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PROGRAM AND BUDGET COMMITTEE

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Geneva, September 11 to 13, 2007

PROPOSED PROGRAM AND BUDGET FOR 2008/09

presented by the Director General

1. The Proposed Program and Budget for the 2008/09 biennium is submitted to the present (twelfth) session of the Program and Budget Committee (PBC) for a second reading, in accordance with the new mechanism adopted by the Member States at the 2006 Assemblies in respect of the preparation and follow up of the Program and Budget of the Organization.
2. The Proposed Program and Budget for the 2008/09 biennium has been prepared on the basis of the Outline of the Director General dated November 27, 2006 (document WO/PBC/IM/3/06/3), and the feedback received thereupon in the informal session of the Program and Budget Committee held on December 11 to 13, 2006.
3. A first reading of the proposal was made by the PBC at its previous session (June 25 to 28, 2007). As indicated in the report of the June session (document WO/PBC/11/17 Prov.), the Committee: (i) took note of the information provided in documents WO/PBC/11/6, /9 and /10; (ii) expressed general support for the five strategic goals and framework of the proposed Program and Budget for the 2008/09 Biennium as contained in document WO/PBC/11/6; (iii) expressed views and sought clarifications on a number of issues in relation thereto, as reflected in the report of the session; and (iv) looked forward to its September 2007 session to make its final recommendations to the General Assembly in this respect.
4. The attached Proposed Program and Budget for the 2008/09 biennium reflects the feedback and comments from members of the PBC made at their eleventh session held on June 25 to 28, 2007 as follows.
 - (a) The diagram providing an overview of the 2008/09 WIPO Strategic Framework has been revised to include proposed 2008/09 budget figures as well as indicative headcount figures by program and strategic goal;

- (b) Where appropriate, charts included in the document have been updated to include a column indicating the figures as presented and approved under the Initial Budget for 2006/07;
- (c) An organigram has been included in the document to illustrate the organizational structure of WIPO;
- (d) The summary tables which follow the program narratives have been expanded to include further information on budget figures as well as proposed human resource requirements;
- (e) The narrative of Program 7 has been updated to more accurately reflect WIPO's activities in the full breadth of this Program's geographical coverage; and
- (f) The level of resources proposed to be allocated to Program 6 have been increased by 1 million Swiss francs, with a compensating reduction in the proposed level of unallocated resources, thus maintaining the overall level of the proposed 2008/09 budget unchanged.

5. The attention of the Member States is drawn to the fact that the report of the desk-to-desk assessment of the human and financial resources of the Organization has been made available to all Member States on July 2, 2007.

6. *The Program and Budget Committee is invited to recommend to the General Assemblies and the Assemblies of the Union, each as far as it is concerned, the proposed Program and Budget for the 2008/09 biennium which is attached to the present document.*

PROPOSED PROGRAM AND BUDGET FOR THE 2008/09 BIENNIUM

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DIRECTOR GENERAL'S HIGHLIGHTS

Innovation, Intellectual Property and Development

1. In an era of increasing reliance on knowledge as a source of competitiveness for enterprises and nations, innovation and creativity are recognized today as the driving forces of economic growth. More than ever before, the ability to create, access and use knowledge effectively determines a country's capacity to compete in globalised markets.

2. A central concern for policy-makers is to create the necessary conditions for investments in innovation, creativity and knowledge creation. The development of a competitive, dynamic and vibrant economy requires an institutional framework that will favor the development of new knowledge and foster industry's capacity to incorporate and adapt technologies and create new products and services that meet market needs.

3. The intellectual property system is a central component of such an institutional framework and plays a critical role in fostering creativity, innovation and technology transfer. It provides a powerful incentive for the development of inventions and creative works as well as for their dissemination and productive use. It encourages investments in new technological developments and in product differentiation and provides a framework for the development of technology markets.

4. A critical challenge for WIPO in the 2008/09 biennium is to ensure that IP policies and systems are formulated and structured in a manner so as to promote innovation, creativity and development in all Member States. Developing IP policies requires a clear understanding of the balance that needs to be achieved to ensure that the needs and concerns of various stakeholders are met, including those of owners, creators and users of IP. The ability to address successfully this challenge is contingent on the capacity to address effectively a number of specific issues over the next biennium. These issues have acquired increasing importance in recent years, and include the need to:

(a) rapidly enhance the capacity of Member States to effectively utilize IP for economic, social and cultural development;

(b) assist Member States in putting in place IP policies and strengthening IP institutions in accordance with national developmental plans and public interest objectives;

(c) assist Member States in utilizing options and flexibilities available in the international IP regime;

(d) respond effectively to growing demands for improved services under the global intellectual property protection systems, as well as to demands for the highest possible standards of these services;

(e) enable Member States to meet their obligations to protect and enforce intellectual property rights effectively; and

(f) provide an effective forum for the expeditious formulation of balanced IP norms and policies in response to emerging demands.

5. These systemic challenges are accompanied by the associated need of equipping the Organization with the skills, information technology (IT) systems and, above all, modern management practices and tools which would allow it to effectively undertake its mandated tasks.

Strategic Goals

6. To address these challenges, the proposed Program and Budget for 2008/09 is organized under five strategic goals. The strategic goals draw on those outlined in the Program and Budget document for the 2006/07 biennium as part of a long-term strategy for the organization. The first two goals have been refined to allow a clearer focus on programs that explicitly seek to leverage

intellectual property for development, and those which aim to strengthen IP infrastructure, institutions and human resources. The latter three goals remain unchanged as they continue to reflect the current objectives of the Organization.

Strategic Goal One: Promoting a Balanced IP System and Realizing Its Development Potential

7. Under this strategic goal, a key focus will be on enhancing the understanding of the role and impact of IP on development by policy-makers. Policy-oriented research will be undertaken to enable policy makers to take evidence-based decisions in the field of IP and understand the potential effects of different policy options in this field. Countries will be assisted to take into account flexibilities and various public interest objectives while developing strategies to promote innovation, creativity and transfer of technology. The understanding of the IP system by specific groups such as innovators, creators, research institutions, small- and medium-sized enterprises and creative industries will be enhanced in order to strengthen their capacity to make effective use of the system, according to their specific needs.

8. In its outreach and communication strategy WIPO will seek to develop new and more differentiated information products to meet the needs of diverse stakeholders who are increasingly interested in understanding the IP system and its critical role in modern economies. Partnerships with a wide range of relevant stakeholders will be pursued and cooperation with institutions in the UN system will be strengthened.

9. A special emphasis will also be made to explore challenges and opportunities for copyright in the online environment, for example, in the field of digital rights management (DRM). This would include consideration of how new business models and rights management technologies can promote access to digital content, including information in the public domain, while promoting creativity and addressing the interests of owners and users of protected material.

10. The importance of properly understanding the role of IP in development and of mainstreaming the development dimension into all WIPO program areas has been at the core of discussions on the establishment of a WIPO Development Agenda. Acknowledging that the issue of IP and development involves considerations that go beyond any specific program or strategic goal, activities relating to the establishment of the Development Agenda will continue to be placed under Strategic Goal One.

Strategic Goal Two: Strengthening IP Infrastructure, Institutions and Human Resources

11. An effective use of the intellectual property system hinges on the existence of adequate institutional infrastructure to support the system. This ranges from national laws that are adapted to the needs of various stakeholders to effective Intellectual Property Offices, collective management organizations, institutions dealing with enforcement and the presence of skilled human resources to professionally manage the many inter-related components of the intellectual property system. A key focus of the Organization during the 2008/09 biennium will be on building national institutional capacity in the field of IP and an intellectual property infrastructure supportive of Member States' development priorities. In this regard, there will be greater emphasis on developing customized action plans for capacity building in individual countries. Customized assistance for the modernization of automation systems and business processes will continue and there will be greater focus on using local expertise, and on equipping intellectual property institutions with new functionalities, such as national e-filing and establishment of e-dossiers.

