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ELIGIBILITY CRITERIA FOR REDUCTIONS IN PCT FEES;
PROPOSED AMENDMENT OF THE SCHEDULE OF FEES
ANNEXED TO THE PCT REGULATIONS

Document prepared by the International Bureau

SUMMARY

1. This document outlines a number of options for determining eligibility for reductions in PCT fees. A proposal is made for implementation of a recommended option, based on biennially reviewed lists of States which meet criteria based on conditions regularly updated by an independent body.

BACKGROUND

2. During its thirty-sixth session, held in Geneva in September/October 2007, the Assembly discussed proposals for amendments to the Schedule of Fees under the PCT submitted by the United States of America and Japan (document PCT/A/36/11) and by Brazil (document PCT/A/36/12). Summarizing the results of informal consultations, the Chair stated, *inter alia*, that during those consultations “there had been agreement among delegations to request the International Bureau to carry out a study on the eligibility criteria for determining the group of developing and least developed countries whose applicants should benefit from a reduction of PCT fees and to present that study to the next session of the PCT Assembly in September-October 2008” (document PCT/A/36/13, paragraph 62).

3. During its thirty-seventh session, held in Geneva in March 2008, the Assembly approved a 5% reduction in the international filing fee, as well as certain amendments of the Schedule of Fees which resulted in an increase from 75% to 90% in the reduction available to applicants from certain States and an extension of the reduction to make it available, pending a decision by the PCT Assembly on the eligibility criteria specified in sub-paragraph 4(a) of the Schedule of Fees under the PCT, to applicants from Antigua and Barbuda, Bahrain, Barbados, Libyan Arab Jamahiriya, Oman, Seychelles, Singapore, Trinidad and Tobago and the United Arab Emirates (document PCT/A/37/2).

ELIGIBILITY CRITERIA FOR REDUCTIONS IN PCT FEES

4. In the spirit of the proposals discussed during the thirty-sixth session of the Assembly, the eligibility criteria should give a broad range of applicants from least developed countries and developing countries the benefit of fee reductions. Such a reduction would contribute to increased access to the PCT system by applicants from those countries.

5. Following the amendments to the Schedule of Fees under the PCT outlined in paragraph 3, above, the Schedule of Fees currently in force provides for a 90% reduction in the international filing fee and the handling fee for Chapter II of the PCT if the international application is filed by an applicant who is a natural person and who is a national of and resides in a State whose per capita Gross National Income (GNI) used by the United Nations for determining its scale of assessments for the contributions payable for the period 1995-1997 was below 3,000 United States dollars[1], using GNI figures from the National Accounts Statistics database maintained by the United Nations Statistics Division (UNSD) (*unstats.un.org/unsd/snaama/Introduction.asp*) or, pending a decision by the PCT Assembly on the eligibility criteria, one of the States listed in paragraph 3, above. The 90% reduction is also applied to any international application filed by an applicant, natural person or not, from a country classified as a least developed country by the United Nations (*www.un.org/special-rep/ohrlls/ldc/list.htm*). If there is more than one applicant, all of them must satisfy the criteria above.

6. According to the present criteria, applicants from 152 States may be eligible for the fee reduction, including the 9 countries listed in paragraph 3 above. This number is greater than the number of PCT Contracting States because an applicant from a non-Contracting State may be co-applicant with an applicant from a Contracting State. In 2007, applicants from the eligible countries filed a total of 10,409 international applications, of which 3,330 were by natural persons or by applicants from least developed countries and were therefore eligible for the reduction. The resulting fee reductions amounted to approximately 4.47 million Swiss francs or 1.9% of the PCT income of the International Bureau.

7. Since the present criteria (except for the inclusion of the 9 countries listed in paragraph 3, above) were established in 1998, the figure of $3,000 per capita GNI has been surpassed by many countries. This is partly due to international inflation, but also due to economic progress in many countries.

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1 All sums in this document are listed in United States dollars ($).

OVERVIEW OF OPTIONS

8. This document discusses a number of different methods that might be used for setting updated eligibility criteria for PCT fee reductions. It considers three methods for setting eligibility criteria:

(a) criteria based on income or other economic indicators of development used by multilateral organizations for the purposes of assessing development assistance needs;

(b) criteria based on the size of a country, reasoned by size of economy, taking into account that smaller countries have fewer opportunities to benefit from economies of scale and therefore may have greater needs for assistance; and

(c) other criteria, such as membership of the Group of 77 or other developing country organizations.

9. Of these options, the third requires little analysis since the list of qualifying countries depends entirely on the criteria chosen for membership in the group or organization concerned, which may not necessarily reflect the economic conditions and needs of the qualifying countries, but rather may be based on political, historical or geographical considerations, and thus may result in some high-income countries qualifying and low-income countries being excluded. No further analysis of this option is presented in this paper.

INCOME-BASED CRITERIA

10. One option for setting new income-based criteria would be to take the figure of $3,000 used in the present Schedule of Fees and to update it to a 2008 equivalent, based on average inflation rates and economic growth rates across the relevant countries. However, such a method would appear rather arbitrary, and so this document discusses other options that may be more objective.

