where UAs had the opportunity to lead a thematic session on the value of IP protection, and the associated risks and benefits.

## EUROPEAN COOPERATION

In 2023, experts from the [EUIPN](#) met virtually and onsite in Alicante for the sixth and seventh European Cooperation Projects (ECPs) working groups (WGs) meeting held within the context of the continued implementation of [ECPs 1 to 8](#), established under the European Cooperation framework between the Office and the MS IPOs. On both occasions, an average of approximately 300 representatives from national and regional IPOs in the EU, UAs, and several Office departments, participated in these meetings together with the World Intellectual Property Organization (WIPO), the European Patent Office (EPO), and the European Commission attending as observers.

By the end of 2023, through the EUIPN, the Office had successfully implemented a total of 130 projects, 1 292 tools, services, certifications, and Common Practices across 25 MS and regional IPOs, with AI increasingly acting as the connecting thread for many of the implemented tools<sup>(14)</sup>.

## INTERNATIONAL COOPERATION

The Office's three approaches to [international cooperation](#) – bilateral and multilateral cooperation, the [IP Attaché Network](#)<sup>(15)</sup>, and cooperation via projects – are aligned with the European Commission's external actions policy priorities and the needs of EU businesses abroad.

As such, the Office engages with international counterparts, identifying actions in the IP field that can be jointly implemented for the benefit of the IP community at large. In 2023, Memoranda of Understanding (MoUs) were signed with the Ukrainian IP Office (UNAIPO), among others, and the MoU with WIPO was renewed to deepen and broaden cooperation between the two organisations.

In 2023, the Office's international cooperation activities mainly focused on the United States Patent and Trademark Office (USPTO), the Korean IP Office (KIPO), IP Australia, and the WIPO.

The Office also participated in a series of multilateral cooperation forums to ensure transparent, accessible and interoperable IP systems, in particular TM5 and ID5<sup>(16)</sup>.

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<sup>(14)</sup> Please refer to section SD1 Strategic Projects under SP2025 at the end of this chapter for more information on common tools and practice implemented in 2023.

<sup>(15)</sup> The Office is deploying IP experts in certain regions or countries where the Commission needs to reinforce its capacity to offer expert IP support to EU businesses. Among other things, IP Attachés represent the Office and facilitate the relations with the respective country/region's authorities and stakeholders in the IP field, including trade marks and designs and enforcement related issues.

<sup>(16)</sup> [TM5](#) is 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). While 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.

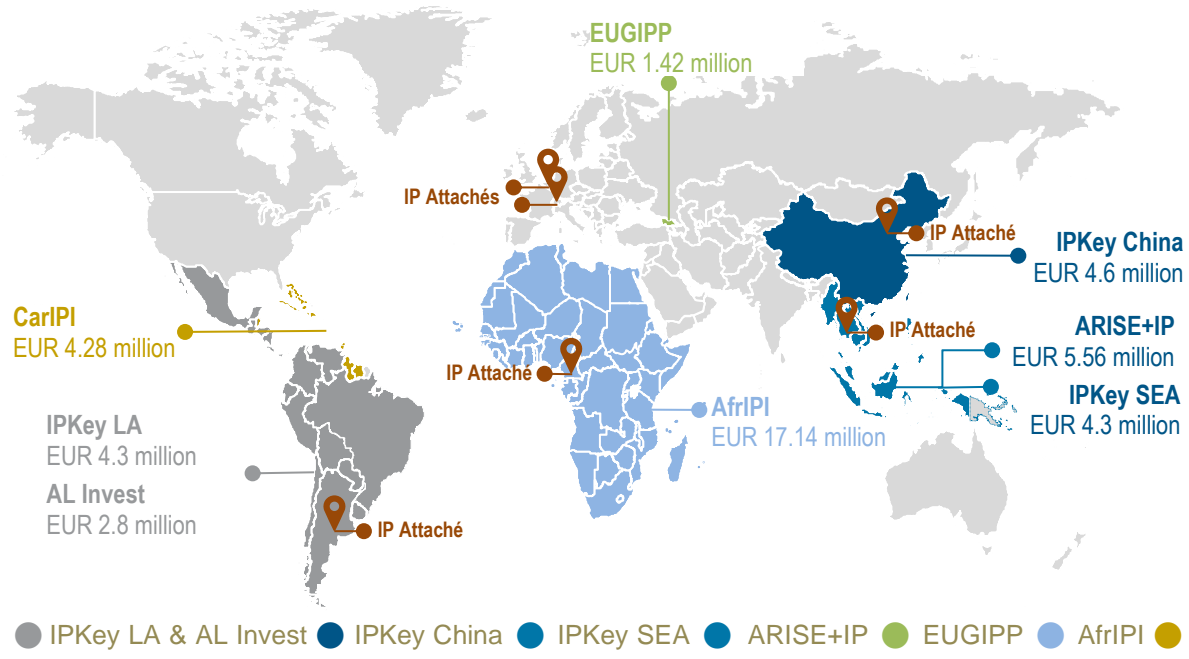


Figure 6. Target countries by EU-funded projects

In collaboration with the European Commission, the Office implements various [EU-funded technical cooperation programmes](#) to tackle many of the issues highlighted in the European Commission's Third Country Report<sup>(17)</sup>, creating equal opportunities for EU businesses abroad and contributing to establishing trade agreements.

The current progress of the Office's active projects in China, Georgia, Africa, Southeast Asia, Latin America and the Caribbean is reflected in the projects' 2023 annual work plans (AWPs):

- fifth and final [AWP](#)<sup>(18)</sup> for the ARISE Plus Intellectual Property Rights ([ARISE+ IPR](#)) programme (project ended in June);
- fourth and final [AWP](#) for the EU Georgia Intellectual Property Project ([EUGIPP](#)) (project ended in June);
- fourth [AWP](#) for the Africa Intellectual Property Rights and Innovation ([AfrIPi](#));
- second [AWP](#) for the second phase of the IP Key South-East Asia ([IP Key SEA](#)) project;
- first [AWP](#) for the third phase of the [IP Key China](#) project;
- second [AWP](#) for the second phase of the IP Key Latin America ([IP Key LA](#)) project;
- second [AWP](#) for the [AL-INVEST Verde IPR](#);
- fourth and final [AWP](#)<sup>(19)</sup> for the CARIFORUM Intellectual Property Rights and Innovation ([CarlPI](#)) project.

During the month of June 2023, two EU-funded projects were closed, ARISE + IPR and EUGIPP. And in December 2023, two new EU-funded projects were signed with the Commission: SCOPE IPR, a regional project covering ASEAN countries (follow up of ARISE+IPR) and EU4IP, a regional project for Georgia, Moldova, and Ukraine.

Through the EU-funded projects, the Office has supported core EU trade and development policies abroad and implemented more than one hundred activities on all IP rights, targeting SMEs, GI associations, local IP administrations, and enforcement bodies, among others. Additionally, the Office has contributed to modernise some countries' IP legislation to align it with international and EU standards, as well as to share EU practices in relation to specific IP

<sup>(17)</sup> [Report on the protection and enforcement of intellectual property rights in third countries](#) (17 May 2023).

<sup>(18)</sup> The ARISE + IPR 2022 work plan was extended until 30 June 2023 - 4 months for implementation plus 2 months for reporting.

<sup>(19)</sup> The CarlPI 2023 work plan covers the four first months of 2024.

administration matters. Supporting the development of examination guidelines or facilitating the digitalisation of some services offered by IPOs.

## EU AGENCIES NETWORK

In 2023, the Office supported the strategic objective of the EU Agencies Network ([EUAN](#)) through its active participation in various activities included in the Network's and its subnetworks' work programmes, that is:

- participating as an observer in the Community Plant Variety Office (CPVO) Administrative Council meeting;
- contributing to the 2023 Strategic Foresight Report;
- being part of a WG to define the structure and mandate of the EUAN's shared support office and future governance structure;
- coordinating and providing input on over 80 requests concerning surveys, data, or other comments as follow-up actions for various policy activities;
- preparing a horizontal agency sustainability report;
- coordinating an inter-agency framework contract for environmental management services;
- exchanging best practices regarding the implementation of sanctions (meetings held with ECHA related to the Ukraine conflict and cooperation);
- representing the EUAN at the CPQS (Committee for Questions related to the Staff Regulations);
- participating in the Network and subnetwork meetings and working groups.

## THE OBSERVATORY

Regulation (EU) No 386/2012<sup>(20)</sup> entrusted the Office with a wide range of tasks related to research, communication, the dissemination of best practices, and providing support for the enforcement of all types of IPRs. In conducting these tasks, the Office is supported by the [Observatory network, which is](#) made up of public and private sector representatives as well as civil society associations<sup>(21)</sup>.

In 2023, the Observatory's efforts to raise public [awareness](#) on the value of IP rights and the damage caused by IP infringements, counterfeiting and piracy mainly focused on the:

- [publication](#) of twenty studies and/or reports on the contribution of IP to the economy, perception, infringement and enforcement, some with intensive media campaigns in different countries and one pan-European media campaign on the occasion of the World Anti-counterfeiting Day;
- development of [teaching and training materials](#) under the IP in Education project and the release of modules on IP basics and copyright within a massive open online course (MOOC);
- 2023 edition of awareness grants awarded to 12 projects from eight different countries (Bulgaria, Estonia, Spain, Croatia, Italy, Latvia, Romania, and Finland) for a total budget of over EUR 850 000 for 2023 and 2024;
- fifth edition of the International IP Enforcement Summit in Sofia.

<sup>(20)</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>(21)</sup> Detailed information on the Observatory's activities developed in 2023, under the multiannual programme, is provided in APPENDIX F. European Observatory on Infringements of Intellectual Property Rights Annual Activity Report 2023.

Furthermore, the Office actively supported the Member States' enforcement authorities through the implementation of the IP crime operational action plan under the European Multidisciplinary Platform Against Criminal Threats ([EMPACT](#)) supporting more than 10 operations. Additionally, the Office jointly published a full course on criminal investigation on IP for enforcers with the European Union Agency for Law Enforcement Training (CEPOL) on their [online platform](#) as part of the EMPACT training action. Furthermore, together with relevant actors, the handbook on criminal investigation has been enlarged with new chapters. A new rights holder guide has been developed, which will be published in early 2024.

The Office's participation in OECD's Task Force on Combatting Illicit Trade culminated with the launch of the Certification Scheme for Free Trade Zones (FTZs); this work had begun with a joint report on [trade in counterfeit goods and FTZs](#) published in 2018. The Task Force was upgraded to a Working Party and transferred to the OECD Trade Committee in acknowledgement of its achievements over the years, and to increase the visibility of its activities. Other Office activities with the OECD in 2023 centred on intensive discussions to prepare OECD guidelines/recommendations on illicit trade in counterfeit products in online marketplaces and the publication of two studies on international trade in counterfeit goods.

The Office published a thorough [discussion paper](#) on live event piracy and initiated the monitoring of the effects of the European Commission Recommendation on live event piracy on the basis of the data submitted by rights holders, online intermediaries and public authorities, in line with KPIs agreed on with the Commission. It also created a network of national administrative authorities, which exchanges information on challenges, good practices, and measures applied to fight online piracy of live events.





In the year that Generative Artificial Intelligence became increasingly sophisticated and popular, the Office launched detailed discussions on its impact on IP enforcement and in particular on copyright.

The impact of new technologies and the case-law on the [Directive on the enforcement of IP rights](#) were the topics of two-days judges' seminars, with webinars exclusively organised for judges on copyright-related issues, trade secrets, the liability of online intermediaries and the exhaustion of rights.




To reassure and protect consumers while providing comprehensive support to IP rights holders from initial filing to enforcement, the Office unveiled [EBSI-ELSA](#), a new brand name for the ground-breaking European Logistics Services Authentication initiative for products within the global supply chain (using the European Blockchain Services Infrastructure). EBSI-ELSA is designed to interconnect all interested parties and their systems to ensure product authenticity throughout the whole supply chain, and eventually beyond, by promoting information sharing among the participants in the supply chain within a secure environment using blockchain technology.







SD1 STRATEGIC PROJECTS UNDER SP2025<sup>(22)</sup>






EXPECTED OUTCOME	DELIVERABLES	2023	PROGRESS (*)
<b>EUROPEAN COOPERATION<sup>(23)</sup></b>			
<b>ECP1 CONSOLIDATE THE IMPLEMENTATION OF EUIPN TOOLS</b>			
Extended reach of existing EUIPN tools and projects to EU IPOs for a more harmonised and convergent IP system	Steady progress in the implementation of new <b>Software Package (SP) Back Office (BO)</b> (# of IPOs)	3	
	Completed implementation of <b>SP BO functional improvements</b> (# of IPOs)	10	
	Implementation and/or <b>upgrade of Front Office (FO) modules</b> (i.e. TM filing and <a href="#">DesignClass</a> ) (# of IPOs)	2	
	Implementation of <b>IP user data resolution</b> (# of IPOs)	1	
<b>ECP2 IMPROVEMENT AND UPGRADE OF EUIPN TOOLS</b>			
More efficient, reliable, and user-friendly tools and services for IPOs relating to trade marks and designs within the EUIPN	<b>Integration of BO with other solutions</b> ( <a href="#">Decision Desktop</a> , <a href="#">User Area</a> , Madrid e-filing, and Integrated Multiple Assessment Solution ( <a href="#">IMAS</a> )) (# of IPOs)	4	
	Technical analysis of <b>major BO upgrade</b> (V4.0) completed (# of pilot IPOs)	4	
	New <b>FO major upgrade</b> for go live of <b>trade mark and design e-filing modules</b> (# of pilot IPOs)	2	
	SP BO <b>connected to User Area</b> technical and business <b>analysis for B2B operations</b> completed (# of IPOs)	2	
	IPOs joining the <b>IP Register for Blockchain</b> using <b>common tools integration (CTI) solution</b> (# of IPOs)	4	
	<b>Integration of BO to TMview</b> and <b>DesignView</b> through the CTI solution (# of IPOs)	1	
<b>ECP3 NEW TOOLS</b>			
New EUIPN tools and standards to support trade mark and design decision-taking processes for the benefit of national offices	Completion of the <b>Decision Desktop</b> project	100%	
	Operational <b>Decision Desktop</b> connected to <b>SP BO</b> (# of IPOs)	2	
	Implementation of <b>trade mark support tool</b> in <a href="#">IMAS</a> (# of IPOs)	2	
	Development rate of documentation on <b>best practices on migrating or building cloud-ready software</b> (%)	100%	
<b>ECP4 CONVERGENCE OF PRACTICES</b>			
Development and maintenance of common examination standards and practices among EU IPOs for a more harmonised system	<b>Knowledge Exchange with Users</b> prepared on <b>Common Practices</b> (# of CPs) ( <a href="#">CP4</a> Scope of protection of black and white ("B&W") marks and <a href="#">CP5</a> Relative grounds – likelihood of confusion (impact of non-distinctive/weak components))	2	
	<b>Common Practices finalised</b> (# of CPs) ( <a href="#">CP13</a> Trade mark applications made in bad faith and <a href="#">CP14</a> Trade marks contrary to public policy or to accepted principles of morality)	2	

<sup>(22)</sup> Please refer to the following [link](#) for more information regarding the strategic programmes and projects under SD1.

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

<sup>(23)</sup> Please refer to the following [link](#) for detailed information on all eight European Cooperation Projects.

EXPECTED OUTCOME	DELIVERABLES	2023	PROGRESS (*)
	Common Practices launched on <b>comparison of goods and services</b> (# of CPs) ( <a href="#">CP15</a> Comparison of goods and services)	1	
	Recommended <b>scope defined</b> for the future (# of CPs) (CP16 Signs describing the subject matter of goods and/or services)	1	
<b>ECP5 SUSTAINABILITY OF THE NETWORK</b>			
Increased organisational excellence and efficiency in EU IPOs	Files digitised to date via the <b>Capture and Store Historical Files (CSHF)</b> project	1.2 million	
	<b>CSHF solution implemented</b> (# of IPOs)	12	
	<a href="#">Emerging Technology Incubator</a> – <b>Process mining on BO data</b> from BoA decisions using AI models (# of IPOs)	3	
	Implementation of <a href="#">Project and Quality Management Development</a> initiative ISO9001/27001 (# of IPOs)	4	
	Prototype of <b>IT Security Service Catalogue</b> assessed with the IT Security Network for Intellectual Property Offices (ISNIPO) (# of IT security experts involved)	35	
	Staff training:		
	<ul style="list-style-type: none"> <li>▪ Courses delivered (#)</li> <li>▪ Participating countries (#)</li> <li>▪ Certified IPO members (#)</li> </ul>	250 21 99	
<b>ECP6 SUPPORTING SMEs</b>			
Improved competitiveness for EU SMEs achieved through MS IPO activities that raise awareness of the importance and value of IP rights, facilitating more effective use of IP for their growth and success	IPOs onboard <b>European IP Information Centre (EIPIC)</b> with <b>content and training materials</b> available through the Common Collaboration Platform (CCP) (# of IPOs in EIPIC)	19	
	<b>IP scans</b> delivered and facilitated under Article 152 (# of IPOs)	6	
	<b>ADR brochure</b> adapted (# of languages)	22	
	IPOs participating in <b>ADR training</b> (# of IPOs)	17	
<b>ECP7 SUPPORTING THE TRANSPOSITION OF THE TRADE MARK DIRECTIVE (TMD)</b>			
Increased interoperability between trade mark procedures within the EUIPN through shared information and technical expertise	2023 series of <b>webinars and video tutorials</b> launched and <b>uploaded to the EUIPO Academy Learning Portal (ALP)</b> within the context of the <a href="#">TMD Implementation Support</a> subproject (# of webinars and tutorials)	31	
	MS IPOs participating in the <b>IP Legislative and Practice Repository project</b> (# of IPOs)	14	
<b>ECP8 COLLABORATIVE SERVICES</b>			
Shared national experience related to national IP rights, absolute grounds and relative grounds, classification, and designs through a pool of senior experienced trade mark and design examination reviewers (PEER)	WG meetings held on <a href="#">PEER National IP Rights</a> and <a href="#">PEER Absolute and Relative Grounds</a> (# of meetings)	3	
	<b>AG/RG linguistic consultations</b> held (# of consultations)	2	
	Establishment and kick-off of <b>PEER Networks</b> (Absolute and Relative Grounds and National IP Rights) (# of implementations)	26	
	Total European cities that are part of the <a href="#">network of Authenticities</a> (8 with active certification) (# of cities)	13	

EXPECTED OUTCOME	DELIVERABLES	2023	PROGRESS (*)
	Letters of intent sent by MS IPOs to implement Authenticities project (# of IPOs)	11	
<b>INTERNATIONAL COOPERATION</b>			
<b>BROADEN THE COOPERATION FRAMEWORK OUTSIDE THE EU</b>			
Interconnected, effective and reliable IP system for 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 (# of non-EU IPOs and users)	23	
<b>IP ENFORCEMENT</b>			
<b>EU IPR ENFORCEMENT PORTAL (IPEP) 2025</b>			
One single <a href="#">portal</a> to deliver the services that rights holders need for enforcement of their IP rights	e-AFA developments to prepare for mandatory electronic AFA process through IPEP, including digital signature (% completion rate)	100%	
	Implementation of new profile to include e-commerce marketplace (% completion rate)	100%	
	Usage by brand owners (# of brand owners)	1 539	
	AFAs requests through IPEP (# of requests)	531	
	Usage by enforcement agencies across the EU (# of enforcement agencies)	82	
	IPEP usage by enforcement authorities (# of accesses)	6 425	
	Training sessions & courses delivered for rights holders and legal representatives (# of sessions)	121	
	Participants in all training sessions delivered for (# of rights holders/legal representatives)	760	
	Training sessions delivered for enforcement authorities (# of sessions)	29	
<b>THE OUT-OF-COMMERCE WORKS PORTAL</b>			
A public European single online portal for uses of out-of-commerce works that cultural heritage institutions want to digitise and/or disseminate	Entries or records uploaded to the <a href="#">out-of-commerce works portal</a> (# of records)	1.7 million	
<b>ENHANCING IP PROTECTION ON E-COMMERCE MARKETPLACES</b>			
A secure and trusted system with information on IP protection programmes of e-commerce platforms	<a href="#">e-commerce marketplaces</a> that provide the Office with information about and links to their IP protection resources (# of e-marketplaces)	16	
<b>ANTI-COUNTERFEITING BLOCKATHON INFRASTRUCTURE</b>			
Ensured product authenticity by promoting information sharing among the participants in the supply chain within a secure environment using blockchain technology	Proof-of-concept trials for <a href="#">EBSI-ELSA</a> - tested with four brands, 2 logistics operators and a customs authority (% completion rate)	100%	

**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

[Anti-Counterfeiting Technology guide](#)  
(% completion rate)

60%<sup>(24)</sup>



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<sup>(24)</sup> Project deliverables on hold due to reprioritisation.

## Strategic Driver 2 IPexcellence

The second strategic driver, '[Advanced customer-centric services](#)', specifically aims to develop advanced customer-centric services while also supporting 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 and its operational excellence.

The following graph depicts the execution rate of the strategic projects under SD2 by progress and risk level, where it can be seen that the 2023 execution was two points above the estimated level <sup>(25)</sup>.

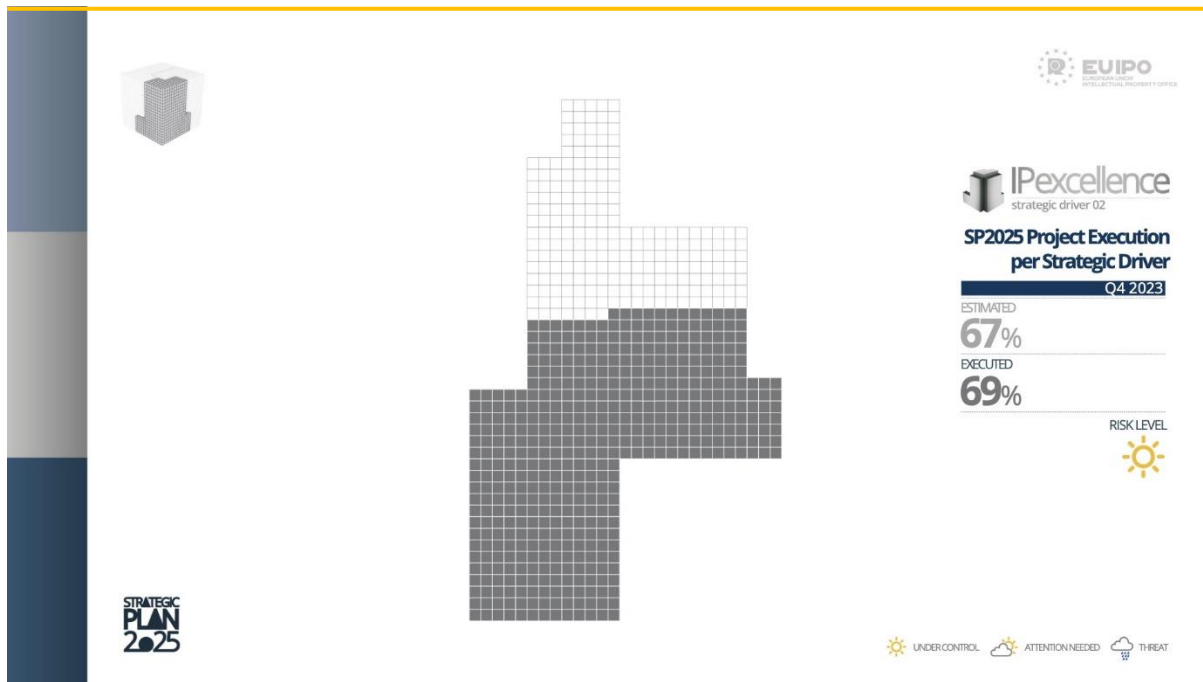


Figure 7. SP2025 project execution per strategic driver (SD2)

### MANAGEMENT OF IP OPERATIONS

Within the framework of the current strategic plan, the Office set out to improve the examination process and, therefore, different initiatives were implemented during 2023, which have led to increased quality and consistency. Notable customer focus initiatives, such as the introduction of single examination reports combining several deficiencies in one communication and the implementation of a peer review in the examinations of designs, have been successfully incorporated. In addition, task automation and improved examination practices have streamlined stock management, contributing to greater efficiency. Also, team-oriented strategies emphasise a more cohesive and effective working environment. Commitment to quality is evidenced by positive results in the internal quality checks (IQC) and in the external SQAP audits. The Office further invested in the training of examiners on identifying cases for friendly settlements and mediation, thus reinforcing our commitment to improve the customer experience as well as the overall approach of our commitment to continuous improvement and excellence.

In addition, a state-of-the-art set of tools designed to transform and improve its operational efficiency has been put in place to improve accuracy and consistency in decision-making processes. For instance, classification deficiency rates further decreased from almost 14 % in

<sup>(25)</sup> The 'SD2 Strategic Projects under SP2025' section at the end of this chapter has detailed information on the relevant strategic projects.

2022 to 12.7 % in 2023 due to enhanced customer interactions and the introduction of the new AI-based services for internal and external users.

The Office's commitment to quality in the examination process has been effectively maintained and this is reflected in the timeliness and quality indicators of its [Customer Service Charter \(CSC\)](#) <sup>(26)</sup>. In the last quarter of 2023, all indicators remained within the compliance thresholds and the overall customer satisfaction rate was reported at 91 % at the end of the year.

In 2023, the Office increased the automation of certain examination steps:

- 47.4 % of the formality checks and 61.9 % of priority and seniority checks were performed automatically;
- 50.8 % of admissibility checks are automated in oppositions;
- fewer than 5 % of formality checks in designs are currently done manually;
- 68.3 % of EUTM and RCD recordals were done automatically.

The Office has made further progress in identifying and developing new automation initiatives (e.g. cancellation admissibility checks, several tasks in recordals) to further enhance efficiency and consistency.

On 1 April 2023, the Office celebrated two decades of the RCD and its role in fostering innovation and creativity in the EU. To mark the occasion, the Office unveiled a new user-friendly filing system for design registration ([RCD Easy Filing](#)), making it simpler than ever for users to protect their IP. With over 1.8 million RCD applications received since its inception, RCDs have become a crucial tool in safeguarding IP and promoting innovation.

Standing out among the new and upgraded tools to ensure both quality and uniformity in the examiners' outputs is the upgraded Absolute Grounds Support Tool (AGST) and the new versions of the Relative Grounds Support Tool (RGST) and [Goods & Services \(G&S\) Comparer](#). The upgraded tools boast a more user-friendly interface and advanced features tailored to the needs of examiners.

The G&S Comparer now benefits from AI integration, automatically pulling comparisons from prior decisions that have passed quality checks. The Similarity Feeder, acting as a link between the G&S Comparer and the [Similarity](#) tool, was revamped and now also incorporates AI solutions to boost the tool and to offer both decision-makers and external users an enriched pool of reliable and high-quality comparisons of goods and services. In 2023, the pre-assessment initiative was launched. This initiative aims at giving our customers the same, or equivalent, tools as the ones used by examiners, to help them during the TM pre-assessment. During 2023, the first version of TMPreCheck, a tool exclusively dedicated to pre-assessment, went live in restricted mode, i.e. only for pilot users. In addition, some of the pre-assessment services were added to EUTM Filing to warn users of potential risks before filing.

The latest edition of the examination [Guidelines](#) for EUTMs and RCDs entered into force on 31 March 2023, following the approval of Executive Director [Decision No EX-23-2](#). The new edition is available in a fully navigable format, in 23 EU languages, with an advanced search function, and the inclusion of the Office's approach to the classification of non-fungible tokens (NFTs), virtual goods and virtual services <sup>(27)</sup>.

In 2023, the Office continued working on developing a coherent and clear IP policy approach on the impact of new technologies such as the metaverse, NFTs and cryptocurrencies. The main aspects of this approach were shared and discussed with the relevant stakeholders (e.g.

<sup>(26)</sup> More information on timeliness-related KPIs is available in APPENDIX A – Performance Data: Customer Service Charter.

<sup>(27)</sup> Stating that the term 'virtual goods' lack clarity and precision and must be further specified while the term 'non-fungible tokens' as such is not acceptable and must further specify the item to which they relate.

National IP Offices, user associations, legal practitioners and EUTM and RCD applicants) by means of institutional events, workshops and webinars.

Misuse of User Area credentials and 'bogus' representatives are of concern for the Office and its users. The Office has taken actions to prevent the misuse of User Area credentials and protecting the interests of bona fide representatives. Awareness was raised to user associations and in [webinars](#). The Executive Director [Decision No EX 23-13](#) concerning communication by electronic means and its Annex I was amended to include actions against abusive behaviour on a broader scale.

As previously mentioned, the Office became the EU competent authority for the management of the registration process of GIs for craft and industrial products. Under the [administrative agreement](#) with the DG AGRI, the Office had received 397 GI files for pre-assessment by the end of 2023. The files were pre-assessed and returned to the EC within one month of receipt, together with the outcome of the assessment.

In the wake of the entry into force of the [Regulation on GI protection for craft and industrial products \(CIGIR\)](#), twenty days after its [publication in the Official Journal of the EU](#), the Office launched its [Geographical Indications \(GI\) Hub](#). The hub acts as a one-stop shop for everything about GIs, including information on the specific legislation, Office IT tools to help search for GIs that already exist in the EU, and a large list of FAQs.

From 1 December 2025, it will be possible to apply for the registration in the EU of the names of craft and industrial products meeting the necessary requirements through a single GI application covering all EU Member States <sup>(28)</sup>.

Finally, the Office actively contributed to the ongoing EU design legislative reform by working closely with DG GROW when drafting the proposals for the new [amending Council Regulation \(EC\) No 6/2002 on Community designs](#), as well as [the recast Directive on the legal protection of designs](#) and assisting DG GROW in negotiations until the final agreement between the co-legislators was reached on the 5 December 2023.

The Office and its governing bodies actively participated in the evaluation study undertaken by the Commission in line with Article 210 of the EU Trade Mark Regulation to assess the implementation of the Regulation, the legal framework for cooperation between the Office and Member State IP offices, including the Benelux Office, and the work of the Office.

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<sup>(28)</sup> [EU Regulation on geographical indication protection for craft and industrial products enters into force & https://ec.europa.eu/commission/presscorner/detail/en/ip\\_23\\_5813](https://ec.europa.eu/commission/presscorner/detail/en/ip_23_5813)

## MANAGEMENT OF APPEALS AND IP LITIGATION<sup>(29)</sup>

As part of the [BoA Action Plan 2021-2026](#)<sup>(30)</sup>, the Boards need to develop a consistent and coherent decisional practice aligned with the case-law of the European Union Courts. Within this framework, cases on important legal matters or divergent case-law need to be referred to the [Grand Board](#)<sup>(31)</sup>. In 2023, the BoA saw increased productivity of decision taking activities, including Grand Board decisions, with litigation reaching an 86.8 % confirmation rate by the courts, publication of eight new [case-law research reports](#), and the consolidation and expansion of the Alternative Dispute Resolution service.

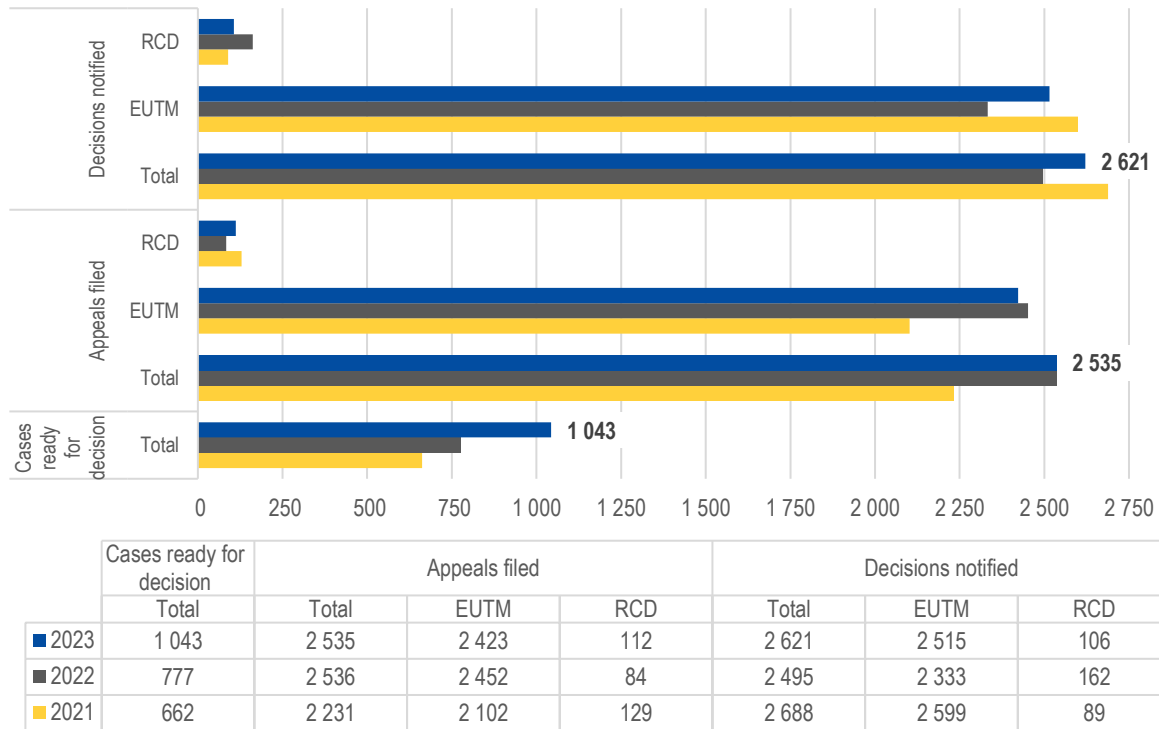


Figure 8. Decision-making activities

Alternative dispute resolution (ADR) is a complementary path for dispute resolution that seeks to provide a flexible, cost-efficient, confidential and quick mechanism to settle conflicts in *inter partes* proceedings before the Office. In this context, the BoA continued to implement planned outreach activities to promote the mediation culture both externally and by supporting mediation accreditation opportunities for Office staff and organising continuous training. In 2023, the BoA provided further opportunities for internal staff to become accredited mediators and delivered promotional activities and services through the:

- organisation and participation in IP mediation workshops on ADR;
- celebration of the fourth [IP Mediation Conference on 19-20 October](#);
- launch in November of the [Mediation Centre](#) as a milestone under the SP2025 programme 'Expand and Broaden the use of ADR' to consolidate ADR services such as mediation, conciliation and expert determination for all parties involved in *inter partes* proceedings before the Office at second instance<sup>(32)</sup>.

<sup>(29)</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 2023 [GRI Content Index](#)).

