

WIPO Coordination Committee

Seventieth (45th Ordinary) Session
Geneva, September 22 to 30, 2014

REPORT

adopted by the Coordination Committee

1. The Coordination Committee was concerned with the following items on the Consolidated Agenda (document A/54/1): 1, 2, 3, 4, 5, 7, 8, 10, 12, 21, 24, 25, 26 and 27.
2. The report on the said items, with the exception of items 7, 8, 21, 24 and 25, is contained in the General Report (document A/54/13).
3. The report on items 7, 8, 21, 24, and 25, is contained in the present document.
4. Mr. Nguyen Trung Thanh (Viet Nam) was elected Chair of the Coordination Committee; Ms. Ahlam Sara Charikhi (Algeria) and Ms. Virág Krisztina Halgand Dani (Hungary) were elected Vice-Chairs.

ITEM 7 OF THE CONSOLIDATED AGENDA

APPOINTMENT OF DEPUTY DIRECTORS GENERAL AND ASSISTANT DIRECTORS GENERAL

5. Discussions were based on document WO/CC/70/2.

6. The Chair of the Coordination Committee invited the Director General to introduce the document under Agenda Item 7, Appointment of Deputy Directors General (DDGs) and Assistant Directors General (ADGs).

7. The Director General thanked the Chair of the Committee and welcomed the delegations and referred them to the document containing the proposal for the new Senior Management Team (SMT). He paid tribute to the outgoing SMT, and thanked them for their contributions over the last five years. For the selection of the new SMT, a rigorous process was followed within a fairly short time period in which Member States were contacted to present candidates. Individuals were also invited to present their own candidacies. As a result of the process, 360 candidacies were presented which led to a difficult and intense process, especially since the number of worthy candidates was greater than the number of available positions. The Director General emphasized that gender representation was very important and had been taken very seriously. This was made clear in the call for applications. Thirty percent of the applications received were from women and an improvement in gender representation was proposed in the new SMT. The candidates proposed would bring with them a wide diversity of talent and would constitute an outstanding team. The Director General then submitted the proposals for the new SMT to the Coordination Committee. The proposed candidates were:

- Mr. Mario Matus (Chile), proposed as the Deputy Director General, Development;
- Mr. John Sandage (United States of America), proposed as Deputy Director General, Patents and Technology;
- Ms. Binying Wang (China), proposed to continue in her position as Deputy Director General, Brands and Designs;
- Ms. Ann Leer (Norway), proposed as Deputy Director General, Culture and Creative Industries;
- Mr. Minelik Getahun (Ethiopia), proposed as Assistant Director General, Global Issues;
- Mr. Yoshiyuki Takagi (Japan), proposed to continue in his position as Assistant Director General, Global Infrastructure; and
- Mr. Ramanathan Ambi Sundaram (Sri Lanka), proposed to continue in his position as Assistant Director General, Administration and Management.

In addition, the Director General referred to the proposal made in the document for the promotion of the Chief of Staff, Mr. Naresh Prasad, to the grade of Assistant Director General.

8. The Delegation of Japan, speaking on behalf of Group B, congratulated the Chair and the Vice-Chairs on their election and stated that the Group was convinced that the proposed SMT could provide necessary skills and professional experiences to achieve WIPO's strategic goals, and that it could lead the Organization in the direction of the overarching principles which were mentioned in the opening statement of the General Assembly, namely, the objective described by the WIPO Convention and the necessity of continuous efforts so as to be the choice of users as a premium service provider. Group B looked forward to working with the new SMT to

achieve these common objectives. Group B presented its gratitude to the outgoing DDGs and ADG, Mr. Geoffrey Onyeama, Mr. James Pooley, Mr. Johannes Christian Wichard, and Mr. Trevor Clarke and appreciated their great and essential contribution to WIPO.

9. The Delegation of Paraguay, speaking on behalf of the Group of Latin American and Caribbean Countries (GRULAC), congratulated the Chair and the Vice-Chairs on their election and stated that GRULAC appreciated the level of expertise and experience of the candidates for the SMT positions in WIPO. The Delegation was convinced that they would be able to provide the necessary advice in meeting the objectives of WIPO. The Delegation was happy to see that a representative of their region, Ambassador Mario Matus, was proposed as a member of the new SMT, and thanked the outgoing SMT members for their work, in particular Mr. Clarke.

10. The Delegation of Germany subscribed to the statement delivered by the Delegation of Japan on behalf of Group B. The Delegation posed two questions to the Director General. First, the Delegation noted a difference in the number of ADGs and DDGs mentioned in paragraph three of document WO/CC/70/2 dated September 16, 2014, where four DDGs and three ADGs whose posts were duly advertised were listed, and paragraph 22 of the same document which called for advice on the appointment of four ADGs, indicating that the post of one of the future four ADGs was not subjected to the procedure that was followed for others. The Delegation requested the Director General to explain the reasons for those procedures and clarified that the question did not have anything to do with Mr. Prasad, who was certainly qualified for the post. The second question of the Delegation related to the issue of gender balance, as only two out of the eight future SMT members would be women. The Delegation asked the Director General to explain how the principle of gender balance was taken into account in the selection process.

11. The Director General pointed out that, in the advertisement issued for the post, it was made clear that an Assessment Center would be used to assist in the selection of external candidates. Existing officials within the Secretariat were not to be subject to the same process. The purpose of an Assessment Center was to obtain an independent evaluation and to get some assistance in making decisions about persons whose record was unknown. The Director General added that the strong points and performance of those serving within the Organization itself were well-known. It was for this reason that Mr. Prasad did not go through the Assessment Center, which was consistent with what had always been said. It was true that it was the addition of a position of Assistant Director General. The Director General was aware of Member States' concerns about the number of highly graded officials and the need for discipline in this regard and added that this was regarded as an exceptional measure which should not be taken as a precedent. It was in the nature of a personal promotion for one staff member who had served well as Chief of Staff throughout the period of the last five years. Furthermore, it was consistent with the practice in a number of other organizations, notably the United Nations (UN), the International Labour Organization (ILO) and the World Health Organization (WHO) in Geneva. As far as gender balance was concerned, the Director General shared the Delegation's disappointment that a better gender balance had not been achieved in the proposals. This was a matter that was taken extremely seriously in the Organization. The Organization had set a target for achieving 50/50 gender balance across all grades in the Organization by the year 2020. That target had been achieved in terms of overall composition of the staff, but not in respect of staff at the higher levels. The relevant statistics were all set out in the Annual Report on Human Resources. Very active engagement and measures had been taken internally in respect of the composition of selection boards to ensure adequate gender representation, and directions had also been given to selection boards about the need for gender representation, especially in the candidacies. Unfortunately, gender balance was not reflected in the applications received, as the ratio of 30/70 was heavily in favor of males. However, there was a 100 per cent improvement on the former SMT in that two women were proposed in the new SMT, as opposed to only one last time. The Director General reiterated that, despite efforts and interviews of 18 potential candidates, it was not possible to improve the gender balance further.

12. The Delegation of China congratulated the Chair on his election, appreciated the work of the Director General and expressed support for the proposed appointment of the DDGs and ADGs, and viewed it as an important outcome based on consensus after consultations. All the proposed candidates had very rich work experience and professional expertise and they could represent the Organization's interest in a balanced way. The Delegation believed that the new management team would play a very important role and under the leadership of the Director General, would continue to work in a coordinated way to improve the work at WIPO to a new level.

13. The Delegation of Kenya, speaking on behalf of the African Group, congratulated the Chair and the Vice-Chairs on their election and thanked the Director General for the unveiling of the SMT, and expressed good wishes to the new team. The Delegation also thanked the outgoing SMT for the exemplary work.