11. Noting that there is no universally recognized method for classifying countries according to their per capita national income figures, different methodologies and thresholds are used by multilateral organizations, such as the World Bank and the Organization for Economic Co-operation and Development (OECD), for the purpose of aid and development programs. These classification methods might be used as a reference point when establishing possible PCT fee reduction criteria.

12. The World Bank’s analytical income categories (low, middle, high income) are based on the World Bank’s operational lending categories (civil works preferences, International Development Association eligibility, etc.). These operational lending categories were established three decades ago, based on the view that lower-income countries deserve better conditions from the World Bank.

13. The process of setting per capita income thresholds started with finding a stable relationship between a summary measure of wellbeing, such as poverty incidence and infant mortality, on the one hand, and economic variables, including per capita GNI estimated based on the World Bank’s Atlas method, on the other. Based on such a relationship and the annual availability of the Bank’s resources, the original per capita income thresholds were established. Thereafter, the original thresholds have been updated every year to incorporate the effect of international inflation.

14. Under the World Bank's present classification system, economies are divided according to 2006 per capita GNI, converted to United States dollars using the World Bank Atlas method. The groups are: low income ($905 or less); lower middle income ($906-$3,595); upper middle income ($3,596-$11,115); and high income ($11,116 or more).

15. For the purpose of the Official Development Assistance (ODA) programs operated by the OECD, countries are classified into four groups, using per capita GNI figures in 2004: least developed countries (established by the United Nations); low income ($825 or less); lower middle income ($826-$3,255); and upper middle income ($3,256-$10,065). The list of recipients of ODA programs is reviewed every three years.

16. The list established by the OECD is slightly different from that by the World Bank, due to the use of different data sources and time periods as the basis of classification. There is, however, a high degree of correlation between the list of countries currently eligible for the PCT fee reductions and the lists established by both the World Bank and the OECD. Among the 152 countries currently eligible for the PCT fee reduction, 144 countries are, or would be[2], classified by the World Bank as low income, low middle income or upper middle income countries. Eight countries are in the high income category. On the other hand, 3 countries that are not currently eligible for the PCT fee reduction are classified as low middle income or upper middle income countries under the World Bank's classification system. The World Bank classification system provides the advantage that countries are organized into groups and that the criteria are updated at regular intervals. Because of these advantages and the similarities to the present criteria, there are advantages to using the World Bank classification system as a reference for PCT fee reduction criteria.

17. The table below shows the number of PCT applications filed in 2007 by applicants from countries classified according to the World Bank system.

Group	***PCT applications filed in 2007***	***PCT applications filed by individual applicants***
Least developed countries	6	6
Other low income countries (World Bank)	913	195
Other low middle income countries (World Bank)	5,834	1,673
Other upper middle income countries (World Bank)	2,753	1,357
High income countries (World Bank)	148,580	12,695
Total	158,086	15,926

[2] Tuvalu and Nauru are not included in the World Bank's official categorization, but using their methodology would be classified as lower middle income and upper middle income respectively, and are treated in this description as if they were included as such.

18. The World Bank classification system could simply be used as a direct reference for establishing the PCT fee reduction eligibility criteria: applicants who are natural persons from countries classified by the World Bank as low income, low middle income and upper middle income would benefit from the PCT fee reduction. This would bring the number of eligible countries to 147: of the currently eligible 152 States, 8 countries which, according to the World Bank criteria, are classified as “high income” countries (Antigua and Barbuda, Bahrain, Barbados, Czech Republic, Estonia, Singapore, Trinidad and Tobago and United Arab Emirates) would no longer be eligible, whereas 3 countries (Nauru, Palau and Suriname) which are not currently eligible would become eligible.

19. Using the World Bank classification system as a direct reference for establishing the PCT fee reduction eligibility criteria would not, however, take into consideration the fact that applicants from some countries which recently, as the result of economic development, moved to the “high income” group, may still need assistance for filing international applications for a period of time. It would thus appear more appropriate to apply the World Bank classification criteria not based on the per capita GNI figures for the most recent one year period but rather based on the average per capita GNI figures for a longer period of time, say, a four-year average, thus leaving a “buffer zone” for “countries in transition” to qualify for the PCT fee reduction. For example, applying the current threshold of the World Bank’s “high income” classification ($11,116) to the 2003-2006 average per capita GNI figures according to UN statistics, 152 countries would be eligible for the PCT fee reduction: of the currently eligible 152 States, 3 countries (Bahrain, Singapore and United Arab Emirates) would no longer be eligible, whereas 3 countries (Nauru, Palau and Suriname) which are not currently eligible would become eligible.

20. It has to be noted, however, that, even with such a “buffer zone”, if the income-based criterion is used as the sole criterion for determining eligibility for PCT fee reductions, some countries in transition would, perhaps in a relatively short period of time, lose their eligibility, even though it might be argued that, despite having reached a relatively high average income, the economies of those States might be more fragile than others where incomes were comparable and consequently it might still be appropriate to offer assistance for individuals filing international applications.

SIZE-BASED CRITERIA

21. During the thirty-sixth session of the Assembly, some delegations expressed the view that smaller countries had less opportunity to take advantage of economies of scale, and that therefore the size of a country should be taken into account in determining whether a country should be eligible for PCT fee reductions.

22. One possibility could thus be to take the size of a country into account, where the country size is determined by, for example, size of the economy.