<sup>(30)</sup> Please refer to APPENDIX G – The Boards of Appeal Annual Report 2023 for detailed information regarding the Boards' activities in 2023.

<sup>(31)</sup> The Grand Board consists of 9 Members, comprising the President of the Boards of Appeal as Chairperson, the Chairpersons of the Boards and ordinary Members in rotation. It is the highest decision-taking body in the Office.

<sup>(32)</sup> [EUIPO launches new Mediation Centre for IP disputes](#)



The ADR tools are designed to facilitate swift and efficient global settlements, and the Mediation Centre aims to provide complementary, voluntary, confidential and accessible dispute resolution options to users so they can choose the most appropriate path in the event of an IP dispute.

In 2023, the Boards further developed active cooperation with IP judges and organised the IP judges BoA networks weeks in May and in October in which the Judges Quality Assurance and Legal Practice Panels (J-QALPP) took place. This network was consolidated in 2023 and almost all EU countries now have IP judge representation. The network regularly discussed and exchanged views on trends and findings of case-law research reports.

Additionally, the BoA contributed to the 2023 Inter-Agency Appeal Proceedings Network (IAAPN) work programme by leading the initiative of the 2023 Scoreboard and presenting the results at the IAAPN annual meeting at the end of 2023.

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 effective dispute services. In this context, the BoA contributed to the European Cooperation Projects, particularly developing the CP13 and CP14 Common Practices regarding bad faith and public order and morality and gave support in drafting the CP15 Common Practice.

With a view to furthering and consolidating cooperation with international organisations and appeal bodies within the EU and beyond, in 2023, the BoA and the EU IPOs co-organised seminars on case-law for regional IP users and bilateral meetings with EU IPOs and their appeal bodies, and non-EU IPOs and TM5 appeal bodies, to share recent case-law and exchange practices on topics of mutual interest.

Managing IP litigation cases is another way by which the BoA guide the Office's practice, placing significant importance on defending their decisions before the EU courts. For this reason, litigation activities systematically consider the views and needs of all internal and external stakeholders, including knowledge sharing and flagging important case-law.

## CUSTOMER MANAGEMENT

'Over the past few years, *WTR* (World Trademark Review) has ranked the leading 50 IP offices across the world by the non-core tools and services they offer.'<sup>(33)</sup> The Office has topped the ranking nearly every year with its collaborative and innovation-led approach to IP tools and partnerships with national agencies.

The Office's customer-centric approach relies on staff providing high-level services and valuable information and guidance for users<sup>(34)</sup>. Every customer is different. In fact, the Office has gone to great lengths to move its customer relationship management from a 'one size fits all' to a more personalised experience.

In 2023, the Office launched the new tailored approach for customer services, covering a series of initiatives to improve customer experience and accessibility to examiners, while contributing to the Office's effective feedback management. A single service contact information point ([Customercare@euipo.europa.eu](mailto:Customercare@euipo.europa.eu)) has been put in place to improve accessibility and make it easier for customers to interact with the Office. Together with the Office's First Line Information

<sup>(33)</sup> [Innovation at the EUIPO: Spotlight on digital tools and services](#), World Trademark Review (WTR), Tim Lince, 20 July 2023.

<sup>(34)</sup> More information on customer service related KPIs is available in APPENDIX A – Performance Data: Customer Service Charter and the following [link](#) in the EUIPO website.

Centre<sup>(35)</sup>, examiners provided support to applicants in the process of registering their trade mark or design, responding to generic customer queries or finding solutions for issues that were raised. At the same time, the Information Centre broadened the service offered in line with the new approach, to tailor its services to different customer groups, and it was equipped with additional training and tools to be able to directly resolve certain types of incidents without any need to transfer calls, thus enhancing the customer experience. Finally, an after-hours emergency support hotline was launched for customers facing deadlines and experiencing technical issues.

In the context of the new tailored approach for customer services, the former Key User Programme was ended and a new key account management approach was set up. Key account managers, together with examiners, teamed up to reach out to bigger law firms through visits or online meetings. During these meetings, they shared information on the latest Office activities and practice. They also promoted and gathered input on new tools and services, such as new filing forms, the Pre-assessment tool, the website, the SME Fund, and [Application Programming Interfaces](#) (API), contributing useful findings and improvement suggestions to further adapt the tools to their needs.

The Office managed 184 000 queries throughout the year (an 11 % increase when compared to 2022) and 97 complaints. Due to the growing trend as customers' preferred communication channel, and to further develop its proactive communication approach, the Office has reinforced the use of the chat function. This channel reported a 34 % increase in 2023 when compared to 2022. In parallel, the Office launched the EUTM e-filing chatbot in all five working languages (English, French, German, Italian, and Spanish) with revised and improved content.

The Office reached out to customers to gather input on the new EUIPO website and the Pre-Assessment tool through Key Account managers (in individual meetings), customer panels and inviting customers to usability tests. The Office consults customers on a regular basis and collects their feedback on its products and services to complement customer satisfaction measures. In this context, in 2023, the Office carried out:

- four [Stakeholder Quality Assurance Panels](#) (SQAP) audit sessions on cancellation decisions, opposition decisions, design invalidity decisions, and absolute grounds decisions with the participation of 45 auditors from 12 user associations (UAs);
- seven customer panels aimed at gathering feedback from legal representatives and direct applicants on the Office's services, with the participation of 65 panellists and 6 UAs; covering the following key subjects – on non-EU IP rights holders, classification of goods and services, appeal procedures and key BoA initiatives, the modernised EUIPO online platform and AI initiatives, IP valuation, SMEs and design protection;
- two virtual workshops with 23 IP experts of the Pre-Assessment project presenting the new TMPreCheck tool and requesting feedback to refine its functionality and usability;
- twenty-one ['IPforYOU' seminars](#) for IP professionals and seventeen [Ideas Powered for business](#) events focusing on the IP for SMEs, and organised in collaboration with national and regional IPOs;

In 2023, a new Customer Satisfaction Survey was launched according to the segmentation approach adopted by the Office, as part of the holistic management of customer feedback. The aim was to measure and monitor the overall satisfaction throughout the different customer segments, to address specific needs and to provide timely input for the Office's projects and initiatives. The results confirm that the overall satisfaction with the service provided by the Office is very high at 91 % (1 percentage point higher than the results for 2022).

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<sup>(35)</sup> First Line staff also provided information about IP outside the EU through the Africa IP SME Helpdesk to support EU businesses on IP matters in African countries.

The Office helps EU citizens and businesses to overcome language barriers (when using its online tools and services) through the constant improvement of IP-specialised machine translation engines – eTranslation<sup>(36)</sup> – managed by the Commission.

In 2023, the Office made considerable progress in streamlining the internal operations related to the feasibility analysis and/or implementation of specific digital solutions in the field of language technology:

- a cutting-edge translation management system was launched transforming the outmoded linguistic business function through the automation of linguistic workflows and processes, further improving the operational efficiency, consistency and quality;
- the content management strategy focused on IP core business communications was reviewed and analysed, aiming at more efficient multilingual content management and enhanced customer experience, with conclusions and recommendations presented to management for feedback;
- continued provision of automatic subtitling (in [Academy webinars](#) and [Ideas Powered for business Talks](#)) in all five languages of the Office (plus other official EU and selected non-EU languages) to promote multilingualism and accessibility to IP information.

## SUPPORTING ACTIVITIES FOR SMES

With SMEs accounting for 99 % of businesses and providing around three-quarters of jobs in the EU<sup>(37)</sup>, it is essential that they protect their intangible assets with a flexible IP toolbox to attract investment and to scale up.

In the context of the 2022-2024 multiannual SME Fund, the Office launched a new call for proposals in January 2023, offering vouchers for EU-based SMEs to help them protect their IP rights, with a projected investment of EUR 27.1 million. Applications reported an increase of 55 % when compared to the previous year, reaching almost 35 000 applications by the end of the year.

In June, the SME Fund was extended to support Ukraine-based businesses as part of a decision included through an addendum to the multiannual contribution agreement between the European Commission and the Office<sup>(38)</sup>.

The IP community has been a key vector of positive change and support to the SME Fund. The Office has actively reached out to SMEs through various networks and partnerships to provide holistic support, to align efforts with broader EU policy, to maximise the impact of its initiatives, to leverage expertise, local knowledge, and resources, to better serve SMEs.

The Ideas Powered for business (IPFB) [SME Fund 2023](#) leveraged the lessons learned and the success of the 2021 and 2022 editions by increasing the available budget and IP activities covered through the rearrangement of the vouchers available to SMEs applying for grants. It not only included increased budget and reimbursement rates but also a shorter activation period, an improved application process, and an expanded range of vouchers and IP activities covered. These adjustments aim to provide greater financial support, expedite access to the fund, and cater to a wider range of SMEs' IP needs.

Over 250 activities have been implemented together with the 21 members organisations part of the IPFB network. These are relevant European organisations in the SMEs, innovation,

<sup>(36)</sup> eTranslation is a cutting-edge neural machine translation service provided by the European Commission. It was officially launched on 15 November 2017, superseding the earlier statistical system, MT@EC [https://commission.europa.eu/resources-partners/etranslation\\_en](https://commission.europa.eu/resources-partners/etranslation_en)

<sup>(37)</sup> *New 2023 SME Fund: €27 million to protect the intellectual property of EU SMEs* <https://www.euipo.europa.eu/en/news/new-2023-sme-fund-euro27-million-to-protect-the-intellectual-property-of-eu-smes>

<sup>(38)</sup> <https://www.euipo.europa.eu/en/news/sme-fund-extended-to-support-ukrainian-businesses>

finance ecosystems. Main focus has been on enhancing outreach to SMEs with integrating IP in the members' events (21 events), developing IP skills and capacity via webinars and trainings (27 IP training and webinars with over 3000 participants) and leveraging the collaborative communication for maximized impact (341 000+ network followers on SoMe, 4M impressions of [IPFB talks on YouTube](#)).

For the first time, the SME Fund also covered European patents and Community plant variety protection to stimulate innovation and investment, helping breeders to develop more drought and pest-resistant crops and other plants and thus contributing to the EU's green transition and food security.

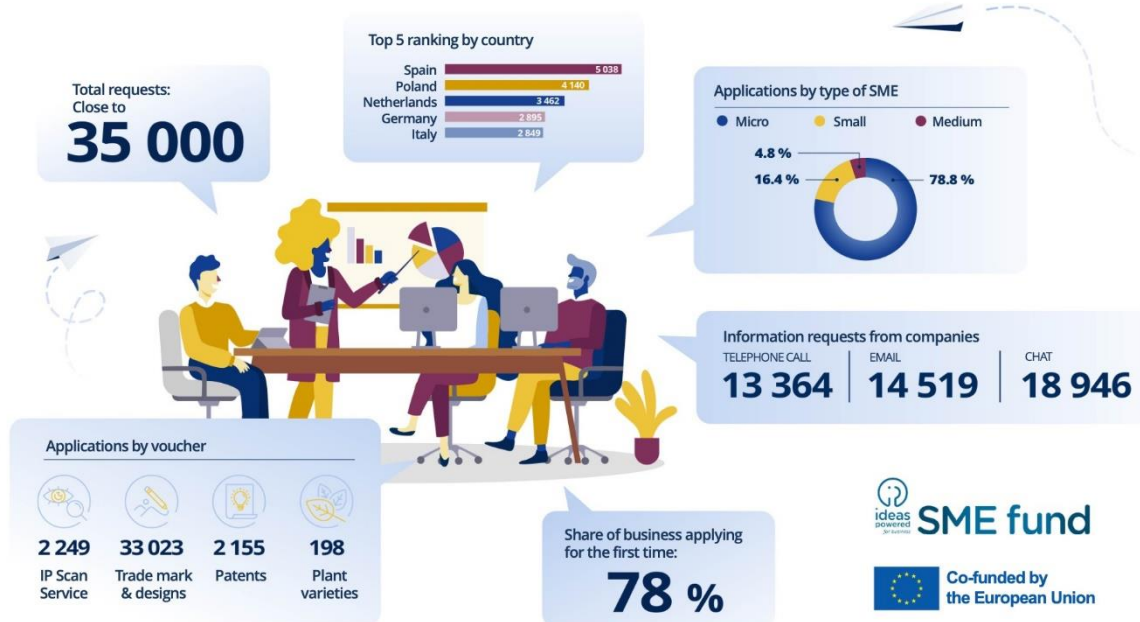









Figure 9. SME Fund 2023 - IP activities & vouchers

Furthermore, on 18 September 2023, the pilot of the IP Scan enforcement service became available for Slovenian and Czech SMEs under the SME Fund umbrella. This new service aims to significantly support IP rights enforcement for EU SMEs. Unlike the existing IP Scan service, the new IP Scan enforcement service is tailored exclusively to address enforcement-related challenges faced by SMEs. The service will continue to be available in the SME Fund during 2024 with more participating offices.




Additionally, in 2023, the Office developed an internal SME Integrated Framework dashboard, aligned with the five objectives of the Commission's IP Action Plan<sup>(39)</sup> – specifically under objective 2. 'Promoting effective use and deployment of IP, especially by SMEs' – to monitor the performance and impact of all SME-related initiatives.







<sup>(39)</sup> State-of-play of the implementation of the key actions mentioned in the IP action plan of 2020 [https://single-market-economy.ec.europa.eu/industry/strategy/intellectual-property/intellectual-property-action-plan-implementation\\_en](https://single-market-economy.ec.europa.eu/industry/strategy/intellectual-property/intellectual-property-action-plan-implementation_en)

SD2 STRATEGIC PROJECTS UNDER SP2025<sup>(40)</sup>

EXPECTED OUTCOME	DELIVERABLES	2023	PROGRESS (*)
<b>AGILE WORKFLOW TOOLS</b>			
<b>IP TOOL EX PARTE DESIGNS</b>			
More harmonised, simple, and flexible solutions to manage examination procedures for RCD and IRCD applications	<b>Project successfully completed</b> – reducing deficiency rates and enhancing operational effectiveness (% project closure rate)	100%	
<b>BUSINESS AGILITY ORCHESTRATOR (BAO)</b>			
Optimised use of Office capabilities and resources required by businesses and customers	Increased overall <b>consistency of Office examination procedures</b> (% increase)	70%	
<b>EFFECTIVE WORKING TOOLS</b>			
<b>E3U2 NEW GENERATION TOOLS</b>			
Improved Relative Grounds (RG) and Absolute Grounds (AG) examination tools	Launch of <b>new versions</b> of the <b>AG Support Tool</b> , <b>RG Support Tool</b> , <b>Goods and Services comparer tool</b> and <b>Similarity Feeder</b> systems (% completion rate)	100%	
<b>E3U2 PRE-ASSESSMENT</b>			
Improved filing strategies and reduction of potential application deficiencies through a stand-alone Pre-Assessment tool or service integrated into the e-filing form	Availability of <b>pre-assessment functionality</b> for EUTM filing customers (% of EUTM filing customers)	23%	
	Pilot users testing <b>application forms and TMPreCheck tool</b> (# of pilot users)	23	
<b>E3U2 TMMEANING ADVANCED</b>			
A new system that combines dictionaries and encyclopaedias to find meaning in the verbal elements of a trade mark	<b>Full integration of 10 licensed dictionaries for all languages</b> (% completion rate)	80%	
	EU languages in which <b>the verbal element of a trade mark</b> is available (# of languages)	23	
<b>CUSTOMER-CENTRIC APPROACH</b>			
<b>CUSTOMER FOCUS</b>			
Advanced customer-centric services through the integration of customer segments' perspective and 'real time guidance'	Areas covered by <b>specialised customer focus teams</b> (EUTM <i>ex parte</i> proceedings, AG and RCD examination, opposition proceedings and decisions) (# of areas covered)	5	
	Total <b>examiners trained</b> on different <b>customer-focused aspects</b> (# of examiners trained)	350	
	<b>Specialised teams of examiners</b> put in place to focus on the <b>specific needs of the different customer segments</b> (# of teams)	13	
<b>CUSTOMER SUCCESS SOLUTIONS</b>			
Increased customer satisfaction by improving straight-through files while identifying opportunities for growth and enhanced quality	<b>Customer segmentation</b> exercise and descriptive analysis (% completion rate)	100%	

<sup>(40)</sup> Please refer to this [link](#) for more information regarding the strategic programmes and projects under SD2.

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

EXPECTED OUTCOME	DELIVERABLES	2023	PROGRESS (*)
<b>CUSTOMER RELATIONSHIP MANAGEMENT</b>			
Better connection, interpretation, and response to overall interactions with customers throughout the Office	<b>CRM solution analysis</b> (% completion rate)	100%	
<b>SME PROGRAMME</b>			
<b>SME SUPPORTIVE INSTRUMENTS</b>			
Enhanced supportive instruments for the Office's SME website	<b>TM name generator mapping and IP marketplace feasibility studies</b> <sup>(41)</sup> (% completion rate)	100%	
	<b>Train the Advisers participants</b> attending events for accountants and business advisers (# of attendees)	375	
	<b>IP Scan enforcement</b> pilot countries to launch EU toolbox against counterfeiting (# of pilot countries)	2	
<b>SME WEBSITE</b>			
Better access to consolidated, simplified, trustworthy and relevant information for EU entrepreneurs, start-ups and SMEs	<b>New functionalities developed as an integral part of the EIPIIC initiative under ECP6</b> (# of new functionalities)	2	
	<b>Total linguistic versions</b> available (# of versions)	13	
<b>SME OUTREACH AND COMMUNICATION</b>			
Increased communication capacity for the SME programme and raised IP awareness among SMEs	<b>Total impressions generated from online campaigns</b> launched on both digital and social media platforms (# of impressions)	140 million	
	<b>Total followers of Ideas Powered for business</b> social media accounts (# of followers)	33 484	
	<b>Projects financed by grant to promote IP among EU SMEs</b> (# of projects)	6	
<b>SME NETWORK AND COLLABORATION</b>			
Stronger collaborative network with existing and new Office counterparts to stimulate behavioural changes in SMEs, towards IP, innovation, and growth	Members (EU associations and non-profit entities) of the <b>Ideas Powered for business Network</b> (# of members)	21	
	<b>Activities performed with the Ideas Powered for business Network</b> (# of activities)	261	
	<b>Direct outreach through activities performed</b> (# of participants)	11 765	
	<b>'Ideas Powered for business Talks'</b> launched, recorded and published with network members participating as speakers (# of talks)	6	
<b>SME DATA-DRIVEN SCIENCE</b>			
Data management, analysis and monitoring to support the evaluation of the SME programme's initiatives and sound, data-based decision taking	<b>New data visualisation dashboards</b> for monitoring <b>SME initiatives</b> (SME Fund 2023 & SME supportive instruments) (% completion rate)	100%	
	<b>New model developed to identify SME filers</b> , enabling the Office to flag applications coming from SMEs and identify needs based on behaviour (% completion rate)	100%	

(41) Enhanced support to EU SMEs under the ECP6 project.

## 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

**Closure of IP Tool project formally approved** - business continuity assured with efforts focusing on completing the **implementation of final adjustments and maintenance** due to the **project's closure** (% completion rate)

100%



## IMPROVE ESEARCH CASE-LAW TOOL

Easily accessible and technically advanced source of information on case-law on IP rights, delivered by the Office, EU courts and national courts

**National judgments uploaded** and published (# of judgments)

119



## EXPAND AND BROADEN THE USE OF ALTERNATIVE DISPUTE RESOLUTION

## ESTABLISHMENT OF THE MEDIATION CENTRE

ADR processes, workflows, facilities and resources needed to establish the Mediation Centre structure

Implementation of the EUIPO Mediation Centre operated by the **Alternative Dispute Resolution Service (ADRS)**<sup>(42)</sup>, the **organisational infrastructure** to operate the services and the **procedural documentation of the Mediation Centre** (% completion rate)

100%



SMEs can request **ADR for first instance proceedings** ([oppositions](#), [cancellations](#) and [invalidities](#)) (% of SMEs)

100%

**EU languages** in which **ADR processes** are offered (# of languages)

12

## ADR DIGITAL ENVIRONMENT

A modern, secure and accessible digital environment for ADR, aligned with Office tools to enhance the Mediation Centre's user experience

Release of an **online ADR platform to facilitate the interactions of parties and mediators** in a safe and confidential environment (% completion rate for the first phase – launching of the Mediation Centre)

100%



## ADR STAKEHOLDER ENGAGEMENT AND COOPERATION

Increased awareness about ADR in connection with IP disputes and greater stakeholder engagement and understanding

**Comprehensive 360° ADR stakeholder study** (% completion rate)

100%



## ADR AWARENESS, CAPACITY BUILDING AND QUALITY

Raised awareness for direct users and increased professional growth for Office staff, ensuring high-quality services to users and responding to their preferences

Studies on '**ADR user needs and demand drivers**' and '**ADR mapping of training and accreditation schemes**' (% completion rate)

100%



**ADR training** for internal IPO staff (# of seminars)

&gt;250

**New mediators** trained and accredited (# of mediators)

&gt;30

**Participants** in the Office's **fourth IP Mediation Conference** (# of participants)

&gt;700

**Countries** represented in the Office's **fourth IP Mediation Conference** (# of countries)

&gt;60

<sup>(42)</sup> To directly respond to the [legal framework](#) (in particular, Article 170 EUTMR).

## Strategic Driver 3 IPinnovation

The third strategic driver, '[Dynamic organisational skill sets and an innovative workplace of choice](#)', 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 efficiency and effectiveness in its tasks. Its emphasis on strengthening staff engagement through promoting an innovation-driven culture and providing a sustainable workplace has a direct impact on the organisational, human, and environmental capital. And its commitment to financial effectiveness, as well as its direct and indirect socioeconomic impact within the EU and beyond as a public sector enterprise and an EU agency, is directly linked to its economic capital.

The following graph depicts the execution rate of the strategic projects under SD3 by progress and risk level. It can be seen that the 2023 execution rate was five points above the projected level<sup>(43)</sup>.

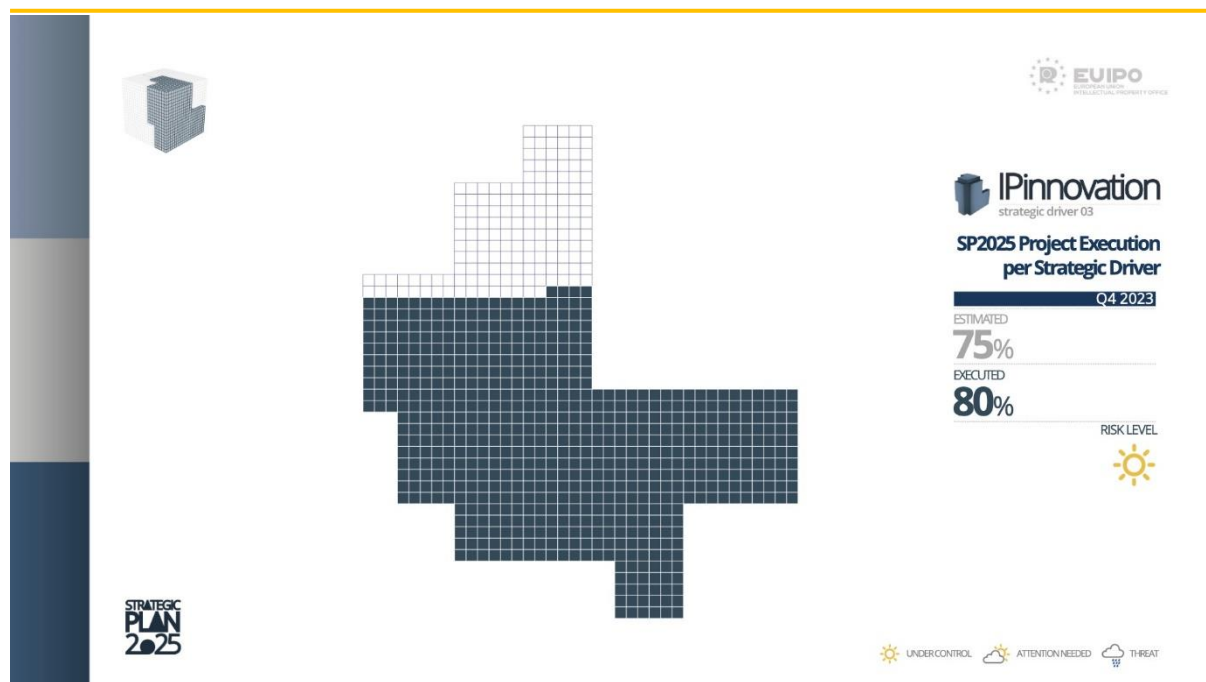


Figure 10. SP2025 project execution per strategic driver (SD3)

### MANAGEMENT OF HUMAN RESOURCES<sup>(44)</sup> <sup>(45)</sup>

Staff engagement, wellbeing, diversity, work-life balance and performance are constantly strengthened through effective talent management, collaborative working methods, and modernised internal processes.

Planned activities and budget for 2023 were impacted by a complex economic and political environment. The Office adopted a prudent approach regarding its workforce, notably by optimising the use of and reallocating existing resources, when necessary, based on the business volume forecasted for gradual recovery. Due to the increase in staff cost coming

<sup>(43)</sup> 'SD3 Strategic Projects under SP2025' at the end of this chapter has detailed information on the relevant strategic projects.

<sup>(44)</sup> Disclosures covered in this section: 2-7 Employees, and 2-8 Workers who are not employees (additional data also included in the [2023 GRI Content Index](#)).

<sup>(45)</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](#).



from the high inflation at the end of 2022 and beginning of 2023, new staff entries were paused. Meanwhile, the Office continued to consider future needs by creating capacity mainly through the drawing up of reserve lists for diverse and new profiles.

At the same time, to complement our prudent workforce planning approach, the Office pursued initiatives aimed at enhancing operational efficiency and service delivery. Emphasising flexibility, resilience, and automation to accommodate additional workload and new responsibilities, the Office introduced upgraded versions of core tools supporting trade mark examination and opposition, leveraging AI to improve efficiency. Additionally, internal processes related to digital solutions in the field of language technology were streamlined. Moreover, the Office identified further opportunities to enhance efficiency within IP operations through automation, particularly in areas such as cancellations and records.

In the course of 2023 social dialogue was once again at the forefront of all staff policy initiatives. Upon taking up his duties, the Executive Director held an introductory meeting with the Staff Committee in order to demonstrate his commitment to a constructive social dialogue and pledged to increase the number of annual meetings. As a result, the Executive Director participated in a first substantive meeting with the Staff Committee in autumn and also met with trade union representatives (including Brussels-based unions).

Following the feedback exercise launched in 2022, the Office action plan has been successfully completed. Key initiatives were specifically implemented to enhance staff perceptions regarding talent retention and promotion. Among others, career guidance services were launched via a dedicated career guidance officer. A total of 114 consultations were carried out with a 98 % satisfaction rate. Specific career guidance support has also been offered to the staff who were identified as having the capabilities and potential to fill critical posts in the context of succession planning. Additionally, several initiatives promoting disconnecting in one's personal time were implemented thus showcasing the Office's commitment to supporting a healthy work-life balance.

The Office contributed, through the Commission's standing working party, to the preparation of a new model for implementing rules for agencies on working time and hybrid working. The finalisation of the model in the summer of 2023 was a prerequisite to start discussions on the new Office decision submitted for the Commission's agreement in July 2022 and is expected to be adopted in 2024. In the meantime, the Office applied its established teleworking framework, which – complemented by transitional measures to allow staff to benefit from some features of the new Commission regime – continued proving its excellent merits both in terms of work-life balance and the interests of the service.

The Office continued to carry out exploratory work with a view to identifying learning opportunities for staff in outside organisations via the Seconded EUIPO Experts (SEE) initiative. In view of the complexity of the negotiations with external possible stakeholders, the initial scheme will probably be revisited in 2024.

Along 2023, the Office continued to consolidate its position as a workplace of choice through targeted communication actions and initiatives to expand its outreach to potential candidates considering gender and geographical balance.

A new IP competition with the European Personnel Selection Office (EPSO) was launched in July to create the necessary capacity to cover future recruitment needs for officials (Administrators in function group and grade AD6) in core IP tasks. Due to unexpected technical difficulties that occurred during two online test sessions organised by EPSO in September and October 2023, discussions are still ongoing to organise an in-person resit of the tests with a view to bringing the competition to a successful conclusion during 2024 in the best possible conditions, while ensuring equal treatment among candidates.

New selections for temporary agents were launched and/or concluded during the course of 2023. These were for Brussels liaison and enforcement officers (police profile), communication specialists, and administrative assistants. The aim is to establish reserve lists to ensure suitable staffing levels, replacements and coverage for new tasks if needed, as well as to reinforce talent in different areas. Furthermore, following the entry into force of the Regulation on the protection of geographical indications for craft and industrial products in November 2023, the Office launched a selection procedure for IP legal specialists with a view to ensuring that the Office is equipped with the expertise in this field. The Office also launched procedures for temporary agents to cover specific management posts (Director of EUIPO Academy, Deputy Executive Director, and President of the Boards of Appeal).

Several selection procedures for contract agents (FGIV) were launched covering an array of fields from building or infrastructure management to project, financial, legal and administrative specialist, in line with the Office's multiannual staff policy plan<sup>(46)</sup>, to offer career development opportunities through changing function groups, as well as covering the arising needs of the Office.

Additionally, the Office embarked on the next phase of the succession planning initiative, as well as successfully continuing its pilot aiming at increasingly using specialised tools for the online assessment of candidates. Harnessing the fruits of the concluded Enterprise Resource Planning (ERP) project, and in combination with the use of other tools, work continued to foster a data-driven reporting approach within the Office.

Aiming to foster the wellbeing of staff, the Office actively continued its participation in the governing bodies of the European School System and kept a strong cooperation with the European School of Alicante, which is a strong asset for the attractiveness of the Office.

By the end of 2023, the Office headcount stood at 1 352<sup>(47)</sup> out of which 1 179 were statutory staff.

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<sup>(46)</sup> [Work Programme 2023](#): APPENDIX 4 – Annual Staff Policy Plan.

<sup>(47)</sup> Workforce includes officials (FT), temporary agents (TA), contract agents (CA), special advisers (SA), seconded national experts (SNE), and trainees (TRN).

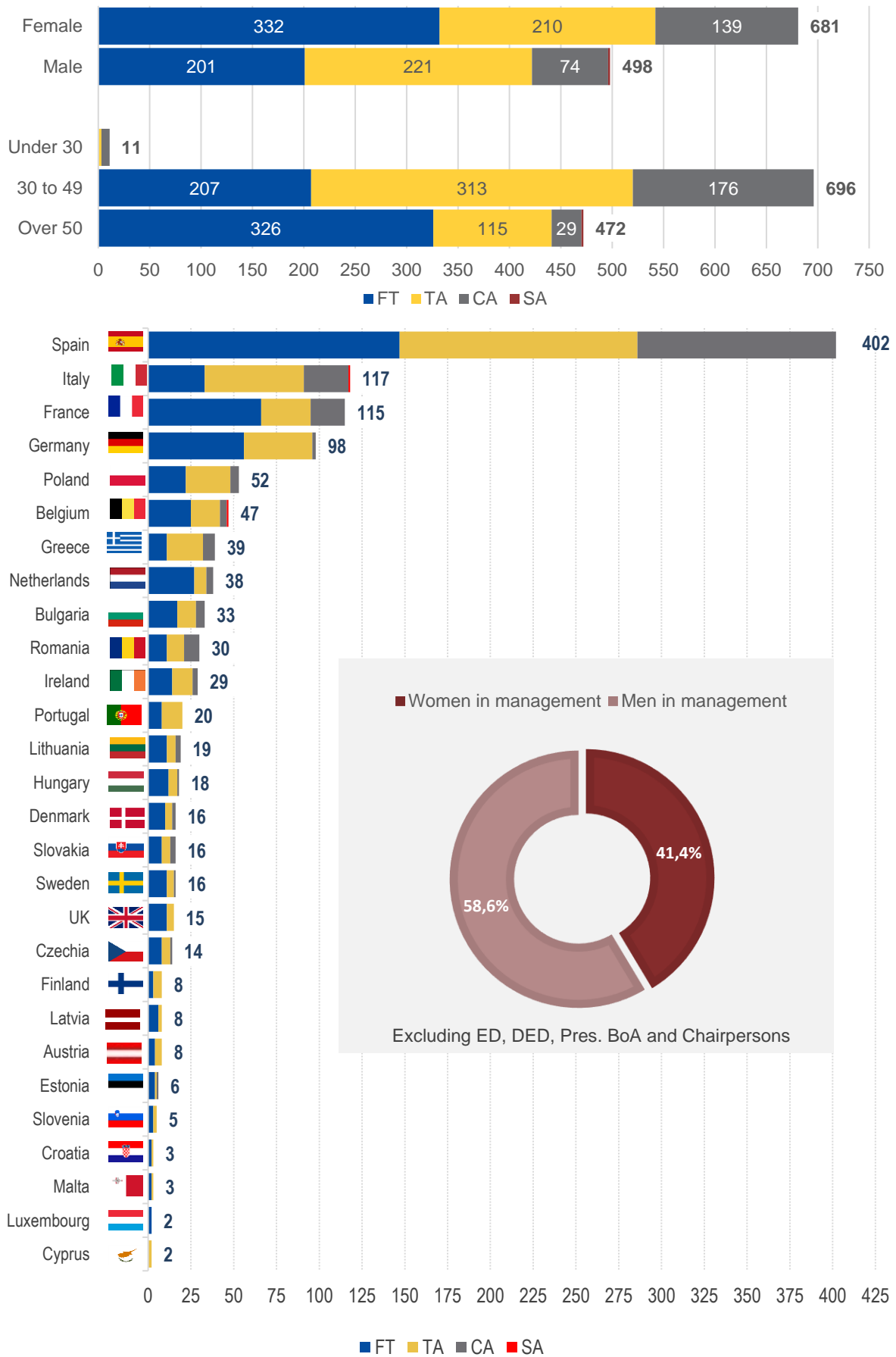


Figure 11. Total statutory staff by category, gender, age group & nationality (2023)

## ACADEMY ACTIVITIES

Investing in the development of Office staff is a priority and is centred around delivering a diverse range of learning opportunities. The Office's comprehensive catalogue encompasses classroom, blended and hybrid training activities, as well as digital formats accessible through the [Academy Learning Portal](#).

The Office's commitment to staff development extends across all core competencies and professional knowledge areas, providing a multitude of learning solutions. A substantial portion of these resources stems from internal knowledge sharing facilitated by in-house subject matter experts, covering topics such as IP, IT, customer focus, finance, communication, and performance management. Additionally, the Office's leadership and project management training activities are enriched with top-tier online programs, including the leadership development programme led by MIT Sloan.

Notably, in 2023, the Office organised over 100 distinct training initiatives focusing on key themes (that is, customer focus, digital and data literacy, and cybersecurity).