14. The Delegation of the United States of America congratulated the Chair and the Vice-Chairs on their election and subscribed to the statement made by Japan on behalf of Group B. The Delegation welcomed the new SMT and recognized that it represented an impressive range of experience and expertise from across the globe. It was particularly pleased that Mr. John Sandage, who was highly regarded both domestically and internationally, was included in the new team. The Delegation was confident that Mr. Sandage would bring great talent. It expressed its appreciation to the outgoing DDGs and ADGs and thanked Mr. Pooley for the contributions to WIPO over the past five years.

15. The Delegation of the Republic of Korea congratulated the Chair and the Vice-Chairs on their election and expressed strong expectations that the Coordination Committee would be able to work to improve the operation and governance of WIPO as a credible international organization. The Delegation hoped the interests of all Member States would be considered, and appropriately reflected in carrying out responsibilities within the Organization. The Delegation was ready to work closely with the Chair of the Coordination Committee in this process. With regard to the appointment of the SMT, the Delegation expressed support for the recommended SMT members, and believed that the recommended team would effectively support the Director General in resolving challenging issues such as norm-setting and the implementation of the DA.

16. The Delegation of Mexico congratulated the Chair and the Vice-Chairs on their election and echoed the statement made by the Delegation of Paraguay on behalf of GRULAC. The Delegation also took note of and congratulated the candidates selected by the Director General for his new SMT. The Delegation was happy to work with the new team in order to achieve the common objectives shared by all, as a part of efforts to fulfill the Organization's mandate. The Delegation expressed gratitude to the outgoing DDGs and ADG, Mr. James Pooley, Mr. Geoffrey Onyeama, Mr. Johannes Christian Wichard and Mr. Trevor Clarke. In addition, in its statement, the WIPO IAOC had pointed out the importance of safeguarding the independence of the Ethics Office and had referred to a proposal under which the Chief of Staff would take over responsibility for ethical matters. In that respect, the Delegation recalled that the Ethics Office Annual Report (contained in an annex to the Annual Report on Human Resources) stated that the Ethics Office was structured along lines similar to those of the United Nations Ethics Office. However, on closer examination, the Delegation had discovered that the above claim did not correspond to reality. In accordance with Resolution A/60/568 of the General Assembly of the United Nations, the United Nations Ethics Office was located outside the Executive Office of the Secretary-General in order to guarantee its operational independence and to ensure that staff were hired through clearly established recruitment procedures. Against that background, the Delegation formally requested that, prior to the adoption of any decision on that specific point, the IAOC should discuss the matter and issue a recommendation on the structure and line of command of the Ethics Office, in order to safeguard its independence.

17. The Delegation of Japan congratulated the Chair and the Vice-Chairs on their election, endorsed the comment made on behalf of Group B and expressed appreciation to the Director General for the careful deliberation on the new SMT. All nominees for DDGs and ADGs had distinguished achievements in their respective fields and the Delegation believed that the consideration of those different areas of experience and expertise could give a new impetus to the development of WIPO. Therefore, Japan fully supported the proposal made by the Director General. The Delegation had high expectations from the new SMT and had no doubt that the team would fulfill its responsibilities in a professional and competent manner. The Delegation paid tribute to the continuing executives and had full confidence that the Organization's mission would be successfully fulfilled. It also expressed its appreciation to the outgoing SMT for its outstanding contributions to the Organization. The Delegation believed that in order to further enhance the value of IP in the future, cooperation between WIPO and the Member States was essential. The Delegation looked forward to working closely with the new SMT to bring in a new era of IP.

18. The Delegation of Norway supported the statement made by the Delegation of Japan on behalf of Group B, welcomed the new SMT and paid tribute to the outgoing members of the current team.

19. The Delegation of Guatemala congratulated the Chair on his election and supported the statement made by the Delegation Paraguay on behalf of GRULAC. The Delegation thanked the Director General for the presentation of document WO/CC/70/2 which provided information on the selection and the persons proposed for the new SMT. The new team had great expertise, and the Delegation was confident that it would continue to ensure implementation of the goals of the Organization and wished it every success. The Delegation was happy to see a member from the region as part of the team and congratulated Mr. Mario Matus from Chile for the assumption of responsibility of the Development Sector. It also congratulated the outgoing team and thanked it for its support. The Delegation thanked, in particular, Mr. Trevor Clarke for his unceasing and tireless work on behalf of copyright issues which made it possible to achieve the Treaties of Beijing and Marrakech. The Delegation also thanked Mr. Clarke for the projects that were useful in generating the development of the GRULAC countries in innovation and IP systems.

20. The Delegation of Spain congratulated the Chair and the Vice-Chairs on their election and supported the statement made by the Delegation of Japan on behalf of Group B and thanked the outgoing team. It also welcomed and expressed full trust in the new team and was confident that it would be very professional in its work. The Delegation commented on the Chief Ethics Officer function. It believed that the independence element was very important in this function and should be duly reflected in the structure of the Organization. The Delegation supported the request made by the Delegation of Mexico.

21. The Delegation of India congratulated the Chair on his election and extended its thanks to the outgoing DDGs and ADG for the valuable contribution to the Organization. The Delegation also thanked the Director General for the proposal for appointment of the DDGs and ADGs. It recognized the importance of the new procedures and well-prepared transparent processes that were initiated according to which posts were well advertised and the widest possible number of applications were received. This was a clear recognition of the approach that the Director General had wished to take, and the Delegation expressed appreciation for the new approach. The Delegation pointed out that there were certain alterations, upgrading and changing certain aspects of the SMT. It believed that the Director General must be given such flexibility to be able to choose a team that had the necessary experience as well as necessary competence and in this process, the Delegation fully endorsed the suggestions and supported the proposal for the new team. The Delegation also stated that the continued inclusion of Mr. Naresh Prasad would be an asset for the Organization and he would add value in the overall functioning of WIPO and its interaction with all stakeholders.

22. The Delegation of Chile congratulated the Chair on his election and supported the statement made by the Delegation of Paraguay on behalf of GRULAC with regard to the new SMT put forward by the Director General. The Delegation thanked the outgoing team as well. The Delegation expressed trust in the election of Mr. Mario Matus for the Development Sector and was convinced that the diplomatic experience of Mr. Matus would help in fulfilling the obligations of the Organization with great efficiency.
23. The Delegation of Senegal congratulated the Chair and the Vice-Chairs on their election, supported the statement made by the Delegation of Kenya on behalf of the African Group and thanked the Director General and his team for the objective and transparent selection process. This resulted in a significant number of candidates for the positions of DDGs and ADGs which, the Delegation acknowledged, did not make it an easy task and which required a lot of hard work to produce the list. The list met the criteria of geographical representation and the Delegation was thankful for that. The Delegation thanked, in particular, the outgoing DDG Mr. Onyeama for the significant contribution to development. The Delegation expressed its readiness to continue to cooperate with the SMT of WIPO in seeking to attain the Organization's objectives, and supported the proposal to promote Mr. Prasad as an ADG.
24. The Delegation of Ethiopia congratulated the Chair and the Vice-Chairs on their election, endorsed the statement delivered by the Delegation of Kenya on behalf of the African Group and supported the list of candidates proposed by the Director General. The Delegation was pleased with the inclusion of Mr. Getahun of Ethiopia in the list and was confident that Mr. Getahun would fulfill the obligations in an efficient manner and be an asset to WIPO. The Delegation also congratulated the outgoing SMT.
25. The Delegation of Côte d'Ivoire praised the Chair and the outgoing SMT and wished the new SMT success.
26. The Delegation of Ecuador congratulated the Chair and the Vice-Chairs on their election and supported the document presented by the Director General.
27. The Delegation of Singapore expressed its full support for the statement delivered by the Delegation of the Republic of Korea on behalf of the Asia and Pacific Group, and for the election of the Chair. The Delegation also congratulated the Vice-Chairs, thanked the outgoing SMT and congratulated the highly qualified new SMT and the promotion of the Chief of Staff to ADG.
28. The Delegation of the United States of America expressed support for the Delegation of Mexico's proposal to have a process to ensure the independence of the Chief Ethics Officer function. The Delegation inquired why there was no presentation from the Staff Council.
29. The Delegation of Congo congratulated the Chair on his appointment and thanked the Director General and the outgoing SMT for a mandate marked by considerable normative activity within WIPO, providing a sound foundation. The Delegation also expressed its appreciation for the number of initiatives to promote the appropriate management of human resources. The Delegation commended the Director General for the work done, and offered full support and congratulations to the incoming SMT for the second mandate. The Delegation congratulated, in particular, Ambassador Getahun on his nomination. The Delegation underlined that achieving the priorities during the second term of office would require commitment and united work to ensure that WIPO continued to be successful.
30. The Delegation of Algeria congratulated the Chair on his election and supported the statement made by the Delegation of Kenya on behalf of the African Group. The Delegation welcomed the appointment of Ambassador Getahun for the Global Issues Sector. The Delegation thanked the outgoing team, in particular Mr. Geoffrey Onyeama, for their work, which allowed WIPO to undertake its development activities.