12. Partnerships with leading academic institutions will be strengthened to meet the growing demand for practical as well as advanced interdisciplinary courses to train various stakeholders. The close relationship between effective intellectual property enforcement and economic and social development will be highlighted, and Member States will continue to be assisted in increasing the capacity of decision-makers, the judiciary and law enforcement officials in effectively dealing with IP enforcement matters.

Strategic Goal Three: Progressive Development of International IP Law

13. Providing a forum for effective development and updating of intellectual property norms in response to emerging issues and Member States' needs and requests is a central part of the mandate of WIPO. A key challenge of norm-setting activities is to address the needs of multiple stakeholders, including Member States at differing levels of development, as well as diverse groups representing the interests of owners and users of intellectual property.

14. A consensus-based work plan for the Standing Committee on Patents (SCP) shall be aimed at, including by promoting in-depth discussions, issues that are perceived to be of importance to the policy and operation of the patent system. The Standing Committee for the Law of Trademarks, Industrial Designs and Geographical Indications (SCT) will be supported in its work on a common approach to the protection of rights in its field of work, with a particular focus on the procedural aspects of the acquisition and maintenance of the concerned rights. Work in the area of copyright law will, to an extent, depend on Member States' decision regarding the proposed broadcasting treaty. Activities will also be undertaken pertaining to issues raised by Member States in regard to copyright norms, including limitations and exceptions in the digital era, and applicable law in respect of copyright infringements.

15. There will be continued focus on the development of an appropriate legal framework for the protection of traditional knowledge (TK), traditional cultural expressions (TCEs) and genetic resources. At the same time, activities will be undertaken for capacity building for national and regional regimes for protection of TK and TCEs, including provision of legislative advice and development of practical guides and tool kits. The intellectual property aspects of the increasingly important field of life sciences will receive much greater attention, through practical guides, background studies and patent landscapes.

Strategic Goal Four: Delivery of Quality Service in Global IP Protection Systems

16. The provision of more timely, cost effective and quality services under WIPO's global intellectual property protection systems will continue to be a key challenge. This will need to be achieved in an environment marked by increasing geographic diversity of users, enhanced language requirements, and the need to rapidly incorporate fast-evolving information technology tools in the management of the global protection systems. The Patent Cooperation Treaty (PCT) system will be significantly strengthened and a wide range of activities will be undertaken to address challenges such as enhancing staff skills in the appropriate languages, up-grading automated databases, search engines and software, improving quality of reports and, where possible, further simplification of the PCT legal and administrative procedures. A systematic approach will also be adopted to enhance the availability of the technological and economic information that is disclosed through the use of the PCT and national patent systems.

17. The Madrid System will respond to the rapidly increasing demands for its services by focusing on four key areas: rationalization of work procedures; enhanced use of information technology; development of the legal framework and further promotion of the system in regard to new Member States as well as end users. The Hague and Lisbon systems shall also benefit from a similarly focused approach, leading to more efficient operations and, hence, greater value for the users.

Strategic Goal Five: Greater Efficiency of Management and Administrative Support Processes

18. In the next biennium work will continue to strengthen the management reform process and streamline the working methods and procedures of the Organization, thus building on the results already obtained in the 2006/07 biennium. A comprehensive set of new Financial Regulations and Rules has been prepared by the Secretariat, with input from the Audit Committee, the Internal Auditor, and the External Auditor. To bring about effective change, the new Financial Regulations and Rules will need to be supported by a multi-level plan for management reform, training of Program Managers and other staff involved in financial management processes, as well as an enabling environment, including an appropriate organizational structure and a modern IT-based enterprise resource planning (ERP) system. The implementation of an ERP project requires substantial capital investment and is therefore proposed to be implemented from reserve funds over a period of two to three years (see documents WO/PBC/11/11 and WO/PBC/12/4(c)).

19. The desk-to-desk assessment of the human and financial resources of the Organization was implemented in the first semester of 2007 by an independent contactor. The final report of this exercise (delivered June 27, 2007) provided input for the finalization of the Human Resource Strategy that was presented, in a preliminary form, to the WIPO Assemblies in 2006. An area of major attention during the 2008/09 biennium will also be the establishment of appropriate policies on ethics-related issues and financial disclosure, as well as on inspection, investigation and evaluation. The latter will be crucial in reinforcing results-based budgeting (RBB) and the culture of accountability and managing-for-results within the Organization. Concerning oversight, additional resources are proposed to be allocated to Program 24 (Internal Oversight), and work is underway to revise, at the request of the Member States, the Internal Audit Charter (adopted in 2005). The Audit Committee (established in 2005) started its activities in the 2006/07 biennium. Its terms of reference are also under revision at the request of the Member States.

20. A medium-term IT Strategy is under elaboration to guide the activities of the Organization in the 2008/09 biennium. It is anticipated that to implement such strategy a certain number of IT capital investment projects will be required. Similarly, a certain number of capital investments will be required to upgrade the physical security of the Organization. Both investments will be financed – subject to the agreement of the Member States – from available reserves. Finally, the 2008/09 biennium will see the main phase of the construction of the new administrative building, planned to be completed in 2010. This will enable the Organization to relocate all its employees in its own premises.

Program Design and Structure

21. The design and formulation of programs under the five strategic goals described above has been guided by a set of principles that reflects WIPO's commitment to results-based management:

- The description of each program aims to give a clear sense of what has been achieved so far, the objectives and results that shall be aimed at during the biennium and the program strategies that will be adopted to attain them.
- Performance indicators are provided for all expected results and will be used to measure program achievement.
- Program design and delivery is based on lessons learned from the assessment of past performance.
- Efficiency-gain indicators and targets are provided for the operations of the PCT and Madrid systems as well as for selected administrative support areas.
- Synergies among programs are highlighted through appropriate linkages while avoiding duplication and overlaps.

22. The program structure of the 2006/07 biennium is basically maintained in the proposed Program and Budget for the 2008/09 biennium. This will facilitate comparison. However, a few changes have been made:

- Program 5 (in the 2006/07 biennium "IP and Public Policy") has been renamed "Life Sciences" in that activities related to IP and Public Policy have been transferred to Program 3 ("Strategic Use of IP for Development").
- Program 17 (in the 2006/07 biennium "PCT Reform") has been discontinued due to the completion of the PCT Reform process and a new Program 17 has been created ("Associated Patent Services") to address matters related to patent services and statistics;
- Program 23 ((in the 2006/07 biennium "Budget Control and Resource Mobilization") has been renamed "Resource Management and Control" to reflect the wider mandate of this program in the next biennium in respect of resource management and management reform. Also, mobilization of extrabudgetary resources has been transferred to Program 2 ("External Coordination").

- A new program has been created to deal specifically with the upgrading of the security standards of the Organization (Program 32).

Financial Highlights

23. The financial health of the Organization was fully restored by the end of the 2004/05 biennium, with a surplus of 11.5 million Swiss francs and an income growth of 11.1% compared to the actual figure for 2002/03. Stringent budgetary discipline and a number of cost saving measures and rationalizations contributed significantly to this outcome.

24. Revised income estimates for the 2006/07 biennium (595.1 million Swiss francs, as compared to initial estimates of 531 million Swiss francs) confirm this positive trend. With a proposed level of expenditure of 562.1 million Swiss francs in the revised budget for the 2006/07 biennium (as compared to 531 million Swiss francs in the initial budget), in the 2006/07 biennium the Organization is expected to generate an estimated surplus of 33 million Swiss francs.