23. In this context, it has been suggested that the group of countries which, based on the size of their economies, should be eligible for PCT fee reductions might be determined by reference to definitions established in other contexts, for example, definitions of distinct groups of developing countries recognized by the United Nations, such as the group of “Landlocked Developing Countries (LLDCs)” and the group of “Small Island Developing States (SIDS)” (in addition to the group of “Least Developed Countries (LDCs)”) (see the homepage of the “UN Office of the High Representative for the Least Developed Countries, Landlocked Developing Countries and Small Island Developing States” at

www.unohrlls.org/en/home/), or by reference to the group of "small, vulnerable economies (SVE)" recognized in the context of the World Trade Organization's Non-Agricultural Market Access (NAMA) negotiations (a "small, vulnerable economy" being defined as an economy that has a share of less than 0.1% of the world NAMA trade for the reference period of 1999 to 2001; see WTO document TN/MA/S/18 "Shares of WTO Members in World Non-Agricultural Trade 1999-2004", available at: docsonline.wto.org/DDFDocuments/t/tn/ma/S18.doc).

24. As regards the suggestion to rely on the WTO/NAMA definition of "small, vulnerable economies", it has to be noted that the figures of shares in world non-agricultural trade, which form the basis for that definition, are collected and available only in respect of WTO Members, so that it would not be possible to classify all States whose applicants could potentially benefit from PCT fee reductions accordingly, noting that some of those States are not members of the WTO. However, that problem could be overcome by setting the threshold not according to shares of States in world non-agricultural trade but instead according to shares of States in the world's total GDP, for example, by granting fee reductions to applicants who are national persons and reside in a State whose national GDP, according to the most recent four year average GDP figures published by the United Nations, is less than 0.1% of the world's total GDP.

25. More generally, however, while a size-based criterion could be applied, it would appear problematic to rely solely on a size-based criterion for determining the eligibility for PCT fee reductions, noting that this would result in some large but low-income countries being excluded from the fee reductions while some small countries with very high incomes and strong economies would be included. For example, among the group of "Small Island Developing States (SIDS)", there are a number of countries which have a per capita GNI which is far beyond the current threshold of the World Bank's "high income" classification ($11,116) but who would benefit from the fee reduction if belonging to the group of "Small Island Developing States" would be the sole criterion. In addition, some of the extremely small countries are, per capita, amongst the richest nations in the world despite the fact that their total economies may make up less than 0.1% of the total world GDP.

COMBINATION OF INCOME-BASED AND SIZE-BASED CRITERIA

26. Noting the pros and cons of purely income-based and purely size-based criteria as outlined above, it would appear that a mix of the two would present the most fair set of criteria. Used as the basic criterion, the income-based criterion outlined in paragraph 19, above (applying the current threshold of the World Bank's "high income" classification ($11,116) to the 2003-2006 average per capita GNI figures according to UN statistics) would offer both an independently-established set of criteria for classifying income levels of States, together with a mechanism for easing transition into the high income category and smoothing fluctuations based on short-term differences in exchange rates by taking a four-year average instead of only the most recent income figures. In order to address concerns about income being the sole criterion, it would appear appropriate to also apply a size-based criterion, in addition to and after the income-based criterion. That size-based criterion could be used to increase the income-based threshold ($11,116) for States eligible based on the size-criterion by 50%, the result being that some (relatively) high-income but small countries could qualify based on the income-based and the size-based criteria, in addition to the countries which qualify solely on the basis of the income-based criterion. To that end, it would appear to be most fair to apply as the size-based criterion the criterion set out in paragraph 25, above, that is, by setting the threshold according to shares of States in the world's total GDP.

27. The main effect of the proposed introduction of the size-based criterion set out in paragraph 25, above, in addition to the income-based criterion, would be that a number of small States (mainly small island States) whose average incomes are presently very close to the World Bank definition of “high” income (and who would thus soon lose their eligibility for the fee reduction if income were the only criterion) would retain their eligibility for many years to come, until their average incomes had grown to be more than 50% above the World Bank “high” income category and/or their economy more than 0.1% of total world GDP, at which point they should no longer be considered vulnerable. Furthermore, an immediate effect would be that three further States (Bahrain, Malta and Slovenia) would become eligible for the fee reduction, in addition to those eligible based on the income-based criterion only (see paragraph 19, above).

PROPOSAL

28. It is thus proposed that an international application should benefit from the 90% fee reduction if it is filed by an applicant who meets any one of the following criteria:

(a) a natural person who is a national of and resides in a State that is listed as being a State whose per capita national income is below the threshold used by the World Bank for establishing the “high income” category (according to the most recent four year average per capita national income figures published by the United Nations) *[under this criterion, 152 States would currently qualify]*; or

(b) a natural person who is a national of and resides in a State that is listed as being a State whose per capita national income is not more than 50% above the threshold used by the World Bank for establishing the “high income” category (according to the most recent four year average per capita national income figures published by the United Nations) and whose gross domestic product is less than 0.1% of the world total gross domestic product (according to the most recent four year average gross domestic product figures published by the United Nations) *[under this criterion, 122 States would currently qualify, of which 3 do not fall into category (a)]*; or

(c) a natural person or legal entity, who is a national of and resides in a State that is listed as being classified by the United Nations as a least developed country *[under this criterion, which is the same as under item 4(b) of the present Schedule of Fees, 50 States would currently qualify]*.