31. The Delegation of Venezuela (Bolivarian Republic of) also congratulated the Chair on his appointment and agreed with the statement made by the Delegation Paraguay on behalf of GRULAC, which supported the candidates, in particular, Ambassador Mario Matus from Chile, as well as Mr. Prasad's appointment because he had shown great responsibility in his work.
32. The Delegation of Thailand aligned itself with the statement made by the Delegation of the Republic of Korea on behalf of the Asia and Pacific Group and passed on its congratulations regarding the election. The Delegation thanked the Director General and his team and expressed support for the proposed list of DDGs and ADGs, and thanked the Secretariat for the consideration given to geographical representation.
33. The Director General made some observations on the suggestion from the Delegation of Mexico regarding the Ethics Office. The reporting line of the Chief Ethics Officer was a fundamental question, and one that had been given a great deal of thought when the new function was established. The Director General considered that the answer was a balance between administrative reporting and formalities (e.g. taking annual leave) and independence in the substance of the work, and that the choices of reporting line were limited. The Director General confirmed that he would be happy to review the reporting lines. The DDGs reported to the Director General, as did the Legal Counsel. In the case of the Office of the Legal Counsel, it had been felt that there was potentially a conflict of interest between the ethical and legal approach, and that the Ethics function was better not placed there. Consideration had been given to the experience of other organizations. The Director General stressed that the key was a separation between administrative reporting, which is a necessity, and independence in the performance of the fundamental substance of the function concerned. The Director General thanked the delegations for their support with respect to the ADGs and DDG proposals that had been made and emphasized the responsibilities of the new SMT to deliver over the course of the next six years.
34. The Chair referred to the question from the Delegation of the United States of America on why there was no statement from the Staff Association before the Coordination Committee, as had been the practice in previous years. The Chair confirmed that a request to make a speech had been made by the Staff Council to the former Chair in June 2014, which was also conveyed to the present Chair on assumption of his functions, requesting that a statement be made exclusively by the President of the Staff Council. At present, however, there was no President of the Staff Council. The Chair expressed his appreciation and sincere thanks to the delegations for the support, encouragement and commitment to work closely with the new SMT and the WIPO Coordination Committee. The Chair also expressed his great appreciation for the dedication, professionalism and excellence of the outgoing SMT.
35. The Delegation of Mexico thanked the Director General for his reply and his openness in finding the best solution to ensure the independence of the Ethics Office. He referred to the Delegation's proposal to refer the subject to the Independent Advisory Oversight Committee (IAOC) before a decision was taken. The Delegation also recognized the excellent work carried out by Mr. Prasad, who was a great asset to the Organization, but stressed that its concern about the independence of the Ethics Office was maintained. The Delegation was flexible as to whether this would be reflected in a draft decision or in the record of the meeting.
36. The Director General suggested that the statement of the Delegation of Mexico, which was supported by two delegations and not opposed by any other delegations, be recorded in the report. The Director General reiterated his openness to the proposal and his readiness to refer the matter to the IAOC.
37. The Delegation of Mexico confirmed its understanding that the issue would be sent to the IAOC and would be examined by the Coordination Committee during a future session.

38. The Chair invited the Coordination Committee to approve the appointments as Deputy Directors General of Mr. Mario Matus, Mr. John Sandage, Ms. Binying Wang, and Ms. Ann Leer for the period indicated in paragraph 20. Secondly, the Coordination Committee was invited to give its advice on the appointments of Assistant Directors General of Mr. Minelik Getahun, Mr. Yoshiyuki Takagi, Mr. Ramanathan Ambi Sundaram, and Mr. Naresh Prasad for the period indicated in paragraph 20 above. The Chair noted that there were no objections and that the appointments were decided.

39. The WIPO Coordination Committee:

- (i) approved the appointments as Deputy Directors General of Mr. Mario Matus, Mr. John Sandage, Ms. Wang Binying and Ms. Anne Leer for the period indicated in paragraph 20 of document WO/CC/70/2; and
- (ii) gave its favorable advice on the appointments as Assistant Directors General of Mr. Minelik Getahun, Mr. Yoshiyuki Takagi, Mr. Ramanathan Ambi Sundaram and Mr. Naresh Prasad for the period indicated in paragraph 20 of document WO/CC/70/2.

ITEM 8 OF THE CONSOLIDATED AGENDA

DRAFT AGENDAS FOR THE 2015 ORDINARY SESSIONS OF THE WIPO GENERAL ASSEMBLY, THE WIPO CONFERENCE, THE PARIS UNION ASSEMBLY AND THE BERNE UNION ASSEMBLY

40. Discussions were based on document A/54/3 Rev.

41. The WIPO Coordination Committee adopted Annexes I and II, the Paris Union Executive Committee adopted Annex III, and the Berne Union Executive Committee adopted Annex IV of document A/54/3 Rev.

ITEM 21 OF THE CONSOLIDATED AGENDA

THE WIPO COORDINATION COMMITTEE TO PROVIDE ADVICE TO THE LISBON UNION ASSEMBLY REGARDING THE CONVENING OF A DIPLOMATIC CONFERENCE FOR THE ADOPTION OF A REVISED LISBON AGREEMENT ON APPELLATIONS OF ORIGIN AND GEOGRAPHICAL INDICATIONS IN 2015

42. Discussions were based on the Proposal by the United States of America for a Supplementary Agenda Item Entitled "The WIPO Coordination Committee to Provide Advice to the Lisbon Union Assembly Regarding the Convening of a Diplomatic Conference for the Adoption of a Revised Lisbon Agreement on Appellations of Origin and Geographical Indications in 2015" (document WO/CC/70/4).