25. Demand for the services provided by the Organization continues to grow. It is currently estimated that in the 2008/09 biennium the total number of PCT applications will increase by 12% and that the total number of Madrid registrations and renewals will increase by 9.1%, respectively, over revised estimates for the 2006/07 biennium.

26. Notwithstanding the sustained growth, in recent years, of the demand for the services of the Organization and, in particular, of the workload in the PCT and Madrid area, the staffing levels of the Organization have basically stabilized.

27. While internal redeployment continues to be encouraged, as of the year 2005 recruitment has been limited to new skill profiles (such as in respect of oversight functions), emerging language requirements (such as, in the PCT area, the Chinese, Korea and Japanese language), and the need to absorb the increased workload in the PCT and Madrid sectors through a moderate use of the flexibility clause. Significant efficiency gains have been made in these two sectors through specific IT investments and reengineering of internal processes and procedures.

28. A desk-to-desk assessment of the human and financial resources of the Organization was commissioned in December 2006, upon recommendation of the Joint Inspection Unit. The contract was awarded to an independent contractor (PricewaterhouseCoopers) for a cost of approximately 0.88 million Swiss francs. The final report of the assessment was delivered on June 27, 2007.

29. Pending consideration and approval by the Member States of any recommendation under the desk-to-desk assessment, the proposed Program and Budget for 2008/09 envisages no basic changes in the current staffing level of the Organization or in its structure.

30. The only exception to the above is the request to approve 30 additional posts (at the marginal additional cost of 1.1 million Swiss francs) to start a process of regularization of the position of those short-term employees who carry out core functions of the Organization. Today there are over 300 short-term employees at WIPO. These 30 posts represent only 10% of them. This initial regularization would complement the measures already adopted in 2007 to align the salary and entitlements of short-term employees with those of fixed-term staff.

31. Over 90% of the income of the Organization continues to be generated by market-driven services. In this environment, the establishment of an adequate level of reserves is the main risk-mitigating factor.

32. At the end of the 2006/07 biennium the reserves of the Organization are estimated to total 159.9 million Swiss francs. This amount represents 28.4% of budgeted biennial expenditure and is therefore comfortably above the target level established by the member States in the year 2000 (an average of 18% of biennial expenditure). This amount is also above the target level recommended by the External Auditor in his Report on the Auditing of the Accounts of the Organization for the 2004-2005 Biennium (an average of 25% of biennial expenditure).

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33. In conclusion — all other factors remaining unchanged — the financial situation of the Organization in the medium term remains extremely healthy, with reserves as of the end of the 2006/07 biennium exceeding the target level established by the Member States.

34. Possible options for the utilization of available amounts from the reserves in the medium term are being put forward separately for the further consideration of the Member States (document WO/PBC/12/4).

EXECUTIVE SUMMARY

2008/09 HIGHLIGHTS

- **Income growth by 8.7% over revised estimates for 2006/07**
- **An estimated surplus of 16.6 million Swiss francs at the end of the 2008/09 biennium**
- **Reserves above average target level established by Member States in 2000 and also above target level recommended by the External Auditor in 2006**
- **Pending consideration of the conclusion of the desk-to-desk assessment (final report delivered on June 27, 2007), no basic changes envisaged in the staffing level of the Organization in the 2008/09 biennium**
- **Only exception 30 new posts proposed to be created in 2008/09 to regularize 30 short term employees, with no impact on headcount and additional cost of only 1.1 million Swiss francs**
- **New efficiency-gain targets established in respect of PCT and Madrid operations, and selected administrative areas**

OVERVIEW OF THE MAIN FINANCIAL PARAMETERS OF THE ORGANIZATION
(in millions of Swiss francs)

| | 2004/05 Actual | 2006/07 Initial Budget | 2006/07 Revised Budget | 2008/09 Proposed Budget | Difference 2008/09 vs. 2006/07 | |
|---|-------------------|------------------------------|------------------------------|-------------------------------|-----------------------------------|--------------|
| | | | | | Amount | % |
| INCOME | | | | | | |
| Contributions | 34.4 | 34.5 | 34.5 | 34.8 | 0.3 | 0.9% |
| Fees | | | | | | |
| PCT | 400.6 | 398.0 | 445.3 | 485.0 | 39.7 | 8.9% |
| Madrid | 60.8 | 81.5 | 87.3 | 94.0 | 6.7 | 7.7% |
| Hague | 5.0 | 5.5 | 4.9 | 7.1 | 2.1 | 43.2% |
| Lisbon | 0.0 | 0.0 | 0.0 | 0.0 | - | - |
| Total Fees | 466.5 | 485.0 | 537.5 | 586.1 | 48.5 | 9.0% |
| Other Income | 21.8 | 11.5 | 23.1 | 25.9 | 2.8 | 12.1% |
| TOTAL INCOME | 522.7 | 531.0 | 595.1 | 646.8 | 51.7 | 8.7% |
| EXPENDITURE | | | | | | |
| Personnel Expenditure | 368.4 | 353.9 | 381.1 | 406.8 | 25.7 | 6.7% |
| Non-personnel Expenditure | 142.8 | 171.8 | 179.3 | 211.0 | 31.6 | 17.6% |
| Unallocated | 0.0 | 5.3 | 1.7 | 12.5 | 10.8 | 633.4% |
| TOTAL EXPENDITURE | 511.2 | 531.0 | 562.1 | 630.2 | 68.1 | 12.1% |
| SURPLUS/(DEFICIT) | 11.5 | 0.0 | 33.0 | 16.6 | n/a | - |
| REGISTRATION ACTIVITIES | | | | | | |
| Number of PCT Applications | 259,210 | 258,000 | 305,300 | 342,100 | 36,800 | 12.1% |
| Number of Madrid Registrations and Renewals | 71,390 | 96,000 | 107,729 | 117,500 | 9,771 | 9.1% |
| Number of Hague Registrations and Renewals | 10,028 | 10,600 | 10,182 | 12,000 | 1,818 | 17.9% |
| PERSONNEL | | | | | | |
| Total Employees Headcount | 1,262 | 1,350 * | 1,290 ** | 1,320*** | 30 | 2.3% |
| Total Regular Budget Posts | 915 | 935 | 989 | 1,019**** | 30 | 3.0% |

* initial estimate for the total number of employees as of December 31, 2007

** revised estimate for the total number of employees as of December 31, 2007

*** estimate for the total number of employees as of December 31, 2009

**** includes increase of 30 posts for the regularisation of S/T employees

OVERALL BUDGET PRESENTATION

INCOME FORECAST

1. Chart 1 below illustrates current forecast for the evolution of income of the Organization in the 2008/09 and the 2010/11 biennia. As Chart 1 shows — all other factors remaining unchanged — in the 2008/09 biennium, the overall income of the Organization will be 646.8 million Swiss francs. This represents an increase of 8.7% as compared to the revised income estimates for the 2006/07 biennium.

2. As this Chart also shows — all other factors remaining unchanged — in the 2010/11 biennium the income of the Organization will continue to grow to an estimated amount of 678.6 million Swiss francs.