29. The full list of States which would qualify under either criterion (a), (b) or (c) (or on the basis of more than one of those criteria) can be seen by the corresponding indication “(a)”, “(b)” and/or “(c)” in the third column of the table appearing in Annex I.

30. To reflect the changing economic conditions in States, it is proposed that the lists of qualifying countries in each group (see paragraph 28(a), (b) and (c)) should be updated biennially by the International Bureau in accordance with directives to be given by the Assembly (similar to directives given by the Assembly for the establishment of new amounts of certain PCT fees established in currencies other than Swiss francs in case of changes in the exchange rates between the currencies concerned (PCT Rules 15.2(d) and 16.1(d)). Revised lists would be made available to States based on the relevant figures as they apply at the opening day of each ordinary session of the PCT Assembly and, subject to correction of errors in fact, the new list would come into effect from January 1 the following year. This would

give clarity to applicants and receiving Offices as to which applicants were eligible for the reductions and would also give up to 2 years additional eligibility for reductions to ease transition for applicants from States whose status, average income or total size of economy grows beyond any of the eligible categories.

31. A specific proposal for implementing this option, in the form of a draft amended Schedule of Fees, is set out in Annex II, together with associated draft directives set out in Annex III. The draft directives also include a mechanism whereby, if a State does not qualify for the reduction but new figures become available in-between ordinary sessions of the Assembly which show that it has become eligible, for example because its per capita income has fallen, that State may apply to be included in the list without waiting until the next ordinary session of the Assembly (whereas States whose per capita incomes rise will retain the benefit of the reduction until the next normal updating of the list).

32. As to the entry into force of the amended Schedule of Fees, it is proposed that the amendments of the Schedule of Fees set out in Annex II shall enter into force on January 1, 2009, and be subject to the usual provisions concerning the amount payable where the amount of a fee has changed (Rule 15.4 with regard to the international filing fee: payable is the amount applicable on the date of receipt of the international application by the receiving Office; Rule 45*bis*.2(c) with regard to the supplementary search handling fee: payable is the amount applicable on the date on which the supplementary search handling fee is paid; and Rule 57.3(d) with regard to the handling fee under Chapter II: payable is the amount applicable on the date on which the handling fee is paid). Consequently, the reductions would apply as follows:

(a) In the case of reductions to the international filing fee, the new reductions would apply to any international application received by the receiving Office on or after January 1, 2009. The old reductions would continue to apply to any international application received before that date, irrespective of what international filing date might later be given to such application (Rule 15.4).

(b) In the case of reductions to the handling fee and the supplementary search handling fee, the new reductions would apply to any international application in respect of which the fee was paid on or after January 1, 2009, irrespective of when the request for supplementary international search or the demand for international preliminary examination, respectively, was submitted (Rules 45*bis*.2(c) and 57.3(d)).

33. The Assembly is invited:

(i) to consider the options for eligibility criteria for fee reductions presented in this document;

(ii) to adopt the proposed amendments of the Schedule of Fees annexed to the Regulations under the PCT appearing in Annex II;

(iii) to decide that those amendments shall enter into force on January 1, 2009, in accordance with the transitional arrangements set out in paragraph 32, above;

(iv) to adopt the proposed directives of the Assembly relating to the updating of the lists of states meeting the criteria for reduction of certain PCT fees appearing in Annex III; and

(v) to decide that those directives shall enter into force on January 1, 2009.

[Annexes follow]