The training plan for external stakeholders in 2023 was strategically designed to focus on a series of impactful events, each tailored to address specific needs and interests. Non-exhaustive highlights of the plan included the following.

Event	Delivery method	Participants	Satisfaction rate
IP regional seminar in Vienna (May)	Hybrid	100	93%
Focal points meeting with National IPOs (June)	Hybrid	15	92%
IP seminar on Designs: The Future is Now (June)	Online	207	95%
INTA Industry Day (October)	Online	143	94%

Additionally, the external stakeholders' training plan covered:

- the third edition of the [EUIPO Trade Mark and Design Education Programme](#) (ETMD EP) for [paralegals](#) with 62 participants from 21 countries (93 applicants), as well as the fifth edition of the ETMD EP for [practitioners](#) with 60 participants from 17 countries (115 applicants received);
- a total of 30 [webinars](#) were organised on topics like the SME Fund, guidelines and AI, with featured multilingual content – including subtitles in the Office's five languages – with a remarkable 44.5 % increase in audience participation compared to 2022, with 19 901 attendees (live and replay);
- a podcast series on '[Registrability of slogans at the EUIPO](#)' garnered 2 326 visitors from 28 countries (51 % being law firms) with a 95 % satisfaction rate;
- four Learning Wallets offering a selection of IP-related courses are now accessible on the new EUIPO website, providing free and immediate registration;
- the second edition of the [IP Intensive Programme](#), in collaboration with WIPO, EPO, CPVO, DG AGRI and DG RTD, engaging more than 1 500 participants with an average of 500 connections per session;
- [Virtual School Visits](#) reached over 400 students with a 92% satisfaction rate, while the Virtual University Visits reached a total of 1 000 students from 60 universities in 22 EU countries (435 students participated in eight visits in 2023 alone);
- the Virtual Classroom Open Doors activity conducted on a weekly basis during March and July, accommodating diverse activities, such as, ETMD EP sessions, language classes, peer-to-peer training, and various internal and external departmental events.

The Office also launched the tenth edition of the [Pan-European Seal \(PES\) Professional Traineeship Programme](#). Currently open to over 130 [PES universities](#) from the EU and 12 additional European Patent Convention (EPC) countries, the programme selected 91 trainees from 38 universities, spanning 19 EU Member States and eight non-EU countries.

The [PES talent bank](#), an online platform linking qualified alumni with job opportunities, expanded significantly in 2023. With 27 associated partners in 2023 (12 more than the previous year), attracting 403 registered accounts since January 2023. This strategic growth reinforces the Office's commitment to creating a dynamic ecosystem for IP professionals, promoting continuous learning and fostering meaningful professional connections.

PES professors played a pivotal role in supporting the evaluation of the final outcomes of the Office's [Academic Research Programme](#) (ARP). Their involvement primarily included conducting follow-up meetings with successful candidates, facilitating workshops, and initiating the call for interest for the upcoming edition<sup>(48)</sup>. The three [final research papers](#) for the ARP 2022-2023 are published and accessible in the Office's ALP.

### **PUBLIC ACCESS TO DOCUMENTS**

By the end of 2023, the [Public Register](#) had 5 118 listed documents, with 20 requests for access to documents (three requests were partially refused) and four confirmatory requests that were properly completed within the established time limits in compliance with Regulation (EC) No 1049/2001<sup>(49)</sup>.

### **FINANCIAL MANAGEMENT**

Given the EU's volatile environment in 2023, the Office not only focused on ensuring that the budget was spent in line with applicable rules and regulations but also on financing initiatives that address EU-wide IP challenges and which supported EU SMEs in developing their IP strategies and protecting their IP rights. In doing so, the Office continued to mobilise its financial reserves to support EU policies through contribution agreements with the European Commission, which, from a budgetary perspective, are treated separately in line with Article 10(4) (*Budgetary accounting for revenue and appropriations*) of the Office's [Financial Regulation](#).

The Office plays an important role in protecting IP throughout the single market, capitalising on intellectual assets to boost the EU's recovery and resilience, as highlighted in the Commission's IP Action Plan. Due to the volatile environment affecting trade mark and design applications in 2023, the Office continued to closely monitor the evolution of the income and revenue related to the volume of applications. This, together with monitoring and containing the costs that were impacted by the high levels of EU inflation, allowed the Office to take timely actions to adapt and reorient the allocation of its financial resources to meet the changing circumstances. The year-end budget results confirmed that these strong efforts that the Office managed to maintain in such a challenging period finally paid off and the operational budget result was not only positive but even higher than anticipated in the Office's 2023 budget. Besides, all the budget execution objectives were again met for 2023, confirming the quality of the Office's budget estimates and the effectiveness of its monitoring actions.

Since the end of the negative interest policy of the European Central Bank (ECB) in September 2022, there have been several interest rate rises. The Office closely monitored the market

<sup>(48)</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.

<sup>(49)</sup> [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](#); OJEU L 145, 31.5.2001, pp. 43-48.

evolution and analysed different options for obtaining a better return on its treasury while still ensuring a very high level of security as a main guiding principle. This allowed the Office to contribute to its overall revenue, with EUR 13.4 million worth of interest earned. This figure is higher than the total accumulated figure in terms of negative interest that the Office was forced to pay in the past to maintain the security of its treasury.

Seeking further efficiency in financial processes in 2023, the Office reviewed and streamlined, where possible, budget planning, procurement and vendor management activities, fees collection and accounting activities.

## GENERAL IT SERVICES

In 2023, the Office continued to consolidate its digital advance by removing its dependence on obsolete databases, as well as migrating old applications (core business and front-office applications) to new systems with high redundancy and improved availability. In addition, the Office updated its systems to keep the IT infrastructure up to date with a view to further tightening IT security<sup>(50)</sup>.

No organisation is immune to cyber threats. Hence, the Office places significant emphasis on preparedness through its Information Security Forum (ISF), a forum that functions as the main platform for cybersecurity policy review and sharing relevant cybersecurity information across the Office.

The Office further reinforces its digital security-related competencies and capacity by working closely with other 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 cybersecurity. In this context, the Office renewed its commitment to offering disaster recovery services to nine EU agencies and reinforcing the MS IPOs' cybersecurity forum (ISNIPO), linked to the ECP5 project, to face the increasing number of cyber threats.

In the almost 2 years since CERT-EU published the security guidelines to mitigate against the spill over of cyberattacks linked to Russia invading Ukraine, the IT security team has been ensuring alignment with these guidelines, as well as:

- building up alert detection and forensic investigation roles in the Security Operations Centre (SOC);
- doubling up on staff awareness and training with new methods, tools and conferences;
- reinforcing cybersecurity governance and linking it with SOC and awareness activities through risk management.

The Office has laid the groundwork for the implementation of the new European Union institutions, bodies and agencies (EUIBA) cybersecurity regulation, which will enter into force on 7 January 2024<sup>(51)</sup>.

The Office's digital transformation provides an opportunity to continue supporting initiatives such as GIs, the SME Fund and any other digital services resulting from further alignment with EU policies, notably the upcoming digital market and services legislation.

<sup>(50)</sup> Please refer to the 'SD3 Strategic Projects under SP2025' section at the end of this chapter for detailed information on the strategic projects included in the two programmes. These projects are aimed at consolidating the robustness of the Office's infrastructure and its use of new technologies.

<sup>(51)</sup> [Regulation \(EU, Euratom\) 2023/2841 of the European Parliament and of the Council of 13 December 2023 laying down measures for a high common level of cybersecurity at the institutions, bodies, offices and agencies of the Union](#); OJ L, 2023/2841, 18.12.2023.

## COMMUNICATION ACTIVITIES

The Office's landmark awards, the [DesignEuropa Awards](#) (DEA) took place in Berlin in September 2023. The awards celebrate excellence in design among holders of RCDs and are divided into three categories: the industry award, the small and emerging companies award and the lifetime achievement award.

The [Lifetime Achievement Award 2023](#) was granted to Swedish designer Maria Benktzon for her exceptional ability to design inclusive products with strong aesthetic quality. In the other categories, finalists included designs from Estonia, Croatia, Italy, Hungary, Austria, Poland, and Slovenia. All entries made sustainability and social impact a priority, setting a new standard in the design industry.



In June 2023, the Office launched a new website with user experience at its core. As the primary point of contact with the Office – with over 350 000 monthly visitors – the new [website](#) is structured around the [digital journey of the EUIPO customers](#). By focusing on user needs, the site naturally integrates accessibility features. Additionally, the revamp included elements such as a more powerful search engine, an enhanced application experience with pre-assessment features, and a mobile-friendly design.

The Office's longest-standing publication about IP matters, [Alicante News](#), was transformed from a PDF magazine into an email newsletter that allows readers to identify the content they are looking for more easily. First launched as a printed publication called 'OHIM news' in 1996, the publication moved to an electronic format in 2006 and currently has more than 8 000 subscribers.

In the social media arena, the Office consolidated its position as the IP leader in terms of engagement, with a follower base that approached the half million mark. In terms of content, the Office led a successful strategy of feeding channels with current affairs content that featured in primetime news, like the famous [Shakira post](#) with 1.1 million views. Content production included top in-house audio-visuals like the '[IP in sports](#)' videos, which collected more than 2 million views and garnered positive feedback by different audiences, including young people.

As part of its international cooperation actions, the Office launched several campaigns covering different topics:

- the IP Key SEA project social media campaign on counterfeit goods featured video spots that achieved record-breaking results of more than 7.1 million views on YouTube;
- a media campaign on GIs in Malaysia, Philippines, Singapore, and Thailand reached 13.1 million visits/impressions on the web and social media;
- a joint campaign with ARIPO, including collaborations with 46 influencers/journalists, a communication toolkit at the disposal of ARIPO members, and [10 educational videos](#) reported 2.4 and 15 million views on YouTube and Facebook, respectively;
- press campaign in Brazil on trans-border counterfeiting got 46.9 million views.

Additionally, communication efforts focused on modernising and adapting the Office's internal channels to ensure an easy-to-access and attractive source of information for Office staff, with readership figures on the intranet improving by 12 % by the end of 2023.

### INFRASTRUCTURE AND LOGISTICS MANAGEMENT <sup>(52)</sup>

The Office maintains and improves its infrastructures' safety, accessibility and sustainability in accordance with its certified management systems. Following the external audits carried out in the first quarter of 2023, the Office drafted, approved and implemented action plans concerning occupational risk prevention, accessibility of facilities, environmental management, and physical security of information.

In 2023, the Office continued to meet a series of environmental targets to reduce the following annual averages over the period 2021 to 2025:

- 2 million fewer pages printed compared to 2019;
- 15 % less waste produced;
- 10 % reduction in travel-related greenhouse gas emissions.

Performance on energy consumption and water consumption was also on track to meet the annual targets.

A new green area was added to the EUIPO campus in 2023 featuring a rich biodiversity, an amphitheatre, a picnic area for staff, and a cantilevered lookout point, with spectacular views over Alicante, its mountain range and the Mediterranean Sea.

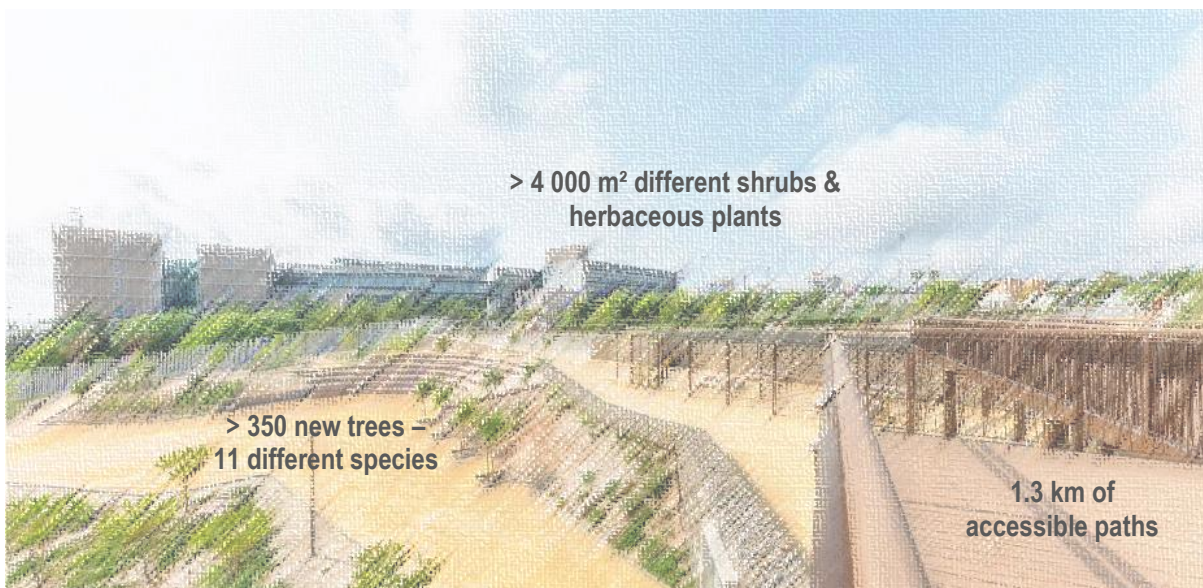


Figure 12. New green area - EUIPO campus

Other actions undertaken in 2023 to reduce the Office's environmental impact <sup>(53)</sup> and optimise the operation of its infrastructure included:

- a study to supply recycled water to the campus from the nearest wastewater treatment plant;

<sup>(52)</sup> Disclosure covered in this section: 2-22 Statement on sustainable development strategy (additional data also included in the Office's 2023 [GRI Content Index](#)).

<sup>(53)</sup> For detailed information on the Office's environmental impact please refer to the latest edition of the annual [EUIPO Environmental Statement](#)



- a project to update the fire detection and remote management systems of the technical installations of all buildings on the EUIPO campus;
- a study on alternatives to improve the energy efficiency of the air conditioning system.

Furthermore, the Office successfully concluded a new open tender procedure in the area of travel agency services, focusing on a new and modern approach to travel by introducing an online booking tool and the possibility for providers to deliver fully offsite services. This was done with an adjusted calendar to reduce impact and ensure business continuity.

Finally, the Office received two new independent certifications – Cycle Friendly Employer' (highest score in Spain) and 'WELL Health-Safety Rating' in 2023.

## CORPORATE GOVERNANCE <sup>(54)</sup>

In the interest of adhering to the highest standards of transparency and accountability through agile and effective reporting, in 2023 the Office further simplified its corporate reporting processes through prioritisation exercises and forecast revisions to:

- provide its [governing bodies](#), the Management Board and the Budget Committee, and other key stakeholders with the most up to date and complete information;
- increase organisational efficiency and effectiveness;
- reinforce its results-oriented culture;
- allow for flexible decision making in achieving its SP2025 goals and objectives.

To help shape the future, in November 2023, the Office launched an all-inclusive and open consultation on its new and upcoming 2030 Strategic Plan (SP2030) <sup>(55)</sup>. This initiative offered staff a unique opportunity to play an active role in shaping the strategic direction of the organisation, contributing to the broader vision of innovation and economic development across Europe.






The SP2030 aims to set the course for the Office and the EUIPN to be in a pivotal position as a catalyst for growth, job creation, investment, and economic and social development in Europe, especially in the context of an increasingly open and global innovation landscape.

For years now, the Office has been on a sustainability journey, and has made bold strides towards mobilising a series of resources – expertise, operational excellence, innovative assets, and added-value partnerships. It measures the value created through disclosures defined by international standards and integrated reporting to showcase its broader corporate sustainability strategy.

The Office's roadmap towards becoming a modern, high performing and sustainable organisation has evolved with the goals and objectives defined under the SP2025 strategic drivers, the expansion of its remit, and its financial and non-financial capital value creation model (relational, organisational, human, environmental and economic) <sup>(56)</sup>.

<sup>(54)</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 2023 [GRI Content Index](#)).

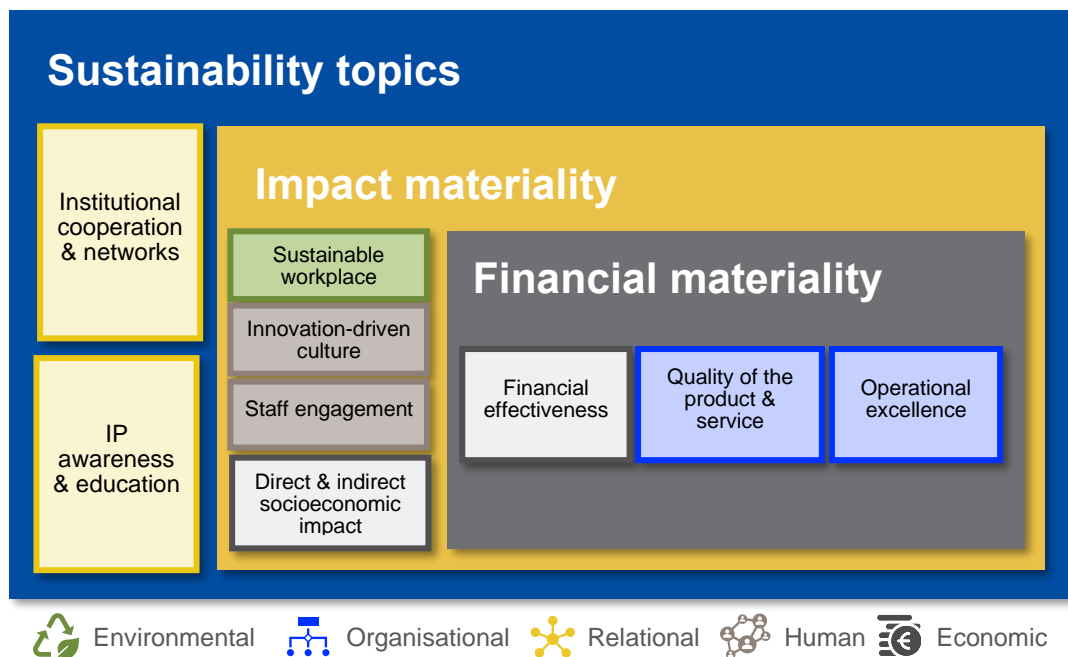
<sup>(55)</sup> The consultation phase, concluding in mid-February 2024, is essential for collecting diverse viewpoints and suggestions from all relevant stakeholders, including Office staff. It will be followed by a thorough analysis of all the contributions as well as an extensive exchange during the first semester of 2024.

<sup>(56)</sup> The Office's strategic drivers are aligned with its sustainability (financial and non-financial) capitals:  = Relational,  = Organisational,  = Human,  = Environmental, and  = Economic.

According to the European Court of Auditors' Annual Report on EU agencies for the financial year 2022, the Office continues to be the only EU agency to issue a sustainability report<sup>(57)</sup>.

Reporting on the triple bottom line (using both financial and non-financial data) and measuring performance are essential activities for effective decision making, as well as giving a clearer view of how the Office creates value for its internal and external stakeholders.

To streamline its value creation model (organisational, human, relational, economic and environmental capitals) with the European Corporate Sustainability Reporting Directive (CSRD) that entered into force in 2022, the Office adapted the assessment of its financial and non-financial capital to the double materiality principle<sup>(58)</sup> included in the Directive. It did this in full and constant consideration of the needs and expectations highlighted in the public consultation process held prior to the launch of SP2025, and the disclosure of the Office's contribution to the Sustainable Development Goals (SDGs), as displayed in its [2023 GRI Content Index](#)<sup>(59)</sup>.



This sustainable approach is further strengthened through the alignment of the Office's internal control activities, its integrated corporate reporting and its [integrated management systems](#).

In accordance with [EUTMR](#) Article 174(3) (*Audit and control*), the Office's authorising officer is responsible for 'putting in place internal control systems and procedures suitable for carrying out his/her tasks'. Pursuant to Article 45(2) (*Powers and duties of authorising officer*) of the [Financial Regulation](#), the Office 'shall put in place...the internal control systems...in accordance with the minimum standards or principles adopted by the Budget Committee, on

<sup>(57)</sup> European Court of Auditors, [2022 Annual report on EU agencies for the financial year 2022](#), '2.42 Although EU institutions and bodies are under no obligation to issue sustainability reports, they can do so on a voluntary basis. When we examined the sustainability reporting of EU agencies in a 2019 review, we found that the only agency to issue a sustainability report was EUIPO, which followed the GRI standards. In 2022, we found that this had not changed: EUIPO was still alone among EU agencies in publishing a sustainability report', QJ-AG-23-001-EN-N, p. 51.

<sup>(58)</sup> [Directive \(EU\) 2022/2464 of the European Parliament and of the Council of 14 December 2022 amending Regulation \(EU\) No 537/2014, Directive 2004/109/EC, Directive 2006/43/EC and Directive 2013/34/EU, as regards corporate sustainability reporting](#) (Text with EEA relevance) (26) '...to report both on the impacts of the activities of the undertaking on people and the environment, and on how sustainability matters affect the undertaking. That is referred to as the double materiality perspective, in which the risks to the undertaking and the impacts of the undertaking each represent one materiality perspective'.

<sup>(59)</sup> For additional information on the Office's contribution to the United Nation's 17 [Sustainable Development Goals](#) please refer to its 2023 [GRI Content Index](#)

the basis of Internal Control Framework laid down by the Commission', and will design these to provide reasonable assurance regarding the achievement of five objectives:

1. effectiveness, efficiency and economy of operations;
2. reliability of reporting;
3. safeguarding of assets and information;
4. prevention, detection, correction and follow up of fraud and irregularities;
5. adequate management of the risks relating to the legality and regularity of the underlying transactions, taking into account the multiannual character of programmes as well as the nature of the payments concerned.

Ten years ago, the Office was awarded its first ISO 9001 certification for all Office activities. In 2023, the Office celebrated this anniversary as a milestone for the solid quality management system that has enabled it to consistently deliver high-quality services to customers and users, reinforced by the renewal of its internal ISO Auditors group.

Following the trend of previous years, in 2023, the Office successfully concluded the external audit of its six-management systems certification<sup>(60)</sup> with no non-conformities reported.

## DATA PROTECTION<sup>(61)</sup>

In 2023, the Office continued its commitment to protect, to the highest levels, the personal data that it is entrusted with in an ever evolving legal and technological landscape.

The year saw the implementation of the new Data Protection Risk Management framework as a means for the Office to have a truly risk-based approach for the management of data protection risks in processing operations, including the acquisition of applications and services. This new framework was implemented with more transparency, efficiency and a lighter workload in mind. The European Data Protection Supervisor (EDPS) highlighted that the Office had done a great job in the development of this framework.

Additionally, the Office coordinated the review of the validity of the instruments used for transferring data to third countries or international organisations to ensure its continued compliance with Regulation (EU) 2018/1725 (EUDPR)<sup>(62)</sup>. This ongoing review is carried out taking into account the regulatory pressure following the CJEU Schrems II<sup>(63)</sup> case and the adoption by the European Commission of the adequacy decision for the EU-US Data Privacy Framework<sup>(64)</sup>.

Internal data protection procedures were also revised in 2023, resulting in new or updated governing rules for the Data Protection Coordinators network, as well as for work instructions on data protection operations and handling data subject requests.

<sup>(60)</sup> [EUIPO Management Systems standards](#) - 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>(61)</sup> Please refer to the following [link](#) for more information on the Office's data protection approach.

<sup>(62)</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.

<sup>(63)</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>(64)</sup> On 10 July 2023, the European Commission adopted the [adequacy decision](#) for the EU-US Data Privacy Framework. This decision concludes that the United States ensures an adequate level of protection – comparable to that of the European Union – for personal data transferred from the EU to US companies under the new framework.

The workload associated with data protection activities has increased compared to last year. Indicatively, data subject requests doubled, with a total of 157 requests received. This underscores the growing complexity and challenges in the field of data protection.

In the area of interinstitutional collaboration, in 2023, the Office:

- participated in the following working groups with data protection officers (DPOs) of other EU institutions and agencies – the Iberia network, International Data Transfer, ICT Advisory Committee (ICTAC) and the Future of the DPOs network;
- hosted the European Data Protection Supervisor (EDPS)-DPO meeting in May, with the participation of delegations from the EDPS and the DPOs of European institutions and agencies (the 2-day hybrid event was marked by the historical adoption of the DPOs Network Charter);
- cooperated with the European Patent Office (EPO) to organise future virtual joint events to raise awareness on data protection;
- continued to support the CPVO on data protection and privacy matters.

As a result of a series of actions undertaken in 2023 concerning internal data protection audits, the overall compliance of the audited processes stood at 94.9 %, based on the data protection audit methodology for evaluating compliance level. The Office drafted action plans to address any observation identified during the audits.

## INTERNAL AUDIT

Audit engagements and follow up on previous audits were carried out to enhance and protect organisational value by providing risk-based and objective assurance, advice, and insight. The Office's internal audit plan is based on a 'risk and request' analysis that considers the corporate risk register<sup>(65)</sup>, internal requests, and the internal auditor's professional judgment.

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 97.7 % in 2023, concurring with the internal audit methodology for evaluating the compliance level of implemented action plans.

Additionally, the internal audit team continued to oversee the functioning of the Office's anti-fraud strategy<sup>(66)</sup> and provided internal audit services to the CPVO.

## 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 its anti-scam strategy, the Office continued to coordinate the anti-scam network in 2023. In this context, the Office followed up on 12 legal actions initiated against scammers, with pending actions focusing on cases in the Czech Republic, Georgia, Germany, Poland, Serbia, and Slovakia. To increase its capacity to act against scammers, the Office also registered its name, acronym and logo as EU trade marks and filed applications for

<sup>(65)</sup> Please refer to APPENDIX D – Corporate Risk Register for additional information.

<sup>(66)</sup> The [EUIPO Anti-Fraud Strategy](#) outlines its commitment to establishing a strong anti-fraud culture within the Office, through a variety of activities.

international registration in nine jurisdictions. Moreover, the Office took prompt measures in response to a wave of fraudulent emails misusing the Office's identity and attacking the users of several IPOs in the EU Member States. The Office further participated in UA events addressing the phenomenon of scams and supported their efforts in the fight against this crime.

In the framework of the service-level agreement with the European Union Agency for Law Enforcement Cooperation, Europol, in collaboration with the Office, introduced a new procedure manual<sup>(67)</sup> designed to protect IPR applicants and owners from fraudulent legal entities seeking to deceive them with misleading payment requests<sup>(68)</sup>.

The manual contains:





- an overview of key issues when faced with a misleading invoice or other payment request;
- profiles of the fraudsters behind the scams;
- tips on how to identify misleading communications;
- information on how applicants and IPOs can protect themselves.

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

<sup>(67)</sup> [Procedure manual on handling misleading payment requests for intellectual property system users: Act smart against scammers!](#)

<sup>(68)</sup> Please refer to the following [link](#) for more information on misleading payment requests.





SD3 STRATEGIC PROJECTS UNDER SP2025<sup>(69)</sup>

EXPECTED OUTCOME	DELIVERABLES	2023	PROGRESS (*)
<b>DIGITAL EVOLUTION</b>			
<b>BLOCKCHAIN IP REGISTER</b>			
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	Access historical data held on blockchain through <a href="#">TMview</a> and <a href="#">DesignView</a> (the world's largest trade mark and design databases) (# of IPOs using the service)	4	
	Implementation of the platform by hosting a node in a blockchain network (# of IPOs)	10	
	Onboarding activities to support further integration of the MS IPOs (# of IPOs)	4	
	Trade marks contained in <a href="#">IP Register in Blockchain</a> (# of trade marks)	4 799 948	
	Designs contained in <a href="#">IP Register in Blockchain</a> (# of designs)	1 761 138	
	New <b>Certificate Download and Authentication service</b> completed offering a single access point for TMDS view users to download and authenticate the Office's IP certificates (% service completion rate) <sup>(70)</sup>	100%	
<b>ARTIFICIAL INTELLIGENCE IMPLEMENTATION</b>			
Availability of AI-based solutions for a wide variety of business cases: classification, image search, pre-assessment services, and AG and RG examination	Image search AI-based solutions successfully implemented - for <a href="#">TMview</a> for <a href="#">TM5</a> partners and for <a href="#">DesignView</a> for RCDs (# of solutions)	2	
	Integration of images of trade marks from non-EU Offices into <a href="#">TMview</a> (# of non-EU offices plus EUIPO)	5	
	Integration of AI services to the <b>Relative Grounds (RG) dashboard</b> used by Office examiners through the RG Support Tool (# of services)	3	
<b>DATA GOVERNANCE AND LITERACY</b>			
Increased Office empowerment to make informed decisions based on consistent and useful data information	New business cases implemented to support operational and project activities (# of business cases)	12	
	Core business datasets related to oppositions with data produced by AI on phonetic searches (% consolidation rate)	100%	
	Activities developed of the <b>Data Governance Network</b> (# of areas)	3	
<b>IP TERMINOLOGY</b>			
Improved linguistics data quality and reduced translation costs	Work completed on improving the quality of linguistic data (% completion rate)	100%	








<sup>(69)</sup> Please refer to this [link](#) for more information regarding the strategic programmes and projects under SD3.

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

<sup>(70)</sup> TMview and DesignView allow for downloads of copies of applications and registration certificates as of 16/12/2024. The [Executive Director decision EX-23-12](#) concerning the keeping and inspection of files provides the legal basis for the service.

EXPECTED OUTCOME	DELIVERABLES	2023	PROGRESS (*)
<b>ROBUST DIGITAL BACKBONE</b>			
<b>MODERNISED EUIPO ONLINE PLATFORM</b>			
A modern cloud-based online platform providing a broad integrated range of services addressing stakeholders' needs and oriented towards different segments	Go live of <b>EUIPO online platform</b> and decommission of old one (% decommission rate)	100%	
	Phase 1 – technical go live of <b>User Area</b> (% completion rate)	100%	
	Total <b>APIs available</b> at the <b>EUIPO API gateway</b> (including the new ones on Trade mark search, Design search, Design Filing, Product Indications & Me) (# of APIs available)	9	
	Restricted go live of <b>new advanced designs e-filing</b> and API, with a view to open to all users (% completion rate)	100%	
	Decommission of old electronic forms to apply for EUTMs in favour of the <b>new EUTM Filing form</b> and the <b>API</b> for EUTM filings (% decommission rate)	100%	
	Deployment of <b>RCD Easy Filing</b> tool with features needed in the API for new Design filings (% completion rate)	100%	
<b>MODERNISED EUIPO APPLICATION LANDSCAPE</b>			
Improved customer satisfaction through investment in the modernisation of the Office's digital infrastructure to increase the availability of tools	<b>Phasing out</b> of legacy systems (Informix/Filenet) (% completion rate)	100%	
	<b>Migration of systems</b> in the <b>EUIPO website</b> to Kubernetes, contributing to <b>state-of-the-art IT landscape</b> , reducing technical debt (% completion rate)	80%	
<b>IMPLEMENTATION OF CLOUD STRATEGY</b>			
An agile, dynamic and secure on-premises and in the cloud infrastructure platform, in compliance with a Unified Enterprise Security Policy model	<b>Office capacity</b> to host its <b>digital services in a cloud environment</b> (% capacity)	100%	
	<b>First services delivered from the cloud</b> following the migration of the online platform, Document Access Repository and IP register node (% completion rate)	100%	
	Migration of <b>land-based telephone lines to the cloud</b> (% completion rate)	100%	
	First backup <b>copies to the cloud</b> (% completion rate)	100%	
<b>INTEGRATION AND EXPANSION OF IT SECURITY</b>			
An integrated and expanded digital network architecture based on a secure and intelligent hardware and software platform <sup>(71)</sup>	<b>Datacentre network availability</b> – baseline policy definition between Office datacentre and AWS (% definition rate)	100%	
	<b>Network intelligence</b> – integration between security systems assets (% integration rate)	100%	
	<b>Internet of things infrastructure</b> – network migration and extension of security policies to Operational Technology network (% completion rate)	100%	
	<b>Security Operations Centre</b> – Onboarding (% completion rate)	100%	

(71) In compliance with a Unified Enterprise Security Policy model.

EXPECTED OUTCOME	DELIVERABLES	2023	PROGRESS (*)
<b>FEE MANAGEMENT SYSTEM</b>			
Simplified, faster, more efficient and better integrated methods of payment, adjusted to customer needs	<b>Project priorities and scope revised</b> and project moved to development phase (% completion rate of development phase)	100%	
<b>EUIPO VIRTUAL CAMPUS</b>			
<b>MULTIMEDIA STUDIO</b>			
Better quality content delivered through various Office channels (TV, webinars, events, learning materials...)	<b>Construction works and equipment installation</b> and <b>audio-visual</b> completed (% completion rate)	100%	
<b>VIRTUAL VISITOR CENTRE</b>			
A virtual environment of the Office campus where different types of stakeholders can interact with the Office	<b>Project closed</b> due to the re-evaluation of the business case (% completion rate)	100%	
<b>LEARNING ECOSYSTEM</b>			
Transform the Office's content-driven learning portal into a user-driven learning ecosystem	<b>Update of the <a href="#">Academy Learning Portal</a></b> to version 4.1 (% completion rate)	100%	
	External <b>stakeholders</b> and <b>staff training satisfaction rate</b> (%)	90%	
<b>DIGITAL PROCESS FOR THE EUIPO WORKPLACE</b>			
Digitised and automatically processed information to enable sound decision making; compliance with data requests <sup>(72)</sup> ; and increased document security and integrity	Proof of concept for <b>procurement digital process</b> to perform call for proposal for an action grant created and successfully tested (% completion rate)	100%	
	<b>Qualified Electronic Signature</b> integrated in the content management system (% completion rate)	100%	
<b>OTHER SD3 STRATEGIC PROJECTS <sup>(73)</sup></b>			
<b>ARTIFICIAL INTELLIGENCE AND JOB MAPPING EVOLUTION</b>			
Increased staff awareness and learning on artificial intelligence to facilitate change and promote innovation	Phase 1 of the <b>reskilling/upskilling activities</b> (% completion rate)	100%	
	Phase 2 of the reskilling/upskilling activities – <b>skills gap analysis</b> covering <b>emerging skills</b> (customer focus, data and digital literacy) (% completion rate)	100%	
	Revised <b>Job Mapping and Competency Framework</b> (% completion rate)	100%	
<b>DEVELOPMENT OF EUIPO CAMPUS</b>			
Further expansion and integration of the EUIPO campus	<b>Campus expansion and unification</b> work completed – project closed (% completion rate)	100%	

<sup>(72)</sup> Under [Regulation \(EU\) 2018/1725](#)

<sup>(73)</sup> Strategic projects with no programme assigned.



**DIGITALISED CONTRACT MANAGEMENT SYSTEMS**

A secured digital solution to manage the entire lifecycle of Office contracts in an effective, efficient, and eco-responsible manner

**Project cancelled** and replaced by **actions implemented at an operational level**



## About this Report <sup>(74)</sup>

This document (Annual Report) was 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 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 ([FR](#)).