Chart 1. Evolution of the Income of the Organization (from 2002/03 to 2010/11)
(in millions of Swiss francs)

| | 2002/03 | 2004/05 | 2006/07 | 2008/09 | 2010/11 |
|----------------------------------|--------------|--------------|--------------|--------------|--------------|
| | Actual | | Revised | Estimate | Estimate |
| Contributions | 34.5 | 34.4 | 34.5 | 34.8 | 34.8 |
| Fees | | | | | |
| PCT | 348.0 | 400.6 | 445.3 | 485.0 | 510.0 |
| Madrid | 49.7 | 60.8 | 87.3 | 94.0 | 96.6 |
| Hague | 8.4 | 5.0 | 4.9 | 7.1 | 8.8 |
| Lisbon | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| <i>Total, Fees</i> | <i>406.1</i> | <i>466.5</i> | <i>537.5</i> | <i>586.1</i> | <i>615.4</i> |
| Arbitration and Mediation Center | 3.2 | 2.5 | 2.8 | 2.8 | 3.0 |
| Publications | 7.1 | 4.4 | 3.0 | 2.6 | 2.6 |
| Interest | 13.1 | 8.9 | 13.1 | 16.3 | 18.6 |
| Other | 6.4 | 6.0 | 4.2 | 4.2 | 4.2 |
| TOTAL | 470.3 | 522.7 | 595.1 | 646.8 | 678.6 |

3. As illustrated in Chart 1, the main source of income of the Organization is fees from services provided by the Organization under the PCT, Madrid and Hague systems. Fee income represents 90.3% of total income in the revised estimates for 2006/07 and is estimated to represent — all other factors remaining unchanged — 90.6% of total estimated income in 2008/09.

4. Estimates for fee income are based on the forecast models developed by the Secretariat. The PCT forecast model has a margin of error of +/-5% for 2007 at an 80% confidence level. This margin of error is increased to 7 to 10% for 2008-2011, as the forecast horizon is increased. The model is based on the analysis of the past 15 years' conditions; however, it should be noted that exogenous factors, such as evolution of the structure of the world economy, could lead to a changed model, and subsequently revised results. The Madrid and Hague income forecast models are based on forecast tools for calculating, separately, the specific estimated demand for the handling of applications, renewals and other services, respectively.

FEE INCOME

PCT

5. The level of PCT income is influenced by a variety of factors, including demand for PCT services and applicants' behavior.

6. Demand for PCT services is in turn influenced by a number of exogenous and endogenous factors. Exogenous factors include: performance of the economy globally, and in countries of the

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highest and fastest growing demand; research and development (R&D) investment levels; technological confidence levels; and exchange rate fluctuations. Endogenous factors include: the level of PCT fees as compared to other filing routes; the attractiveness and value of PCT services as compared to other filing routes; the overall credibility of performance of the patent system; and individual corporate patent strategies.

7. Applicants' behavior influences PCT income as follows:

(i) Page Fee: The International Bureau receives 15 Swiss francs for every page over 30 pages in a given application.

(ii) International Preliminary Examination: Applicants making use of international preliminary examination under Chapter II of the PCT must pay an additional fee (a "handling fee").

(iii) Electronic Filing: When applicants use electronic (instead of paper) filing they benefit from discounts.

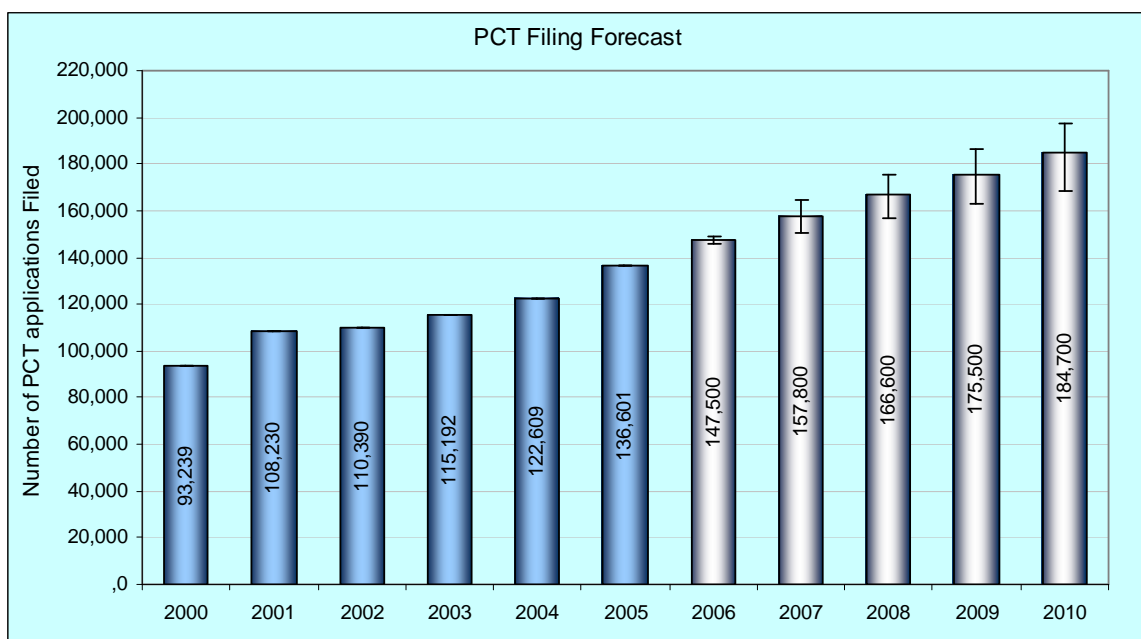
(iv) International Bureau as Receiving Office: Applicants who choose to file their application with the International Bureau acting as Receiving Office (IB/RO) must pay a special fee (the "transmittal fee").

8. The following paragraphs elaborate on current forecasts as regards: the level of demand; the expected level of Chapter II demands; the expected level of electronic filings; and the expected use of IB/RO.

PCT Filing Forecast (Demand)

9. Chart 2 shows the actual number of PCT applications in the period from 2000 to 2005 and the six-year forecast for the years 2006 to 2010 (based data at the end of December 2006). As the table shows, the number of PCT applications filed in 2005 grew by 11.4% compared with 2004, reaching a total of 136,601 applications per year. The strong growth in the year 2005 was mainly due to high PCT filings from the north Asian countries. This is shown in more detail in Chart 3.

Chart 2. PCT Applications (2000 to 2010)



| Forecast | 2000 | 2001 | 2002 | 2003 | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 |
|-------------|--------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|
| PCT Filings | 93,239 | 108,230 | 110,390 | 115,192 | 122,609 | 136,601 | 147,500 | 157,800 | 166,600 | 175,500 | 184,700 |
| Growth | 22.1% | 16.1% | 2.0% | 4.4% | 6.4% | 11.4% | 8.0% | 7.0% | 5.6% | 5.3% | 5.2% |

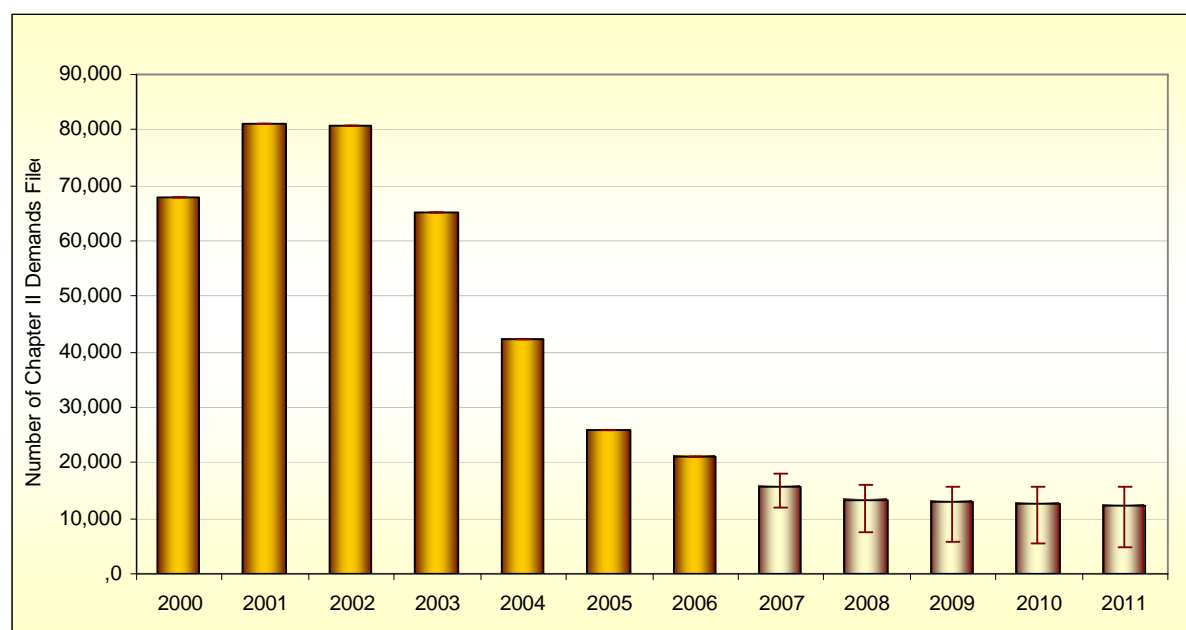
Chart 3. PCT Filings from Selected Countries (2005 — 2007)