ANNEX I

COUNTRY PROFILES

Country	Current PCT fee reduction (July 2008)	New PCT fee reduction	World Bank group	OECD group	Landlocked Developing	Small Island Developing	2006 per capita GNI	2003-2006 average per capita GNI	Total PCT (2007)	PCT filed by individual applicants (2007)	% of World GDP
Afghanistan	Y	(a)(b)(c)	L	LDC	Y		319	259	-		0.017
Albania	Y	(a)(b)	LM	LM			3008	2538	-		0.019
Algeria	Y	(a)	LM	LM			3345	2724	12	7	0.242
Andorra			H				44962	39656	3	1	0.007
Angola	Y	(a)(b)(c)	LM	LDC			2602	1596	-		0.099
Antigua and Barbuda	Y*	(a)(b)	H	UM		Y	10888	9789	-		0.002
Argentina	Y	(a)	UM	UM			5340	4218	32	19	0.452
Armenia	Y	(a)(b)	LM	LM	Y		2044	1413	4	3	0.013
Australia			H				36400	32400	2052	427	1.625
Austria			H				38244	35126	1000	186	0.671
Azerbaijan	Y	(a)(b)	LM	LM	Y		2222	1387	7	5	0.041
Bahamas			H			Y	18570	17628	38	1	0.013
Bahrain	Y*	(b)	H			Y	20609	16467	-		0.034
Bangladesh	Y	(a)(c)	L	LDC			462	438	-		0.142
Barbados	Y*	(a)(b)	H	UM		Y	11291	9902	191	1	0.007
Belarus	Y	(a)(b)	LM	LM			3781	2756	10	7	0.077
Belgium			H				37955	34825	1124	77	0.820
Belize	Y	(a)(b)	UM	UM		Y	3560	3321	1	1	0.003
Benin	Y	(a)(b)(c)	L	LDC			531	492	-		0.010
Bhutan	Y	(a)(b)(c)	LM	LDC	Y		1419	1209	-		0.002
Bolivia	Y	(a)(b)	LM	LM	Y		1087	986	1	1	0.022
Bosnia and Herzegovina	Y	(a)(b)	LM	LM			2946	2519	13	12	0.024
Botswana	Y	(a)(b)	UM	UM	Y		4387	4165	-		0.018
Brazil	Y	(a)	UM	LM			5502	3870	394	158	2.229
Brunei Darussalam			H				30058	23855	-		0.024
Bulgaria	Y	(a)(b)	UM				4002	3274	30	21	0.064
Burkina Faso	Y	(a)(b)(c)	L	LDC	Y		434	384	-		0.012
Burundi	Y	(a)(b)(c)	L	LDC	Y		110	93	1	1	0.002
Cambodia	Y	(a)(b)(c)	L	LDC			435	384	-		0.013
Cameroon	Y	(a)(b)	LM	L			974	890	1	1	0.039
Canada			H				38360	32501	2830	487	2.652
Cape Verde	Y	(a)(b)(c)	LM	LDC		Y	2099	1853	-		0.002
Central African Republic	Y	(a)(b)(c)	L	LDC	Y		332	306	-		0.003
Chad	Y	(a)(b)(c)	L	LDC	Y		335	289	-		0.014
Chile	Y	(a)	UM	UM			7679	6036	17	3	0.304
China	Y	(a)	LM	LM			2035	1640	5465	1443	5.566
Colombia	Y	(a)	LM	LM			2763	2313	45	33	0.273
Comoros	Y	(a)(b)(c)	L	LDC		Y	485	463	-		0.001
Congo	Y	(a)(b)	LM	L			1569	1180	-		0.015
Costa Rica	Y	(a)(b)	UM	UM			4857	4376	3	1	0.046
Côte d'Ivoire	Y	(a)(b)	L	L			902	831	-		0.038
Croatia	Y	(a)(b)	UM	UM			8835	7570	79	53	0.088
Cuba	Y	(a)	LM	LM		Y	4571	3891	22		0.109
Cyprus			H				23735	21012	71	7	0.038
Czech Republic	Y	(a)	H				13152	10839	130	38	0.295
Democratic People's Republic of Korea	Y	(a)(b)	L	L			508	492	2	1	0.025
Democratic Republic of the Congo	Y	(a)(b)(c)	L	LDC			128	113	-		0.017

Key:

Y	Yes (eligible for current fee reduction or member of group)	H	High income
*	Eligible for fee reduction since July 1, 2008	UM	Upper middle income
(a)	Eligible for proposed new fee reductions due to income	LM	Lower middle income
(b)	Eligible for proposed new fee reductions as “vulnerable economy”	L	Low income
(c)	Eligible for proposed (unchanged) part of fee reductions as LDC	LDC	Least developed country