43. The Delegation of the United States of America clarified that it had requested the addition of this supplementary agenda item, so that the Coordination Committee could discuss the procedural flaws that had occurred when the Lisbon Union Assembly approved the convening of a Diplomatic Conference for the Adoption of a Revised Lisbon Agreement without first seeking the advice of other interested Member States pursuant to Article 8 of the WIPO Convention and Article 9 of the Lisbon Agreement. The Delegation expressed the view that all WIPO Member States should have the right to participate equally and to vote at such diplomatic conference. In other words, the Delegation believed that the Coordination Committee should direct the Lisbon Union Assembly to use the Rules of Procedure that apply to new treaties, which provide for equal voting of the full membership of WIPO. The Delegation added that the

manner in which the proposed diplomatic conference had been handled so far was a significant departure from enshrined WIPO procedures which had been designed to ensure that interests of all members would be respected. The Delegation stressed that the convening of a closed diplomatic conference without having first sought the advice of the Coordination Committee would actually mean that only the current 28 Lisbon Union members would have the ability to express preferences on the options in the draft treaty text, to propose amendments and, most importantly, to vote. In other words, the other 159 WIPO Member States would be relegated to observer status, although all WIPO members would be paying for the cost of the diplomatic conference. The Delegation was of the view that there was a need for genuine inclusion of the views of the broader WIPO membership in the ongoing revision process. The Delegation added that amending the Lisbon Agreement to add an entirely new set of rights and obligations was not a minor technical or procedural revision without any administrative and financial impacts on the overall Organization and its Unions. Instead, the Delegation was of the view that the addition of geographical indications created a fundamentally new treaty that would negatively impact the export markets of many Member States including those that were not Lisbon Union members. The Delegation therefore believed that wider participation would be necessary for such an important global conversation with such far reaching ramifications. The Delegation understood that some had implied that its efforts towards raising awareness about the problems surrounding the Lisbon Agreement as well as its questioning of the financial sustainability of the Lisbon System would somehow call into question other programs that relied on the unitary contribution system, namely development spending. In that regard, the Delegation expressed the view that those alarmist comments were disturbing. For the sake of clarification, the Delegation pointed out that, unlike the other WIPO global protection services, such as the PCT, Madrid or Hague Systems, which were self-funding and promoted development, the Lisbon System was by no means global or self-sustaining. The Delegation recalled that the Lisbon Union only had 28 members representing only 15 per cent of the WIPO membership and that for years it had drained WIPO funds that could have been used for other activities, such as development activities. The Delegation was of the view that a truly global and self-funding system should be open to attract a broad membership and promote development. The Delegation further pointed out that what was at risk with the proposed Lisbon System revision was the ability of farmers and handicraft producers in many WIPO Member States to continue to sell their products at home or abroad and thus to give access to such products to consumers. In other words, the addition of geographical indications in a revised Lisbon Agreement would have global consequences, also on the economic development of other WIPO Member States. The Delegation said that it would be important to obtain greater input from the many non-Lisbon Union members, which might not have been following the Working Group developments, at the present Coordination Committee session. The Delegation added that it would be essential to discuss how to make the Lisbon discussions more inclusive to better ensure a consensus outcome and a true global system. By way of conclusion, the Delegation recommended the drafting of a decision paragraph indicating that the Coordination Committee advised the Lisbon Union to make plans for all Member States to participate equally in the diplomatic conference and that the WIPO budget should only fund the diplomatic conference if funding for representation were to be provided across the WIPO membership as it had been done in the past for the Beijing and Marrakesh treaties.

44. The Delegation of Italy stated that it had accepted to include the agenda item under consideration only as a sign of goodwill. The Delegation was of the view that no advice of the Coordination Committee was required with respect to the Diplomatic Conference for the Adoption of a Revised Lisbon Agreement, which the Lisbon Union Assembly had legitimately decided to convene for 2015. The Delegation added that the convening of such a diplomatic conference was not *per se* a matter of concern for other WIPO Unions, as the proposed revision was not intended to harm in any way other WIPO Unions, such as the Madrid Union, or the Organization as a whole. The Delegation clarified that the Madrid Registry would remain an option for businesses wishing to protect their trademarks containing geographical names abroad. The Delegation was of the view that the title of Item 21 under consideration was misleading, as it gave the wrong impression that there was agreement on the idea that the

Coordination Committee should provide advice to the Lisbon Union Assembly. In that regard, the Delegation said that a more appropriate title would, for example, read “Whether or not the WIPO Coordination Committee should Provide Advice to the Lisbon Union Assembly”. The Delegation went on to say that the conclusion of a revised Lisbon Agreement would bear benefits and would improve the finances of the Lisbon Union by ensuring that the Lisbon Registry would be used by producers from a greater number of developed and developing countries. Moreover, the Delegation recalled that there had been a general agreement within the 2013 Lisbon Union Assembly that the advice of the Coordination Committee prior to convening of a diplomatic conference was not necessary. In that regard, the Delegation pointed out that no Delegation had raised the issue at the time, neither Member States nor observers. In spite of the great benefits that the revision of the Lisbon Agreement would bring, the Delegation said that the scope of the revision should not be overestimated, as it was clearly aimed at improving and updating the existing legal framework rather than introducing a new system. The Delegation went on to say that the extension of the Lisbon Agreement to geographical indications would not in itself entail a radical change. In that regard, the Delegation pointed out that, at the present time, the users of the Lisbon System were already able to seek the international registration of their geographical indications if they voluntarily provided the additional information required under the Lisbon Agreement to demonstrate the link between the product and its territory of origin. Furthermore, the Delegation failed to see why the deficit of the Lisbon Union would be a source of major concern, as it represented only one fourth of the deficit accumulated in a shorter period by the Hague Union. The Delegation went on to say that the current deficit would probably remain in the short term, until the revision would fully display its positive effects. In that regard, the Delegation recalled that appellations of origin and geographical indications were limited in number by their very nature, as they were based on geographical names, and that they required time to be developed. Given those Lisbon specificities, the Delegation did not believe that self-financing Unions, such as the PCT Union or the Madrid Union, should be used as a standard to assess the work of the Lisbon Union. The Delegation indicated that it was still hesitant as to whether or not to accept the proposed increase of the fees that the users would have to pay, as it would not want the revision of the Lisbon Agreement to be concluded at the expense of the producers. Lastly, the Delegation expressed the view that the issue concerning the right to vote during the diplomatic conference should be dealt with at the upcoming preparatory committee.

45. The Delegation of France recalled that the decision to convene a diplomatic conference in 2015 had been unanimously decided in December 2013 by the Extraordinary General Assembly. The Delegation further pointed out that the 2014-2015 Program and Budget, which was finally adopted in December 2013, did foresee the convening of a diplomatic conference under Program 6. More specifically, Article 6.5 of the Program and Budget stated that provision was made for a diplomatic conference subject to a decision taken by the Lisbon Union Assembly. No other caveat was referred to in the document. The Delegation further insisted on the fact that those were decisions which had been adopted last December in the presence of all 187 WIPO Member States. The Delegation pointed out that only 83 Member States were participating at the present session of the Coordination Committee and was therefore of the view that it would not be possible to act retroactively and redo something that was adopted by 187 WIPO Member States in a superior body. The Delegation further indicated that, in order to vote at the diplomatic conference, a country would have to become a member of the Lisbon Union. The Delegation was convinced that the ongoing revision of the Lisbon System would become a virtuous spiral as there would be a greater number of accessions and a greater number of registrations. In that regard, the convening of a diplomatic conference would really open up new perspectives that should be reassuring for those delegations who were concerned about the long term sustainability of the Lisbon System. The Delegation further pointed out that the documents that had been submitted to the present session of the Lisbon Union Assembly were precisely trying to improve the financial health of the Lisbon Union, in particular the proposal to increase the registration fees. The Delegation pointed out that through the proposed revision, Lisbon member States were not trying to achieve a closed system but rather a diverse system attractive to all, and in particular to very small producers, from developing and

developed countries alike. In that regard, the Delegation recalled that the Program and Budget which was adopted last year by the General Assembly clearly stated that the proposed revision of the Lisbon Agreement was also intended to benefit developing countries and LDCs. Clearly, the objective was not to exclude anyone or to impose a single protection system on others. The Delegation concluded by saying that it welcomed the fact that the previous General Assembly had decided to convene the diplomatic conference with a view to revising the Lisbon Agreement and including geographical indications.