| Country | 2005 | 2006 | 2007 | 2006 | 2007 |
|--------------------------|--------|--------|--------|-------|-------|
| Australia | 1,994 | 1,989 | 2,145 | -0.2% | 7.9% |
| Canada | 2,314 | 2,470 | 2,525 | 6.7% | 2.2% |
| China | 2,499 | 3,910 | 5,167 | 56.5% | 32.2% |
| Finland | 1,891 | 1,863 | 1,899 | -1.5% | 2.0% |
| France | 5,743 | 6,109 | 6,330 | 6.4% | 3.6% |
| Germany | 16,008 | 16,866 | 17,712 | 5.4% | 5.0% |
| Israel | 1,456 | 1,584 | 1,632 | 8.8% | 3.0% |
| Italy | 2,346 | 2,721 | 2,750 | 16.0% | 1.0% |
| Japan | 24,864 | 26,906 | 29,805 | 8.2% | 10.8% |
| Netherlands | 4,514 | 4,452 | 4,803 | -1.4% | 7.9% |
| Republic of Korea | 4,687 | 5,935 | 7,534 | 26.6% | 26.9% |
| Sweden | 2,876 | 3,312 | 3,730 | 15.2% | 12.6% |
| Switzerland | 3,285 | 3,488 | 3,654 | 6.2% | 4.7% |
| United Kingdom | 5,078 | 5,064 | 5,265 | -0.3% | 4.0% |
| United States of America | 46,773 | 50,089 | 52,632 | 7.1% | 5.1% |

PCT Chapter II Demands Forecast

10. Chart 4 shows the evolution of PCT Chapter II demands in the period from 2000 to 2006, and the forecast for the period from 2007 to 2011. As this chart shows, in the period from 2007 to 2011 the downward trend of filings of PCT Chapter II demands is expected to continue, but at a slower pace than in the period from 2000 to 2006. This is one of the effects of the changes introduced by the PCT Reform Process. Under such Reform Process all applicants, as part of the international filing fee, receive a written opinion from the International Searching Authority as to whether the claimed invention appears to meet the requirements of patentability under the treaty.

Chart 4. Chapter II Demands (2000 – 2011)

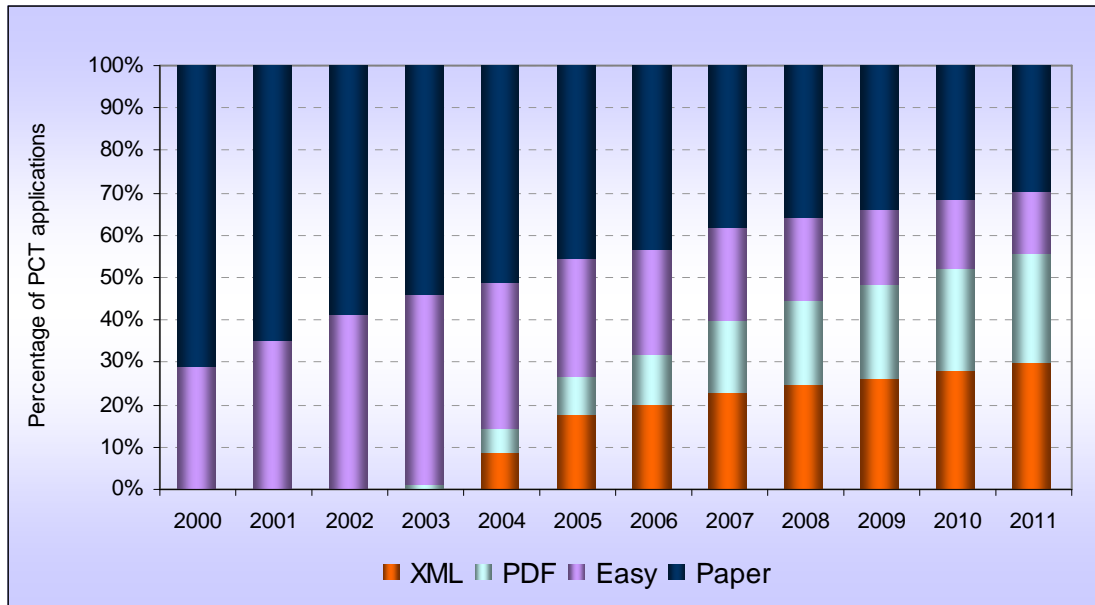


| Forecast | 2000 | 2001 | 2002 | 2003 | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 |
|------------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|
| Ch2 Demand | 67,812 | 81,094 | 80,811 | 64,971 | 42,186 | 25,802 | 21,000 | 15,700 | 13,400 | 12,800 | 12,600 | 12,300 |
| Growth | 19.8% | 19.6% | -0.3% | -19.6% | -35.1% | -38.8% | -18.6% | -25.2% | -14.6% | -4.5% | -1.6% | -2.4% |

Use of Electronic Filing Methods

11. The estimated use of electronic filing methods (EASY, PDF or XML), as a percentage of total filings, is illustrated in Chart 5 below. As this chart shows, utilization of electronic filings has steadily increased in the period from 2000 to 2006. In the year 2006 electronic filing was close to 60% of total filings and is expected to continue to grow.

Chart 5. Use of Electronic Filing Methods (EASY, PDF or XML) as a Percentage of Total Filings (2000 – 2011)



| Percentage of filing method types | | | | | | | | | | | | |
|-----------------------------------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|
| | 2000 | 2001 | 2002 | 2003 | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 |
| Paper | 71.3% | 65.3% | 59.0% | 54.2% | 51.2% | 46.0% | 43.3% | 38.3% | 36.0% | 34.0% | 31.7% | 29.9% |
| Easy | 28.7% | 34.7% | 41.0% | 44.9% | 34.7% | 27.7% | 25.0% | 22.2% | 19.6% | 17.9% | 16.2% | 14.6% |
| PDF | 0.0% | 0.0% | 0.0% | 1.0% | 5.5% | 8.9% | 12.1% | 16.8% | 20.0% | 22.2% | 24.1% | 25.7% |
| XML | 0.0% | 0.0% | 0.0% | 0.0% | 8.7% | 17.4% | 19.6% | 22.7% | 24.3% | 26.0% | 27.9% | 29.7% |

PCT International Applications Filed with the Receiving Office of the International Bureau

12. The estimated number of PCT international applications filed with the Receiving Office of the International Bureau (RO/IB) is shown in Chart 6 below. As this chart shows, this number is expected to increase gradually in the next few years.