Country	Current PCT fee reduction (July 2008)	New PCT fee reduction	World Bank group	OECD group	Landlocked Developing	Small Island Developing	2006 per capita GNI	2003-2006 average per capita GNI	Total PCT (2007)	PCT filed by individual applicants (2007)	% of World GDP
Denmark			H				51344	45978	1172	62	0.579
Djibouti	Y	(a)(b)(c)	LM	LDC			968	895	-		0.002
Dominica	Y	(a)(b)	UM	UM		Y	4242	3873	-		0.001
Dominican Republic	Y	(a)(b)	LM	LM		Y	3109	2373	2	1	0.066
Ecuador	Y	(a)(b)	LM	LM			2787	2398	2	2	0.085
Egypt	Y	(a)	LM	LM			1501	1292	40	36	0.230
El Salvador	Y	(a)(b)	LM	LM			2300	2338	-		0.038
Equatorial Guinea	Y	(a)(b)(c)	UM	LDC			6099	4193	-		0.020
Eritrea	Y	(a)(b)(c)	L	LDC			290	250	-		0.002
Estonia	Y	(a)(b)	H				11331	8995	29	3	0.034
Ethiopia	Y	(a)(b)(c)	L	LDC	Y		164	134	-		0.028
Fiji	Y	(a)(b)	LM	LM		Y	3515	3211	1	1	0.006
Finland			H				40013	36168	1992	112	0.438
France			H				35725	33044	6521	511	4.664
Gabon	Y	(a)(b)	UM	UM			5209	4402	-		0.020
Gambia	Y	(a)(b)(c)	L	LDC			292	260	-		0.001
Georgia	Y	(a)(b)	LM	LM			1871	1376	8	8	0.016
Germany			H				35110	32867	17789	1142	6.029
Ghana	Y	(a)(b)	L	L			522	432	-		0.026
Greece			H				27634	24093	87	54	0.643
Grenada	Y	(a)(b)	UM	UM		Y	3971	3594	-		0.001
Guatemala	Y	(a)(b)	LM	LM			2305	2031	1	1	0.064
Guinea	Y	(a)(b)(c)	L	LDC			307	362	-		0.006
Guinea-Bissau	Y	(a)(b)(c)	L	LDC		Y	186	172	-		0.001
Guyana	Y	(a)(b)	LM	LM		Y	1159	1055	-		0.002
Haiti	Y	(a)(b)(c)	L	LDC		Y	489	401	-		0.010
Honduras	Y	(a)(b)	LM	LM			1290	1136	-		0.019
Hungary	Y	(a)	UM				10343	9518	162	64	0.234
Iceland			H				50586	45617	52	7	0.033
India	Y	(a)	L	L			771	655	893	189	1.885
Indonesia	Y	(a)	LM	LM			1350	1069	9	7	0.761
Iran (Islamic Republic of)	Y	(a)	LM	LM			3396	2602	3	3	0.505
Iraq	Y	(a)(b)	LM	LM			1646	1053	1	1	0.098
Ireland			H				44052	39320	401	46	0.455
Israel			H				20409	18680	1716	343	0.293
Italy			H				31360	29073	2940	573	3.857
Jamaica	Y	(a)(b)	LM	LM		Y	3501	3222	-		0.022
Japan			H				35333	35491	27724	607	9.257
Jordan	Y	(a)(b)	LM	LM			2548	2262	22		0.030
Kazakhstan	Y	(a)	UM	LM	Y		4727	3184	16	13	0.161
Kenya	Y	(a)(b)	L	L			645	518	4	2	0.050
Kiribati	Y	(a)(b)(c)	LM	LDC		Y	1391	1345	-		0.000
Kuwait			H				40114	29630	3	2	0.211
Kyrgyzstan	Y	(a)(b)	L	L	Y		516	437	2	1	0.006
Lao People's Democratic Republic	Y	(a)(b)(c)	L	LDC	Y		568	457	-		0.007
Latvia	Y	(a)(b)	UM				8532	6501	21	11	0.042
Lebanon	Y	(a)(b)	UM	UM			5342	5188	2		0.046
Lesotho	Y	(a)(b)(c)	LM	LDC	Y		876	812	-		0.003
Liberia	Y	(a)(b)(c)	L	LDC			153	127	-		0.001
Libyan Arab Jamahiriya	Y*	(a)	UM	UM			8298	5997	-		0.105
Liechtenstein			H				82826	82228	69	4	0.007
Lithuania	Y	(a)(b)	UM				8400	6854	13	6	0.061

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(b)	Eligible for proposed new fee reductions as “vulnerable economy”	L	Low income
(c)	Eligible for proposed (unchanged) part of fee reductions as LDC	LDC	Least developed country

Country	Current PCT fee reduction (July 2008)	New PCT fee reduction	World Bank group	OECD group	Landlocked Developing	Small Island Developing	2006 per capita GNI	2003-2006 average per capita GNI	Total PCT (2007)	PCT filed by individual applicants (2007)	% of World GDP
Luxembourg			H				71336	62437	163	10	0.085
Madagascar	Y	(a)(b)(c)	L	LDC			283	276	-		0.011
Malawi	Y	(a)(b)(c)	L	LDC	Y		162	150	-		0.005
Malaysia	Y	(a)	UM	UM			5428	4673	106	46	0.311
Maldives	Y	(a)(b)(c)	LM	LDC		Y	2897	2531	-		0.002
Mali	Y	(a)(b)(c)	L	LDC	Y		477	432	-		0.012
Malta		(b)	H				14575	13509	13	1	0.012
Marshall Islands	Y	(a)(b)	LM	LM		Y	3295	3154	-		0.000
Mauritania	Y	(a)(b)(c)	L	LDC			930	646	-		0.006
Mauritius	Y	(a)(b)	UM	UM		Y	5162	5000	9		0.013
Mexico	Y	(a)	UM	UM			7755	6908	183	119	1.732
Micronesia (Federated States of)	Y	(a)(b)	LM	LM		Y	2317	2241	-		0.001
Moldova	Y	(a)(b)	LM	L	Y		876	765	4	4	0.007
Monaco			H				35725	33044	7		0.002
Mongolia	Y	(a)(b)	L	L	Y		1119	793	-		0.006
Montenegro	Y	(a)(b)	UM	LM			3745	3203	-		0.005
Morocco	Y	(a)	LM	LM			2046	1840	18	14	0.136
Mozambique	Y	(a)(b)(c)	L	LDC			324	285	-		0.015
Myanmar	Y	(a)(b)(c)	L	LDC			281	239	-		0.028
Namibia	Y	(a)(b)	LM	LM			3141	2880	2	1	0.013
Nauru		(a)(b)	[UM]	UM		Y	7842	7225	-		0.000
Nepal	Y	(a)(b)(c)	L	LDC	Y		270	263	-		0.017
Netherlands			H				40936	37972	4204	143	1.386
New Zealand			H				23766	22616	398	107	0.221
Nicaragua	Y	(a)(b)	LM	L			946	839	-		0.011
Niger	Y	(a)(b)(c)	L	LDC			245	227	-		0.007
Nigeria	Y	(a)	L	L			804	637	2	2	0.277
Norway			H				71822	60113	598	86	0.697
Oman	Y*	(a)(b)	UM	H			11275	9840	-		0.075
Pakistan	Y	(a)	L	L			931	791	4	1	0.307
Palau		(a)(b)	UM	UM		Y	8011	7114	-		0.000
Panama	Y	(a)(b)	UM	UM			4726	4245	12	1	0.036
Papua New Guinea	Y	(a)(b)	L	L		Y	891	774	-		0.013
Paraguay	Y	(a)(b)	LM	LM	Y		1543	1262	-		0.019
Peru	Y	(a)	LM	LM			3138	2638	2	2	0.188
Philippines	Y	(a)	LM	LM			1482	1231	18	14	0.244
Poland	Y	(a)	UM				8508	7010	103	45	0.701
Portugal			H				17796	16626	90	18	0.400
Qatar			H				66063	49251	-		0.110
Republic of Korea			H				18147	15427	7060	1515	1.822
Romania	Y	(a)	UM				5497	3979	30	24	0.254
Russian Federation	Y	(a)	UM				6679	4684	700	473	2.056
Rwanda	Y	(a)(b)(c)	L	LDC	Y		242	215	-		0.005
Saint Kitts and Nevis	Y	(a)(b)	UM	UM		Y	9106	7806	2		0.001
Saint Lucia	Y	(a)(b)	UM	UM		Y	5349	4891	-		0.002
Saint Vincent and the Grenadines	Y	(a)(b)	UM	UM		Y	3537	3315	-		0.001
Samoa	Y	(a)(b)(c)	LM	LDC		Y	2205	1991	-		0.001
San Marino			H				41044	38726	20		0.003
Sao Tome and Principe	Y	(a)(b)(c)	L	LDC		Y	356	363	-		0.000
Saudi Arabia			H	UM			15131	12196	45	2	0.759
Senegal	Y	(a)(b)(c)	L	LDC			773	701	1	1	0.019