It outlines the Office's activities in 2023 under the SP2025. The designated SKlls are linked to the strategic drivers and the targets set out for 2023, 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 CSRD have been included in the Office's 2023 [GRI Content Index](#) <sup>(75)</sup> following the adoption in July 2023 of the Delegated Act on the first set of EU Sustainability Reporting Standards (ESRS)<sup>(76)</sup>. The Office, as a leading agency in sustainability reporting, began aligning its data to the current ESRS in 2022, based on an internal comparative analysis of a series of documents that connect the GRI Standards with these and other frameworks and/or standards.

Measures, activities and key figures refer to the 2023 financial year (1 January to 31 December 2023). If, for some reason, the latest available data does not correspond to 2023, this is 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 are 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 2023 GRI Content Index indicating where the referenced material is publicly available and readily accessible since the report has been written in accordance with the GRI Standards. The report has also 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 actually relevant, taking into account the impact they would have on a specific area. The Office is not bound to a minimum number of disclosures it must report on 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 agencies <sup>(77)</sup> and how its content has been adapted by the Office to fulfil its annual corporate reporting commitment.

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<sup>(74)</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 2023 [GRI Content Index](#)).

<sup>(75)</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 areas, 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 infringements of the 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>(76)</sup> The first companies will have to apply the standards in financial year 2024, for reports published in 2025. 'Sustainable Finance: Commission adopts the European Sustainability Reporting Standards', Daily News 31/07/2023 [https://ec.europa.eu/commission/presscorner/detail/en/mex\\_23\\_4044](https://ec.europa.eu/commission/presscorner/detail/en/mex_23_4044)

<sup>(77)</sup> [COMMUNICATION FROM THE COMMISSION](#) on the guidelines for programming documents for decentralised agencies and the template (though not applicable to the Office as a fully self-financed agency) for the Consolidated

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) Appendix A – Performance Data
<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 is included under the Management of Human Resources section
2.7 Assessment of audit and <i>ex-post</i> 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)	Appendix B - Management of Resources and Assurance
2.7.2 Internal Audit Capability (IAC) (where applicable)	Not applicable
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 on 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
<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

Annual Activity Reports for decentralised agencies are considered for the Office's reporting purposes as a means for additional transparency.

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	Link to Office annual accounts included under Appendix B – Management of Resources and Assurance

For more information, or to make comments and suggestions on this 2023 Consolidated Annual Activity Report, please contact the Office at [CGS@euipo.europa.eu](mailto:CGS@euipo.europa.eu).

## APPENDIX A – Performance Data (1)

### Volumes

EUTMs)	2021	2022	2023
<b>Filings (Direct + IR)</b>			
All filings	198 042	174 179	175 688
Total classes filed	489 876	452 901	441 190
<b>Direct Filings</b>			
Direct filings	166 067	140 970	146 223
% via e-filing	99.96	99.95	99.95
% filed as Fast Track	47.95	45.14	49.10
% published as Fast Track	34.27	34.77	36.77
No of EUTMs filed with 1 class	65 816	53 815	58 230
No of EUTMs filed with 2 classes	40 594	32 727	34 449
No of EUTMs filed with 3 or more classes	59 657	54 428	53 544
Average No of classes per EUTM filing	2.49	2.60	2.51
Total No of classes filed	414 240	366 832	366 394
Average No of terms per EUTM filing	50.00	50.22	47.69
<b>IR Filings</b>			
IR filings	31 975	33 209	29 465
No of IRs filed with 1 class	14 603	13 511	12 546
No of IRs filed with 2 classes	6 732	7 008	5 962
No of IRs filed with 3 or more classes	10 640	12 690	10 957
Average No of classes per IR filing	2.37	2.59	2.54
Total No of classes filed	75 636	86 069	74 796
Average No of terms per IR filing	32.91	38.43	36.42
<b>Processed (Direct + IR)</b>			
<b>Examined*</b>	<b>193 051</b>	<b>171 771</b>	<b>175 038</b>
<b>Published*</b>	<b>189 158</b>	<b>167 262</b>	<b>169 203</b>
<b>Registered*</b>	<b>180 723</b>	<b>165 058</b>	<b>161 232</b>
<b>Renewals (Direct + IR)</b>			
All renewals	62 482	62 931	68 525
1st renewals	49 148	49 179	49 350
% of 1st renewals	51.65	50.31	48.76
2nd renewals	13 334	13 752	19 175
% of 2nd renewals	63.91	64.50	66.52
% via e-renewals	99.89	99.93	99.93
<b>Oppositions (Direct + IR)</b>			
All filings	20 125	19 029	18 419
<b>No of closed without decision*</b>	<b>12 353</b>	<b>11 998</b>	<b>12 193</b>
<b>No of decisions*</b>	<b>6 469</b>	<b>7 276</b>	<b>7 881</b>
<b>Cancellations (Direct + IR)</b>			
All filings	2 100	2 191	2 152
<b>No of decisions*</b>	<b>1 189</b>	<b>1 233</b>	<b>1 268</b>

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

<b>Recordals (Direct + IR)</b>			
All recordals	91 847	76 917	79 284
<b>International Applications</b>			
All filings	11 923	11 003	10 522

<b>RCDs</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>
<b>Filings (Direct + IR)</b>			
All filings	115 810	107 635	115 743
<b>Direct Filings</b>			
Direct filings	101 222	92 160	98 300
% via e-filing	98.90	99.29	98.91
% filed as Fast Track	31.44	31.97	31.82
% registered as Fast Track	29.70	28.76	25.61
Deferred	14 061	13 068	11 259
<b>IRD Filings</b>			
IRD filings	14 588	15 475	17 443
<b>Average RCDs / Application</b>			
Average RCDs / Application (Direct + IRD)	3.14	3.24	3.10
<b>Processed (Direct)</b>			
<b>Examined*</b>	<b>103 913</b>	<b>93 050</b>	<b>98 154</b>
<b>Published*</b>	<b>96 938</b>	<b>86 531</b>	<b>95 801</b>
<b>Registered*</b>	<b>101 290</b>	<b>89 868</b>	<b>96 464</b>
<b>Renewals (Direct)</b>			
All renewals	80 610	87 374	95 728
1st renewals	46 019	48 948	50 206
% of 1st renewals	51.21	51.19	54.02
2nd renewals	21 973	24 781	27 483
% of 2nd renewals	57.35	59.78	62.29
3rd renewals	12 618	13 645	13 218
% of 3rd renewals	60.72	64.14	61.37
4th renewals			4 821
% of 4th renewals			66.14
<b>Recordals (Direct)</b>			
All recordals	13 774	10 420	12 581
<b>Invalidities (Direct)</b>			
All filings	547	574	494
<b>No of decisions*</b>	<b>450</b>	<b>434</b>	<b>453</b>

Appeals	2021	2022	2023
All filings	2 231	2 536	2 535
<b>No of decisions*</b>	<b>2 688</b>	<b>2 499</b>	<b>2 642</b>
Cases lodged before General Court	334	291	310
Cases lodged before CJEU	61	37	52

Inspections	2020	2021	2023
All filings	2 718	2 041	1 823

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

## Customer Service Charter

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 must act to raise the performance standard to ‘Compliance’). Whenever an indicator is in ‘Actions needed’, the Office analyses the situation and publishes an explanation on the [EUIPO website](#). Actions are then taken to restore it to ‘Compliance’ level.

		2023 Compliance <sup>(2)</sup>	Q1 2023	Q2 2023	Q3 2023	Q4 2023				
Quality (rolling periods) <sup>(3)</sup>			Perf.	Perf.	Perf.	Perf.				
% cases compliant with quality criteria (without critical errors)	AG decisions	99-94 %	97.42	97.55	97.75	97.71				
	Opposition decisions	99-94 %	94.30	96.45	95.85	95.23				
	Cancellation decisions	99-94 %	98.16	100.00	99.13	99.13				
	RCD registration	99-94 %	99.68	100.00	99.36	100.00				
	RCD invalidity decisions	99-94 %	100.00	100.00	100.00	100.00				
TLN – Straightforward (Perf.: 99 % – AVG: 100 %)			Perf.	AVG	Perf.	AVG	Perf.	AVG	Perf.	AVG
EUTM publications	Fast Track	15-20 working days	15	4.2	15	4.7	15	4.8	14	4.6
	Regular track	25-50 working days	37.0	16.0	37.0	19.2	43.0	25.1	39.0	19.8
EUTM registrations	Fast Track	4-5 months	4.0	3.5	4.0	3.5	4.0	3.5	3.9	3.5
	Regular track	5-6 months	5.2	4.2	5.1	4.1	5.1	4.2	5.2	4.4
International registrations	Registration	6-7 months	5.0	4.7	4.9	4.6	4.8	4.6	4.7	4.7
RCD registrations	Fast Track	2-3 working days	1	0.0	2	0.2	2	0.2	2	0.2
	Regular track	10-15 working days	9	5.5	9	4.3	8	3.9	9	3.0
TLN – Non-straightforward (Perf.: 99 % – AVG: 100 %)			Perf.	AVG	Perf.	AVG	Perf.	AVG	Perf.	AVG
EUTM direct filings	First action	1-2 months	1.8	0.6	1.8	0.8	1.8	0.9	1.7	0.8
	Deficiencies / objections resolved	1-2 months	1.8	1.7	1.9	1.7	1.8	1.9	1.8	1.6
	EUTM <i>ex parte</i> decisions	2-4 months	4.0	2.0	4.0	1.9	3.9	1.6	3.9	1.7
International registrations	First action	1-2 months	1.7	0.7	1.6	0.6	1.7	0.7	1.8	0.6
	Deficiencies / objections resolved	1-2 months	1.8	0.3	1.7	0.3	4.8	0.5	2.0	0.3
	<i>Ex parte</i> decisions	2-4 months	3.9	1.8	3.7	1.7	3.9	1.3	3.7	1.4

<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.



RCDs	First action	10-15 working days	<b>14</b>	4.8	<b>9</b>	3.3	<b>10</b>	3.1	<b>11</b>	3.4
	Second action	1-2 months	<b>3.8</b>	0.5	<b>3.0</b>	0.4	<b>1.9</b>	0.3	<b>1.7</b>	0.2
<b>Inter partes (Perf.: 99 % – AVG: 100 %)</b>			<b>Perf.</b>	<b>AVG</b>	<b>Perf.</b>	<b>AVG</b>	<b>Perf.</b>	<b>AVG</b>	<b>Perf.</b>	<b>AVG</b>
Reply to customer communications in <i>inter partes</i> proceedings		8-15 working days	<b>14</b>	5	<b>14</b>	5	<b>15</b>	5	<b>15</b>	5
EUTMs	Opposition decisions	2-4 months	<b>3.9</b>	3.3	<b>3.8</b>	3.0	<b>3.8</b>	2.8	<b>3.8</b>	2.9
	Cancellation decisions	3-6 months	<b>5.9</b>	4.9	<b>5.7</b>	4.7	<b>5.7</b>	4.4	<b>5.8</b>	4.6
RCDs	Invalidity decisions	2-4 months	<b>3.8</b>	3.1	<b>3.7</b>	2.7	<b>3.6</b>	2.7	<b>3.8</b>	3.1
<b>Recordals (Perf.: 99 % – AVG: 100 %)</b>			<b>Perf.</b>	<b>AVG</b>	<b>Perf.</b>	<b>AVG</b>	<b>Perf.</b>	<b>AVG</b>	<b>Perf.</b>	<b>AVG</b>
Straightforward	Recordals	11-22 working days	<b>8</b>	2	<b>13</b>	2	<b>19</b>	3	<b>12</b>	2
Non-straightforward	First action	11-22 working days	<b>18</b>	4	<b>21</b>	6	<b>24</b>	7	<b>20</b>	6
	Second action	1-2 months	<b>1.1</b>	0.0	<b>1.7</b>	0.0	<b>1.6</b>	0.0	<b>1.1</b>	0.0
<b>Appeals (*)</b>			<b>Perf.</b>	<b>AVG</b>	<b>Perf.</b>	<b>AVG</b>	<b>Perf.</b>	<b>AVG</b>	<b>Perf.</b>	<b>AVG</b>
Appeals	<i>Ex parte</i> decisions	6-12 months	<b>3.5</b>	2.1	<b>3.4</b>	2.3	<b>4.7</b>	2.5	<b>4.3</b>	2.5
	<i>Inter partes</i> decisions	6-12 months	<b>5.0</b>	2.9	<b>4.7</b>	2.8	<b>4.7</b>	3.1	<b>5.2</b>	3.0
	From deadline for filing observation to remittal to the Boards – <i>inter partes</i>	35-70 days	<b>42</b>	20.1	<b>37</b>	20.9	<b>24</b>	7.4	<b>30</b>	2.6
	From deadline for filing rejoinder to remittal to the Boards – RCDs	35-70 days	<b>28.0</b>	6.1	<b>26.0</b>	12.8	<b>19.0</b>	3.0	<b>28.0</b>	13.8

\* 85 % sample for *ex parte* and *inter partes* decisions. 98 % sample for remaining appeal indicators.

Accessibility			Perf.	AVG	Perf.	AVG	Perf.	AVG	Perf.	AVG
Accessibility	Telephone calls to First Line / e-business hotline	16-20 seconds	<b>16.40</b>	6.80	<b>14.20</b>	6.50	<b>14.30</b>	5.40	<b>14.10</b>	5.70
	Emails answered by Information Centre	3-4 working days	<b>2.50</b>	0.90	<b>2.20</b>	0.40	<b>2.10</b>	0.36	<b>1.90</b>	0.32
	Chats answered by Information Centre	50-60 seconds	<b>45.10</b>	10.70	<b>74.00</b>	12.00	<b>45.60</b>	10.50	<b>50.00</b>	10.00
	Answer to complaints	6-9 working days	<b>7.70</b>	4.70	<b>8.30</b>	5.30	<b>9.00</b>	4.10	<b>6.00</b>	6.40
	Direct and call back accessibility	99-95%	<b>99.60</b>		<b>99.40</b>		<b>99.60</b>		<b>99.10</b>	
	Website availability	99-98%	<b>99.99</b>		<b>99.99</b>		<b>99.99</b>		<b>99.99</b>	

## Balanced Scorecard – Key Performance Indicators

The EU's primary focus centres on the pursuit of a more digital Europe, while also addressing geopolitical challenges and Europe's place in the world, European democracy and environmental issues. In line with this pursuit, the Office continuously contributes to the competitiveness of European economies and small- and medium-sized enterprises (SMEs), job creation and fostering innovation to enable the EU's green and digital transition.

Strategic Driver (SD)	Strategic Goal	EC Political Guidelines
<b>SD1 Interconnected, efficient and reliable IP system for the Internal Market</b>	1.1 Matching tools and practices with users' needs	<b>A Stronger Europe in the World</b>
	1.2 Stepping up IP enforcement in defence of rights holders and society	<b>Promoting our European Way of Life</b>
	1.3 Developing an IP knowledge hub	<b>A Stronger Europe in the World</b>
<b>SD2 Advanced customer-centric services</b>	2.1 Improved user experience, quality and efficiency	<b>A Europe Fit for the Digital Age</b>
	2.2 New services to increase added value to businesses	<b>A Europe Fit for the Digital Age</b>
	2.3 IP services for SMEs	<b>An Economy that Works for People</b>
<b>SD3 Dynamic organisational skill sets and innovative workplace of choice</b>	3.1 Continuous learning and sustainable staff engagement	<b>An Economy that Works for People</b>
	3.2 Evolving with the digital era	<b>A Europe Fit for the Digital Age</b>
	3.3 Towards the future sustainable workplace	<b>A European Green Deal</b>

Innovation and SMEs play a prominent role in the EU agenda. As shown in its Balanced Scorecard, the Office stands with the European Commission at the forefront of the latest developments. Its customer-centric approach and innovative solutions are aimed at simplifying processes for EU companies, particularly SMEs, when protecting their IP. This is achieved through the Office's cooperation with the Commission on the SME Fund<sup>(4)</sup>.

<sup>4</sup> Disclosure covered in this section: 2-24 Embedding policy commitments (additional data included in the [2023 GRI Content Index](#)).

<b>SD1 Interconnected, Efficient and Reliable IP System for the Internal Market</b>			
<b>Goal 1.1 Matching tools and practices with users' needs</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>
<b>1.1.1 Sustainable collaborative networks for the benefit of users</b>			
Trade marks available in TMview (#)	103 163 776	111 421 532	<b>120 566 965</b>
Designs available in DesignView (#)	19 030 743	20 311 624	<b>21 351 698</b>
Number of tools and common practices implemented for the benefit of the users (#)	999	1 157	<b>1 292</b>
<b>1.1.2 Closer cooperation with EU institutions and bodies</b>			
Number of interactions with EU institutions and bodies (#)	231	503	<b>296</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)	249	302	<b>325</b>
<b>Goal 1.2 Stepping up IP enforcement in defence of rights holders and society</b>			
<b>2021</b>	<b>2022</b>	<b>2023</b>	
<b>1.2.1 Effective tools and capabilities for IP enforcement</b>			
IP Enforcement Portal usage by enforcement authorities (connections)	6 162	4 381	<b>6 425</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	1 201	<b>1 710</b>
<b>Goal 1.3 Developing an IP knowledge hub</b>			
<b>2021</b>	<b>2022</b>	<b>2023</b>	
<b>1.3.1 New and improved information resources</b>			
Usage of national court judgments database (searches)	5 464	5 801	<b>7 087</b>
<b>1.3.2 Evidence-based contributions to IP policy making</b>			
Attendees' satisfaction with events (%)	98.9	98.9	<b>100.0</b>
<b>1.3.3 Wider and deeper understanding of IP</b>			
External participants in training activities (#)	21 233	24 879	<b>34 919</b>
External stakeholders' training satisfaction (%)	88.1	89.2	<b>89.1</b>
Social media followers (#)	272 816	400 522	<b>470 231</b>
Global advertisement value equivalency (K€)	21 647	16 047	<b>22 444</b>
Results of Observatory awareness activities (millions of reaches) <sup>(5)</sup>	N/A	N/A	<b>91.8</b>

<sup>5</sup> The methodology and benchmark for calculation changed since the target was set. The target has been adjusted for 2023.

<b>SD2 Advanced and Customer-Centric Services</b>			
<b>Goal 2.1 Improved user experience, quality and efficiency</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>
<b>2.1.1 Quality of products and services</b>			
Usage of TMview, DesignView and TMclass (monthly searches)	2 544 692	2 140 745	<b>2 187 255</b>
Level of achievement of the Quality Service Charter objectives (%)	93.1	100.0	<b>100.0</b>
User satisfaction with customer services provided (%)	83.5	85.9	<b>81.2</b>
User satisfaction with online tools (%)	88.4	85.4	<b>86.5</b>
Customer-focused events satisfaction (%)	N/A	96.7	<b>99.4</b>
Quality of first instance decisions of the Office as perceived by users (SQAP) (%)	N/A	96.2	<b>92.8</b>
<b>2.1.2 Effective and simplified working practices</b>			
Automatic fee handling (%)	97.0	97.5	<b>98.5</b>
EUTM applications automatically classified (%)	56.3	52.9	<b>55.0</b>
EUTM applications expression automatically classified (%)	86.8	83.3	<b>85.4</b>
EUTM automatic translations (%)	92.4	93.0	<b>93.6</b>
Usage of Similarity (visits)	17 786	17 648	<b>21 041</b>
<b>Goal 2.2 New services to increase added value to businesses</b>			
<b>2.2.1 Before filing and during registration</b>			
Formalities deficiency rate (%)	2.2	1.8	<b>1.9</b>
Classification deficiency rate (%)	11.6	13.9	<b>12.7</b>
AG objection rate (%)	5.3	5.2	<b>5.3</b>
Appeals confirmation rate <i>ex parte</i> decisions (%)	78.0	81.0	<b>87.0</b>
Appeals confirmation rate <i>inter partes</i> decisions (%)	74.0	77.0	<b>71.0</b>
General Court confirmation rate (%)	81.0	85.9	<b>89.2</b>
EUTM fast track rate (%)	48.30	45.14	<b>49.10</b>
TM straight-through cases (%)	N/A	74.1	<b>75.4</b>
RCD straight-through cases (%)	N/A	85.9	<b>86.2</b>
EUTM application formalities automation (%)	N/A	N/A	<b>47.4</b>
Priorities and seniorities automation (%)	N/A	N/A	<b>61.9</b>
Opposition admissibility check automation (%)	N/A	N/A	<b>50.8</b>
RCD formalities automation (%)	N/A	N/A	<b>95.7</b>
<b>2.2.2 Post-registration IPR management</b>			
Recordal automation	61.6	66.4	<b>68.3</b>
<b>Goal 2.3 IP services for SMEs</b>			
<b>2.3.2 Increasing SMEs' knowledge on the use and value of IP rights</b>			
Organisations participating in the SME Programme (#)	257	335	<b>357</b>

<b>SD3 Dynamic Organisational Skill Sets and Innovative Workplace of Choice</b>			
<b>Goal 3.1 Continuous learning and sustainable staff engagement</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>
<b>3.1.1 Dynamic skill sets</b>			
Internal staff learning effectiveness (%)	85.0	84.3	<b>81.3</b>
Training days per employee (training days/employee)	5.88	4.77	<b>5.00</b>
Internal training satisfaction (%)	87.5	88.2	<b>89.9</b>
Number of hits on the e-learning portal (#)	222 480	222 067	<b>279 213</b>
<b>3.1.2 Innovation-driven culture and networking</b>			
Cross-departmental collaboration (%)	6.0	7.7	<b>8.0</b>
<b>3.1.3 Staff development and engagement</b>			
Staff mobility rate (%)	4.8	3.9	<b>4.2</b>
Absence due to sickness (short term) (%)	3.0	3.7	<b>3.6</b>
Absence due to sickness (long term) (%)	0.1	0.1	<b>0.0</b>
<b>Goal 3.2 Evolving with the Digital Era</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>
<b>3.2.1 Modernising and consolidating digital infrastructures and services</b>			
Compliance of audited process with the applicable data protection and privacy requirements (%)	88.7	85.0	<b>94.9</b>
IT security index (%)	83.0	80.5	<b>80.6</b>
Office tools availability (%)	99.86	99.10	<b>99.74</b>
<b>3.2.2 Embracing opportunities in emerging technologies</b>			
Implementation rate of new technologies in the processes (%)	28.0	42.9	<b>78.8</b>
<b>3.2.3 Expanding Office tools</b>			
IT investments in new projects and initiatives versus total IT cost (%)	41.7	41.5	<b>39.6</b>
IT cost per IT user (€)	15 364.2	16 364.0	<b>15 532</b>
Procedures initiated and executed digitally (%)	99.2	98.4	<b>98.4</b>
Budget forecast accuracy (expenditure) (%)	96.4	96.8	<b>96.8</b>
Budget forecast accuracy (revenue) (%)	97.0	100.6	<b>101.9</b>
Budget forecast accuracy (carry over) (%)	89.4	91.0	<b>89.3</b>
Compliance with Internal Audit recommendations (%)	86.4	87.5	<b>97.7</b>
<b>Goal 3.3 Towards the future sustainable workplace</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>
<b>3.3.1 A truly sustainable organisation</b>			
Paper consumption per on-site worker (kg/on-site worker)	5.52	4.79	<b>5.22</b>
Water consumption per on-site worker (m <sup>3</sup> /on-site worker)	5.12	5.05	<b>5.04</b>
Energy consumed (gas + electricity) per on-site worker (MWh/on-site worker)	5.14	4.89	<b>4.21</b>
Quantity of renewable energy produced on-site (%)	35.23	33.51	<b>27.02</b>
<b>3.3.2 Improving the workplace environment</b>			
Occasional teleworking rate (%)	21.5	21.0	<b>25.7</b>
<b>3.3.3 Campus infrastructure and facilities</b>			
Progression of the campus development initiative (%)	N/A	63.6	<b>100.0</b>

## APPENDIX B – Management of resources and assurance

### 1 Budget and Financial Management

#### 1.1 Evolution of the accumulated budget surplus and yearly budget 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 2023 are the consequence of the budget results carried over from 2022, the budget result of the 2023 Budget 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.

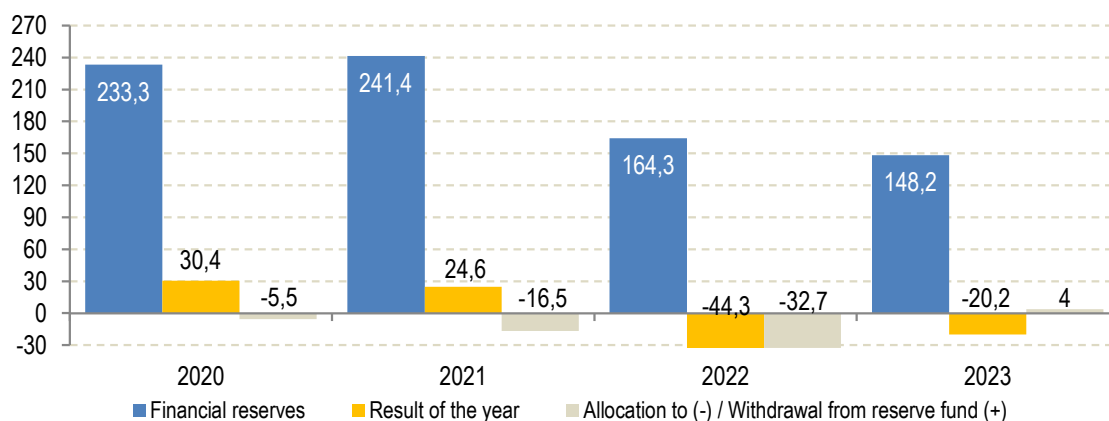


Figure 1. Budget results (EUR million)

At the end of 2023, the reserve fund amounted to EUR 289.3 million in accordance with the provisions of Article 172(10) EUTMR compared to EUR 293.3 million in 2022. Therefore, EUR 4 million were withdrawn from the reserve fund in 2023.

The budget balance carried over to 2024 amounts to EUR 148.2 million, of which EUR 31.2 million are reserved for future offsetting payments to Member States (in 2025 and 2026), EUR 27.8 million are reserved for the contribution to EU policies from 2025 until 2028, and EUR 6.7 million are reserved for the expected negative budget outturn anticipated in the 2024 Budget. Finally, the budget outturn was negative in 2023 with EUR – 20.2 million, further reducing the Office’s financial reserves.

<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.

## 1.2 Number and volume of budget transfers

In 2023, budget transfers decreased both in terms of number and volume. More detailed information about these transfers can be found in the Office's [annual accounts](#).

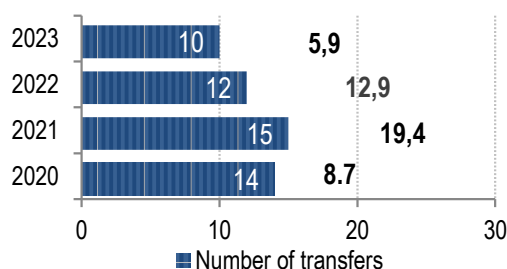


Figure 2. Number and volume of transfers (EUR million)

## 1.3 Budget revenue and expenditure

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.

Budget revenue executed	2020 (EUR million)	2021 (EUR million)	2022 (EUR million)	2023 (EUR million)
Revenue generated by fees	277.3	303.0	287.5	296.7
Interest income	0.0	0.0	0.8	13.4
Other operational revenue	0.3	0.2	0.2	0.1
<b>Total operational revenue</b>	<b>277.6</b>	<b>303.2</b>	<b>288.5</b>	<b>310.2</b>

Figure 3. Budget revenue by year

The revenue distribution from EUTMs and RCDs remained relatively stable while the contribution of interest income increased. In 2023, the EUTM share of the revenue from fees stood at 88.5 %, compared with 89.2 % in 2022 and 89.5 % in 2021. Basic fees, fees for additional classes, international application fees and renewal fees represent 97.1 % of all EUTM fees received. This is a stable proportion compared to the previous year (97 %).



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 translations, Observatory and European cooperation activities with Member States’ intellectual property (IP) national offices.

Budget expenditure executed	2020 (EUR million)	2021 (EUR million)	2022 (EUR million)	2023 (EUR million)
Staff expenditure (title 1)	125.7	128.5	145.1	155.9
Operating expenditure (title 2)	56.6	71.4	81.2	68.6
Specific expenditure (title 3)	52.0	51.3	57.8	54.2
<b>Total operational expenditure</b>	<b>234.3</b>	<b>251.2</b>	<b>284.1</b>	<b>278.7</b>

Figure 4. Budget expenditure by year

The 2023 budget execution rate concerning titles 1, 2 and 3 stands at 96.3 %, respecting again in 2023 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.

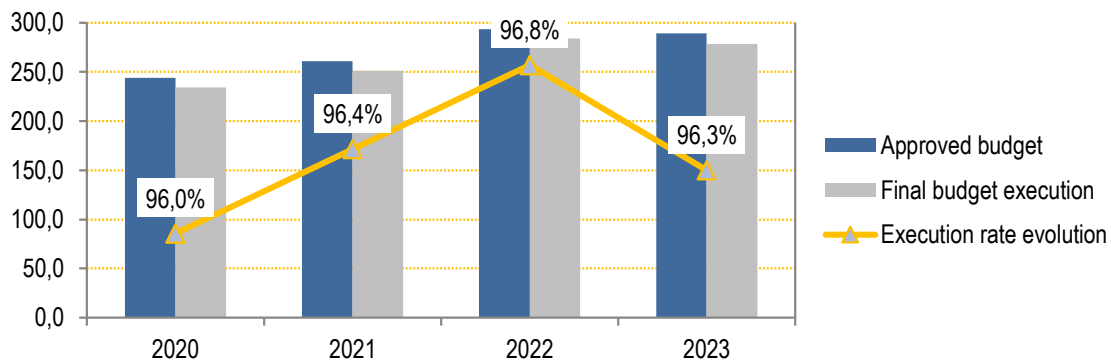


Figure 5. Operational budget and expenditure (EUR million) and execution rate evolution (titles 1, 2 and 3)

The other expenditure titles outside the operational budget covered the following.

- In the context of mobilising its accumulated financial surplus when supporting EU policies, the Office contributed EUR 59.7 million in 2023 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).

## 1.4 Payment terms and suspension of payments

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 <sup>(2)</sup>, 97.9 % of the payments (98.8 % of the total amount) were made in due time in 2023.

The average payment time was 11.4 calendar days, well below the maximum payment terms. Two payments resulted in EUR 438.21 of late payment interest being charged.

Regarding suspension of payments, the Office registered 38 cases in 2023 out of 4 079 payments (0.9 %) and the average payment suspension was 25 days.

## 1.5 Activity-based budgeting perspective

Below are the results and breakdown of the Office's expenditure and staff allocation by strategic driver (SD) during the year. The final budget execution amounted to EUR 278.7 million and is detailed for each strategic driver by financial and human resources <sup>(3)</sup>.

Strategic driver	Budget 2023 (EUR million)	Execution 2023 <sup>(4)</sup> (EUR million)	Variation	Budget 2023 (FTE)	Execution 2023 <sup>(5)</sup> (FTE)	Variation
SD1 – Interconnected, efficient and reliable IP system for the Internal Market	63.2	61.0	96.5 %	155	151	97.6 %
SD2 – Advanced customer-centric services	115.3	112.3	97.4 %	656	647	98.7 %
SD3 – Dynamic organisational skill sets and an innovative workplace of choice	110.8	105.4	95.1 %	358	350	97.6 %
<b>Total</b>	<b>289.3</b>	<b>278.7</b>	<b>96.3 %</b>	<b>1 169</b>	<b>1 149</b>	<b>98.6 %</b>

Figure 6. Office expenditure on staff by strategic driver

<sup>(2)</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 Union.

<sup>(3)</sup> The totals / variation in the table may not add up, as all the figures presented are rounded to one decimal.

<sup>(4)</sup> Based on payments and commitments.

<sup>(5)</sup> Based on FTE – full-time equivalent (officials, temporary agents, contract agents, seconded national experts).

In 2023, the Office executed EUR 10.6 million or 3.7 % less than initially budgeted. The difference is mainly the consequence of the continued efforts of the Office to control costs by compensating for increases that are beyond the Office's control and which are linked to inflation.

This deviation is mainly concentrated in the SD 3 (- EUR 5.4 million or - 4.9 %) due to lower-than-expected recruitment costs and energy prices and less staff full-time equivalents.

In SD 2 (- EUR 3.0 million or - 2.6 %) the deviation reflects lower average salary than expected and the efforts of cost containment in the support functions. In SD 1 (- EUR 2.2 million or - 3.5 %) the deviation mainly concerns the area of European cooperation.

## 1.6 Procurement and grants

In 2023, the Office managed 28 procurement and 3 grants procedures for a total of EUR 151.2 million. The number of procurement and grant procedures are shown here.

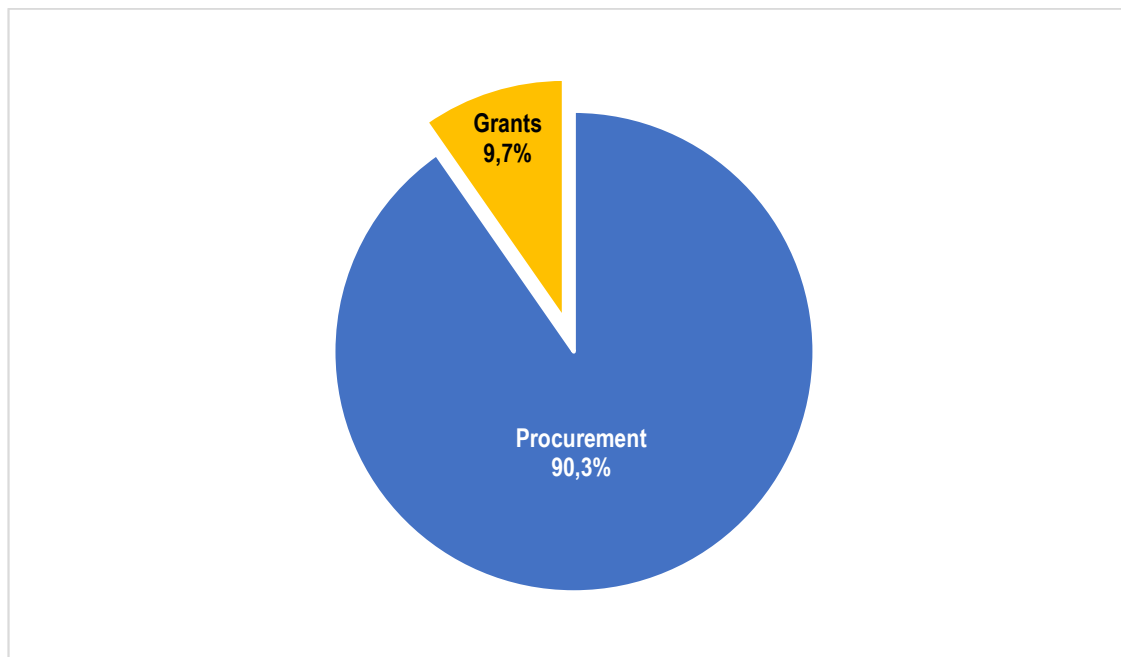


Figure 7. Procedures closed in 2023

### 1.6.1 Grants procedures

The total awarded amount of the three grant schemes comes to EUR 25.8 million. It includes three implemented calls for proposals: IP awareness-raising activities, the EUIPO Academy research programme and the 2023 SME Fund.