Chart 6. PCT International Applications Filed with the RO/IB (2000 – 2011)

| | 2000 | 2001 | 2002 | 2003 | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 |
|---------------|-------|-------|-------|-------|-------|-------|-------|-------|-------|--------|--------|--------|
| RO/IB filings | 2,078 | 2,915 | 5,827 | 6,513 | 7,031 | 7,858 | 8,310 | 9,000 | 9,600 | 10,300 | 10,900 | 11,600 |
| Growth | -2.4% | 40.3% | 99.9% | 11.8% | 8.0% | 11.8% | 5.8% | 8.3% | 6.7% | 7.3% | 5.8% | 6.4% |

Expected Level of PCT Income

13. Chart 7 shows actual PCT income in the period from 2002 to 2006, and estimated PCT income in the period from 2007 to 2011, by type of income. The chart is based on the expected level of applications (Chart 2), an estimate of the expected level of page fees, the expected level of Chapter II demands (Chart 4), the expected level of electronic filings (Chart 5) and the expected level of RO/IB filings (Chart 6). The current PCT schedule of fees is reproduced in Chart 8.

14. As Chart 7 shows — all other factors remaining unchanged — in 2008, PCT income will increase by 4.5% over 2007 and, in 2009, it will increase by 4.4% over 2008. These figures do not take into account the possible delays in transmittal of files from Receiving Offices (ROs) (backlogs), or the possible adverse effect of exchange rate variations. Exchange rate fluctuations, between the time applications are filed with an RO and the time their corresponding fees reach the International Bureau, also influence income, sometimes significantly.

15. For budgeting purposes, therefore, the figures appearing in Chart 7 below have been slightly corrected to take into account possible backlogs in the transmission of files from national receiving offices and exchange rate fluctuations.

Chart 7. PCT Income (2002 – 2011)
(in millions of Swiss francs)

| PCT income (in millions of SF) | 2002 | 2003 | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 |
|--------------------------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| Basic fee | 141.02 | 141.25 | 167.47 | 186.49 | 201.28 | 215.27 | 227.21 | 239.28 | 251.75 | 263.81 |
| Page fee | 27.88 | 29.25 | 29.59 | 30.75 | 31.78 | 33.90 | 35.42 | 36.52 | 37.51 | 38.35 |
| E-Filing reduction | -8.82 | -10.30 | -8.57 | -13.03 | -15.53 | -19.06 | -21.53 | -23.95 | -26.67 | -29.26 |
| Handling fee | 18.59 | 14.95 | 8.33 | 5.09 | 4.14 | 3.10 | 2.64 | 2.52 | 2.48 | 2.42 |
| RO/IB transmittal fee | 0.55 | 0.62 | 0.67 | 0.76 | 0.79 | 0.85 | 0.90 | 0.97 | 1.03 | 1.09 |
| PCT income | 179.23 | 175.77 | 197.50 | 210.07 | 222.46 | 234.06 | 244.65 | 255.34 | 266.10 | 276.42 |
| Growth | -5.5% | -1.9% | 12.4% | 6.4% | 5.9% | 5.2% | 4.5% | 4.4% | 4.2% | 3.9% |

Chart 8. PCT Fee Schedule
(as of January 1, 2004)
(in Swiss francs)

| | |
|------------------------|-------------|
| Basic Fee | 1,400 |
| Fee for pages over 30 | 15 |
| E-filing Fee Reduction | -100 (Easy) |
| | -200 (PDF) |
| | -300 (XML) |
| RO/IB transmittal fee | 100 |
| Handling Fee | 200 |

MADRID

16. Madrid fee income derives from three categories of services offered by WIPO under the Madrid system, namely: (a) the recording of international registrations; (b) the recording of renewals; (c) other services, including the recording of subsequent designations and other modifications and the issuance of extracts. In 2006, the services falling under those three categories accounted for 60%, 23% and 17% of the Madrid total fee income, respectively.

17. Demand for those services is generally influenced by: (i) the performance of the economy in the countries of the Madrid system; (ii) the attractiveness of the Madrid services as compared to those offered under other, alternative filing routes; and (iii) the individual trademark filing and portfolio management strategies followed by applicants and owners of international registrations.

18. In addition, some other factors also influence on the specific level of income resulting from each category of service, as follows:

(a) international registrations: the basic fee level for each individual registration will depend on whether the trademark concerned is in black and white (653 Swiss francs) or in color (903 Swiss francs); extra fees are due in case the international application contains irregularities with respect to the classification of goods/services;

(b) renewals: the basic fee for renewal will depend on whether it is paid in time (653 Swiss francs) or late (50% surcharge);

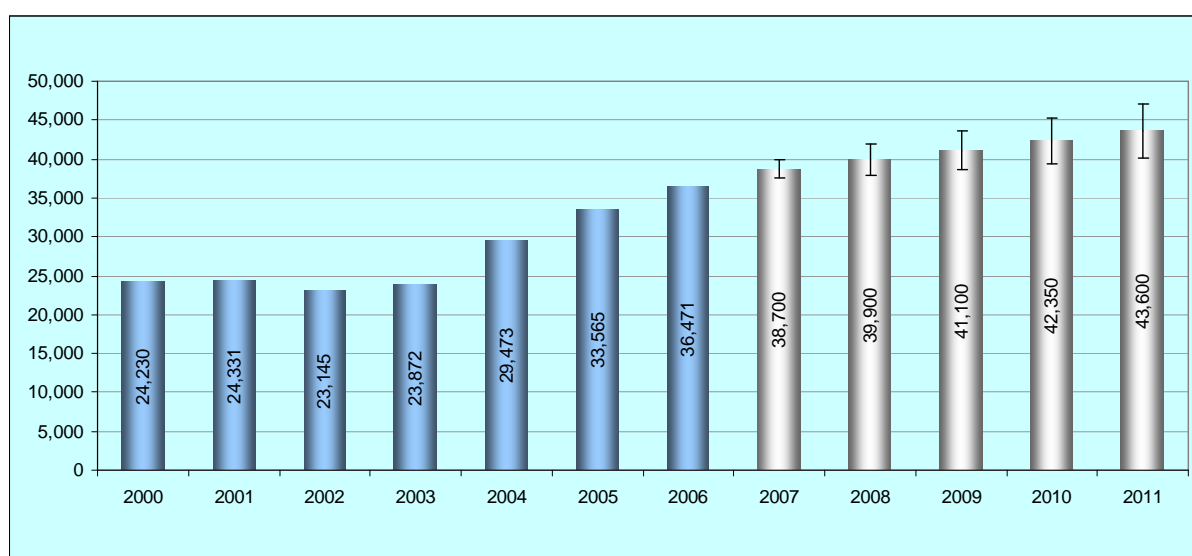
(c) other services: the number of subsequent designations will depend on the possibility to designate newly acceded Members and on corporate decisions concerning the expansion of business to the territories of other Members; the recording of other changes will largely depend on broader corporate decisions taken by trademark owners on matters such as transfers and mergers, which may result in the assignment or limitation of rights, licenses and changes of name or address of owners or representatives.

19. The following paragraphs elaborate on current forecasts as regards the level of demand for the recording of international registrations and renewals and the expected level of Madrid fee income.

Madrid - Forecast of Demand for International Registration

20. Chart 9 shows the actual number of Madrid applications filed in the period from 2000 to 2006 and the five-year forecast for the years 2007 to 2011.