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Serbia	Y	(a)(b)	UM	LM			4700	3449	23	20	0.075
Seychelles	Y*	(a)(b)	UM	UM		Y	7656	7800	6		0.001
Sierra Leone	Y	(a)(b)(c)	L	LDC			312	275	-		0.004
Singapore	Y*		H			Y	29207	24997	532	59	0.276
Slovakia	Y	(a)	UM				9822	8076	38	16	0.115
Slovenia		(b)	H				18231	16336	86	19	0.077
Solomon Islands	Y	(a)(b)(c)	L	LDC		Y	849	746	-		0.001
Somalia	Y	(a)(b)(c)	L	LDC			274	270	-		0.005
South Africa	Y	(a)	UM	UM			5005	4464	406	226	0.517
Spain			H				27530	24477	1289	365	2.557
Sri Lanka	Y	(a)(b)	LM	LM			1407	1169	7	7	0.057
Sudan	Y	(a)(b)(c)	L	LDC			899	626	4	4	0.074
Suriname		(a)(b)	LM	LM		Y	4478	3567	-		0.004
Swaziland	Y	(a)(b)	LM	LM	Y		2448	2243	-		0.006
Sweden			H				42055	38617	3640	207	0.799
Switzerland			H				52922	51812	3742	223	0.782
Syrian Arab Republic	Y	(a)(b)	LM	LM			1479	1275	2	2	0.065
Tajikistan	Y	(a)(b)	L	L	Y		524	422	-		0.006
TFYR of Macedonia	Y	(a)(b)	LM	LM	Y		3070	2699	5	4	0.013
Thailand	Y	(a)	LM	LM			3185	2674	5	2	0.430
Timor-Leste	Y	(a)(b)(c)	L	LDC		Y	761	569	-		0.001
Togo	Y	(a)(b)(c)	L	LDC			352	335	-		0.005
Tonga	Y	(a)(b)	LM	LM		Y	2304	2012	-		0.000
Trinidad and Tobago	Y*	(a)(b)	H	UM		Y	13205	10344	2	1	0.038
Tunisia	Y	(a)(b)	LM	LM			2830	2666	8	3	0.064
Turkey	Y	(a)	UM	UM			5380	4466	355	68	0.819
Turkmenistan	Y	(a)(b)	LM	LM	Y		1234	1105	-		0.014
Tuvalu	Y	(a)(b)(c)	[LM]	LDC		Y	2441	2208	-		0.000
Uganda	Y	(a)(b)(c)	L	LDC	Y		324	286	-		0.022
Ukraine	Y	(a)	LM	LM			2261	1619	94	80	0.222
United Arab Emirates	Y*		H				41082	29951	19	11	0.380
United Kingdom			H				40086	36404	5538	742	4.952
United Republic of Tanzania	Y	(a)(b)(c)	L	LDC			332	314	-		0.027
United States			H				43424	40248	53200	4495	27.534
Uruguay	Y	(a)(b)	UM	UM			5644	4371	5	1	0.040
Uzbekistan	Y	(a)(b)	L	L	Y		597	490	-		0.034
Vanuatu	Y	(a)(b)(c)	LM	LDC		Y	1556	1460	-		0.001
Venezuela	Y	(a)	UM	UM			6541	4786	5	4	0.376
Vietnam	Y	(a)	L	L			656	567	6	4	0.121
Yemen	Y	(a)(b)(c)	L	LDC			786	660	-		0.039
Zambia	Y	(a)(b)(c)	L	LDC	Y		884	572	-		0.023
Zimbabwe	Y	(a)(b)	L	L	Y		131	228	-		0.004