46. The Delegation of Hungary supported the statements made by the Delegations of France and Italy and took note of the proposal by the Delegation of the United States of America for a supplementary agenda item. Nevertheless, the Delegation clarified that the inclusion of such agenda item did not in any way imply that the Delegation of Hungary could agree with the necessity for the Coordination Committee to provide advice on the matter, as its view was quite the opposite. The Delegation recalled that the Lisbon Union Assembly had taken a valid decision to convene a diplomatic conference in 2015. At the time of the adoption of such decision the members of the Lisbon Union, including the Delegation of Hungary, had taken the view that the interests of the other Unions administered by WIPO would not be affected and that by way of consequence Article 9(2)(b) of the Lisbon Agreement would not be applicable and that the advice of the Coordination Committee would not be required. Furthermore, the Delegation of Hungary wished to remind delegations that during the 2013 WIPO Assemblies no request had been put forward by any delegation in order to seek advice from the Coordination Committee on the convening of the diplomatic conference. The Delegation further underlined that WIPO had a unified budget in which all incomes covered all expenditures. The budget for 2014-15 had been approved by the General Assembly in 2013, which in turn meant that the convening of the Diplomatic Conference for the Adoption of the Revised Lisbon Agreement and the allocation of the necessary financial resources had also been approved. The Delegation was of the view that such decision was still valid and that it had to be implemented in accordance with the roadmap defined by the Lisbon Union Assembly. The Delegation also highlighted that discussions within the Working Group on the Development of the Lisbon System had always been inclusive, since observer delegations had always been in a position to contribute significantly to the discussions, and had so contributed as well. In addition, the Delegation strongly believed that global protection of geographical indications was an area in which both developing and developed countries shared quite similar interests. Last but not least, the Delegation said that it would be for the preparatory committee to deal with all administrative and procedural matters, including the right to vote at the future diplomatic conference.

47. The Delegation of Portugal recalled that a similar approach was followed in 1999 when the Hague Union Assembly convened a Diplomatic Conference for the Adoption of Geneva Act to the Hague Agreement. Whether the convening of the diplomatic conference was in itself a matter of concern for other WIPO Unions was a highly debatable issue. The Delegation stated that the Revised Lisbon System would not have any impact on the Madrid System, as it would remain an option for those who wished to protect their trademarks. The Delegation did not necessarily consider the two systems as mutually exclusive. The Delegation expressed its doubts on whether the issue of voting rights should be considered as a matter of common interest for two or more Unions that would justify the need for advice from the Coordination Committee. The Delegation considered it as a procedural issue pertaining to the organization of work during the diplomatic conference. These matters should be discussed in the preparatory committee scheduled for the end of October, without hindrance of the other WIPO bodies. Regarding the participation in the revision of the Lisbon System, the Delegation recalled that observers to the Lisbon Union were allowed to make proposals and many of these had been duly taken into account. The aim of the current revision was to render the Lisbon System more attractive while preserving the principles and objectives of the Lisbon Agreement. The Delegation considered it fair to take into account the delicate balance between enlargement and deepening of the system. This was a revision of an existing agreement and the goal was to strengthen the current framework and not to create a new one. The impact of the changes

would be more significant on those already using the Lisbon System. The Delegation of Portugal said that the success of intellectual property (IP) protection systems should not be assessed only on a purely financial or revenue basis, as there were other relevant socio-economic objectives that justified their existence. To a certain extent, the deficit of the Lisbon System was the result of the ongoing revision process. The Delegation stated that the revision would also produce positive effects in terms of revenues. The Delegation concluded by recalling the overarching objective of WIPO, which was to promote the protection of IP throughout the world and said to be certain that the revision of the Lisbon System was a good step in this direction.

48. The Delegation of Iran (Islamic Republic of) pointed out that the Lisbon Working Group always made great efforts to involve non-member States of the Lisbon Agreement and encourage greater participation by these countries in the sessions of the Working Group. All members of the Lisbon System showed a high level of openness and tried to incorporate the ideas and concerns of non-members in the draft text which was being negotiated. This approach had certainly enriched the text. The Delegation of the United States of America had participated in all of these meetings. The Delegation was of the view that developing countries would benefit from the Revised Lisbon Agreement. The Delegation supported the convening of a diplomatic conference. The Lisbon Union Assembly had already approved the roadmap in that regard last year. The Delegation considered that the Lisbon Union had the authority to hold a diplomatic conference and there was no need to seek advice from the Coordination Committee. Therefore, the Delegation said that it was not in a position to go along with the proposal made by the Delegation of the United States of America.

49. The Delegation of Peru expressed its concerns because it appeared that, when a State was not in agreement with a decision taken by others, namely the Lisbon Union, it could appeal to the Coordination Committee. Since September 2008, the Working Group on the Development of the Lisbon System had been working on improving the present Lisbon System. The views of Delegations that were not members of the Lisbon Union were also taken into account. Furthermore, as mentioned by other delegations, the Delegation was of the view that the Coordination Committee could not change the decision on the diplomatic conference taken by the members of the Lisbon Union.

50. The Delegation of the Republic of Korea, speaking in its national capacity, supported the concern expressed by the Delegation of the United States of America. In particular, in the past, appellations of origin were founded on a national basis. The function of appellations of origin and geographical indications was now changing and their number would increase in the future. Considering this factor, the Delegation was concerned about the fee system of the Lisbon Agreement. Moreover, the revised Lisbon Agreement would significantly expand its scope of protection to geographical indications. This might go beyond the powers of the Lisbon Union and the Agreement could influence all WIPO Member States. Therefore, the participation of all WIPO Member States to the debate, including the diplomatic conference, should be assured.

51. The Delegation of Japan, speaking in its national capacity, said that it understood the concerns expressed by the Delegation of the United States of America, including with regard to a wider participation at the diplomatic conference and the financial sustainability of the Lisbon System. The Delegation also underlined the need to carefully consider the possible conflict between the work under the Lisbon System and the Standing Committee on the Law of Trademarks, Industrial Designs and Geographical Indications (SCT). The proposed amendment to the Lisbon Agreement included geographical indications as new subject matter. Given the possible impact of geographical indications on its users' business activities, WIPO should take a concerted approach, in any Committee or Working Group, regarding this issue. The Delegation was of the view that the issue should be discussed by the wider WIPO membership.

52. The Delegation of Chile pointed out that the Lisbon Agreement for the Protection of Appellations of Origin and Their International Registration of 1958 was a Treaty with certain specificities that distinguished it from other Agreements administered by WIPO. Although it had been there for almost 60 years, it was the Agreement that had the smallest number of members (only 28). However, of those 28 member States, only 21 had registered at least one appellation of origin and many of them had no geographical indication registered in the system. The Delegation pointed out that about 800 registrations of appellations of origin, excluding refusals and cancellation of the registrations, were in force under the Lisbon Agreement, originating from a limited number of countries. The Delegation considered that the issues under discussion now should have been taken into account to broaden the basis of the revision of the Lisbon Agreement, so that the Revised Agreement could be more attractive for a greater number of countries. Therefore, what had originally been proposed as a minor revision of the Agreement, was now a proposal establishing a new treaty without all WIPO Member States' involvement. The Delegation stated that the Coordination Committee should take a position and inform the Lisbon Union, in order to broaden the discussion of this draft treaty and make it open to all WIPO Member States on an equal footing, in accordance with the nature of the Agreement. The Delegation also said that additional financing should be considered to ensure the participation of all Member States of WIPO.