Building on the success of the 2022 SME Fund, the Office, in collaboration with the European Commission and with the support of the Member State IP offices (MS IPOs), launched the 2023 SME Fund in January 2023. This was the second call for proposals under the multiannual SME Fund 2022-2024 initiative, which aims to boost the competitiveness of EU SMEs while supporting the EU's goal of green and digital transition. Since 2023, Ukraine-based SMEs have also been eligible under the SME Fund scheme.

For the 2023 calls for proposals, the time it took from when applicants were informed of their application's outcome until the signature of the grant agreements (Article 194(2) of the EU Financial Regulation) can be seen in the following table.

Grants	Time to inform the applicants about the outcome (maximum 6 months)	Time to sign grant agreements / decisions (maximum 3 months)
EUIPO Academy Research Programme	174 days from the final date for submission of proposals	16 days from the date of informing applicants
IP awareness-raising activities	71 days from the final date for submission of proposals	111 days from the date of informing applicants
SME Fund Ideas Powered for business – 2023 Call for proposals	Average of 8 days from submission of applications to the notification of the results and the provision of the signed grant decisions to successful applicants	

**Figure 8. Time to inform applicants v time to sign grant agreements**

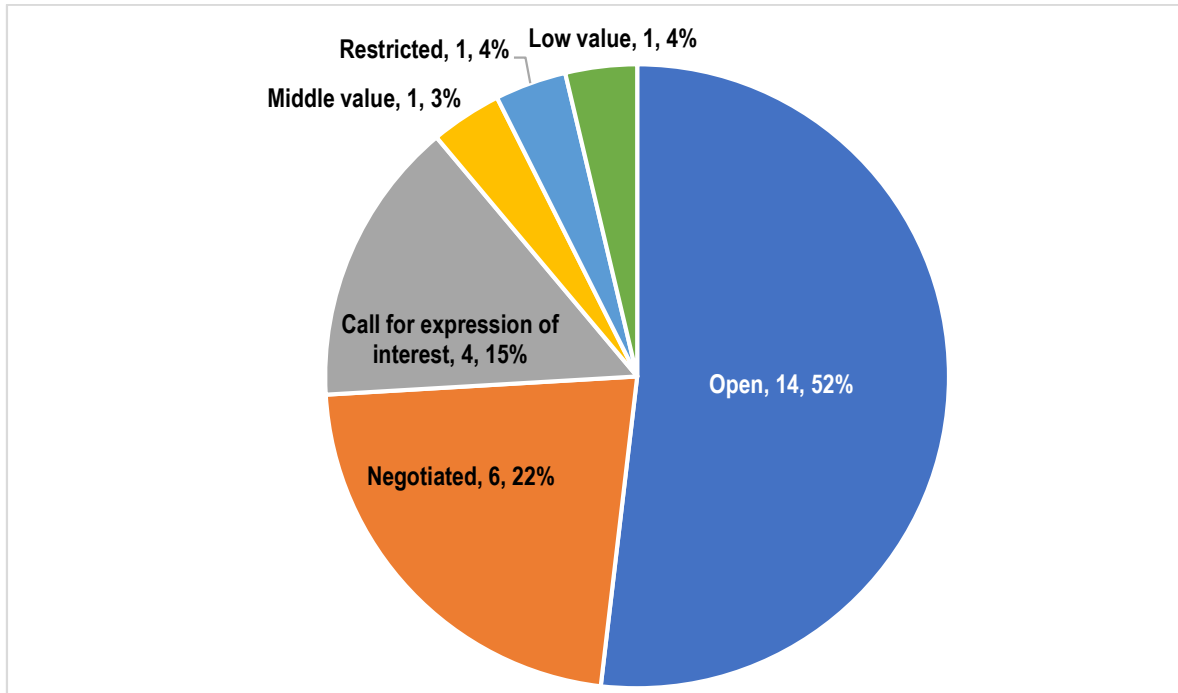
In addition, and in line with the reporting required by the EU Financial Regulation ([EU FR](#)):

- under the IP awareness-raising activities call for proposals, 18 grant agreements were signed under the financing not linked to costs modality (Article 125(3) EU FR) covering EUR 1.45 million;
- 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 28 procurement procedures in 2023, of which 1 was not awarded. The 27 successful procurement procedures correspond to a 34 % decrease compared to 2022. However, the total volume for these procedures amounts to EUR 151.2 million corresponding to an increase of 37 %.

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



**Figure 9. Type of procurement procedures**

The 27 successful procurement procedures resulted in the signing of 44 framework/direct contracts in 2023.

In 2023, 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 increased in terms of number and value of contracts. In 2023, the Office concluded 15.9 % of its contracts in force based on negotiated procedures versus 11.1 % the previous year. In addition, the value of these contracts also increased in 2023 to 6.1 % from 2.7 % in 2022.

Type of procurement procedure	2022		2023	
	Number of contracts concluded	Value of contracts (EUR million)	Number of contracts concluded	Value of contracts (EUR million)
Negotiated	67 (11.1 %)	2.36 (2.7 %)	81 (15.9 %)	4.73 (6.1 %)
Open	532	86.32	425	73.38
Other types of procedures	4	0.09	4	0.02
<b>Total</b>	<b>603</b>	<b>88.77</b>	<b>510</b>	<b>78.13</b>

Figure 10. Contracts by type of procurement procedure in 2022 and 2023

## 1.7 Waived recovery orders

According to Article 66 of the Office's Financial Regulation<sup>(6)</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>(7)</sup>.

During 2023, two recovery orders were waived for a total of EUR 1 751.12.

## 2 Human Resources Management

### 2.1 The establishment plan and its evolution

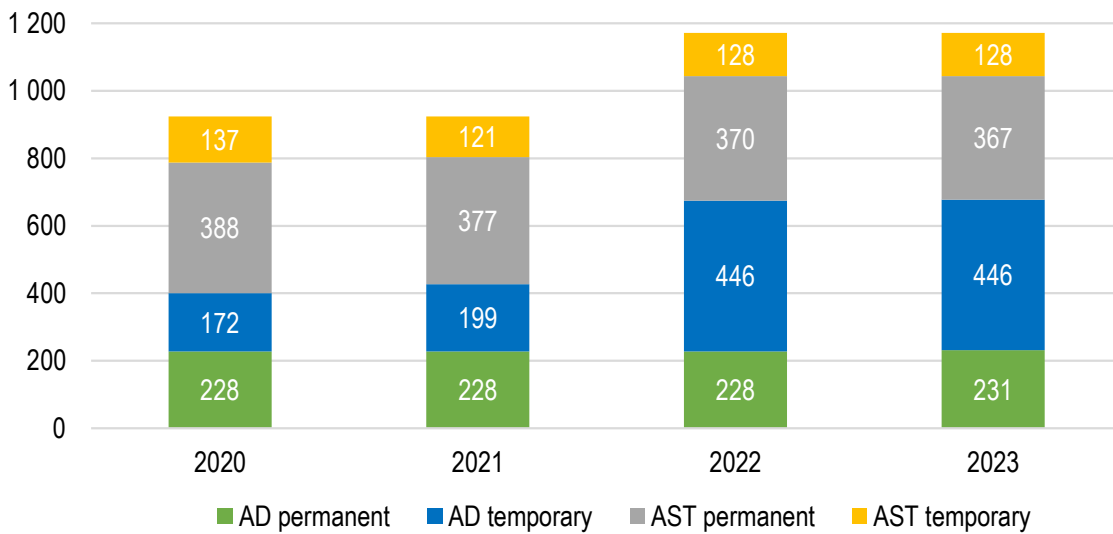
As shown in the following chart, the Office's establishment plan<sup>(8)</sup> comprises the available posts in the budget by nature of post, function group and grade. Posts are allocated according to the Office's annual staff policy plan approved by the Management Board (MB)<sup>(9)</sup>, and the Office's budget by the Budget Committee (BC).

<sup>(6)</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>(7)</sup> In accordance with the Office's written procedure No BC-28/17.

<sup>(8)</sup> The establishment plan represents the total number of posts authorised, and not the actual number of staff.

<sup>(9)</sup> Please refer to APPENDIX 4 – Annual Staff Policy Plan of [2023 Work Programme](#).



**Figure 11. Evolution of the establishment plan**

In 2023, the number of posts in the establishment plan remained unchanged at 1 172.

## 2.2 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 2023, in terms of full-time equivalents (FTEs) for officials and temporary agents. In short, 71.62 % of FTEs were dedicated to operational activities, a slight decrease compared with 2022. 18.06 % were dedicated to administrative support and coordination activities, and 10.31 % to neutral tasks.

		ADMINISTRATIVE SUPPORT & COORDINATION		NEUTRAL		OPERATIONAL	Total
		Administrative support	Coordination	Finance and control	Linguistic tasks	Operational	
Planning (AB 2023)	FTEs	150.51	23.60	71.02	14.62	659.71	919.47
	Percentage of total	16.37 %	2.57 %	7.72 %	1.59 %	71.75%	100 %
	Subtotal FTEs	174.12		85.64		659.71	919.47
	Subtotal percentage of total	18.94 %		9.31 %		71.75 %	100 %
Execution	FTEs	141.79	23.23	79.03	15.17	654.30	913.53
	Percentage of total	15.52 %	2.54 %	8.65 %	1.66 %	71.62 %	100 %
	Subtotal FTEs	165.03		94.20		654.30	913.53
	Subtotal percentage of total	18.06 %		10.31 %		71.62 %	100 %

Figure 12. Office workforce distribution in 2023

### 3 Management Assurance <sup>(10)</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 control procedures performed by Office staff and refers to aspects of the legality and regularity of the underlying transactions carried out.

<sup>(10)</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 [2023 GRI Content Index](#)).



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	Heads of Service	Head of Service of Internal Audit	Head of Corporate Governance Service	Head of Communication Service	Data Protection Officer	Office 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

**Figure 13. Assessment by management**

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 to implement 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 managing 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, which is 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 <sup>(1)</sup>

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

On the one hand, the *ex ante* operational 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, *ex ante* financial 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 exhaustive number of operations verified *ex ante* in 2023 was 11 809.

### 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 2023, 45 exceptions out of a total of 7 678 operations were registered, which is the same number as in 2022, and represents 0.59 % of the total number of files dealt with in the financial management system.

Following Article 56 of the Office's Financial Regulation (Article 92 of the EU FR), any cases of 'confirmation of instructions' will be recorded by the authorising officer of the delegation responsible. Internal rules in the Office state that these cases are to be recorded in the register of exceptions. No cases of confirmation of instructions were recorded in the register of exceptions in 2023.

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<sup>(1)</sup> This approach can be 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.

### 3.1.5 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 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 Executive Director 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 implements the delegation of powers of the authorising officer to authorising officers by delegation and subdelegation by:

- an annual administrative decision on the 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;
- preparing the delegation decisions (drafting new delegations, amendments and cancellations) managed by the Office's Finance Department;
- formalising the implementation of these delegations in the Office's financial management system, with specific controls ensuring that only authorised persons approve 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 the 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 file 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.

### 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.

The main objective is to regularly and systematically document information on the Office's externalised services and store it correctly as part of 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 on 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, MS IPOs 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.

### 3.1.8 Anti-fraud strategy

Article 175(5) EUTMR provides that the BC 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 Office's Financial Regulation 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, written procedures via '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 project briefs to the Executive Director for approval, they all underwent a comprehensive review cycle, ensuring the analysis and feedback by the pertinent stakeholders. Interdepartmental consultations are carried out for common and interrelated projects/activities to gather feedback for the Executive Director to take informed decisions.

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 in 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 Executive Director 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 MS IPOs, including the Benelux Office, and the work of the EUIPO.

Further to the legislative reform proposals on geographical indications (GIs) and designs<sup>(12)</sup>, 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 Executive Director to 'prepare an action plan to follow up on the conclusions' of retrospective evaluations. At the Office, compliance with Article 29(4) is ensured by the end project reports, which are the actual evaluations, and by the annual prioritisation exercises. 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 evaluation of the Observatory in 2020](#);
- the fact that the Office's founding regulation provides for an evaluation of the EUTMR in 2021, currently ongoing, and every 5 years thereafter;
- the Office's annual work programmes; and
- the regularly performed internal and external audits.

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

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

There were no 'critical' or 'very important' recommendations issued for 2023.

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<sup>(12)</sup> The European Council and European Parliament struck a provisional deal on a design protection package.

### 3.3.2 European Court of Auditors <sup>(13)</sup>

In its 2022 annual report on EU agencies published on 26 October 2023, 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 2022, and the results of its operations, its cash flows and the changes in net assets for the financial year 2022, in accordance with the provisions of its Financial Regulation and with the accounting rules adopted by the Commission’s accounting officer and that the revenue and payments underlying the accounts for the year ended 31 December 2022 are legal and regular in all material respects.’

The ECA made two observations that did not call into question its positive opinion. These observations together with the replies of the Office can be found in the ECA 2022 annual report on agencies for the financial year 2022 <sup>(14)</sup>.

- Observation on the legality and regularity of transactions: for 2022, the ECA observed that the EUIPO awarded a contract of EUR 5 million for travel agency services after a negotiated procedure without prior publication of a contract notice for reasons of extreme urgency brought about by unforeseeable events. The use of this procedure was justified under point 11.1(c) of Annex I to the EU Financial Regulation because it was impossible to comply with ordinary procedures’ time limits. The contract became necessary after the previous contractors (ranked first and second in cascade) informed the Office of their decision not to renew the existing contract.

The ECA considered that the use of such a procedure was not justified because the contractor’s decision not to renew a contract in line with the contract provisions defined by the EUIPO cannot be considered as an unforeseeable event not attributable to the contractor authority. Moreover, the ECA considered that the delay between the date the Office received the information of the intention not to renew the contract and the award of the new contract was sufficient to conduct an accelerated open procedure. The ECA clarified that the Office did not make any payments under this contract in 2022.

The Office replied that, in order to reduce the risk of discontinuity of services under the previous contract, it had opted for a contract in cascade with two contractors. Unfortunately, not only the first contractor but also the second one in the cascade notified the Office of the non-renewal of the contract almost simultaneously, which was an exceptional and unprecedented event for the Office concerning a sector of activity that was particularly impacted by the COVID pandemic. In this context, the Office considered that the best option providing the necessary guarantees for the timely conclusion of a contract was the negotiated procedure without prior publication of a contract notice, as provided by the Financial Regulations in cases of extreme urgency. Through this procedure, the Office signed a Framework Contract strictly limited in time, namely bridging the gap until a new open procurement procedure was finalised.

- Observation on the legality and regularity of transactions: for 2022, the ECA recalled an observation made in the audit report for the 2018 financial year, according to which it

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<sup>(13)</sup> Disclosure covered in this section: 2-5: External assurance (additional data also included in the Office’s 2023 [GRI Content Index](#)).

<sup>(14)</sup> [Annual Report on EU agencies for the financial year 2022](#) (pp. 303-309).

considered that a procurement procedure for cleaning and gardening services was irregular due to the related offer being abnormally low. Therefore, it reported the total amount of payments made in 2022 under the concerned framework contract (EUR 798 197) as the ECA considers all payments stemming from the implementation of this contract to be irregular.

In its reply, the Office explained that, as it did not identify legitimate reasons to justify an early termination of the contract, it 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 the 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, 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 proved during the contract's implementation.

In 2022, the framework contract came to an end. A new one was awarded, which entered into force in May 2022.

A short summary of observations made from previous years designated as ongoing in the ECA 2022 annual report follows hereafter, together with the Office's replies and state of play.

- Procurement procedure: this observation refers to the same observation described above in relation to a procurement procedure for a framework contract for cleaning and gardening services considered by the ECA to be irregular due to the related tender being abnormally low. All payments stemming from this contract in 2018 were therefore considered irregular.

State of progress: this observation was considered ongoing by the ECA. The Office followed all steps provided in the Financial Regulations 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 an unfair competitive advantage to competitors. The Office did not identify any reasons to terminate the contract early and it consequently remained in force until its expiry. The contract came to an end and a new one was awarded, which entered into force in 2022.

- Modification of the budget structure: in 2021, the Office presented the payment of EUR 8.5 million made 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. In essence, the ECA considers co-financing of the European School to be an instrument of human resources policy, linked to the wellbeing of EUIPO staff and their families and, as a result, they consider that reclassifying the related payments as a contribution to EU policies goes against the nature of the expenditure.

State of progress: this observation is considered ongoing by the ECA as the situation persisted in the 2022 accounts. The reporting of the Office's contribution to the European School of Alicante under Title 4 of the Budget was performed in 2021 as a consequence of a renewed agreement with the Commission and the European School entering into force at the end of 2020 and with the aim of complying with the new provisions of the Office's Financial Regulation (which came into force in 2019), in particular Article 10(4), which holds, among others, that 'where the Office implements agreements concluded in accordance with Article 7 of this Regulation (contribution agreements, grant agreements and financial framework partnerships), it shall hold separate budget items on the revenue and expenditure operations'.

In 2023, the EUIPO presented the finding to its BC and consulted the stakeholders involved and, so far, has not identified any valid reasons to modify the budget treatment of its voluntary contribution to the European School of Alicante. On the contrary, the experts of the European Commission's department for budget confirmed that the budget treatment of the Office was correct.

In addition, within the context of its 2022 annual report, on the reliability of the agencies' accounts and the legality and regularity of their revenue and payments, the ECA carried out a horizontal audit with an analysis of how agencies responded to the climate and energy crises and how they reported on their climate and energy performance. It pointed out positively the fact that the Office is the only agency to issue a sustainability report, which followed the Global Reporting Initiative (GRI) Standards<sup>(15)</sup> and which is now part of the consolidated annual activity report. Furthermore, the Office continues to drive towards becoming a sustainable organisation with an increased focus on reducing its carbon footprint, waste and paper consumption, new technical facilities and 'green' public procurement. Finally, the Office has updated its Business Continuity Plan (BCP) in order to be ready to respond to energy crisis-related situations.

Besides the annual financial audit, the ECA carried out a special audit in 2022 on the protection of IP rights in the Single Market 'EU intellectual property rights: Protection not fully waterproof' where the protection of EU trade marks, designs and GIs 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.

According to this report, the Office has one recommendation to be followed up, which is to improve the management of its European Cooperation Projects. In fact, the Office has been working on the recommendation made to the Office in three areas:

- a sound methodology for calculating lump sums;
- proper justification for running costs of EU public databases for EU trade marks and designs;

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<sup>(15)</sup> The GRI Standards represent global best practice for reporting publicly on a range of economic, environmental, and social impacts. Sustainability reporting based on the Standards provides information about an organisation's positive or negative contributions to sustainable development.



- improving the evaluation systems of the European Cooperation Projects.

In relation to the first point, the EUIPO has implemented a new methodology for calculating lump sums based on historical financial information provided by MS IPOs. The new lump sum system is complemented with a new classification of activities and is based on a harmonised approach for staff profiles.

Referring to the second point, the EUIPO is currently in a transition period. The aim is to implement a revised model to align the TMview and DesignView annual financial support to the data transfer technology and the launch of new services for the IP community. The new services will amplify the range of functionalities offered such as a history trail of data changes and verified priority certificates.

Finally, in order to improve the evaluation systems of European Cooperation Projects, the EUIPO has incorporated a new functionality in the e-platform tool so as to allow IPOs to indicate the expected result or key performance indicator (KPI) of a given initiative of common interest, and the long-term impact expected following the completion of such activities. To this end, the Evaluation Committee of European Cooperation Projects will continue carrying out a regular analysis of the results and impact derived from the implementation of projects and activities during the whole life cycle of the Cooperation Agreement.

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

The Office assessed its internal control system during 2023 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 2022)	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 has been developed and put into practice.

<p>11. Selects and develops general control over technology</p>	<p>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>The EUIPO website does not offer all the functionality required to accomplish efficient communication.</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.</p> <p>Increase in the number cyberattacks to access restricted information or to disrupt Office services. As reflected in risk EUIPO_50, the worldwide increase in cyberattacks raises the need for the Office to continue working on reinforcing IT security policies and processes.</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 took place during 2023 successfully, ensuring compliance for all tools.</p> <p>As part of the modernised EUIPO online platform project, a new website has been launched successfully in 2023, although some work related to remaining components is pending, and expected to go live during 2024.</p> <p>The Office has been closely monitoring the situation, ensuring no negative impact on the reporting and monitoring tools. In parallel, and as part of the continued works to improve the infrastructure, the Office is centralising the tools for data analysis and visualisation, facilitating the identification of potential changes.</p> <p>The Office has strengthened the controls and checks for the revision of access rights and permissions, ensuring adequate controls for this purpose.</p> <p>The Office has dedicated significant efforts to ensuring appropriate levels of security so that it can effectively face new threats on information security. Among other measures, the strategic project on the integration and expansion of IT security aims at deploying cyber intelligence tools, automating detection, analysing data traffic and implementing an intent-based network. In 2023, an audit by the Internal Audit Service on Cyber Security identified some improvements that the Office is working on.</p>
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<p>13. Uses relevant information</p>	<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 almost fully completed, including the extension of the retention policy for the main Office tools, including Microsoft Office 365.</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 14. Opportunities for improvement**

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 and readiness regarding changes and new developments in the related regulation;
- publicly accessible transparency portal;
- strong performance and risk-based approach to management, this being deeply embedded in the organisational culture;
- implementation of various cross-departmental networks on specific topics;
- further reinforcement and integration of data protection principles in the risk management framework;
- improvement on the procurement strategy for IT services;
- 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 to maintain and continuously improve 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, according to the information available, 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 the coming years.

<i>EX ANTE</i>			<i>EX POST</i>			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)	
53.70	2.90	10.00	4.35	0.07	0.64	10.64

Figure 15. *Ex ante* and *ex post* costs

3.14 % of the total executed budget was invested in the abovementioned control functions.

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 MB/BC decision making on matters such as resource allocation and strategic investments;
- consistent mechanisms for processing financial transactions, supporting the quality of information and communications across the Office and with external stakeholders, providing reliable recordkeeping and the ongoing integrity of data;
- increased efficiency within functions and processes;
- the risk of fraud reduction or irregularities in both financial and non-financial transactions and procedures, as no cases have arisen or been identified;
- minimising risks affecting assets, staff or information;
- the 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;
- the prevention of conflict of interests;
- the BC consistently granting discharge to the Executive Director of the Office to

implement the budget;

- avoiding reputational damage;
- the 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 the ECA, the 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 KPIs and has refined this list with 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 to be 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, is on time and complies 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 the cost and benefits of controls.

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

The Executive Director 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 Executive Director, 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,



João Negrão  
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 Acting Head of Service in charge of risk management and internal control, declare that in accordance with the internal control framework adopted by the BC (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,



Konstantinos Karmiris  
Acting CGS Head of Service

## APPENDIX C – Mission Statement and Organisational Chart <sup>(1)</sup>

The European Union Intellectual Property Office ('EUIPO' or 'the Office')<sup>(2)</sup> is the European Union (EU) agency responsible for managing the EU trade marks<sup>3</sup> (EUTMs), the registered Community design (RCDs), the Geographical Indications (GIs) for craft and industrial products<sup>4</sup> and the European and international cooperation in the field of intellectual property (IP), as well as the European Observatory on Infringements of Intellectual Property Rights.

It acts as a key facilitator of the European Union Intellectual Property Network (EUIPN) and is involved in an increasing number of EU-funded projects operated under contribution agreements with the European Commission. The Observatory aims to raise public awareness, deliver training, develop systems, and provide evidence-based data on IP protection and enforcement. It is also responsible for establishing and managing the EU orphan works database and the public single online portal for the out-of-commerce works.

The Office's work at the EU level extends to harmonising registration practices and developing common tools in cooperation with its partners from national and regional IP offices throughout the EU, users, and other institutional partners. All decisions adversely affecting a party to a proceeding can be appealed to the Office's Boards of Appeal.

The EUIPO is built on a vision to create an environment conducive to innovation, deliver IP value for business and citizens in Europe and further strengthen its position as a hub of excellence in intellectual property, providing customer-centric services and contributing to a stronger IP system, efficient enforcement, and better understanding of IP rights in a global and increasingly digital environment. It has become an active participant in all stages of the intellectual property lifecycle, helping to secure the results of creativity and innovation after trade mark and/or design registration. Through building and promoting sustainable networks, the Office also supports competitiveness, innovation, and creativity in the EU.

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<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 [2023 GRI Content Index](#)).

<sup>(2)</sup> According to Regulation (EU) 2017/1001 of the European Parliament and of the Council of 14 June 2017 on the European Union trade mark ('EUTMR'), the Office's name was changed from the 'Office for Harmonization in the Internal Market' to the 'European Union Intellectual Property Office' and the former Community trade mark (CTM) was renamed the European Union trade mark (EUTM).

<sup>(3)</sup> The Office was established in 1994 to manage the EU trade mark and, from 2003, the registered Community design (RCD) to aid in the creation of a single market and to harmonise the protection of industrial property within the European Union. EU trade marks and designs are industrial property titles which enjoy uniform protection throughout the entire area of the EU. Its founding regulation was revised for the last time by Regulation (EU) 2017/1001.

<sup>(4)</sup> Regulation (EU) 2023/2411 of the European Parliament and of the Council of 18 October 2023 on the protection of geographical indications for craft and industrial products and amending Regulations (EU) 2017/1001 and (EU) 2019/1753.



\* Please refer to the following [link](#) to the EUIPO website for the most updated version of the Office's organisational chart.

The Council of the EU decides on the appointment of the Office's Executive Director, its Deputy Executive Director, and the President and Chairpersons of the Boards of Appeal. The Executive Director is responsible for the running of the EUIPO. The governance structure of the EUIPO consists of a Management Board and a Budget Committee, each composed of one representative from each Member State, two representatives from the European Commission and one representative from the European Parliament.



## APPENDIX D - Corporate Risk Register

Risk ID (date raised)	Risk Description	Risk Type	Residual Risk Level (1)	Risk Response (2)	Existing Controls and Action Plan Summary
EUIPO_66 (Q1/2022)	<p><b>Uncertainty and volatility of world economy affecting the implementation of the EUIPO strategy and the work programme</b></p> <p>The combination of volatility in filings and increased prices requires the Office to manage expenses in a prudent manner while ensuring operational effectiveness and making investments that are essential to achieve the strategic goals.</p> <p>The European Commission's Autumn 2023 Economic Forecast shows that the EU economy continues to be resilient in the face of the multiple shocks endured in recent years. It lost growth momentum in 2023 in a context of high inflation and tighter financing conditions, with only a moderate uptick in growth expected in 2024.</p>	Strategic / Reputational	<p><b>16</b></p> <p>I (4)</p> <p>L (4)</p>	Reduce	<p>The Office conducts a proactive planning and budgeting process by forecasting filing volumes, considers the main macroeconomic variables and the current market volatility and economic uncertainties.</p> <p>All expenses are closely monitored in view of inflation, potentially compensating for this with savings where feasible.</p> <p>The planned expenditure in strategic projects is aligned to the estimated investment capacity by way of the regular prioritisation and replanning exercises.</p> <p>The Office closely monitors the various stakeholder's reactions (IP community, third countries, EU institutions and bodies, IP press coverage, etc.) and the customer feedback received is thoroughly analysed. Online chat possibilities are provided to users and customers alike.</p> <p>The Office coordinates its actions and responses with the European Commission.</p> <p>The EU Cooperation budget implementation is monitored and assessed quarterly.</p>

(1) Impact (I), Likelihood (L)

(2) Avoid / Transfer / Reduce / Accept (watch)

RISK ID (date raised)	RISK DESCRIPTION	RISK TYPE	RESIDUAL RISK LEVEL (1)	RISK RESPONSE (2)	EXISTING CONTROLS AND ACTION PLAN SUMMARY
EUIPO_50 (Q2/2018)	<p><b>Cybersecurity risks impacting EUIPO services and staff</b></p> <p>The growth of the EUIPO's business, with the corresponding increase in its digital footprint, coupled with a worldwide increase in cyber-attacks, raises the likelihood of the Office suffering cyber-attacks that are maliciously aimed at affecting its services by impacting its data, systems and users.</p> <p>At EU level, a new cybersecurity regulation was published in December 2023 to ensure measures for a high common level of cybersecurity at the EU institutions, bodies, offices and agencies.</p>	Safeguarding of assets, information and staff	<p><b>16</b></p> <p>I (4)</p> <p>L (4)</p>	Reduce	<p>The Office places great importance in defining, implementing and managing appropriate and proportionate cybersecurity controls.</p> <p>A cybersecurity policy on tools specification and a cybersecurity risk management framework are being defined in line with the EU cybersecurity regulation.</p> <p>Asset management-, human resources-, operations-, communications- and supply chain-security are among the aspects addressed through the increased cybersecurity measures.</p> <p>In addition, this boosts efforts for reducing software vulnerabilities and increasing the EUIPO's capability for continuity and recovery. It is coupled with intensified awareness raising and staff training, as well as increasing stakeholder awareness of cybersecurity issues that are specifically relevant to them.</p> <p>Finally, the Office places great importance on the continuous cooperation with CERT-EU.</p>

## APPENDIX E – Plan for grants, contribution and service-level agreement <sup>(1)</sup>

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/003/23 Intellectual Property Awareness Raising Activities	August 2023	1 451 510	1 year	Different beneficiaries	Support for awareness-raising on the value of IP and the damage caused by counterfeiting and piracy.		580 604	870 906		
2.	EUIPO Academy Research Programme	27/09/2023	10 000	1 year	University of Vigo	Exploiting semantics and Deep learning to provide intelligence to the syntactic search engine for the Help & FAQs on the EUIPO website thanks to a Transformer model that is fine- tuned on custom datasets.		8 000	2 000		
<b>CONTRIBUTION AGREEMENTS</b>											
1.	PaGoDa – IPKey SEA	11/05/2017	7 000 000	01/09/2017- 31/03/2022	DG TRADE and FPI	The overall objective of the project is to act on a national level to establish, for EU companies operating in SEA, an IPR environment of greater transparency and a fair implementation of IPR protection, and an improved enforcement system.	2 000 000				

(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	
2.	PaGoDa – IPKey China II	11/05/2017	7 000 000	01/09/2017-30/09/2022	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 fair implementation of the IPR protection and enforcement system in China.	1 200 000				
3.	PaGoDa – ARISE + IPR SEA	31/12/2017	5 555 556	01/01/2018-30/06//2023	DG INTPA and DG TRADE	The objective of the project is to support ASEAN's 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 tenders mainly services during the implementation of its project activities for the benefit of SEA/EU businesses and SEA IP Offices/IP authorities.	853 372	426 686			
4.	Contribution agreement – Caribbean Regional IPR Project	03/10/2019	4 000 000	01/11/2019-30/04/2024	DG INTPA - EUD to CARICOM/ CARIFORUM and	The overall objective of the project is to contribute to the integration of the CARIFORUM States into the World Economy, through strengthening the enabling framework that stimulates the innovation and competitiveness of the private sector.	1 000 000	1 000 000	580 000		
5.	Contribution agreement –	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	400 000				

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
					authorities in their efforts to further approximate to European Union (EU) standards and integrate Georgia into the global economy, stimulating economic development and market opportunities.					
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 EU investment. The EUIPO implements all budget implementation tasks. In this context, it tenders mainly services during the implementation of project activities for the benefit of African and EU businesses and African IPOs and IP authorities.	4 000 000	4 000 000	5 000 000	2 000 000
7.	Contribution agreement – IP Key Latin America – Phase II	9/12/2021	4 333 333	01/2/2022-31/01/2025	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 (LA) by contributing to greater transparency and a fair implementation of the IPR protection and enforcement system in LA.	1 444 444.33	1 444 444.33	1 444 444.33	
8.	Contribution Agreement – IP Key South-East Asia – Phase II	16/12/2021	4 333 333	01/04/2022-31/03/2025	DG TRADE and FPI	The overall objective of the action is to promote a more level playing field for EU companies operating in South-East Asia by contributing to greater transparency and effective implementation of intellectual property rights (IPR)	1 000 000	1 444 444	1 444 444	444 445

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	
					protection and the enforcement system.						
9.	Contribution Agreement – IP Key China III	13/12/2021	4 666 667	01/09/2022-31/08/2025	DG TRADE and FPI	The overall objective is to promote a more level playing field for EU companies operating in China by contributing to greater transparency and fair implementation of the IPR protection and enforcement system in China.	555 556	1 555 556	1 555 556	1 000 000	
10.	Contribution Agreement AL-INVEST Verde IPR	27/10/2021 Addendum 21/12/2023	4 285 714	1/12/2021 – 30/11/2025	DG INTPA	The 'Latin America Alliance for Sustainable Growth and Jobs' Action, AL-INVEST Verde, includes a component that seeks to enhance the use and effectiveness of intellectual property rights (IPRs) in Latin America, particularly in the MERCOSUR countries.	800 000	1 100 000	1 100 000	1 285 714	
11.	Contribution Agreement – Strengthening IPRs in Georgia, Moldova and Ukraine	01/12/2023	4 000 000	01/01/2024 – 31/12/2027	DG NEAR	The specific objective of the action is to contribute to an adequate and effective level of registration, protection and enforcement of IPRs in Georgia, Moldova and Ukraine in line with international and EU best practices, according to the commitments of the respective Association Agreements and in support of the future opening of negotiations for EU accession.			1 000 000	1 000 000	1 000 000
12.	Contribution Agreement – EU-ASEAN	21/12.2023	4 285 714	01/03/2024 – 29/02/2028	DG INTPA	The overall objective is to ensure the protection and enforcement of IPRs in the ASEAN countries in			1 071 428	1 071 428	1 071 428

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
					line with EU standards and international agreements.					
13.	Contribution Agreement – EU -RoK IP Action	05/02/2024	1 428 571	1/03/2024 – 28/02/2028	FPI (Seoul) and DG TRADE			357 142.86	357 142.86	357 142.86
14.	SME support via Single Market Programme	29/11/2021	60 100 000 + implementation costs <sup>(2)</sup>	01/01/2022-31/12/2026	DG GROW	26 000 000 + implementation costs	27 100 000 + implementation costs	7 000 000 + implementation costs	705 481.16 (implementation costs only)	145947.70 (implementation costs only)
15.	European School	10/07/2020	1 947 663.83	01/09/2020-31/08/2025	European School of Alicante	382 663.83	405 541.05	372 269.10	397 330.00	

<sup>(2)</sup> The figure includes the EC contribution of EUR 5 100 000.