[Annex II follows]

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ANNEX II

PROPOSED AMENDMENT OF THE REGULATIONS UNDER THE PCT:

SCHEDULE OF FEES

(as proposed to be amended with effect from January 1, 2009)[3]

Fees		**Amounts**	
1.	International filing fee: (Rule 15.2)	1,330	Swiss francs plus
		15	Swiss francs for each sheet of the international application in excess of 30 sheets
2.	Supplementary search handling fee: (Rule 45*bis*.2)	200	Swiss francs
3.	Handling fee: (Rule 57.2)	200	Swiss francs

Reductions

4. The international filing fee is reduced by the following amount if the international application is, as provided for in the Administrative Instructions, filed:

(a)	on paper together with a copy in electronic form, in character coded format, of the request and the abstract:	100	Swiss francs
(b)	in electronic form, the request not being in character coded format:	100	Swiss francs
(c)	in electronic form, the request being in character coded format:	200	Swiss francs
(d)	in electronic form, the request, description, claims and abstract being in character coded format:	300	Swiss francs

[3] The text on the basis of which the presently proposed amendments are shown includes the amendments previously adopted by the Assembly to enter into force on January 1, 2009 (document PCT/A/36/13, paragraph 153, and Annex V, page 13).

[Schedule of Fees as proposed to be amended, continued]

5. The international filing fee under item 1 (where applicable, as reduced under item 4), the supplementary search handling fee under item 2 and the handling fee under item 3 are reduced by 90% if the international application is filed by:

(a) an applicant who is a natural person and who is a national of and resides in a State that is listed as being a State whose per capita national income is below the threshold used by the World Bank for establishing the "high income" category ~~US$3,000~~ (according to the most recent four-year average per capita national income figures published ~~used~~ by the United Nations ~~for determining its scale of assessments for the contributions payable for the years 1995, 1996 and 1997~~) ~~or, pending a decision by the PCT Assembly on the eligibility criteria specified in this sub paragraph, one of the following States: Antigua and Barbuda, Bahrain, Barbados, Libyan Arab Jamahiriya, Oman, Seychelles, Singapore, Trinidad & Tobago and United Arab Emirates~~; or

(b) an applicant who is a natural person and who is a national of and resides in a State that is listed as being a State whose per capita national income is not more than 50% above the threshold used by the World Bank for establishing the "high income" category referred to in paragraph (a) and whose gross domestic product is less than 0.1% of the world total gross domestic product (according to the most recent four-year average gross domestic product figures published by the United Nations); or

(c) an applicant, whether a natural person or not, who is a national of and resides in a State that is listed as being classified by the United Nations ~~classed~~ as a least developed country ~~by the United Nations~~;

provided that, if there are several applicants, each must satisfy at least one of the criteria set out in either sub-item (a), ~~or~~ (b) or (c). The lists of States referred to in sub-items (a), (b) and (c) shall be updated by the Director General at least biennially according to directives given by the Assembly.

[Annex III follows]

ANNEX III

PROPOSED DIRECTIVES FOR UPDATING THE LISTS OF STATES MEETING THE CRITERIA FOR REDUCTION OF CERTAIN PCT FEES

The Assembly establishes in the following terms the directives referred to in the Schedule of Fees, it being understood that, in the light of experience, the Assembly may at any time modify these directives:

(1) At the time of each ordinary session of the Assembly, the Director General shall prepare draft lists of States which appear to meet the criteria referred to in:

(i) item 5(a) of the Schedule of Fees according to the most recent definition of the threshold used by the World Bank for establishing the "high income" category, together with the most recent four-year average per capita national income figures from the United Nations, each published at least two weeks prior to the first day of that session of the Assembly;

(ii) item 5(b) of the Schedule of Fees according to the factors referred to in item (i), together with the most recent gross domestic product figures from the United Nations published at least two weeks prior to the first day of that session of the Assembly;

(iii) item 5(c) of the Schedule of Fees according to the most recent list of countries classified as least developed countries by the United Nations published at least two weeks prior to the first day of that session of the Assembly;

and shall make those lists available to the PCT Contracting States and States entitled to observer status in the Assembly for comment before the end of that session of the Assembly.

(2) Following the end of that session of the Assembly, the Director General shall establish new lists, taking into account any comments received. The revised lists shall become applicable on the first day of the calendar year subsequent to that session and shall be used to determine, in accordance with Rules 15.4, 45bis.2(c) and 57.3(d), the eligibility for the fee reduction under items 5(a), 5(b) and 5(c), respectively, of the Schedule of Fees of any relevant fee payable. Any revised list shall be published in the Gazette.

(3) Where any State is not included in a particular list but subsequently becomes eligible for inclusion in that list due to the publication, after the expiration of the period of two weeks prior to the first day of the ordinary session of the Assembly referred to in paragraph 1, above, of a revised definition of the threshold used by the World Bank for establishing the "high income" category, of revised per capita national income or GDP figures by the United Nations or of a revised list of States that are being classified as least developed countries by the United Nations, that State may request the Director General to revise the relevant list of States. Any such revised list shall become applicable on a date to be specified by the Director General, that date being no more than 3 months from the date of receipt of the request. Any revised list shall be published in the Gazette.

[End of Annex III and of document]