53. The Delegation of Canada recalled that, under Article 9(2)(b) of the Lisbon Agreement, the Lisbon Union Assembly should first seek the advice of the Coordination Committee before making decisions on matters that were of interest to other Unions. The Delegation considered regretfully that the Assembly of the Lisbon Union had not done that, even though a potential new treaty with global implications for the trademark system would clearly affect members of other Unions, including the Paris Union for the Protection of Industrial Property. In particular, a Revised Lisbon Agreement would have trade implications for businesses in non-Lisbon System countries that exported to Lisbon System countries. The Delegation of Canada, therefore, supported the call for an open diplomatic conference where all WIPO Member States could participate equally.

54. The Delegation of Germany supported the statements made by the Delegations of France, Hungary, Iran (Islamic Republic of), Italy and Portugal.

55. The Delegation of Spain did not believe that it was necessary for the Coordination Committee to decide or to advise on the convening of a diplomatic conference for a revision of the Lisbon Agreement.

56. The Delegation of Australia supported the statements made by the Delegations of Canada, Chile, the Republic of Korea and the United States of America. The Delegation stated that it participated constructively as an observer in the Lisbon Working Group. The Delegation was of the view that the best pathway to achieve broader membership was through an inclusive approach that addressed key concerns of WIPO Member States. The Delegation reiterated that any diplomatic conference on this matter should include all WIPO Member States because of the breadth of interest in issues related to key geographical indications across the WIPO membership. WIPO Member States that were observers should have a voice equal to that of Lisbon Union member States. To attract a broader membership, it was vital that there was a level playing field in shaping it and that WIPO Member States' contributions had equivalent weight in reaching a consensus outcome. The Delegation of Australia sought advice from the Coordination Committee that, considering the interest in geographical indications and the Lisbon revision work, the diplomatic conference should afford equal status to members and non-members.

57. The Delegation of Switzerland shared the statements made by the Delegations of France, Germany, Hungary, Iran (Islamic Republic of), Italy, Peru, Portugal and Spain. The Delegation attached great importance to decisions taken in accordance with the procedures, which should then be respected. It recalled that the previous year, a number of decisions were adopted and,

therefore, they now had to be respected. The Delegation pointed out that this was valid also for the decision to convene the diplomatic conference or for the decision to fund it. The Delegation was concerned because those transparent and inclusive decisions, taken in accordance with the rules, appeared to be called into question. The Delegation did not want to create any kind of negative precedent for the Organization. The Delegation pointed out that, in this particular case, the subject-matter was a revision involving the members of the Lisbon Agreement. Other members were observers and could participate in that capacity. The Delegation had participated in all the work of the Working Group and was going to participate equally actively in the diplomatic conference, even though it would not have the same status as members. The Delegation stated that this matter should not be discussed in the context of the Assemblies, but rather at the preparatory committee meeting scheduled for the end of October. The Delegation failed to see what would be the purpose of the relevance of an advice from the Coordination Committee at this stage, given that a decision had been legitimately taken last year.

58. The Delegation of the Czech Republic, speaking on behalf of the Group of Central European and Baltic States (CEBS), aligned itself with the statements made by the Delegations of France, Hungary, Italy, Peru, Spain, Switzerland and others. The Delegation underlined that discussing this new agenda item should not in any way mean that CEBS could line up with the proposal that hearing the advice of the Coordination Committee on the decision of the Lisbon Union Assembly was or had been necessary. In 2013, the Lisbon Union Assembly took a valid decision to convene a Diplomatic Conference for the Adoption of a Revised Lisbon Agreement, to be held in 2015. The members of the Lisbon Union Assembly considered Article 9(2)(b) of the Lisbon Agreement as not applicable, since the decision was not a matter of interest to other Unions administered by the Organization. Therefore, the advice of the Coordination Committee on this issue was not needed. The Delegation recalled that, preceding the decision taken by the Lisbon Union Assembly, no WIPO Member State had requested advice from the Coordination Committee on the convening of the said Diplomatic Conference. It also had to be underlined that WIPO has a unified budget for the 2014-2015 biennium, which had been approved by all WIPO Member States, allocating the necessary resources for the holding of a Diplomatic Conference for the Adoption of a Revised Lisbon Agreement. The allocation of the resources was based on a valid decision by the Program and Budget Committee (PBC) and the General Assembly. The Delegation was convinced that the Lisbon Union Assembly had taken a legitimate and valid decision on the convening of the diplomatic conference, even without hearing the advice of the Coordination Committee, and therefore no obstacle stood in the way of implementing it in accordance with the defined roadmap.

59. The Delegation of the Czech Republic, speaking in its national capacity, aligned itself with the arguments put forward by the Delegations of France, Hungary, Italy, Peru, Portugal, Spain, Switzerland and others.

60. The Delegation of Georgia expressed its support for the efforts of the Working Group, which had made significant progress on the Draft Revised Lisbon Agreement and the corresponding rules. The Delegation of Georgia also supported the convening of a diplomatic conference in 2015 to adopt a single instrument, including both appellations of origin and geographical indications, in order to make the system more attractive for users and prospective new members.

61. The Delegation of New Zealand expressed its concerns about the proposal to amend the Lisbon Agreement so as to cover geographical indications. These proposed changes were substantive rather than technical. The Delegation said that these matters concerned the wider WIPO membership and carried economic consequences. The existing Lisbon member States should not be able to decide on matters that affected the larger WIPO membership without input from that membership. The Delegation supported the request of the Delegation of the United States of America for the Coordination Committee to advise the Lisbon Union Assembly that the scheduled diplomatic conference should enable full participation of all interested WIPO Member States. While the revision was technically an amendment process, the negotiation

entailed substantially new international rules. Therefore, the diplomatic conference should be fully inclusive and enable all interested WIPO Member States to consider the effect of the proposed Agreement and to provide input in respect of the shape of any future geographical indication system within WIPO. Given that one of the objectives of the amendment process was to facilitate an expanded membership of the Lisbon System, the Delegation would see the maximum participation in the shaping of the Agreement as a matter of interest for Lisbon member States. The Delegation also supported the call for WIPO funding of the participation of WIPO Member States in the diplomatic conference.

62. The Delegation of Uruguay said that this matter referred to governance issues and shared the view that the Coordination Committee should take a stand in this respect. The Delegation said that the diplomatic conference should be open to all Member States of WIPO on an equal footing, as had been the case both in Beijing and Marrakesh.

63. The Delegation of Colombia recalled that the interest it had in appellations of origin was well known. The Delegation also underlined the advantages that such a system could provide to small and medium-sized producers of agricultural and artesian products, allowing them to have international protection. The Delegation reiterated that the relevance of all the interests should be taken into account at the diplomatic conference.

64. The Delegation of the United States of America agreed with the Delegation of Switzerland about the importance of following rules. The Delegation underlined that it was not objecting to the call for a diplomatic conference. The question presented by the Delegation to the Coordination Committee was on how that diplomatic conference would be conducted. From a procedural perspective, under Article 9(2)(b) of the Lisbon Agreement, the Lisbon Union had to take a decision after hearing the advice of the Coordination Committee on issues that were of interest to other WIPO Unions. The Delegation noted that geographical indications were a new and important subject matter that would affect all WIPO Member States from a trademark perspective. The Delegation requested to make the diplomatic conference open to all on equal terms, including a right to vote, and have it financed, as had been done in respect of the Beijing and Marrakesh Diplomatic Conferences. At the session of the PBC in 2013, the Secretariat had mentioned the example of the 1999 Diplomatic Conference for the Geneva Act, which had been open to all. The Delegation reiterated its request to the Coordination Committee to advise the Lisbon Union that the diplomatic conference for the revision should be open to all WIPO Member States on equal terms, including the right to propose amendments and the right to vote.