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 after-school activities; and related support activities.					
16. 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 EUIPO, the Commission and the Secretary General, about the financing of the budget of the European School of Alicante	8 447 152	9 859 660	10 060 665	10 498 235	
<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	17/12/2019-	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, in Chapter 7, it specifically envisages deepened practical cooperation between the EUIPO and DG AGRI.	1	N/A	N/A	N/A	N/A
2. EUIPO-Europol	2019 (Amendment and extension signed on 11/07/2023)	8 240 000	31/12/2027	Europol	SLA to increase cooperation in the field of counterfeiting and piracy to prevent and combat criminal activities that infringe IP.	1 030 000	1 030 000	1 030 000	1 030 000	1 030 000
3. EUIPO-DG HR	16/12/2015		01/03/2016-26/05/2024	DG HR	SLA on the issuance process of the laissez-passer of the EU in accordance with Council Regulation (EU) No 1417/2013 relating to the cooperation between the EC acting as a	6 000	9 800	10 000		



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
					central service and the institutions of the EU within the meaning of this Regulation					
4.	EUIPO-DG HR	14/12/2017	01/10/2018- unlimited duration	DG HR	The SLA defines the conditions under which DG HR provides services goods or works (services) to the EUIPO. In particular, the services provided are learning and development, medical services, security badges and clearance	11 310	16 950	16 950	16 950	9 405
5.	EUIPO-EEAs	29/06/2018	29/06/2018- unlimited duration	EEAs	The SLA sets out general rules and principles applicable to the hosting of EUIPO offices and staff members within EU Delegations as well as the specific conditions of services and assistance which the EEAs provide to the EUIPO to enable the EUIPO to carry out its mandate and responsibilities in countries outside the EU where it has established an office.	215 000	210 000	200 000	200 000	200 000
6.	EUIPO-PMO	29/11/2018	01/10/2019- unlimited duration (new SLA under process of signature)	PMO	The SLA defines 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 grant; salary calculation and payment; determination of individual entitlements, allowances and	734 735.71	850 158.24	891 359.00	911 460.90	933 934.10

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
					reimbursements on taking up appointment, and transfer during the career, or leaving the service; determination of mission expenses under the EU staff rules; reimbursement of expenses outside of 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-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 budget cycle.	152 703.35	165 127.24	173 383.60	182 052.78	191 155.42
8.	EUIPO-EPPO EUSA	04/04/2019	N/A	01/04/2019-unlimited duration	EPPO	The SLA defines the conditions under which EPPO and EUSA ('service providers') provide services, goods or works ('services') to the EUIPO. In particular, the services provided cover: <ul style="list-style-type: none"> <li>• EPPO providing assistance to institutions, agencies and bodies at their request, with a view to the selection of officials, Temporary Agents and Contract Agents, in order to ensure the transparency and standardisation of their selection procedures.</li> </ul>	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
					<ul style="list-style-type: none"> <li>EUSA providing training services to the EU agencies, institutions, and bodies. This replaces the previous agreement. Unless tailor-made or outside the scope of the present SLA, services are free of charge.</li> </ul>					
9.	Corrigendum + Addendum to the SLA EUIPO-EPPO EUSA	July 2020	210 000	21/06/2019-06/07/2021	EPPO	Corrigendum + addendum to the SLA EUIPO- EPPO EUSA in order to organise competitions for the selection of personnel in view of their recruitment.				
10.	EUIPO-EUROJUST	10/03/2021	750 000	31/12/2024	EUROJUST	SLA to strengthen cooperation activities on judicial actions against counterfeiting and piracy.		259 402.39	263 927.49	SLA extension to be discussed.
11.	EUIPO-OLAF	01/03/22	1 412 260	31/12/2024	OLAF	SLA to strengthen cooperation in the fight against IPC.		85 691.10	580 035	SLA one-year extension to finish project, under discussion.
12.	EUIPO-DG TAXUD	4/07/2022	961 918	31/12/2025	DG TAXUD	SLA through which the parties agree to cooperate in activities related to the use of enforcement tools.		229 000	279 000	291 000

## APPENDIX F - European Observatory on Infringements of Intellectual Property Rights 2023 Annual Activity Report

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## 1 Executive Director's Introduction

Since the entry into force of Regulation (EU) No 386/2012 on entrusting the Office with the European Observatory on Infringements of Intellectual Property Rights, the Observatory has built a broad and rich network of public, private and civil society stakeholders and observers. It has published approximately 150 studies on economic and other aspects of IP, and its studies and initiatives have been cited more than 1 000 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.

As shown by the IP Contribution Study published in 2022 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. One of the 'foundation' studies was updated in 2023: the IP Perception Study, now on its 4th edition.

During 2023, 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 the impact of IPR infringement on SMEs, and a study on factors that make some countries more likely than others to import counterfeits. 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. In 2023, the Task Force was upgraded to a Working Party, further enhancing the profile of this work within the OECD.

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 some other types of organised crime. 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 2023, 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 4 600 legal offer sites at the end of the year. The network of Authenticities continued to grow and now includes 13 cities in 6 countries. In addition, the Observatory actively supports the monitoring of the Commission's Recommendation on Live event piracy while it has set up a dedicated network of national copyright administrations. It also assisted the Commission in promoting awareness about the Digital Services Act and the preparations of the Commission Recommendation on measures to combat counterfeiting and enhance the enforcement of IPRs.

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 IP crime, the EUIPO cooperated with, *inter alia*, Europol, Eurojust, the European Union Agency for Law Enforcement Training (CEPOL), and the European Anti-Fraud Office (OLAF).

The war in Ukraine and the resulting economic disruption continued to affect the Office in 2023. Nevertheless, the Observatory was able to carry out its 2023 Work Programme successfully.

João Negrão  
Executive Director, EUIPO

## 2 The Observatory and the EUIPO

The EUIPO's Observatory Department 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, and Economics & Statistics.

As well as representatives of the 27 Member States, the Observatory network includes 72 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, which are the most involved or experienced 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://www.euipo.europa.eu/en/observatory/about-us/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](#).

*Note: not all criteria apply to every stakeholder.*

To ensure that the Observatory network represents a wide range of perspectives, additional civil society organisations are encouraged to become stakeholders. 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.

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, support for enforcement or International Cooperation, while, of course, always respecting the framework laid down by Regulation (EU) No 386/2012.

Such issues and other specialised subjects are dealt with by focused expert groups (EGs). In these, relevant specialists provide expertise and input on Observatory initiatives. The 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.

Four WGs met in Alicante from 21-23 March 2023 and online from 7-9 November 2023.

The Impact of Technology EG held a two-day workshop on the impact of the metaverse on IP in February 2023. The EGs on Legal, Cooperation with Intermediaries, Observatory Outreach and International Cooperation all met online during Q4.

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. As a result of the workstream, the study 'Appetite for fakes - What drives consumers' choice?' was published in December.

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 20 publications in 2023, with executive summaries available in all EU languages in most cases <sup>(1)</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 Liège on 20 and 21 February 2024.

### **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 2023, 22 EU Member States are participating, along with Switzerland and the UK. Altogether, 4 649 legal offer sites are accessible through the portal.

Agorateka also benefits from collaboration with several 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.

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<sup>(1)</sup> The exceptions are the Discussion Papers which are only published in English.

### 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. 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 at the end of 2023 hosted over 1.7 million records.

### 3.3 Studies

The Impact of Technology EG prepared a [discussion paper](#), published in January 2023<sup>2</sup>, on the impact on IP infringement and enforcement of technologies including robotics, nanotech, 3D printing, artificial intelligence (AI), blockchain, spatial computing, 5G/6G mobile networking, internet of things (IoT) and quantum computing. The report also considers how IP infringement can pose a threat to the green transition and how IP protection and enforcement can positively contribute to the green agenda.

In addition, a discussion paper on intermediaries was also published in 2023, discussed in more detail in section 7 below.

### 3.4 Anti-counterfeiting infrastructure on blockchain

Following the design competition held in 2022 to develop the Anti-counterfeiting Blockathon Infrastructure. in 2023, the Office defined a proof of concept and presented the results of a live exercise involving four brands, two transport and logistics operators and Dutch customs. Using the European Blockchain Services Infrastructure - European Logistics Services Authentication (EBSI-ELSA), genuine products manufactured in third countries travelled to the EU, were assessed at pre-arrival, seized and inspected by Dutch customs, and then released to reach their final destination. At each of these stages in the product's journey from manufacturer to retailer, the product was tracked and authenticated as genuine using blockchain. The authentication platform infrastructure is planned to go live in April 2024. The Office continued 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 also collaborates with the European Commission to link 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 2023, one of the key studies in this area was published, the 4th

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<sup>2</sup> <https://www.euipo.europa.eu/en/publications/intellectual-property-infringement-and-enforcement-tech-watch>

edition of '[European Citizens and Intellectual property](#)' (IP Perception study). This EU-wide survey showed that 80 % of Europeans agree that counterfeits support criminal organisations and ruin businesses and jobs. 2 out of 3 also consider fakes a threat to health, safety and the environment. However, a third of Europeans find it acceptable to buy fakes when the price of the genuine product is too high, with 13 % reporting they have intentionally bought fakes in the past year. While 43 % of Europeans have paid to access content from a legal source in the past year, 14 % admit to having accessed content illegally, especially to watch sports.

In June 2023, the IP enforcement Summit was organised in Sofia in collaboration with the Bulgarian IP office and the European Commission. It was an opportunity to raise general awareness on IP crime and the need to strengthen IPR protection and enforcement among policy makers, partners, enforcement authorities, right holders and civil society. The event attracted over 220 participants and 60 speakers, while 700 people listened online to the plenary sessions.

#### **4.1 Targeting youth**

The findings of the IP perception study related to young people (half find it acceptable to buy fakes and a third admit to pirating digital content) underline the need to continue addressing younger audiences to raise the visibility of IP and of the damage caused by its infringement. This is the aim of the activities under the Ideas Powered initiative.

Ideas Powered aims to bring IP closer to the younger generations, both online and in places where young people gather. In 2023, the Observatory participated in the EU Youth Conference organised in Alicante under the Spanish Presidency and presented its awareness-raising initiatives aimed at the younger generation.

The Ideas Powered social media channels on Facebook, Twitter and Instagram have continued to grow, with 44 000, 22 000, and 34 100 followers respectively, giving a total of over 100 000 followers.

In addition, the Observatory makes use of the EUIPO's social media channels, which have 124 000 followers on Twitter, 121 000 on LinkedIn, 90 000 on Facebook and 18 100 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 the World Anti-Counterfeiting Day in early June 2023, the Observatory successfully launched the 2023 edition of the spring awareness campaign in collaboration with stakeholders. The campaign was based on the 2023 IP Perception study which looked at the drivers and deterrents of infringing behaviours on both national and EU levels. It also stressed the elements that could help consumers 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 53 million people, with 1 582 clippings

for a total advertising value equivalency (AVE)<sup>3</sup> of more than EUR 11 740 000, covering all EU Member States.

Media campaigns were also implemented in selected countries to coincide with the launch of major studies.

Regarding other national awareness campaigns, the 12 projects were selected as part of the 2023 call for awareness proposals. 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 13 certified 'Authenticities' in the network, in Bulgaria, Greece, Latvia, Portugal, Slovakia and Spain, with additional cities expected to join the network in the coming months.

### 4.3 IP in Education

One finding of the Youth Scoreboard study in 2022 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 Warsaw in May 2023 and a second time in October online. The focus of the meetings was to give the Member States the opportunity to share their progress in integrating IP in their national curricula.

In the context of the [European Year of Skills](#), the Observatory launched the first two modules of the EUIPO Massive Open Online Course (MOOC) on intellectual property – an [IP basics](#) module and a [copyright module](#). The MOOC aims to enhance the IP skills of all learners, from secondary school and tertiary level students to anyone with no previous knowledge of IP. Other, more advanced, modules are being prepared.

Several teacher training sessions were organised as part of the EIT collaboration at the 2023 Women and Girls in the Science, Technology, Engineering, and Math (STEM) Forum.

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.

At an institutional level, the Office has been working with the Directorate-General for Education, Youth, Sport and Culture (DG EAC) and has contributed to the report '[Digital Education Content in the EU – state of play and policy options](#)'.

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<sup>3</sup> Advertising value equivalency (AVE) is often used to measure the monetary value of media coverage of a PR campaign. AVE measures the size of the media coverage, the space allocated, and calculates the advertising rate for a similar advertisement.

Regarding intellectual property (IP), the study suggests that teachers and school leaders need to be supported in their efforts to use digital education content while navigating copyright, licensing and other IP issues. In this context, the report mentions the EUIPO [FAQ on copyright for teachers and students](#), which provides information on using copyright protected content for education and training, particularly online.

#### **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 2023, there were 445 documents published by the three EU institutions mentioning Observatory activities and reports, 41 of which were published during 2023. This was slightly below target, as the previous years saw a high number of strategic IPR documents published by EU bodies, which set longer term objectives, so it was unlikely to keep seeing similar number of citations in the coming years. Therefore, 2023 numbers came down to the previous steady level, whereas KPIs were set taking the high citation years as basis.

### **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 the European Union Agency for Law Enforcement Training (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**

The Office contributed significantly to the 2023 Operational Action Plan targeting intellectual property crime and the counterfeiting of goods and currencies.

The Intellectual Property Crime Investigation Handbook was updated to include new chapters and made available to law enforcement officers and the judiciary in Europe and the US. This action, led by the EUIPO, also included development of a guide for rights holders to be published in Q1 2024. A further action was related to international events in the context of IP Key.

As part of the training and information action, on-line webinars on pesticides, latest trends on IP Crime and one on-site course of one week on IP investigations as well as online knowledge building modules were organised together with CEPOL.

In addition, the Office supported 12 activities directly and indirectly through the collaboration framework with Europol and organised three events in Alicante under the EMPACT umbrella.

In 2023, the EMPACT IP Crime, Counterfeiting of Goods and Currencies (IPCCGC) Strategic meeting was organised at the EUIPO premises in Alicante. The objective of this meeting was to present the evolution of the 2023 EMPACT operational actions and to present and discuss ideas for the 2024-2025 operational actions.

Furthermore, in the context of supporting EMPACT operations, the Observatory drafted and disseminated 2 restricted and one public report related to these operations.

## **5.2 EUIPO co-operation activities: agreements with Europol, OLAF and Eurojust**

Through the support provided by the Europol agreement, 6 EMPACT recurrent operational actions were supported by Europol, leading to 33 priority cases or operations carried out by national law enforcement authorities in coordination with them. This led to the dismantling of 8 organised crime groups and 4 laboratories. Examples include operation Ludus III, under which law enforcement authorities from 28 countries performed more than 6,000 inspections, reported 205 individuals to Judicial Authorities and 298 individuals to Administrative/Health Authorities, and seized more than 19 million of packages of toys with a value of around EUR 79 million.

Work with Eurojust continued in the framework of the agreement signed in 2021, providing impetus to the European Intellectual Property Prosecutors Network (EIPPN), supporting the development of the EMPACT IP Crime Investigation Handbook and the Guide for IP Owners concerning criminal referrals.

Following the signature of a Service-Level Agreement with OLAF in 2022, work started in 2023 on the analysis and design of an IT tool to collect and analyse customs data, including nominal data related to counterfeiting cases at EU level.

## **5.3 Exchanges between rights holders and enforcers**

### *Exchanges prior to operations*

Sectorial pre-operational exchanges aim at gathering intelligence and threat information from different parties, in particular rights holders and national enforcers prior to the organisation of operations at national level. In 2023, three events were organised in Alicante in cooperation with Europol for the launch of operations. Additionally, one conference was organised together with OLAF to tackle the issue of counterfeiting in the toy industry. The events brought together enforcers from all participating countries, including many EU and non-EU countries as well as rights holders. Regional seminars follow a similar approach but are more focused on certain regions and relevant topics, bringing together national enforcers from bordering countries, such as the regional seminar in Warsaw focusing on the consequences of the Belt and Road Initiative, organised in cooperation with Polish customs and with a contribution from Frontex.

### *On-line information offer*

The 2023 action plan with CEPOL was carried out under the EMPACT and included the development and promotion of the Virtual Training Centre on IPR (VTC) for enforcement authorities. In 2023, five new modules for the online course 'IPRs for criminal investigation' were developed, adding up to 9 modules in this course, within the EMPACT framework. Furthermore, the VTC created a section for securely sharing the Intellectual Property Crime Investigation Handbook amongst law enforcers, as well as 20 new case studies on IP crime. A total of 541 course completions were recorded in the VTC during 2023.

## 5.4 Judges network

In 2023, the Office continued the short webinars for judges dealing with intellectual property rights and related infringements. These webinars enable judges to stay updated on recent developments in IP case-law. The webinars in 2023 focused on the exhaustion of rights; parody, caricature and pastiche exceptions under copyright and trade-mark law; and trade secrets. Two in-person seminars were also organised in 2023, one on the IP Enforcement Directive (IPRED) and one on the impact of 'new technologies' on the enforcement of IPRs and judicial cooperation. These events were attended by more than 300 participants.

## 5.5 Data collection, analysis and reporting

In November 2023, 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 2022](#). 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.

In December 2023, the Observatory published a study on the storage and destruction of seized counterfeit goods in the EU. The report provides information on the challenges linked with these stages within the customs procedure (under Regulation (EU) 608/2013) as well as the national procedures carried out by the police, focusing on the associated costs. It also briefly describes the different methods used to destroy seized counterfeit goods.

As mentioned above, in the context of the support of EMPACT operations, the Observatory drafted and disseminated 2 restricted and one public report related to these operations.

As part of the prosecutor cooperation in the EIPPN, the Office engaged the United Nations Interregional Crime and Justice Research Institute (UNICRI) to conduct three additional in-depth case studies as a best practice of successful IP crime prosecutions in invoice fraud, counterfeit toys, and theft of pre-released musical works sold on the dark web.

## 5.6 Contribution to the Commission Recommendation on measures to combat counterfeiting and enhance the enforcement of IPRs

The European Commission announced in its 2020 IP Action Plan that it would establish an EU Toolbox against counterfeiting which, in the end, is intended to be adopted as a Commission Recommendation.

Several Observatory initiatives have contributed to the preparation of the Toolbox/Recommendation. In particular, 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 were used as a basis for discussion in five 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 Toolbox/Recommendation. In 2023, the Observatory continued the discussions with the European Commission to make best use of the input gathered from stakeholders in the context of the Recommendation. The discussions in the Judges Network also contributed to the preparation of the Toolbox/Recommendation.



## 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 2023, two joint EUIPO-Organisation for Economic Cooperation and Development (OECD) studies were published. A [study on the impact of IPR infringement on SMEs](#) was published in 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. In July 2023, a [study examining the factors that make some countries more likely to import counterfeits](#) was published.

A [study on online copyright infringement in the EU](#) was published in September 2023. Following similar reports published in 2019 and 2021, this report examines consumption of copyright-infringing content in the 27 EU Member States for TV, music and film during the period 2017-2022. For the first time, it also includes publications and software from desktop and mobile devices for 2021 and 2022.

The Demand for Counterfeits workstream, initiated in 2021, aims to examine the factors driving purchases of counterfeit goods at the micro (consumer) level. In December 2023, the first study under this workstream was published. Entitled '[Appetite for fakes – What drives consumers' choice?](#)', this study examines social and psychological factors that make some consumers more likely to knowingly buy counterfeits.

### 6.2 Studies on the role of IP in the economy

The [study of Green EUTMs](#), first published in 2021, was updated in 2023 to include data for the period 1996-2021. It examines the increasing frequency with which goods and services specifications of EUTMs reflect issues related to environmental protection and sustainability. The study shows that filings of 'green' EUTMs have increased significantly since the Office began operating in 1996, both in absolute figures and as a proportion of all EUTM filings, and that this trend continued in 2021.

In October 2023, a study entitled '[Patents, trade marks and startup finance](#)' was published in cooperation with the EPO. This study examines the role of IP rights - specifically patents and trade marks - in facilitating access to finance for European start-ups. To this end, it assesses the links between the filing of IPRs by start-up firms and their success in raising venture capital, as well as the signalling power of patents and trade marks as predictors of successful exit strategies for investors. The main finding is that IPR activity is associated with significantly higher chances of obtaining funding.

Since 2020, filings of IPRs have suffered even more volatility than other economic indicators, making it more difficult for IP offices to accurately predict volumes of filings for budget and staff planning purposes. In an effort to improve forecasting of trade mark and design filings, the Observatory published a [study on modelling and forecasting EU trade mark and design filings](#) in July 2023. The analysis showed that a multivariate model with the best statistical properties and forecasting performance includes confidence indicators from industry and service sectors, consumers' confidence indicator, private consumption, investment, and EU grants.

Gender equality is one of the fundamental aims of the European Union. To contribute to the current body of knowledge regarding women's participation in the IP system, the Observatory analysed the gender gap in designs from three different perspectives: the participation of women designers in the labour market; the gender pay gap between male and female designers; and the participation of women designers in the creation of Registered Community Designs. The [Women in Design report](#), published in April 2023, finds that women designers are under-represented in the design profession and among RCD creators, and they earn less than their male colleagues

### **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. Since 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 2023, with the [latest report](#) covering the period until September 2023, for the EU as a whole and 21 of the Member States.

### **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. Data collection exercises were carried out in May-June and November-December 2023.

### **6.5 EPIP grant**

In September 2022, the Office signed a 4-year agreement with the European Policy for IP (EPIP) Association, an important academic organisation of IP researchers in Europe. The funding provided by the Office supports the annual EPIP conferences. 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. The 2023 conference was held in September at Jagiellonian University in Kraków, Poland.

## **7 Cooperation with Intermediaries**

Cooperation with intermediaries is one of the priorities of the Office's Strategic Plan 2025. In line with priorities identified together with stakeholders, under the Strategic Plan project 'Enhancing IP protection on e-commerce marketplaces', in 2023 the Office delivered an initial set of functionalities for e-commerce marketplaces to use IPEP to engage and cooperate with rights holders to reduce IPR infringement on their services, and [some marketplaces](#) joined the portal.

The work of the **Cooperation with Intermediaries Expert Group** led to the publication of a discussion paper on '[Fighting the piracy of live events: trends, challenges and good practices](#)'

in March 2023. This paper supported the Commission work on its [‘Recommendation on combating online piracy of sports and other live events’](#) that tasked the Office with monitoring the implementation and effects of the Recommendation, as well as setting up a dedicated network of administrative authorities to regularly exchange information on the measures applied, the challenges and best practices in addressing the issues covered by the Recommendation. The first meeting of the dedicated network was organised in the margins of a conference on combating online piracy of sports and other live events, which brought together all relevant stakeholders in Alicante in October 2023.

## **8 Tools for IPR Enforcement**

### **8.1 IP Enforcement Portal**

The IP Enforcement Portal (IPEP), was further developed in 2023, fine-tuning the electronic application for action (e-AFA) developed in close cooperation with DG TAXUD for requesting, extending and amending applications for action throughout the EU. The mobile function development began in 2023, and the big data dashboard on IPR detentions was launched.

The number of users of the tool is increasing. It now stands at 1 539 companies, 82 enforcement authorities, including all EU national customs authorities, and a significant number of police 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 the strategic project ‘Enhancing IP protection on e-commerce marketplaces’, a new version has been developed to bring such marketplaces into IPEP.

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 1.48 million detentions. This data constituted the basis for the joint EUIPO-DG TAXUD report on detentions published in December 2023. Improvements in this module have been made to 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.

A business case was defined to transfer nominal data from customs national databases to OLAF, providing the possibility for national enforcers and OLAF to analyse data across countries, including for risk profiling. During 2023, analysis and design were carried out, and discussions about implementation were held with Member States. In addition, a meeting with Europol was organised to investigate possible solutions for facilitating and improving police data collection.

### **8.3 Anti-counterfeiting and Anti-piracy Technology Guide**

2023 saw the start of the IT development of the Anti-counterfeiting and anti-piracy guide online tool. It covers all the main types of technology currently on the market, providing a clear definition of each technology, describing their main characteristics and costs and setting out practical implementation requirements at a glance. This makes it easier for companies, especially SMEs, to identify suitable technologies to protect their IP rights and supply chains.

A first version of this tool, implementing an enriched and even more user-friendly version of the 2021 PDF version of the guide, is scheduled to go live in Q2 2024.

## **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 2023, the Office continued to cooperate with the Directorate-General for Trade (DG Trade) to consolidate the EU Delegations IP Network. 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 EU 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. The agreement between the two agencies 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. A new agreement was signed in July 2023, covering cooperation during the next 4 years.

Cooperation with Eurojust continued during 2023 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 EIPPN.

The Office's collaboration with OLAF intensified in 2023, with the signature of a new SLA in 2022, 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 CNECT (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. Conversely, the Observatory supports DG CNECT in the establishment and monitoring of the Recommendation on live event piracy.

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, the EU's statistical office, in the project on measuring the economic value of cultural activities.

Following the publication in 2022 of 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, joint outreach activities continued in 2023.

## **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. In October 2023, a new contribution agreement, running until 2025, was signed.

The Office is represented on the OECD's Working Party on Countering Illicit Trade. During 2023, the Office participated in ongoing work on the operationalisation of the Code of Conduct regarding Free Trade Zones (FTZs) and on the new workstream on e-commerce. The joint research projects are also carried out under the auspices of the Working Party.

### 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 study on start-up financing, published in October 2023. The Chief Economists of the two offices serve on the steering committees of their respective Academic Research Programmes. Following the launch of EPO's Observatory on Patents and Technology in October 2023, discussions began on cooperation between the two Observatories.

### 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 2023, bringing the total to 22.

## 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 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 WIPO. The Observatory also provided a webinar on the relevance of UN sustainable development goals for IP enforcement.

## **10 SME Activities**

The Observatory actively contributes to the implementation and development of the Office's SME Programme.

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 'Supporting SMEs' Working Group under the Office's European Cooperation Programme and in the respective working groups implementing several projects under the Programme

The Observatory is actively collaborating with members of the Ideas Powered for business Network, in particular the European Institute of Innovation and Technology (EIT).

Moreover, the Observatory has been working on enforcement-related activities for SMEs. Under this umbrella, the Observatory supported the pilot of the IP Scan Enforcement initiative with the national IP offices of the Czech Republic and Slovenia. In March 2023, the Office signed a memorandum of understanding with the Council of Bars and Law Societies of Europe (CCBE). This collaboration focuses on providing lawyers with information that would enable them to deliver to their clients, in particular SMEs, initial advice in IP rights-related pre-litigation situations. In this context a brochure on IP enforcement for generalist lawyers was created in all EU languages.

## **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 EPO), and mainly targets the largest Member States (Germany, France, Italy, Spain and Poland). A media campaign targeting all Member States is carried out on the 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 2023 alone, the Observatory's media outreach activities generated an advertising value equivalency (AVE) of EUR 8.4 million, in addition to the EUR 11.7 million AVE generated by the Spring Campaign.

## 11.2 Website

The [Observatory website](#) was revamped in 2023 and a lighter structure implemented. Observatory publications and studies are now featured more prominently.

Production of webinars, featuring Observatory studies and tools, is a significant element of its outreach.

## 11.3 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. Each of the newsletters published in 2023 reached approximately 2 000 recipients.

## 11.4 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 21-22 March 2023 in Alicante, while the autumn meetings were held online from 7-9 November 2023.

The 2023 public sector representatives meeting was held in Stockholm on 14-16 February 2023. Participants endorsed the 2022 Observatory Annual Activity Report and were given updates on the Observatory's work, including the latest studies. A second public sector representatives meeting was held in Seville on 18-19 October 2023.

The private sector representatives meeting was held in Brussels on 28 February 2023. An online meeting with civil society stakeholders was held on 14 March 2023.

The Observatory Plenary meeting was held online from 27-28 September 2023. The 2024 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 2023 in support of each task. It should be noted that in some cases an activity can contribute to more than one task. 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:

- Study on IPR and startup finance;
- Green EUTM study;
- Study of the economic impact of COVID-19;
- SME support activities outlined in section 10 of this report;
- Study on women in design;
- Study on forecasting trade mark and design filings;
- EPIP grant.

### (b) Improving understanding of the scope and impact of IPR infringements:

- infringement quantification: joint studies with the OECD;
- online copyright infringement study;
- report on the detentions at the EU border and in the EU internal market 2022;
- 2023 crime threat assessment;
- the Demand for Counterfeits workstream;
- piracy of live events discussion paper;
- study on business models infringing IPR;
- storage and destruction study;
- IP Perception study.

### (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;
- support of the Commission's Recommendation on Live Event Piracy;
- 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.



- (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;
  - IP Perception study.
- (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 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:
- cooperation activities discussed in section 9 of this report, in particular:
    - engagement in EU-funded projects;
    - cooperation within the OECD's Working Party 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 2024**

2023 marked the beginning of the second decade of the European Observatory on Infringements of Intellectual Property Rights at the EUIPO.

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 continue to be a priority for 2024. New initiatives to enhance awareness of the negative consequences of IPR infringement and bring the value of IP closer to the public and consumers will be explored. 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.

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, were one of the elements that convinced the EU Member States to make IP crime a priority area in the 2022-2025 EMPACT policy cycle. In 2024 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 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 completion of the Strategic Plan at the end of 2024.

As from January 2025, the new Strategic Plan 2030 will enter into force, with a continuing emphasis on building respect for IP, supporting enforcement of IP rights, and helping European businesses, especially SMEs, leverage their intellectual property to obtain financial resources to enable them to grow and generate economic activity and employment in the EU.

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.

The explosive growth of Artificial Intelligence will undoubtedly continue in 2024 and beyond, creating new challenges for the enforcement of IP rights. However, these technologies can also assist in combatting IP infringement. The Observatory will monitor developments closely.

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 Office will also support the European Commission in monitoring the impact of the recommendation on live events piracy, and on the forthcoming recommendation on combating counterfeiting.

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 the public's 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 — 2023 Budget Execution

The Observatory is part of the EUIPO, and its budget is embedded in the overall budget of the Office. For 2023, the total expenditure on Observatory activities (including salaries of statutory staff and other staff-related expenditure) was EUR 16.0 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 2023 (EUR million)
Economics and Statistics	2.1
Enforcement	5.0
IP in the Digital World	1.3
Legal and International	0.8
Public Awareness	2.9
Statutory meetings*	0.5
SP2025 Projects	3.5
<b>TOTAL</b>	<b>16.0</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 2023

[Storage and destruction of seized counterfeit goods in the EU](#) (December)

[Economic performance of IPR indicators. 2022 edition, September 2023 update](#) (December)

[Appetite for fakes - What drives consumers' choice?](#) (December)

[EU enforcement of intellectual property rights: results at the EU border and in the EU internal market 2022 \(November 2023\)](#) (November)

[Patents, trade marks and startup finance](#) (October)

[Economic performance of IPR indicators 2022 edition, June 2023 update](#) (September)

[Online Copyright Infringement in EU 2023](#) (September)

[Modelling and forecasting European trade mark and design filings](#) (August)

[Why do Countries Import Fakes Report](#) (July)

[Trade Secrets Litigation Trends in the EU](#) (July)

[Economic Performance of IPR Indicators March 2023 update](#) (June)

[IP Perception Study 2023](#) (June)

[Operation Fake Star Report](#) (June)

[Study on Business Models Infringing IP](#) (April)

[Women in Design](#) (April)

[Economic performance of IPR indicators 2022 edition](#) (March)

[Live Event Piracy Discussion Paper](#) (March)

[Green EUTM report - 2022 update](#) (February)

[Risks of Illicit Trade in Counterfeits to Small and Medium-Sized Firms](#) (January)

[Intellectual Property Infringement and Enforcement Tech Watch](#) (January)

## Appendix G. The Boards of Appeal Annual Report 2023

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## 1. Preamble

Throughout 2023, the Office’s Boards of Appeal (BoA) continued delivering high-quality services to the EU intellectual property (IP) system’s users and maintained high levels of production.

The exceptional circumstances worldwide impacted economic activity and the filing of appeals, thereby leading to a similar number of appeals received as the previous year, with 2 535 appeal cases. However, in terms of production and decision-making, there was an increase of around 5 % in the number of notified decisions while the stock of appeals increased by 34.23 %.