Chart 9. Madrid Applications for International Registration (Demand) (2000 to 2011)



| | 2000 | 2001 | 2002 | 2003 | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 |
|--------------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|
| Applications | 24,230 | 24,331 | 23,145 | 23,872 | 29,473 | 33,565 | 36,471 | 38,700 | 39,900 | 41,100 | 42,350 | 43,600 |
| Growth | 18.2% | 0.4% | -4.9% | 3.1% | 23.5% | 13.9% | 8.7% | 6.1% | 3.1% | 3.0% | 3.0% | 3.0% |

21. As the chart shows, the number of Madrid applications increased significantly in the years 2004 to 2006 following the accession to the Madrid Protocol of the United States of America (in 2003) and the European Community (in 2004) and a large increase in demand in a number of other Contracting Parties (notably, Australia, China, Japan, Italy, Turkey and the United Kingdom).

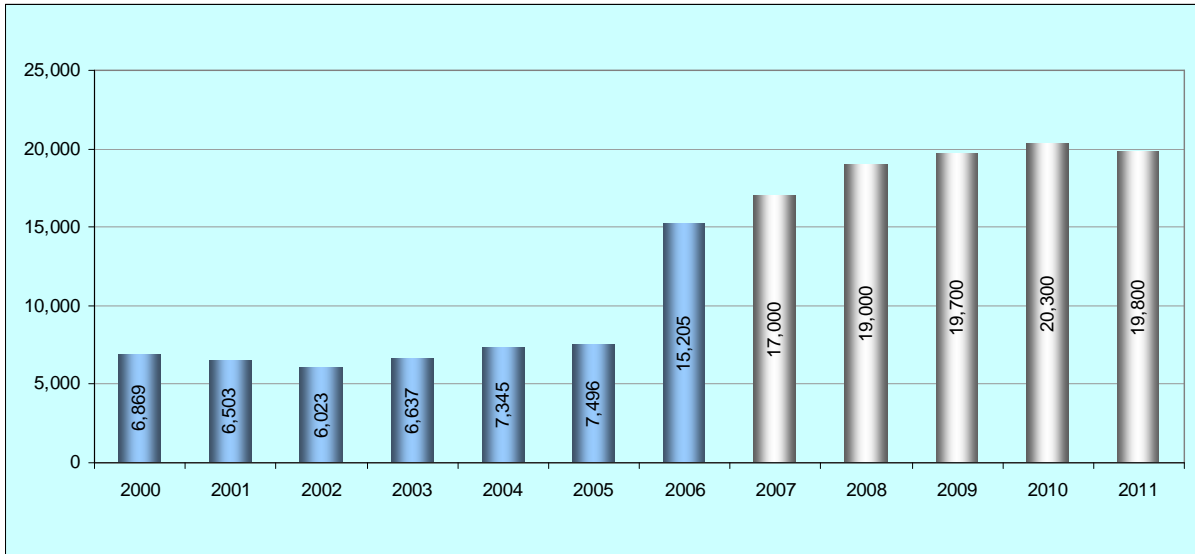
22. Estimates for the period 2007 to 2011 are based on a forecast model which takes into account the evolution of demand over the last 15 years and a gradual increase in membership in the Madrid system expected for the years to come. The model has a margin of error of +/-3% for the current year (2007) and of five to 10% for the subsequent four years (2008 to 2011). However, it should be noted that exogenous factors, such as changes in the evolution of the world economy or a significant increase in membership, could lead to revised results.

Madrid - Forecast of Demand for Renewals

23. Chart 10 shows the actual number of renewals recorded in the period from 2000 to 2006 and the five-year forecast for the years 2007 to 2011.

24. As Chart 10 shows, the number of renewals substantially increased in 2006 (a 102.8% increase over 2005) because the period of validity of international registrations changed from 20 to 10 years in April 1996. Consequently, as of April 2006, both registrations and renewals recorded in 1986 and those recorded in 1996, became renewable.

Chart 10. Madrid Requests for Renewals (Demand) (2000 to 2011)



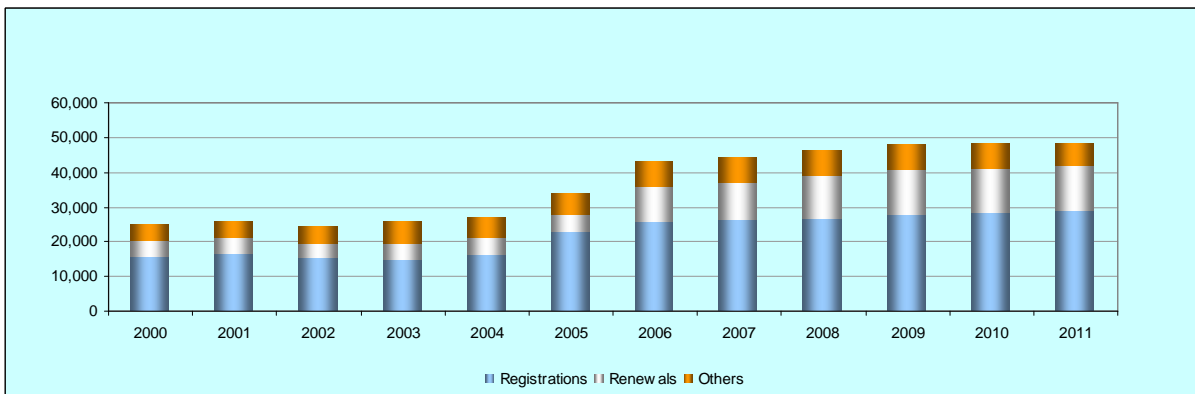
| | 2000 | 2001 | 2002 | 2003 | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 |
|----------|-------|-------|-------|-------|-------|-------|--------|--------|--------|--------|--------|--------|
| Renewals | 6,869 | 6,503 | 6,023 | 6,637 | 7,345 | 7,496 | 15,205 | 17,000 | 19,000 | 19,700 | 20,300 | 19,800 |
| Growth | 20.3% | -5.3% | -7.4% | 10.2% | 10.7% | 2.1% | 102.8% | 11.8% | 11.8% | 3.7% | 3.0% | -2.5% |

25. The forecast for the period 2007 to 2011 is based on the renewal trends observed in the last 15 years and on the actual number of registrations due to expire (unless they are renewed) in the next five years. Estimated figures have been calculated on the basis of a 47% renewal rate on the number of registrations expiring in each given year.

Expected Level of Madrid Fee Income

26. Chart 11 shows actual Madrid fee income in the period from 2000 to 2006, and estimated Madrid fee income for the period from 2007 to 2011.

Chart 11. Expected Level of Madrid Fee Income, by Source (2000 to 2011)
(in thousands of Swiss francs)



27. For the years 2000 to 2004, the ratio between income from international registrations and renewals, on the one hand, and income from other services, on the other hand, was 79/21, on average. However, both in 2005 and 2006 the ratio changed to approximately 83/17 as a result of the steep increase in the number of registrations and renewals recorded in those two years, compared to a moderate increase in the volume of other services which generate fees.

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28. During that same period, the average fee (calculated as the total Madrid fee income divided by the total number of registrations and renewals in any given year), moved down from a level of 866 Swiss francs on average for 2000 to 2004 to a level of 827 Swiss francs in 2005 and 821 Swiss francs in 2006. This is illustrated in Chart 12 below.