65. The WIPO Coordination Committee took note of the statements made and asked its Chair to make available the outcome of the discussions to the Chair of the Lisbon Union Assembly.

ITEM 24 OF THE CONSOLIDATED AGENDA

ANNUAL REPORT ON HUMAN RESOURCES

66. Discussions were based on documents WO/CC/70/1 and A/54/5.

67. The Chair moved on to the Agenda Item 24, the Annual Report on Human Resources and asked the Secretariat to introduce the document.

68. The Secretariat thanked the Chair for the opportunity to introduce the Annual Report on Human Resources, which provided an update on policy development reforms implemented since mid-2013. The Secretariat paid tribute to the good work and achievements of WIPO staff. The Secretariat stated that WIPO was all about services, and that these services were provided by the staff who came from 118 countries, bringing together an enormous diversity of expertise, experience and energy towards the achievement of WIPO's programs. It was recalled that the

Human Resources (HR) Strategy, which had been endorsed by the WIPO Coordination Committee in 2013, contained four objectives:

- to improve WIPO's responsiveness to evolving global IP needs through an agile and geographically diverse workforce;
- to position WIPO as a premier provider of global IP services;
- to confirm WIPO as an employer of choice for international IP experts and other professional and support staff; and
- to further improve organizational efficiency through effective harnessing of resources.

69. The Secretariat stated that the Annual Report provided a snapshot view of the workforce and an update on the implementation of the HR strategy. A number of HR matters were specifically drawn to the attention of the Coordination Committee in Section VI, paragraphs 95 to 101. The Secretariat stated that it wished to highlight three items which were described in detail in the Annual Report: geographical diversity, efficiency, and reform. With regard to geographic diversity, it was stated that in 2013, Member States had expressed a range of views with regard to WIPO's geographic diversity and whether or not a formal system should replace the 1975 accord. Until this question was resolved, the Secretariat had made a commitment to recruit from as wide a geographic basis as possible. Advertising campaigns had been conducted in several regions and a number of qualified applicants had been successfully attracted and appointed to specific posts, while fully respecting the request of Member States to select candidates on the basis of merit. Special outreach had addressed, particularly, unrepresented Member States. The Secretariat stated that low staff turnover and the long-serving short-term integration process had resulted in slow progress with regard to improving geographic diversity. It was recalled that since 2010, WIPO had regularized a number of long-serving short-term employees each year, under a program approved by the WIPO Coordination Committee. More than 70 per cent of professionals who had been regularized came from overrepresented countries. This program was reaching its conclusion. WIPO had a gender balance of 50 per cent, but had further work to do regarding gender balance at senior levels. It was stated that the target was to achieve gender balance at all levels by 2020. Member States had asked WIPO to be vigilant with cost containment. Staff costs remained stable at 66.6 per cent. WIPO had managed a gradual realignment of the workforce, adding capacity to priority areas, without increasing the overall size of the workforce. Productivity had increased while the workforce remained stable. This had been achieved through automation and improved processes. Absenteeism rates in the Organization were also decreasing. In relation to reform, in 2013 the Coordination Committee approved a reform of the internal justice system which had largely been implemented. The Secretariat commended the Human Resources Management Department (HRMD) staff for their work and the staff for their patience with a large number of new rules and regulations. A rewards and recognition pilot scheme had also been well-received by staff, and the initial evaluation was encouraging. A second pilot was underway and a policy would be implemented by the end of the year. The work on the Enterprise Resource Planning (ERP) system was progressing and business intelligence was being developed to permit managers to have instant access to management information regarding their workforce. Electronic voting had been successfully launched. Progress had also been made in closing pending audit recommendations. For 2014-15, the focus would be on geographic diversity and the further alignment of the workforce to ensure adequate additional capacity for expanding areas. Regarding the objective of confirming WIPO as an employer of choice for international IP experts and other professional and support staff, WIPO was actively engaged with the International Civil Service Commission (ICSC) in the ongoing review of the UN compensation system, to achieve more predictability with regard to staff costs and to ensure competitiveness and flexibility of the compensation package.

70. The Delegation of the United States of America expressed its gratitude for the detailed and informative report, in relation to organizational planning, performance management and recruitment. The Delegation commended WIPO for its revised and robust appraisal system, enabling enhanced communication between supervisors on their staff, and the link between individual performance and organizational performance and objectives. The Delegation requested more information on how issues of underperformance were addressed and resolved.

71. The Delegation of Mexico thanked the Secretariat for the presentation and congratulated the Director of HRMD and her team for the progress made. The Delegation repeated a previous request for more detailed information on staff costs. The Delegation understood that the financial statements included some information on the matter, but requested more information that would allow Member States to understand how the management of human resources had evolved and its impact on the general budget of the Organization. In the 2013-2015 HR Strategy approved during the last Assemblies, the Secretariat had highlighted this fact by expressing that the financial basis of the Organization was solid and that the revenue forecast was encouraging for the future, but that the Organization should cope with cost pressure that should be carefully managed, as more than two-thirds of costs were related to human resources. The Delegation stated that geographical balance was a significant priority for Mexico. The present human resources strategy indicated that Member States must examine WIPO's geographical distribution policy. The Delegation requested the Secretariat to make a proposal in the next Annual Report analyzing the deficiencies of the 1975 policy on geographical distribution and the reasons why it fell into disuse, and to make a proposal to the Coordination Committee for a new policy. The Delegation commented that many UN organizations used a limits system to ensure fair geographical distribution of staff. The most complex method was a weighted measure per member state, taking into account the composition of the Organization, financial contributions and other elements such as population. With regard to other measures to redress the geographical imbalance within the Secretariat at WIPO, the Delegation appreciated the pilot programs for recruitment, but believed that objectives and indicators were also needed to ensure the representation of persons from unrepresented and underrepresented countries. The Secretariat should ensure that special campaigns, such as job fairs from unrepresented or underrepresented countries should be used to recruit competitive candidate professionals. The Delegation highlighted that future retirements would be an opportunity to redress the geographic balance. The 2012 Joint Inspection Unit (JIU) Report entitled "Staff Recruitment in the UN System Organizations: A Comparative Analysis and Benchmarking Framework" (JIU/NOTE/2012/3) included a study on geographical diversity and made recommendations that the Secretariat could use as a reference. The Delegation requested those comments to be taken into account for the program of action that was to be put in place in this regard. The Delegation believed that in view of the structure of the Secretariat, the plan could take into account not only professional staff but all the persons with contracts for more than one year.

72. The Chair acknowledged the quality of the information and suggestions from delegations which would be commented on by the Secretariat at a later stage. The Chair also acknowledged the quality of WIPO staff and management who contributed to the success of the Organization. He added that Member States continued to expect more from them and the inclusion of further adjustments in the configuration of the workforce.

73. The Delegation of Ecuador thanked the Secretariat for the document. Referring to the commitment expressed by the Secretariat in its HR Strategy to improve geographic diversity, the Delegation inquired about the concrete action planned by the Secretariat. The Delegation referred to paragraph V. Outlook 2014 – 2015 on page 24, particularly the high percentage of staff from Western Europe, and inquired about the involvement of Member States in addressing the imbalance.