	2021	2022	2023
Decisions notified	2 688	2 495	2 621
EUTM	2 599	2 333	2 515
RCD	89	162	106

Figure 1. Decisions notified

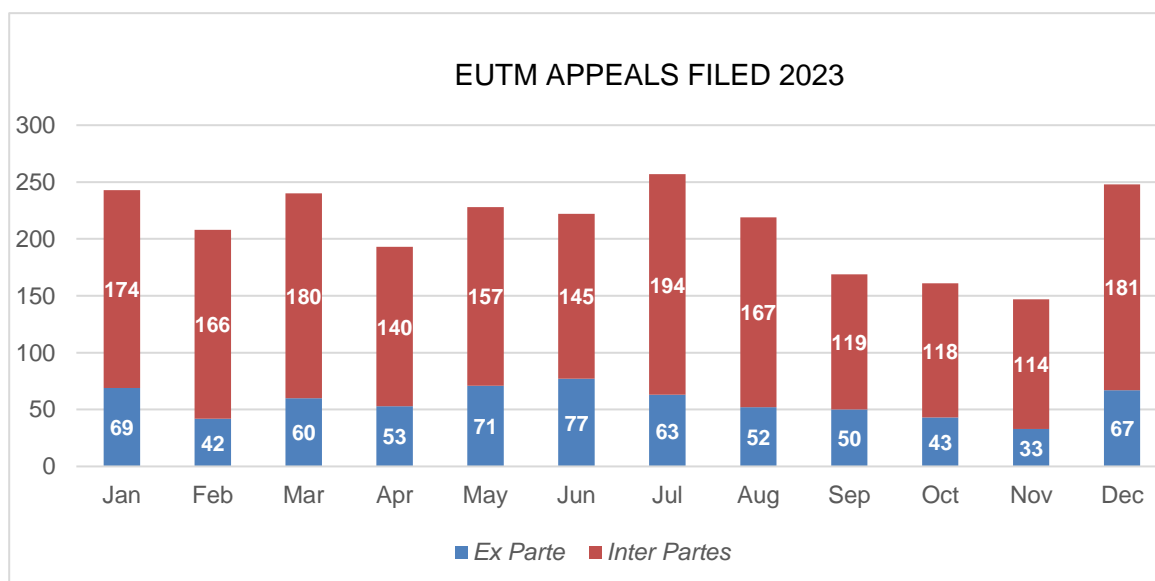


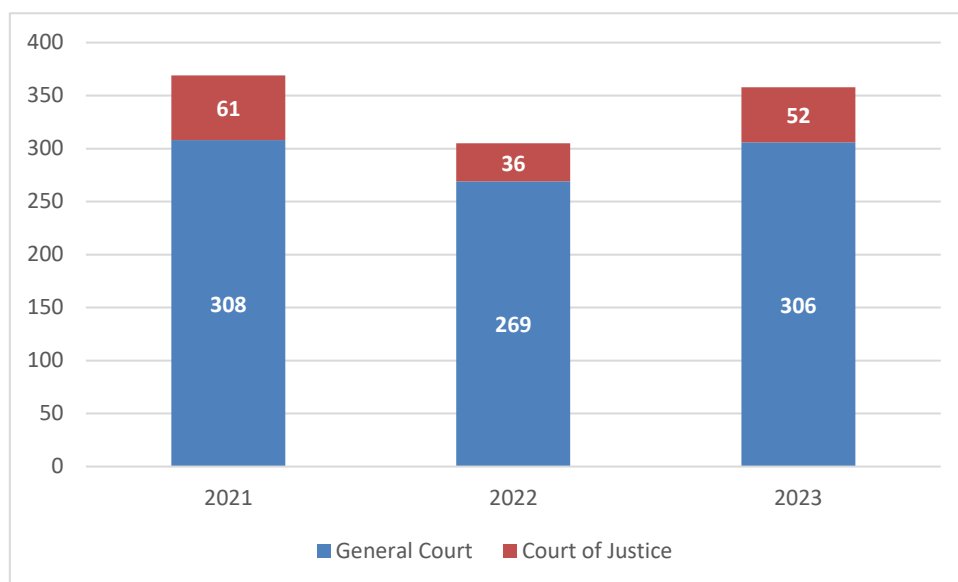
Figure 2. EUTM appeals filed 2023

	2021	2022	2023
Pending cases	662	777	1 043

Figure 3. Cases ready for decision at the end of year

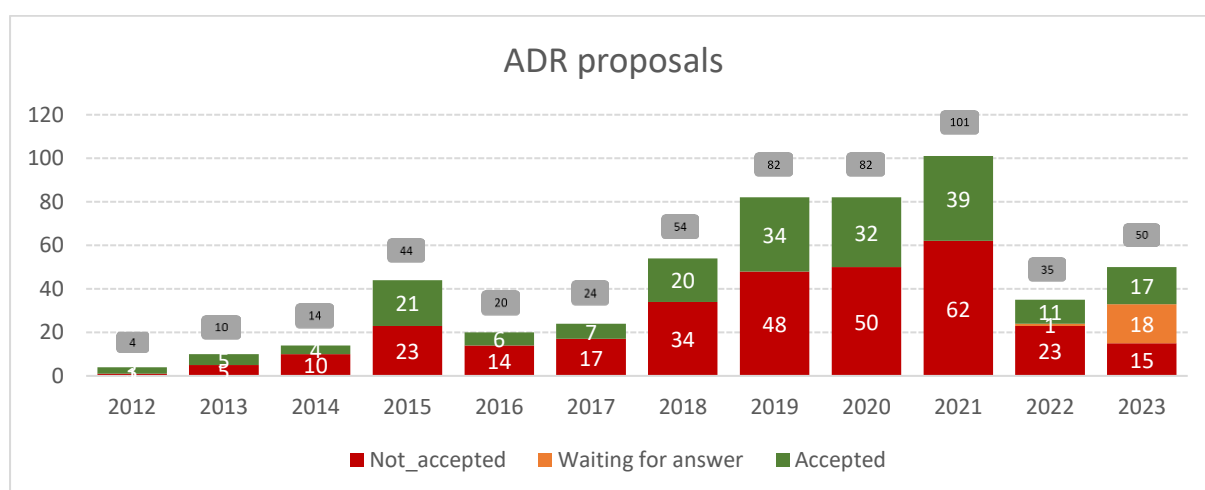


With respect to litigation in 2023, 358 new actions were brought before the EU Courts in relation to BoA decisions. The confirmation rate of BoA decisions by the General Court remained high at around 86.8 %. As for preliminary rulings, four were conducted in 2023.



**Figure 4. Cases before the EU Courts**

Finally, the volume of alternative dispute resolution (ADR) cases, in particular mediations and conciliations proposed, reached 50.



**Figure 5. Proposed ADR cases**

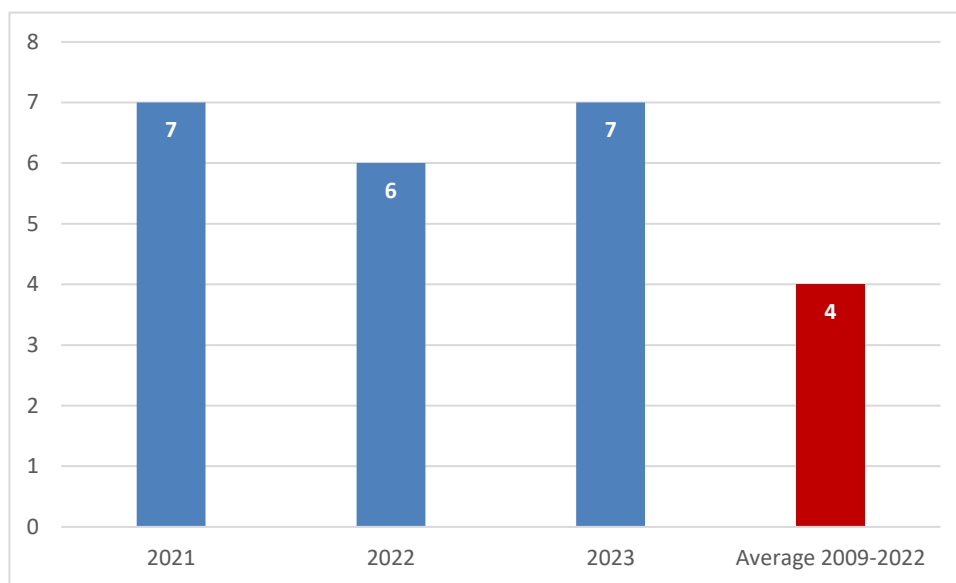
Both acceptance trends of proposed cases and settlement rates have been sustained over time. Hence, overall, when parties agree to solve their dispute using ADR mechanisms, they reach a settlement in around 60-75 % of cases. Acceptance rate of such proposals seems to be following the trend of 30%.

2023 has been particularly relevant as it marked the integration into the EUIPO Strategic Plan 2025 of the ‘Expand and Broaden the use of ADR’ programme, which was initially designed under the 2021-2026 BoA Action Plan Focus Area 4. The programme was launched on 1 January 2023, and its vision is to expand and broaden the use of ADR for IP disputes by establishing a Mediation Centre that offers accessible ADR services, supported by an optimal ADR support system that ensures the highest standards of mediation and mediator competencies, while ensuring full integration of user and stakeholder perspectives.

In this context, and as announced in the 4th IP Mediation Conference in October 2023, the most important milestone in the programme’s implementation in 2023 was the establishment and operative inauguration of the EUIPO Mediation Centre.

To further improve quality, the five Consistency Circles (CCs) continued their discussion forums and Case-law Research Reports: 8 new reports were 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 improve relations with the national IPOs, 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 2021-2026 BoA Action Plan. In particular, within the five focus areas of the action plan, 19 interconnected key initiatives and 46 related projects were rolled out in 2023.

At present, 22 of the BoA Action Plan's projects were fully implemented in 2023 from the beginning of the plan, and the total implementation rate by the end of the year was 52 %.

## 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 to particularly address 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 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 trade mark or design case.

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](#)

The Presidium of the BoA amended the decision on the 2023 calendar year scheme, clarifying the organisational structure of the Boards, in particular indicating the President of the BoA ad interim, the Chairperson of the First Board of Appeal ad interim and naming a new Chairperson of the Third Board of Appeal.

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 does not interfere with the Boards' decision-making competence in the exercise of their powers.

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 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 resolving 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 to yield good results for the EU IP system users during 2023.

### 3. The Boards of Appeal

#### 3.1 Decision-making activities

	2021	2022	2023
Decisions notified	2 688	2 495	2 621
EUTM	2 599	2 333	2 515
RCD	89	162	106

Figure 7. Decisions notified

	2020	2021	2022	2023
GB completed cases	3	7	6	7
GB pending cases	15	15	11	6

Figure 8. GB decisions notified and GB cases pending as of 31 December

	2021	2022	2023
Pending cases	662	777	1 043

Figure 9. Cases ready for decision by the end of year

##### 3.1.1 Grand Board decisions

In 2023, the GB reduced its stock by five cases. Four final decisions dealing with substantive legal questions were issued. Three cases were sent back to an individual Board pursuant to Article 37(3) EUTMDR. By the end of December 2023, six cases were still pending before the GB.

The most important GB decisions delivered in 2023 were the following.

- In case 18/09/2023, R 1508/2019-G, Zara, the Grand Board clarified an important question concerning the relationship between the national and EU trade mark systems as well as the possibilities to provide further evidence in conversion proceedings. The Grand Board held that in proceedings for the examination of a revocation action due to non-use, the applicable legal standard is Article 58(1)(a) EUTMR, namely, the single autonomous EU concept of genuine use. Whereas, in the proceedings for the examination of a conversion request, the applicable legal standard is the national legal framework on genuine use governed by the national laws of the Member State (MS) for which conversion is requested. Accordingly, given the different applicable law, a final decision issued in a revocation proceeding does not produce a *res judicata* effect in conversion proceedings. Consequently, the EUIPO is obliged to examine national law when examining a conversion request and to evaluate all evidence of use that the

conversion applicant submits, including evidence submitted during the conversion proceedings.

- In case 15/12/2023, R 2672/2017-G, DEVICE OF A REPEATED GEOMETRIC DESIGN (fig.), the Grand Board provided clarity as to the interpretation of Article 4 and Article 7(1)(a) EUTMR in the context of marks consisting of repeated geometric designs. The Grand Board held that a geometrically exact repetition of a simple geometric figure (the chevron) only leads to a pattern that is itself simple and simple geometric figures are to be refused as lacking distinctive character.
- In case 15/02/2023, R 1083/2018-G, EL TOFIO El sabor de CANARIAS (fig.), the Grand Board heard an appeal concerning whether the mark was registrable for 'goat cheese coming from the Canary Islands'. The importance of the case centred on whether the name in a regional language for an item formerly used in the production of goods, but now sold only as a souvenir or ornament, can be descriptive for those goods. The Grand Board held that such terms, for instance from locally spoken languages, should be denied registration under Article 7(1)(c) EUTMR if they are the goods' name, if they are used to describe features of the goods, or if it would be reasonable for such an association to be established in the future. Although the mark in question was dominated by the element 'EL TOFIO', the name in the Canary Islands' language for a vessel formerly used for milking goats, there was no evidence that 'tofió' is a specific type of goat cheese, a cheese-making method or that there is a link between the vessel used and the characteristics of the resulting cheese. As a result, the criteria for finding a mark descriptive within the meaning of Article 7(1)(c) EUTMR were not met.

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](#).

## 3.2 Confirmation rates

The confirmation rates of first-instance decisions by the BoA are shown in Figure 10. The positive evolution of EUTM refusal cases is particularly relevant, as it increased from 81 % in 2022 to 87 % in 2023. The invalidity design and opposition proceedings confirmation rates decreased since the previous year, while the confirmation rate for cancellation decisions remains almost the same.

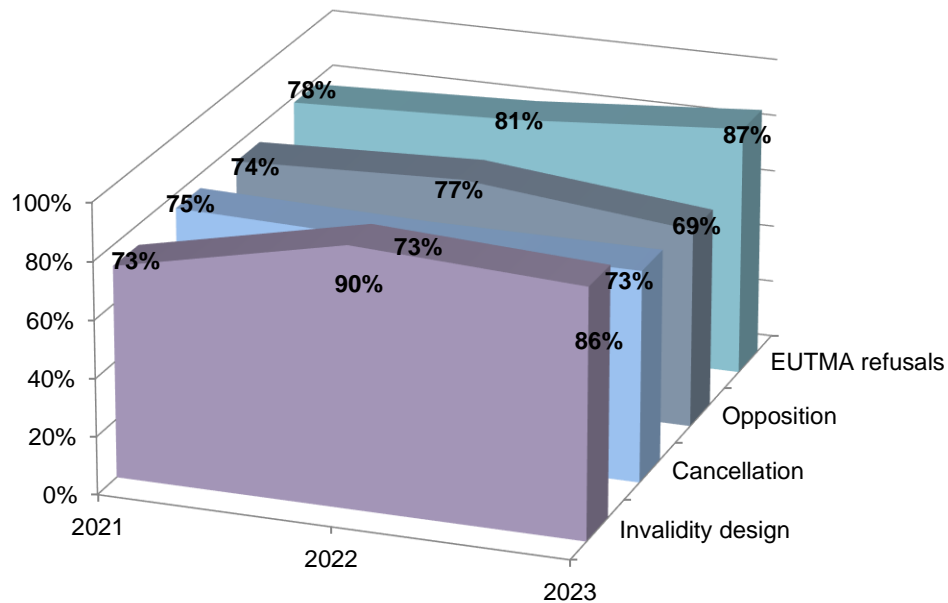


Figure 10. Confirmation rate of first instance decisions

The confirmation rates of BoA decisions by the General Court are shown in Figure 11. 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 decreased slightly in relation to previous years reaching a value of 11.3 % in 2023.**

The confirmation rate for BoA decisions in relation to opposition decisions increased by 7 %, while for EUTM refusals a similar level to 2022 was maintained in 2023. For cancellations, there was a decrease.

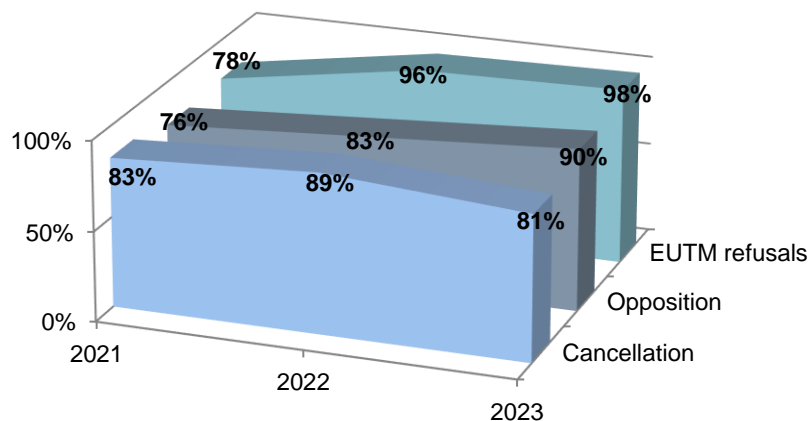


Figure 11. General Court confirmation rate

### **3.3 Operational activities**

#### **3.3.1 Registry**

The first semester of 2023 was challenging due to the increase in appeals filed and the adaptation to the BoA IP Tool and its new functionalities. However, both the Registry and the Boards responded and adapted positively to these challenges. Making the appeal files available electronically to the Boards proved to be beneficial, still allowing the Boards the possibility of printing a specific file on request.

In addition to being responsible for the management of appeal proceedings, the Registry was involved in a broad range of horizontal key activities. On the technical side, it contributed to making improvements to the existing IT systems (BoA IP Tool and DAS). These contributions required close cooperation with the Digital Transformation Department, in particular with the requests for change regarding improvements to the recently launched BoA IP Tool to increase efficiency in the appeal processes. Registry-oriented statistics have been expanded.

The BoA IP Tool increased the harmonisation and simplification of procedures by guiding its users through the different workflows in a unique way. To reinforce this process, the Registry adapted its organisation by creating functional/linguistic teams and settled on an adjusted monitoring process using tool filtering features, therefore ensuring more flexibility in the management of Registry resources, greater efficiency in the Registry's operations and enhanced predictability for users. Projects assigned to the Registry, as identified in the 2021-2026 BoA Action Plan, for the introduction of the BoA IP Tool have been closed.

2023 was a pivotal year for migrating from BoAST to the new BoA IP Tool, which resulted in a number of important changes in the way Registry examiners had to deal with tasks associated to Registry proceedings and workflows. After analysing these changes, and with the experience acquired through practice, the Registry Manual was subject to continuous update to reflect the implemented changes. All this was performed in close collaboration with the Boards, ensuring alignment with the Boards' Manual and with the applicable Regulations.

During 2023, the Registry coped with its workload and the tasks associated with the notification of the Grand Board cases as they did with the administrative management of ADR cases. In addition, the Registry liaised with the ADRS on the operational workflow of the Boards' dispute resolution processes in light of the launch of the EUIPO Mediation Centre.

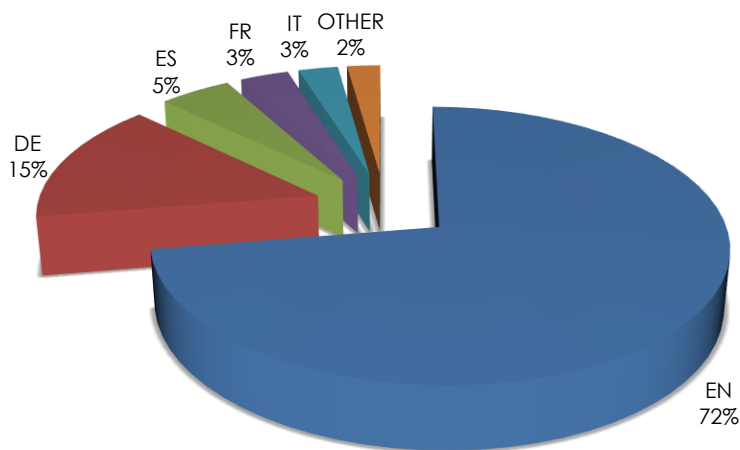
On substantial procedural matters, the Registry closely collaborated with the Consistency Circle Procedure and Registry to further harmonise or clarify procedural issues pertaining to appeals, the revision of several Registry standard letters, and to provide input and proposals to review the BoAs' rules of procedure (RoP) in 2024. Towards the end of 2023, advances were made to amend Registry templates that were affected by the new RoP.

The Registry's staff has also participated in different working groups within the Office, such as the Ecomm Roadmap, the RCD legal reform, the Customer Panel on EUTM, RCD and Appeal proceedings and the European Cooperation projects Front Office and Customer-Centric Services.

Specific training has been given to the Customer Support Service to better support users by



providing information and guidance on appeal proceedings.



**Figure 12. Appeals filed during 2023, per language of proceedings**

English was the most frequent language of procedure, followed by German and Spanish.

	2021	2022	2023
Appeals filed	2 231	2 536	2 535
EUTM	2 102	2 452	2 423
RCD	129	84	112

**Figure 13. Appeals filed**

During 2023, a total of 2 535 appeals were received, representing a similar number to that of 2022. Most of the appeals concern *inter partes* decisions (73.17 % of the total). For appeals against RCD decisions, after a decrease of 35 % in the previous year, there was an increase of 33 %.

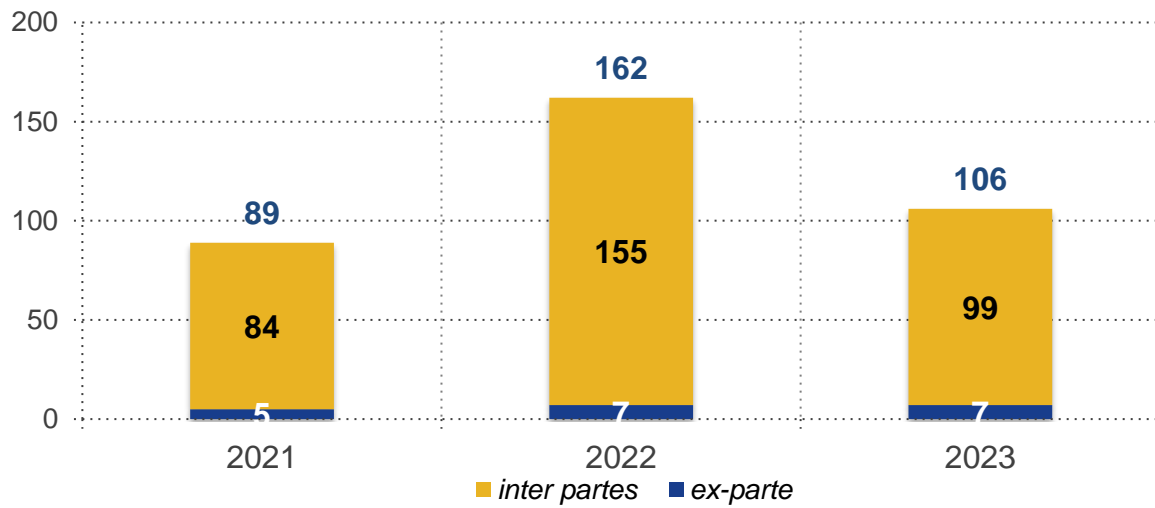


Figure 14. Year-by-year evolution of appeal decisions on Community designs

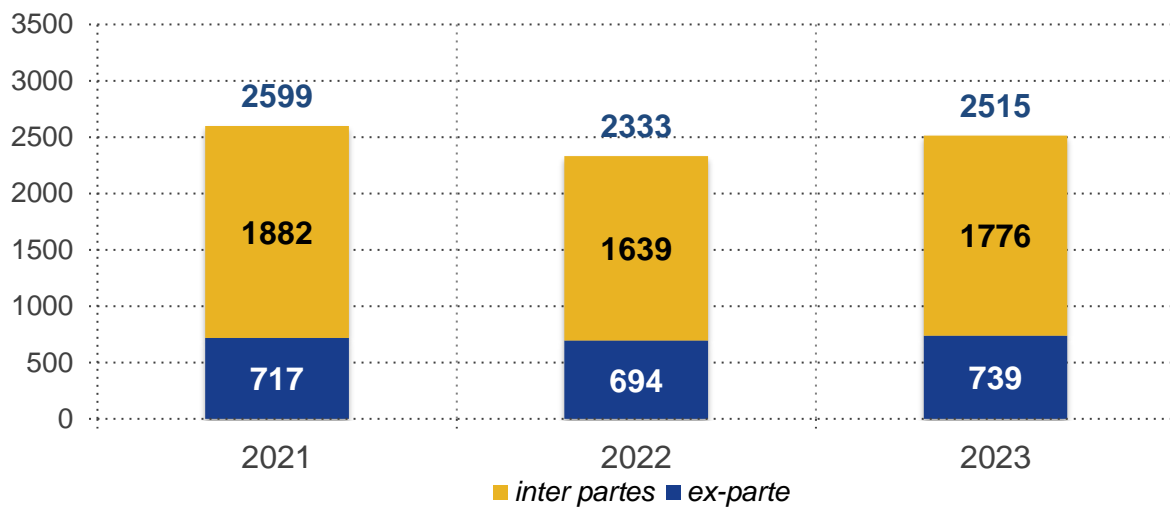


Figure 15. Year-by-year evolution of appeal decisions on trade marks

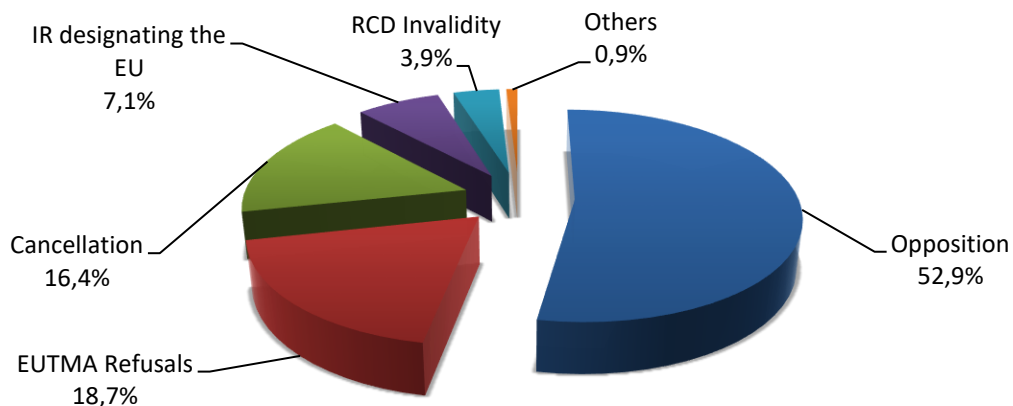


Figure 16. Filing ratio per type of first instance decision

Appeals filed by type	2021	2022	2023
Opposition	1 119	1 303	1 341
EUTM Refusals	524	578	475
Cancellation	321	387	415
IR Designating the EU	118	165	181
RCD Invalidity	120	79	99
Others	29	24	24
<b>Total</b>	<b>2 231</b>	<b>2 536</b>	<b>2 535</b>

Figure 17. Appeals filed per type of first instance decision

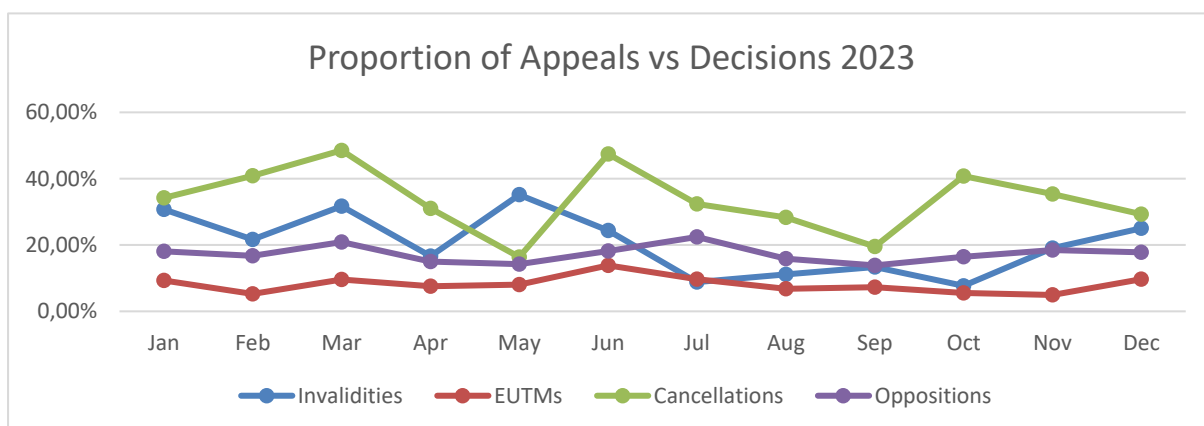
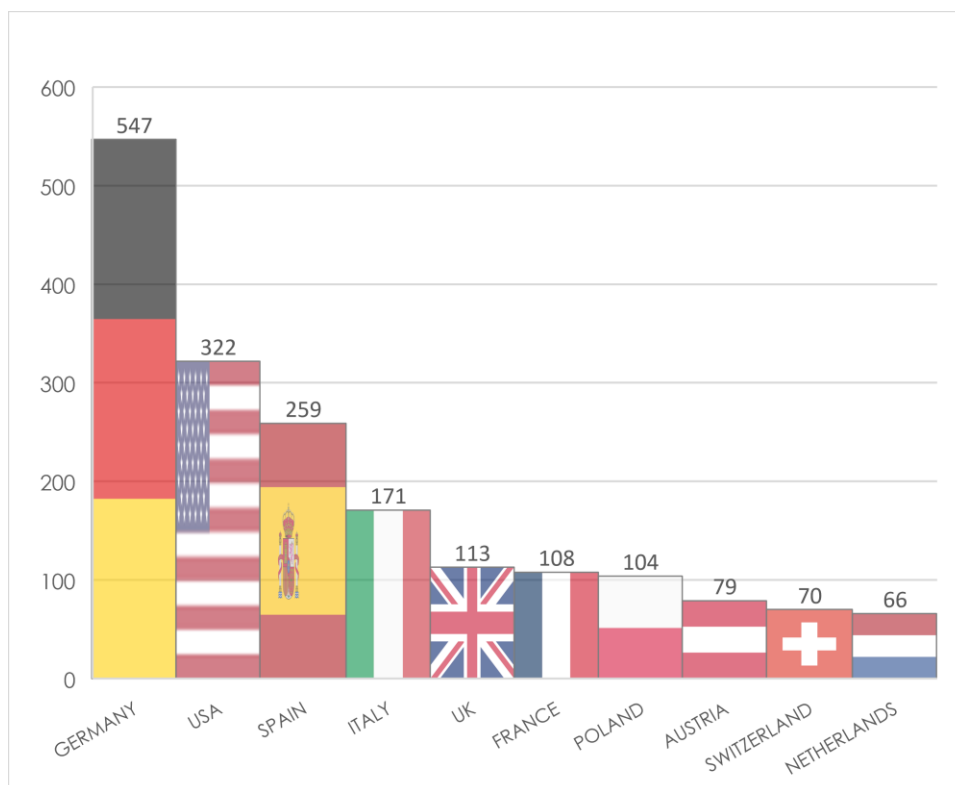


Figure 18. Average ratio of appeals v first instance decisions



**Figure 19. Top 10 appeals per appellant nationality**

### 3.3.1.1 Interactive Collaborative Appeal Management

This 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 2023. It was used for presentations, discussions, training and the continuous update of appeal proceedings-related topics in virtual meetings.

Interactive Collaborative Appeal Management (ICAM) involves professional practice, knowledge, expertise and novel approaches for a bottom-up feedback and possible amendments to appeal proceedings practice. In 2023 it was an efficient platform to discuss the potential improvement of BoA IP Tool workflow issues, bug detection, practicalities that needed to be solved and proposed changes to the BoA RoP. 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 on Preliminary Rulings relating to trade marks, designs, geographical indications (GIs) and other IP rights. The Litigation Service is instrumental for the BoA's guiding function on the Office's practice.

In 2023, 358 new actions were brought before the EU Courts in relation to decisions of the BoA. In total, the Litigation Service dealt with 346 pending actions (as at 31/12/2023) before the EU Courts.

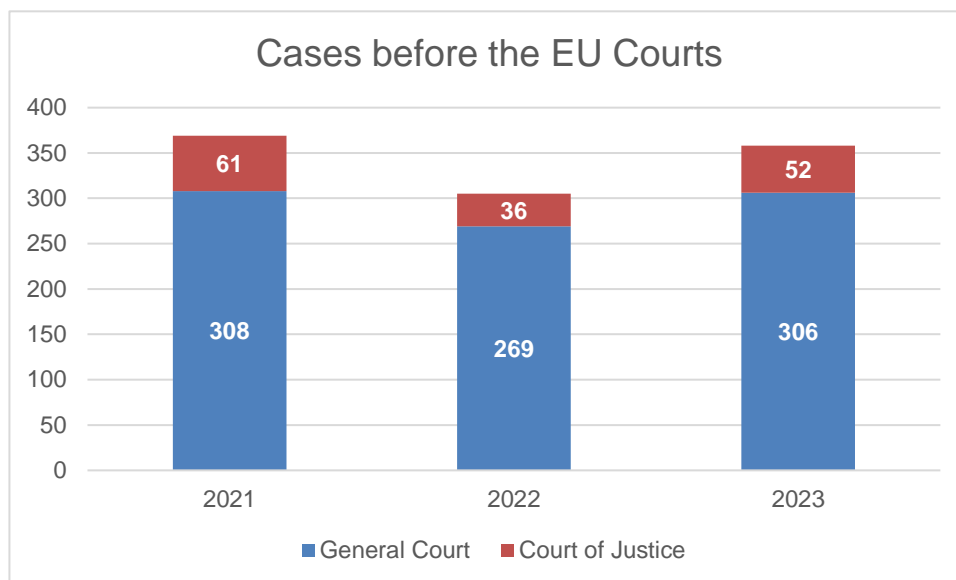


Figure 20. Cases before the EU Courts

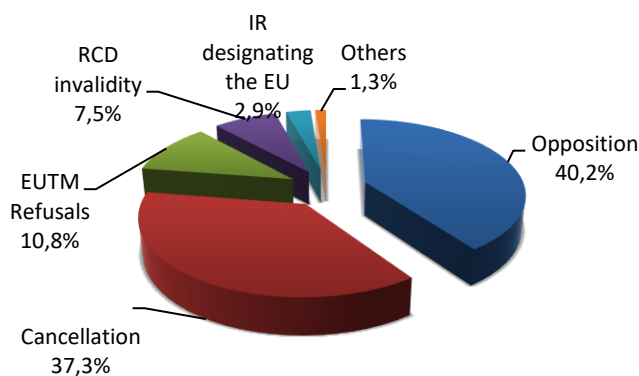


Figure 21. GC cases lodging ratio by type of first instance decision

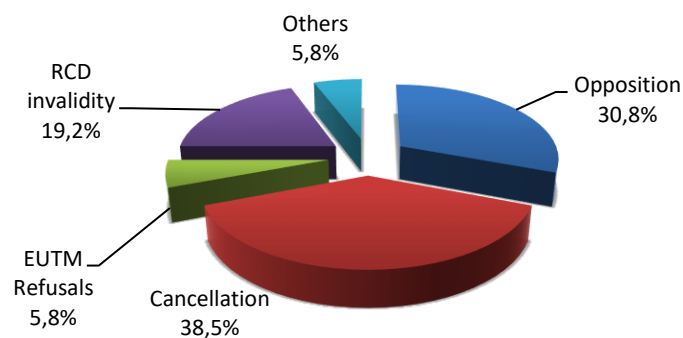


Figure 22. CJ cases lodging ratio by type of first instance decision

The confirmation rates of BoA decisions by the General Court are shown above (see para. 3.2).

The Litigation Service also contributed to four preliminary ruling proceedings before the Court of Justice.

### 3.3.3 Alternative Dispute Resolution Service

Within the BoA, the ADRS provides businesses, including SMEs, an effective complementary means of resolving conflicts with other parties in the area of IP rights. ADR mechanisms, such as mediation and conciliation, are interest-based rather than rights-based processes. These processes are cost-effective, confidential and amicable and, as such, continued to deliver good results for users of the EU IP system during 2023.

Every year users engage in a large number of IP rights conflicts. Notably, *inter partes* appeal proceedings account for 70-75 % of the total number of incoming appeals. Unfortunately, at appeal level, the conflict is already at a late stage, with parties entrenched in their positions. So, even if mediation can be very useful at the EUIPO's second instance, the Office has also verified whether users would engage in mediation in *inter partes* proceedings at its first instance. In this regard, since the pandemic, the BoA set up a specific service for SMEs to cover both first instance (EUTM opposition and cancellation, and RCD invalidity) and second instance (appeals) disputes. This pilot yielded good results for SMEs, providing a business case for expanding the scope of the ADR services, in a phased approach, to include first instance proceedings as well as appeals. This is why the EUIPO Mediation Centre was established on 22 November 2023.