74. The Chair thanked the Delegation of Ecuador for their intervention on the important issue of geographic diversity which he noted to be a matter of scrutiny in international multilateral organizations in Geneva, requiring solutions which reflected equal opportunity, fairness and justice as well as consideration of gender. He added that smart and innovative approaches would be needed to ensure that geographic diversity was integrated with quality, merit of service, excellence and professionalism.
75. The Delegation of China thanked the Secretariat for the extremely important document which permitted Member States to gain an overview of the initiatives taken within WIPO and also to appreciate the future planning with regard to human resources in the Organization. The Delegation noted that this was the second year of implementation of the 2013-2015 HR Strategy and it welcomed the results achieved in effective management and balanced distribution of HR. The Delegation expressed the hope that WIPO would further enhance transparency in its work on HR. As regards recruitment, the Delegation hoped that the Secretariat would take into account geographic distribution as well as expertise in order to diversify its workforce and better meet global needs.
76. The Delegation of Spain thanked the Secretariat for the Annual Report on Human Resources and commended its high quality which, in the view of the Delegation, improved year on year, providing also an excellent reference point for other international organizations. The Delegation thanked the staff of WIPO for their excellent work and for their contribution to the success of the Organization. The Delegation then referred to its concern as regards all international organizations, namely, the increase in salary costs even though the number of staff in some organizations remained stable. The Delegation considered that this was a challenge for the financial sustainability of WIPO as well as for other UN organizations. Referring to the discussion in the PBC on this topic, the Delegation repeated its request which it had made for several years, to receive more detailed financial information on staff costs, stating that such information should be provided in the next report. The Delegation concluded that it welcomed the openness of the Secretariat to continue improving geographic representation in the Organization.
77. The Delegation of Peru thanked the Secretariat for the Annual Report on Human Resources and for presenting the said report in the PBC. The Delegation appreciated the improved quality of the report compared to previous reports and the greater clarity in presenting the situation of WIPO. The Delegation suggested that in future reports, more comparative figures reflecting change, evolution and trends should be presented. Furthermore, the Delegation requested a reflection in the report of the impact of policies. With regard to geographic diversity, the Delegation requested that specific numeric objectives should be presented.
78. The Delegation of the United Kingdom thanked the Secretariat for the Annual Report on Human Resources and added that it supported the activities outlined in the report, particularly the initiative to reach out to underrepresented regions of WIPO. The Delegation stated that it supported an open and transparent process and firmly believed that any recruitment should be primarily based on merit as also noted in a recent JIU report.
79. The Delegation of Indonesia thanked the Secretariat for the Report and the HR Strategy. Supporting the statements of the Delegations of China and the Republic of Korea, the Delegation looked forward to seeing more diversity in the profile of the staff of WIPO.
80. The Delegation of the Russian Federation thanked the Secretariat for the Report and for the high quality information provided therein. The Delegation supported the statements made by the Delegations of Ecuador, Spain and Mexico and expressed the view that more needed to be done with regard to geographic diversity, ensuring that all Member States were represented on the staff. The Delegation considered this a matter of importance and great concern.

81. The Secretariat thanked the delegations for the important comments and helpful suggestions. With regard to the request made by the Delegation of the United States of America, the Secretariat welcomed the opportunity to provide more information concerning how the Secretariat managed underperformance. With regard to the request made by several delegations to have more granularity regarding reporting on staff costs, the Secretariat stated that there was close internal collaboration to ensure consistent financial reporting, and the Secretariat had noted the request of delegations, which it would follow up. On geographic diversity, the Secretariat acknowledged that this was, indeed, a complex challenge and that there was a broad range of views by Member States, all of which had to be taken into account and accommodated. The Secretariat confirmed its strong commitment to reaching out to unrepresented Member States. With respect to specific steps, the Secretariat referred to a consultation and briefing event during the Assemblies, and action to be taken in the light of advice received from Member States during and after the Assemblies event. The Secretariat also planned further advertising campaigns for professional posts in targeted regions and, possibly, visits to certain countries and regions. In closing, the Secretariat welcomed and thanked delegations for suggestions made for improving the Annual Report on Human Resources in future years.

82. The Chair thanked the delegations for their high quality interventions which would be helpful in developing solutions for the issues raised. He then proposed to proceed to the decisions required under this agenda item.

83. The WIPO Coordination Committee:

- (i) noted the information provided in paragraph 95 of document WO/CC/70/1;
- (ii) noted the information contained in paragraphs 97 and 98 of document WO/CC/70/1; and
- (iii) noted the information contained in paragraphs 100 and 101 of document WO/CC/70/1.

ITEM 25 OF THE CONSOLIDATED AGENDA

STAFF REGULATIONS AND RULES: AMENDMENTS TO STAFF REGULATIONS FOR APPROVAL; NOTIFICATION OF AMENDMENTS TO STAFF RULES

84. Discussions were based on the document WO/CC/70/3.

85. The Secretariat recalled that in October 2012, the Coordination Committee had approved revisions to 10 chapters of the WIPO Staff Regulations and Rules (SRR), and the final chapters relating to the internal justice system in October 2013. This had been part of WIPO's Strategic Realignment Program (SRP) and constituted the first comprehensive review of the SRR for over 20 years, resulting in a modernized staff regulatory framework, meeting ICSC standards and best practices in the UN Common System.

86. The Secretariat stated that in order to meet the needs of an agile and future-focused Organization and to adapt to evolving business and staff needs, the Staff Regulations and Rules needed to be reviewed on an ongoing basis and amended regularly. After some time of working with the revised SRR, further amendments were being proposed to enhance some provisions that had been identified as being unclear, or difficult to apply in practice.

87. The first group of amendments concerned the recruitment and contracting of National Professional Officers (NPOs), for approval and notification by the Coordination Committee. A second group of amendments to Staff Regulations concerned various aspects of staff administration, for approval by the Coordination Committee. Once approved by the

Coordination Committee, the amendments would become effective on November 1, 2014. Furthermore, the agenda item included the Amendments to Staff Rules and Annexes which were submitted for notification to the Coordination Committee.

88. The Delegation of the United States of America applauded the positive measures taken by the Secretariat to increase gender balance and supported the amendments to Regulation 4.2(a). However, the Delegation noted the importance of reading Regulation 4.2(a) within the context of Regulation 4.1 which stated that, "The paramount consideration in recruitment and appointment of staff members shall be the need to secure the highest standards of efficiency, competence and integrity." While this language was consistent with similar regulations across the UN System, including the regulation in force in the UN Secretariat, it omitted the provision found in many such regulations which read, "so far as practicable, selection shall be made on a competitive basis." The Delegation agreed that international organizations should strive to recruit a workforce that reflected the geographical diversity of its members and should also employ strategies that target the widest audience. The Delegation expressed the view that these efforts can and should be implemented in accordance with the principle that the ultimate consideration should be given to recruiting the most qualified candidates for any vacancy through a transparent and competitive process. The Delegation requested, therefore, that Regulation 4.1 be amended to be consistent with the UN regulations which includes the phrasing "so far as practicable, selection shall be made on a competitive basis".

89. The Secretariat noted that Staff Regulation 4.9 read "As a general rule, recruitment shall be made on the basis of a competition." The Secretariat expressed the hope that this Regulation would adequately address the concern expressed by the Delegation of the United States of America.

90. In wrapping up the debate on the item, the Chair summarized that the quality of recruitment and merit always had to be at the top of the criteria. At the same time, the Chair noted the need for action with regard to gender equality and geographic diversity. He then invited the Coordination Committee to approve the amendments to the Staff Regulations and to note the amendments to the Staff Rules.

91. The WIPO Coordination Committee approved the amendments to the Staff Regulations and noted the amendments to the Staff Rules and related annexes regarding NPOs, as provided in detail in Annex I of the document WO/CC/70/3.

92. The WIPO Coordination Committee:

(i) approved the amendments to the Staff Regulations, as provided in detail in Annex II of document WO/CC/70/3;

(ii) noted the amendments to the Staff Rules as provided in detail in Annex III of the document WO/CC/70/3; and

(iii) noted the amendments to the Staff Rules as provided in detail in Annex IV of the document WO/CC/70/3.

[End of document]