Since 2011, the BoA has offered parties to *inter partes* appeals a range of ADR services such as mediation, conciliation and expert determination. This portfolio of services is complementary to the traditional decision-taking path and reflects the multifaceted nature of the disputes that the parties may face. Moreover, experience has shown that IP is particularly prone to cross-border disputes for which global solutions are necessary, but where traditional litigation tends to encourage confrontations on multiple fronts. Therefore, ADR volumes, limited as they are to cases at appeal stage, have until now remained low despite the large potential for this kind of cost-effective and flexible option.

During 2023, 50 ADR cases were put forward.

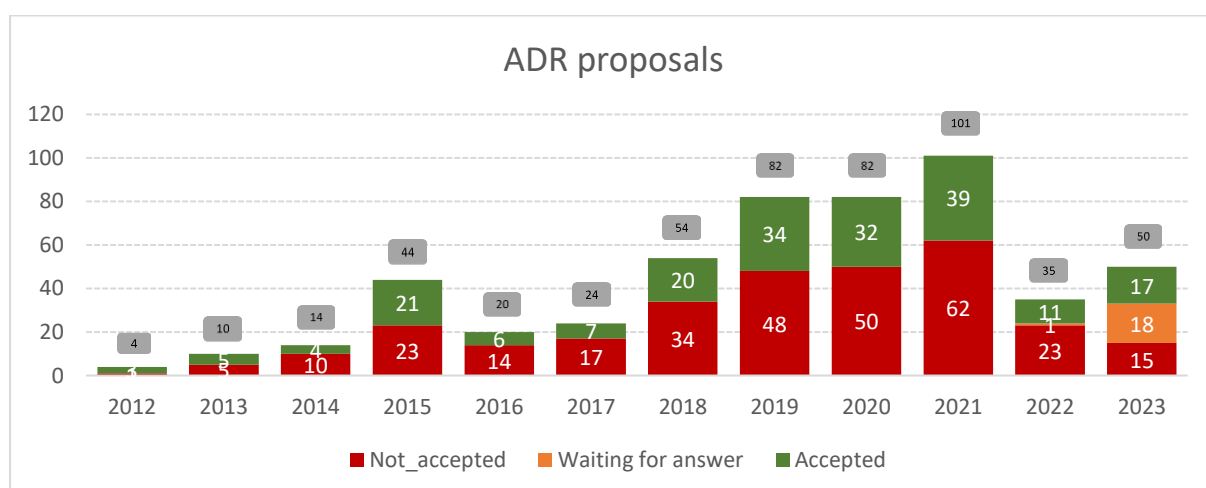


Figure 23. Proposed ADR cases

Due to the reduced timeline applied to appeals, the high level of confirmation rate at the General Court which makes decisions practically final and the challenges to apply alternative dispute resolution at a late stage in the proceedings, the level of ADR cases decreased in 2022. However, it improved again in 2023 to 50 cases. For 2023, the ratio accepted/not accepted was more than 50% (17/16), one of the highest in the last years. There are still some pending cases, but the trend so far is positive.

Overall, when parties agree to solve their dispute through ADR mechanisms, the average settlement rate varies historically around 60-75 %, indicating a notably positive trend.

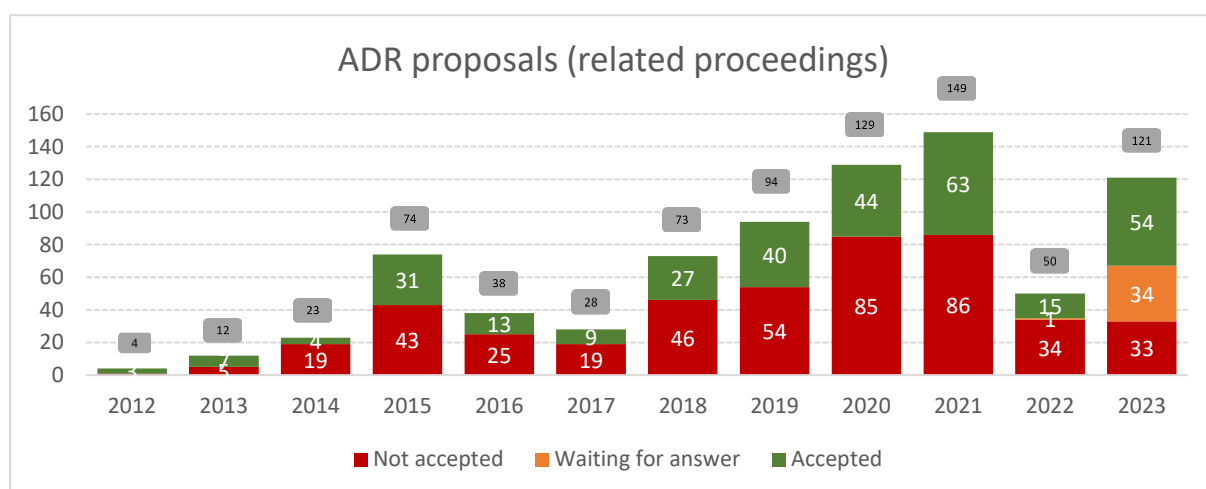


Figure 24. Related proceedings within a mediation

An important aspect is the number of disputes that are in the scope of one ADR: for 2023, the 50 proposals for ADR encompassed 121 different disputes, meaning an average of 2.4 disputes could potentially be solved through one mediation.

Internal EUIPO mediators are the core assets of mediation and the other dispute resolution services that the EUIPO offers. EUIPO mediators are mainly IP experts who have undergone a thorough training in mediation and have been accredited as mediators by organisations with recognised international mediation standards. During 2023, 32 EUIPO staff members completed training leading to mediation accreditation. The accredited mediators should then follow the internal mediator learning and continuous development path to be included on the Office’s mediator roster.

By the end of 2023, the ADRS was coordinating an internal roster of 24 experienced accredited mediators, who can mediate in several EU languages, including, of course, the five working languages of the EUIPO.

### ADR Stakeholder engagement, dissemination and user awareness activities

The ADRS continued to promote and disseminate ADR services during 2023, intensifying their promotion with a variety of stakeholders with a view to expanding the culture of mediation, both within and outside the EU.

Indeed, 2023 was marked by a high number of stakeholder and user activities, in particular focusing on events related to promoting ADR and awareness raising, as well as by the implementation of the strategic programme leading to the establishment of the EUIPO Mediation Centre. Some of the main activities with the ADR networks are described below.

### **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 IPOs 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 2023 SAB Work Plan, approved at the meeting of November 2022, included two main workstreams to be run by a working group:

- **ADR awareness and capacity building**  
The objective of this workstream is to discuss and disseminate initiatives to support ADR awareness actions and training opportunities, with a focus on IP disputes.
- **ADR users' perspective**  
The objective of this workstream is to gather user feedback on the EUIPO Mediation Centre services, such as the online tools.

The SAB met online on 23 March 2023 and held working group meetings to prepare the discussions. Throughout 2023, the BoA continued engaging with the SAB to deliver on all the items in the approved annual work plan.

A 2024 work plan will be proposed based on the needs of the new EUIPO Mediation Centre.

### **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 reach sustainable global settlement agreements;
- to promote the use of mediation using a guidebook for judges to refer IP cases to ADR when appropriate;
- to foster the creation of links between judges who favour the use of mediation.

From 2022 onwards, the Judges Network meetings 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 that gathered judges from all over the EU. This organisation greatly improves the relations of both networks as there is an overlap of around 70 % of the participating judges.



In 2023, the members of the Judges Network met on 23 May and attended the IP Mediation Conference on 19-20 October as part of the activities of this network.

The 2022-2023 bi-annual workplan includes the following activities, which were implemented totally or partially in 2023.

- **Report on enforcement issues relevant to mediated settlement agreements.**
- **Report on the implementation of the checklists.**  
Network members shared their practical experience in using the criteria/checklists in their judicial practice. As proposed in the 2022-23 Work Plan, the practical use of these checklists will be assessed, firstly, through a questionnaire that members fill in, and secondly, in the form of a report on the implementation and practical assessment of the checklist based on the responses received from the judges.
- **Guide on strategies for the use of ADR in court cases.**  
This deliverable is based on the presentations of the strategies applied to the cases that the judges dealt with during the Network meeting. The aim is that this experience will inspire other judges to make use of these strategies, to the benefit of the parties appearing before them. In 2023, an additional two presentations were included in the guide.

Additionally, the IP Judges Network agreed on their 2024-2025 Work Plan.

### **European cooperation – European Cooperation Project 6**

As one of the main pillars supporting ADR initiatives, the Member State intellectual property offices (MS IPOs) have continued to be key stakeholders for cooperation on ADR activities. Within the European Cooperation Projects (ECPs), the cooperation on ADR awareness raising, promotion and training increased under the [ECP6](#), in particular within the sub-working groups on ADR and the EIPIIC, which work on the instruments supporting SMEs.

The ADR-focused initiatives under ECP6 aim to expand the mediation culture, increase stakeholder engagement and build capacity for bespoke ADR services. The 3rd ECP6 sub-working group on ADR meeting discussed initiatives under three action areas: ADR Awareness, Training for IPO Staff and ADR Capacity Building.

Experts from the ECP6 sub-working groups discussed ADR awareness deliverables, launched a communication campaign and improved the ADR brochure. Discussions included social media, dissemination of the IP Mediation Conference and common branding.

In this context, the ADRS held an ADR seminar for MS IPO staff members on 17 May, gathering more than 60 attendees from 17 IPOs.

In support of the awareness raising effort of a number of IPOs, the ADRS participated in the seminars hosted by the State Patent Bureau of Lithuania (30-31 March 2023); the State Intellectual Property Office of the Republic of Croatia (18 April 2023); the Slovenian Intellectual Property Office (9 May 2023); the Industrial Property Office of the Slovak Republic – Mediation Conference and 30 years of Slovak Innovation Ecosystem Anniversary (30 May 2023). The

International Conference was organised on 30 May 2023 by the Industrial Property Office of the Slovak Republic for the broad IP public and in close cooperation with the Boards of Appeal to promote ADR as a beneficial, economical and time-efficient option for solving IP disputes at national and international level. The Boards actively contributed to the Conference's programme.

Throughout 2023, the ADRS also participated and coordinated BoA's participation in numerous activities and events on ADR. The ADRS also spoke at EU-funded training and development activities with a major ADR component (such as CARIFORUM and IP Key SEA II). In addition, the ADRS organised a webinar to promote ADR processes: ['What are we talking about when we talk about 'mediation'?](#) together with the experienced mediator Andrea Hartmann-Piraudeau.

### 3.3.4 Knowledge and Information Support Service

The Knowledge and Information Support Service (KISS) is responsible for subjects like information technology, legal and administrative support, quality performance and risks, and publications on BoA activities. In this respect, KISS is involved in implementing the BoA Action Plan under focus area 1, 'Optimise operational efficiency and effectiveness towards organisational excellence'. KISS is also involved in knowledge development and compiling judgment and decision summaries to create an expert knowledge hub, improving knowledge acquisition, management and sharing (key initiative 5).

In 2023, KISS 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](#). This publication is a comprehensive compilation for users to learn about the 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 2023 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 2023, KISS performed the indexation of 2 852 appeal decisions compared to 2 208 in 2022 (an increase of 29.16 %) to support the functioning of the eSearch Case Law tool. It was also 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 2021-2026 BoA Action Plan's second focus area (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 **Consistency Circles (CCs)** in absolute grounds, relative grounds, goods and services, designs and registry and procedure (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, exchanging ideas and 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 respecting 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), within the Office in the Knowledge Circles, and externally with stakeholders (Key Initiatives 8 and 12).

In 2023, the BoA published eight new case-law research reports aimed at enhancing the consistency and predictability of decision-making, as well as increasing knowledge, awareness and transparency among stakeholders. Several of these reports have been discussed with European IP judges at the Judges Quality Assurance and Legal Practice Panels and with IPOs and user associations at trade mark and design liaison meetings, meetings with EU IPO Appeal Bodies and BoA User Focus Group meetings (see below).

➤ [Boards of Appeal Case-law Research Reports](#)

The CCs have also responded to legal consultations within the Boards, facilitated the Boards' input in ongoing European cooperation programmes, in the annual revision of the Guidelines and drafted amendments to the BoA Rules of Procedure (see below).

## 4.2 Judges' Quality Assurance and Legal Practice Panels

The Judges' Quality Assurance and Legal Practice Panels (J-QALPP) are the BoA's external network of national IP judges from all over the EU. The aim is to involve national judges in a dialogue on trends in trade mark and design decisional practice. The J-QALPP met twice in 2023 (in May and in October) 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.

The J-QALPP meeting is part of the Boards of Appeal's **IP Judges Networks Week**. This includes sessions by IP judges of EUTM and RCD courts on mediation and a case-law seminar. The case-law seminars complement the activities of existing IP judge networks in which recent Boards of Appeal and Grand Board decisions and national court judgments are presented and discussed.

## 4.3 Timeliness of appeal files

The timeliness of appeal files provides indications of the extent to which BoA have respected the delivery of some key aspects of their services. The tables below show the key indicators for both proceedings and decision-making activities during 2023.

Appeal proceedings indicator	% of cases	Service standard (days)	2023
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	2023
<i>Ex parte</i> decisions notified after reception from the Registry	85 %	<6	3.9	Excellence
<i>Inter partes</i> decisions notified after reception from the Registry	85 %	<6	5	Excellence

Actual deliveries are aligned with the level of service corresponding to ‘excellence’.

#### 4.4 Accessibility

The e-Appeal filing system was intensively used in 2023 with an average monthly rate 99% of incoming appeals, reaching 100 % during the second half of the year. It provides a user-friendly way to submit an appeal and is an important tool for SMEs with a very high satisfaction rate.

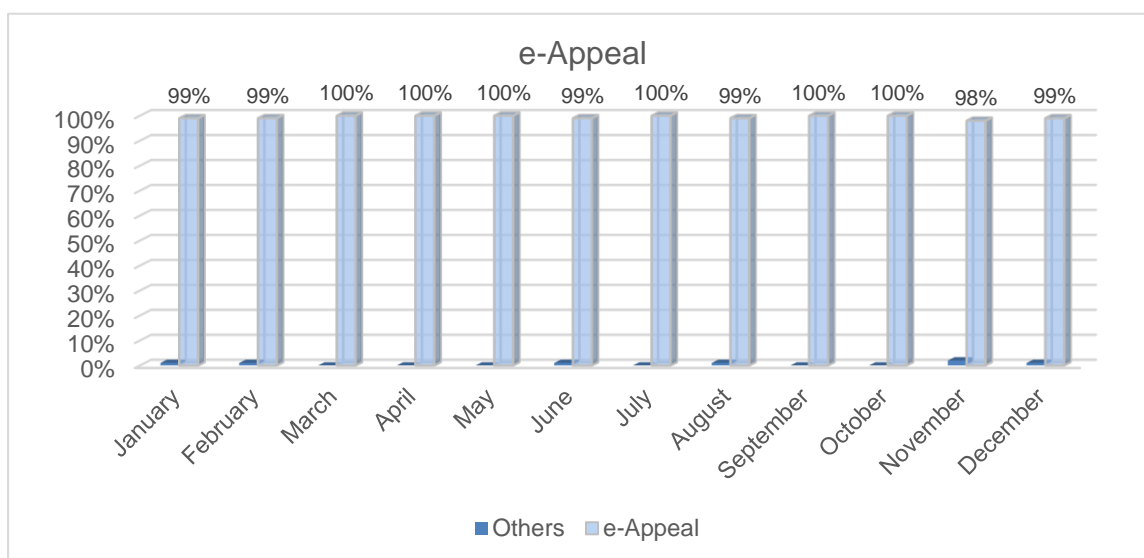


Figure 25. e-Appeal filing rates 2023

#### **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'. All call-back messages passed on to the Registry (120 in total) were answered within the compliance time limit (92 % of which were within the excellence time frame), 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 and 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 2023, the Quality Expert Group members and other key users were involved in preparing and releasing the new BoA IP Tool and the 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 by enabling the automatic incorporation of data from the BoA IP Tool. Moreover, a specific set of hybrid templates was introduced to improve efficiency by enabling draft decisions to use the automatic incorporation of data to easily incorporate the standard paragraphs drafted by KISS and the CCs (see section above).

In 2023, collaborative work between DTD-Boards-Registry-KISS was necessary to adjust change requests and fix issues in the tools. Efforts have been constant throughout the year and have helped avoid blockers that affect the Boards' production (IP Tool – 1 323 issues with a 90 % closing rate; Drafting editor – 115 systemic issues with a 86 % analysed and fixed rate).

### **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 KISS 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 2023, the KISS Quality Reading Team checked 2 020 draft appeal decisions, corresponding to 48 004 pages, compared to 1 993 decisions and 42 802 pages in 2022, which represents an increase of 12.15 % in the total volume of pages. The average number of pages per decision has passed from 21.1 in 2022 to 23.4 in 2023, (i.e. an increase of 10.9 %), and the average number of days to return decisions from the quality reading activity decreased from 9.96 in 2022 to 6.37 in 2023.

## **5. Communication**

### **5.1 Communication Group**

The BoA Communication Group has operated since the lockdown brought about by the COVID-19 pandemic. It supported the Office's COVID-19 communication actions. This later changed to support social activities for BoA staff by organising virtual meetings with an informative but casual tone.

The Communication Group was redesigned and the updated terms of reference were approved at the end of April 2021. The objective was to provide an overview of BoA's communication priorities to 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 efficiently 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 (CS) via the Communication Correspondent and BoA Head of Cabinet.

### **5.2 Communication actions**

The BoA Communication Group was established in 2021 as an initiative to improve internal and external communication. The key information nodes and BoA Communication Group members support regular communication actions by contributing to the newsletter addressed to BoA staff, promoting activities to raise awareness, and creating social content to enhance cooperation, communication and social activities among colleagues.

The group carried out several actions in 2023, including:

- 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 and procedural matters.

In total, 144 CS requests were launched.

## **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 2023, it adopted 17 formal decisions on a wide variety of topics spanning several areas. The following were the most important decisions of the Presidium:

- seven Case-law Research Reports were endorsed for external publication;
- the range of decisions providing for alternative dispute resolution procedures before the Boards of Appeal were entirely revised in response to the opening of the Mediation Centre;
- a revised set of Rules of Procedure were adopted, following extensive consultation with stakeholders, to enter into force on 1 March 2023 (Decision 2023-22);
- a revised decision on the Organisation of the Boards was adopted (Decision 2023-25), amending the procedure to reallocate files between boards;
- a new workflow for the efficient management of Grand Board cases was adopted and will run as a pilot project in 2024.

As always, the Presidium took all the necessary measures to ensure BoA's proper functioning, including the adoption of the 2023 Calendar Year Scheme, 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.

<https://www.euipo.europa.eu/en/protect-ip/law/presidium-of-the-boards-of-appeal>

### **6.2 Rules of procedure**

Following consultations with stakeholders and 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 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 practices 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's 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 concerned included, inter alia, notifications to the parties, oral hearings, the 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 internal and external stakeholders was set up. The Rules of Procedure will be reviewed on a yearly basis, and a new consolidated version will be published on the EUIPO website at the beginning of each year.

In 2023, as part of the new revision cycle, a revised version of the Rules of Procedure was prepared by the Consistency Circle Procedure & Registry, and internal and external consultations were organised to get feedback on the proposed changes. Following these consultation processes, the feedback received was analysed and implemented, and a final revised version of the Rules of Procedure was submitted to the BoA Presidium for adoption. On 12 December 2023, the BoA Presidium adopted the final revised rules, which entered into force on 1 March 2024. The new revision cycle process was presented and discussed with the user associations in the BoA User Focus Group meetings in June and October 2023 and with national judges in the JQALPP meeting in October 2023.

- [Rules of Procedure before the BoA \(RoP\)](#)
- [Rules of Procedure – comparative consolidated version](#)

### 6.3 Data protection

In 2023, the BoA ensured compliance with the legal framework for data protection by mainly focusing on the following.

- **Data breaches** (3 in total) and 1 security incident. All these cases were related to the loss of original data carriers (CDs, USBs) containing proof of use in appeal files. BoA investigated the conditions of the loss, created the relevant data breach records (low risk in all cases) and implemented the DPO's final recommendations, including an immediate awareness email to all BoA Staff (03/04/2023).
- **Mediation and other ADR services:** (i) follow-up of the ADR platform's data protection-friendly configuration before going live, including a full review of the relevant Data Protection Record and Statement (20/11/2023); (ii) review of the data protection aspects of ADRS users' feedback in three different activities via the EUIPO website, MS Teams and the EU Survey (18/05/2023).
- **Unified Quality Check Tool (UQCT):** Revision of all documentation and creation of the new Data Protection Record and Statement on Quality Checks of appeal files by BoA Registry (Final Procedural Check and Review Appeal Closure).



- **ISO 9001 Internal Audit in BoA – B.03 Provide Appeal:** Instant implementation of all follow-up actions, including the revision of all relevant work instructions and data protection documentation, as well as the full update of the Insite BoA Data Protection Section.
- **Further BoA activities with data protection-related issues:** (i) IP Mediation Conference 2023 (revision of registration pages and further documentation), (ii) Inter-Agency Appeal Proceedings Network Survey, (iii) Working Group on FA1\_KI1\_P5 – Support Tools for Oral Hearings, (iv) future use of the Operational Productivity tool for presence calculation in BoA and (v) swift communication with other departments (e.g. OD, FD) to address potential data breaches in files to be marked as confidential.
- **Awareness raising activities:** (i) BoA Staff information session on data protection at BoA (14/06/2023) in cooperation with the DPO, including the clarification of the different tasks of the DPO and DPC, the update on BoA's latest personal data processing operations and the lessons learned from the abovementioned data breaches (see point 1); (ii) inclusion of data protection-related news in the BoA Newsletter; (iii) Data Protection Day 2023, email to BoA Staff on main BoA achievements, DPO / EDPS / Council of Europe / national DPAs related activities (26/01/2023).
- **Cooperation of the BoA DPCs with the DPO and DPC Network:** (i) participation in all DPO-DPC Network meetings and in the Working Group on Data Protection Management in Events (including feedback on the relevant draft Guidelines and BoA's practice); (ii) responses to DPO requests, including the Customer Satisfaction Survey follow-up actions related to data protection (update of the EUIPO website on BoA-related sections) and feedback to EUIPO IT-Applications Catalogue, and; (iii) participation in all relevant training sessions and events (Lunchtime Conference - Tips and Tricks to Protect your Privacy Online; EU institutions' DPO Network Meeting; ISO 9001/10002 internal audit theory and techniques; awareness sessions on Data Protection Risk Management).

## 7. External Relations

### 7.1 Cooperation with international institutions and other appeal bodies

#### 7.1.1 Cooperation with the BoA Registry of the European Patent Office

A videoconference with the Registry of the Boards of Appeal of the EPO took place in October with the aim of continuing the regular, fruitful exchange of information on practices and enhancing the interaction between the two Registries. During this meeting, a number of topics common to both Registries were discussed and benchmarked, such as the results of the key performance indicators, statistical information, mutual updates on organisational matters, a live demo on the BoA IP Tool and round-table discussions sharing experiences.

#### 7.1.2 Inter-agency cooperation

The Inter-Agency Appeal Proceedings Network (IAAPN) was established to promote cooperation, the coordination of activities and sharing of knowledge and best practices on

appeal proceeding issues of common interest among the EU Agencies' appeal bodies. In 2023, BoA led the Working Group on the 2023 Scoreboard and actively participated in other initiatives of the IAAPN 2023 Work Programme. These initiatives focused on the quality management of appeals and measurement of decision-making quality, (harmonisation of terminology used in appeal proceedings and inter-connections between the EU Agencies' appeal bodies and other bodies of their agencies. The outcomes of all these activities were presented and discussed with appeal bodies in the IAAPN annual meeting on 30 November 2023 in Helsinki.

### **7.1.3 Meetings with the World Intellectual Property Organization**

As part of the cooperation between the Office's BoA and WIPO, several technical meetings were held in 2023. The Boards of Appeal together with the WIPO Judicial Institute co-organised workshops on the judicial review of trade mark registrability in Albania in September and in Kazakhstan in November for IP experts and IP judges.

### **7.1.4 Bilateral cooperation with the TM5/ID5 appeal bodies**

In 2023, the BoA continued its close cooperation with the TM5/ID5 appeal bodies, meeting online in January with the Trademark Trial and Appeal Board of the USPTO and the Trial and Appeal Department of the JPO, and in June, with the Trial and Appeal Boards of the Korean Intellectual Property Office. At these meetings, the 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.

### **7.1.5 Meetings with the Shanghai Commercial Mediation Center (SCMC) and the Shanghai Intellectual Property Administration (SIPA)**

During the two meetings that took place in 2023 (7 July, 17 October) the SIPA, SCMC and EUIPO Boards of Appeal had the opportunity to share information about recent developments and discuss areas of mutual interest in which further cooperation might be possible and beneficial for users. The potential areas of cooperation identified were awareness raising and promotion of ADR within the field of IP.

## **7.2 Cooperation with national IPOs and their appeal bodies**

### **7.2.1 European cooperation and convergence projects**

#### **European cooperation projects**

The 2020-2025 ECPs were launched in September 2020. In 2023, BoA representatives were actively engaged in the following ECP 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.
- CP15: comparison of goods and services: Workstream 1: Treatment of terms lacking clarity and precision, and Workstream 2: Common interpretation of Canon criteria and other factors.
- ECP5 sustainability of the network: support on project and quality management development and emerging technologies incubator.
- ECP6 supporting SMEs: sub-working groups on ADR and the 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 Article 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 that more time for discussion should be allowed on the mechanism and scope of these supportive instruments at this stage, and on how these 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 set-up of the services are not included within the scope of ECP6.

The sub-working groups' objective is to develop concrete proposals in their respective areas of competence to be presented to the entire ECP6 working group. BoA participates in two of the newly created sub-working groups: the **sub-working group on outreach and information** that includes the EU IP Information Centre; and the **sub-working group on alternative dispute resolution** that includes ADR services. Work continued at a quick pace with a lot of commitment by the sub-working group members throughout 2023. All the objectives for technical deliverables were achieved.

BoA contributed to all the abovementioned projects with its expertise and knowledge to the specialist analysis and discussions conducted in the context of the projects. Furthermore, the Boards were intensively involved in developing common practices for convergence projects CP13, CP14 and CP15. BoA brings a particular perspective and expertise to the working groups due to their guiding role on Office practices.

## 7.2.2 SME programme and other SP2025 initiatives

BoA staff participated in several projects as members of the working groups under the SME programme (e.g. the IP PreDiagnostic group). Additionally, as mentioned above, BoA has contributed to other projects, such as the ECP6 supporting SMEs project, particularly in the ADR and EU Information Centre initiatives.

### 7.2.3 EU national IPOs

Over the past few years, BoA have developed strong ties with the EU national IPOs and their appeal bodies. The Boards regularly visit the national offices and participate in the regional IP events (conferences, seminars, workshops) they organise. In 2023, the Boards co-organised 22 regional seminars for IP users or IP judges with the national IPOs, in which it presented and discussed recent BoA case-law, important aspects of appeal proceedings, the key initiatives launched for developing coherent and consistent trade mark and design decisional practice, the 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.

In September 2023, the Boards organised a first meeting of the Appeal Bodies of the EU IPOs in which the Appeal Bodies network was established. Representatives of the internal and external Appeal Bodies of national IPOs discussed the latest development in trade mark practice and shared practices and experience. Furthermore, a short overview of the ongoing legal reforms on GIs, designs and patents was presented.

### 7.2.4 Non-EU national IPOs

Since 2019, BoA has established close cooperation with the Singapore Intellectual Property Office. In 2023, preparations for the meeting to be held in January 2024 began.

#### 7.2.4.1 Cooperation under the EU-funded projects

##### EU-Georgia Intellectual Property Project

BoA actively participated in various events and activities related to the Georgia EU-funded project, including contributing to the Sakpatenti study. The study was concluded in 2023.

##### Other EU-funded projects

BoA's ADRS participated in two workshops on ADR for ARISE+ and IPKey Latin America. The Boards also participated as guest speakers in the event organised by the EU-funded projects.

## 8. Events and Conferences

### 8.1 The 2023 IP Mediation Conference

The main ADR event held in the Office during 2023 was the biannual IP Mediation Conference. On the 19 and 20 October 2023, the EUIPO hosted the 4th international [IP Mediation Conference](#) (IPMC). Following an online-only event in 2021, the IPMC was held in person in Alicante in 2023, as well as online. There were well over 200 face-to-face participants and more than 500 online participants. In total, the IPMC hosted more than 700 participants from more than 60 countries.

Some of the leading experts in ADR from all over the world led and participated in the

Conference sessions. With 13 sessions, attendees were able to delve into four key aspects of mediation and other ADR mechanisms in the field of IP, including policy development in the EU and beyond, practical experiences of mediation from different perspectives and, looking to the future, a review of technology and artificial intelligence in ADR. The IPMC fostered discussion, interaction, and networking between experts from national and international institutions, private practice, accreditation providers, academia and the EUIPO staff, and provided all the participants with a unique insight into the growing world of IP mediation and ADR. A content-rich [programme](#) focusing on IP mediation, post-session networking, and fruitful debates ensured a very good response from participants.

The Executive Director of the EUIPO announced the upcoming launch of the Mediation Centre at 2023's conference.

## 8.2 EUIPO Mediation Centre launch

As announced during the IP Mediation Conference held on 19-20 October, the EUIPO officially launched its [Mediation Centre](#) on 22 November 2023. The launch took place in the context of the meetings of the governing bodies of the Office, the Management Board and Budget Committee (MB/BC) and was supported by an ample media campaign.

Based on Article 170 of the EUTMR, the establishment of the Mediation Centre marks a key milestone in the development of ADR services at the EUIPO and its growing importance in the wider IP landscape. The aim of the Mediation Centre is to provide users with complementary, voluntary, confidential and accessible dispute resolution options to enable them to choose the most appropriate avenue in the event of an IP dispute. In addition, it will assist users and businesses in managing their IP rights and, in particular, finding and securing mutually acceptable amicable solutions to IP rights disputes.

The launch campaign generated more than 100 published articles in Belgium, France, Germany, Italy, Poland, Spain and the United Kingdom, as well as in Jordan, Switzerland and the United States. News items were also published through the main EUIPO channels, such as the [EUIPO website](#) and the [EUIPO X \(Twitter\) account](#).

## 8.3 BoA User Focus Group meetings

In a unique collaborative atmosphere, the Boards of Appeal held the first ever User Focus Group meeting on 16 June 2023 and a second meeting on 26 October. These groundbreaking events were chaired by the President of the Boards and, in addition to the BoA Chairpersons and Heads of Service, 22 representatives from 15 user associations attended the events at the EUIPO premises in Alicante. The comments received were very much appreciated and provided food for thought for the continuous improvement of advanced customer-centric services and effective and simplified working practices. Within the framework of the BoA Action Plan, these regular meetings are expected to be held twice a year to facilitate and foster a common understanding of intellectual property dispute resolution practices and to reinforce a continuous dialogue between BoA and the user associations. User feedback is of utmost importance and relevance for the Boards of Appeal to be able to grow and continue to offer high-quality, effective, efficient, coherent and modern services.

## **9. BoA Studies and Expert Opinions**

### **9.1 BoA Studies**

BoA traditionally commissions a study each year. The purpose of these studies is to provide information and facilitate understanding of current market realities and the legal and economic regulations and practices on specific issues especially where a knowledge gap is identified. These studies produce benefits not only for BoA decision takers but also for stakeholders who may wish to expand their knowledge and understanding on specific IP matters.

In 2023, two studies were concluded. The first one concerned International Nonproprietary Names (INNs) and pharmaceutical trade marks, and explored whether – and to what extent – trade mark applications identical or similar to INNs should be rejected as being descriptive and/or lacking distinctive character, and what their weight in opposition or invalidity cases might be, taking into account: how the INNs system works, what the legal and economic factors at stake are, the level of proximity between INNs and trade marks that industry considers problematic, and the practices in other IPOs are. The study is currently in the reporting phase.

The second study concerns the External Appeal Bodies of the MS and EEA Members and explores how to clearly identify and improve access to information on the appeal bodies that are not part of the IPOs. The study is currently in the reporting phase.

### **9.2 Expert opinions**

The BoA 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 system, which has not yet been adequately addressed by legal doctrine, namely, the legal value of evidence provided by blockchain systems. This expert opinion provided the Boards with an analysis of the different rules, which might be applicable to blockchain applications.

## **10. Challenges**

### **10.1 The 2021-2026 BoA Action Plan**

In 2023, the different phases of the projects of the [2021-2026 BoA Action Plan](#) adopted by the Presidium were successfully implemented according to the plan. The level of BoA Staff engagement was very high and several projects became operational after the pilot project had been completed, such as the revision cycle of the Rules of Procedure, the Analysis of judgments and the Network of Appeal Bodies of the MS already mentioned. In 2024, the Action Plan will need to be aligned to the proposals of the new Strategic Plan 2030 and the finalisation of the Strategic Plan 2025, which will affect the four ADR-related projects in focus area 4 and the e-Search Case Law project.

### **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 the coherence and consistency of IP practice a matter of paramount importance. BoA intends to invest a large amount of its resources into achieving more coherent and consistent IP practices, through the Consistency Circles, early active case management, General Consistency meetings, Judgments Analysis meetings and – above all – the Grand Board whose decisions are binding on all the Office’s decision-making instances. Ensuring that an increased number of appropriate cases are referred to the Grand Board’s nine members, as the law provides, while continuing to deliver high-quality output, is one of the challenges that the Boards are determined to successfully tackle in the coming years.

### **10.3 BoA IP Tool go-live**

2023 was the real test for the BoA IP Tool. The Boards of Appeal had to put the training they had received to use and prove their capacity to adapt to cope with all the new appeals coming in while at the same time rendering as many decisions as possible. The Boards (all services combined) faced some critical situations but gracefully emerged thanks to continuous monitoring and following up on issues. Deep analysis and prioritisation exercises helped develop better and quicker problem-solving skills, which were supported by DTD’s dedicated assistance. Finally, after more than a hundred change requests, a thousand incidences and more than a hundred thousand tasks closed by BoA staff, the backlog of Registry tasks became non-existent and there was an increase in the number of decisions delivered. Moreover, joint efforts led to some remarkable statistics, which were confirmed by the excellence levels of the KPIs at the end of the year.

### **10.4 e-Statement of Grounds**

The e-SoG is closely linked to developing and delivering the BoA IP Tool project and its level of dependency vis-à-vis the latter is high.

Development is on track and first delivery is planned for June 2024 once the requirements are set.