Chart 12. Madrid Total Fee Income and Average Fee (2000 to 2011)

| | 2000 | 2001 | 2002 | 2003 | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 |
|-----------------------------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|
| Registrations | 22,968 | 23,985 | 22,236 | 21,847 | 23,379 | 33,170 | 37,224 | 38,300 | 38,800 | 40,000 | 41,100 | 42,200 |
| Renewals | 6,869 | 6,503 | 6,023 | 6,637 | 7,345 | 7,496 | 15,205 | 17,000 | 19,000 | 19,700 | 20,300 | 19,800 |
| Registrations + Renewals | 29,837 | 30,488 | 28,259 | 28,484 | 30,724 | 40,666 | 52,429 | 55,300 | 57,800 | 59,700 | 61,400 | 62,000 |
| % growth over previous year | 15.7% | 2.2% | -7.3% | 0.8% | 7.9% | 32.4% | 28.9% | 5.5% | 4.5% | 3.3% | 2.8% | 1.0% |
| Fee Income ('000 Sfr) | 25,141 | 25,921 | 24,110 | 25,591 | 27,160 | 33,634 | 43,033 | 44,240 | 46,240 | 47,760 | 48,166 | 48,429 |
| % growth over previous year | 11.2% | 3.1% | -7.0% | 6.1% | 6.1% | 23.8% | 28.0% | 2.8% | 4.5% | 3.3% | 0.9% | 0.5% |
| Average Fee (Sfr) | 843 | 850 | 853 | 898 | 884 | 827 | 821 | 800 | 800 | 800 | 784 | 781 |

29. Income estimates for 2007 to 2011 given in Charts 11 and 12 take into account the expected numbers of international registrations and renewals (based on the forecast for applications and renewals given in Charts 9 and 10) and an estimated average fee ranging from 800 to 781 Swiss francs, based on an expected income ratio of approximately 85/15 resulting from international registrations and renewals, on the one hand, and other services, on the other hand.

30. No changes to the schedule of fees payable under the Madrid system are envisaged for the 2008/09 biennium.

THE HAGUE

31. Fee income under the Hague system results from three categories of services offered by WIPO, for which fees are charged, namely: (a) the recording and publication of international registrations; (b) the recording of renewals; (c) other services, including the recording of modifications and the issuance of extracts. In 2006, the services falling under those three categories accounted for 48%, 43% and 9% of the total Hague fee income, respectively.

32. Demand for those services is generally influenced by: (i) the performance of the economy in the countries of the Hague system; (ii) the attractiveness of the Hague services as compared to those offered under other, alternative filing routes; and (iii) the individual industrial design filing and portfolio management strategies followed by applicants and owners of international registrations.

33. In addition, some other factors also influence on the specific level of income resulting from each category of service, as follows:

(a) international registrations: the amount of fees due for the recording and publication of an international registration will depend on the applicable Act of the Hague Agreement, on the number of designs concerned, the number of words used in the description, the number of pages to be published and whether the reproduction is to be published in black and white or in color;

(b) renewals: the amount of fees will depend on the applicable Act of the Hague Agreement, the number of designs concerned, and whether the fee payment is made on time;

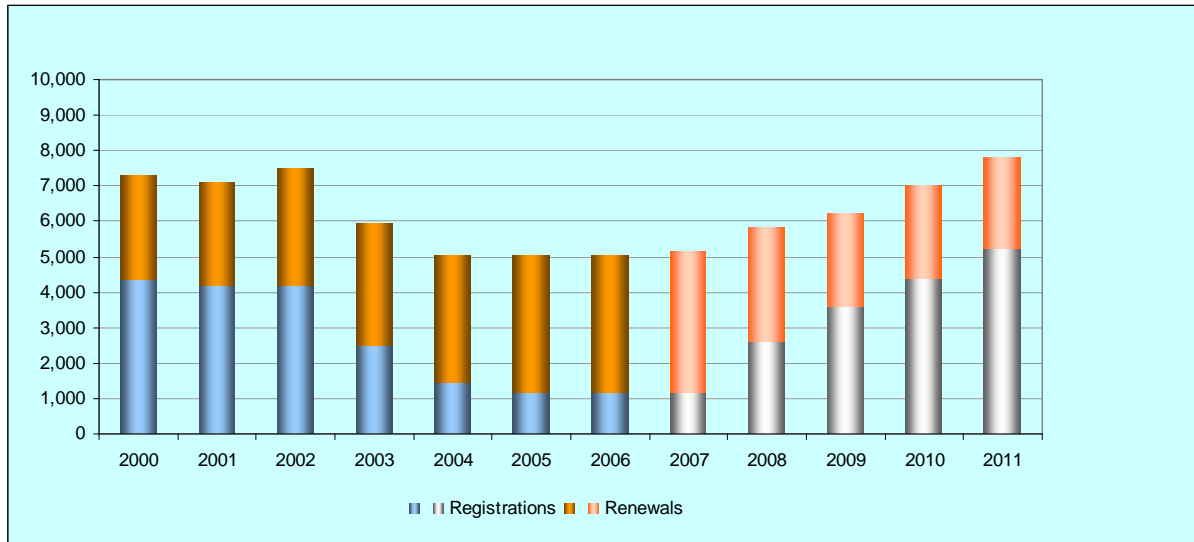
(c) other services: income resulting from the recording of changes to international registrations will depend on the number of changes to be recorded and will be largely influenced by broader corporate decisions taken by industrial design owners on matters such as transfers and mergers, which may result in the assignment of international registrations, the recording of limitations, the renunciation of rights or the change of name or address of the owner or representative.

34. The following paragraphs elaborate on current forecasts as regards the level of demand for the recording of international registrations and renewals and total estimated fee income under the Hague system.

The Hague - Forecast of Demand for International Registration

35. Chart 13 shows the actual number of Hague registrations recorded by the International Bureau in the period from 2000 to 2006 and the five-year forecast for the years 2007 to 2011.

Chart 13. Hague Demand for Registrations and Renewals (2000 to 2011)



| | 2000 | 2001 | 2002 | 2003 | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 |
|---------------|-------|-------|-------|-------|--------|-------|-------|-------|-------|-------|-------|-------|
| Registrations | 4,334 | 4,183 | 4,177 | 2,475 | 1,415 | 1,137 | 1,143 | 1,150 | 2,600 | 3,600 | 4,400 | 5,200 |
| Renewals | 2,966 | 2,922 | 3,302 | 3,463 | 3,591 | 3,885 | 3,889 | 4,000 | 3,200 | 2,600 | 2,600 | 2,600 |
| Total | 7,300 | 7,105 | 7,479 | 5,938 | 5,006 | 5,022 | 5,032 | 5,150 | 5,800 | 6,200 | 7,000 | 7,800 |
| Growth | 15.7% | 2.2% | -7.3% | 0.8% | -15.7% | 0.3% | 0.2% | 2.3% | 12.6% | 6.9% | 12.9% | 11.4% |

36. As Chart 13 shows, the number of Hague registrations decreased significantly in the years 2003 to 2005. This is to be attributed mainly to the entry into force, in 2003, of the European Community system for the registration of designs. As of 2005, the situation has stabilized.

37. Estimated figures for the period 2007 to 2011 are based on the assumption that the European Community (EC) will accede to the Geneva Act in February 2008. While the impact of this accession is difficult to forecast with precision, it is expected that by 2010 the number of Hague registrations should be at levels similar to those prior to the year 2003, notably because of the attractiveness of the link with the EC system.

38. The margin of error of the forecast of Hague registrations for the period 2007 to 2011 is larger than the one indicated in the forecast of Madrid registrations for the same period, due to a higher exposure of the Hague system to exogenous factors, such as the possible accession of new members with a large potential for international industrial design registration activity.

Hague - Forecast of Demand for Renewals

39. Chart 13 also shows the actual number of renewals recorded in the Hague International Register in the period from 2000 to 2006 and the five-year forecast for the years 2007 to 2011.

40. As Chart 13 shows, in the period 2000 to 2006, the number of renewals varied according to the number of registrations and renewals recorded five years earlier, representing on average a 53% renewal rate.

41. Estimates for the period 2007 to 2011 are based on the evolution of demand for the renewal of international registrations in the last 15 years and the actual number of registrations entitled for renewal upon expiration of their current term in the next five years. The figures have been calculated also on the basis of a 53% renewal rate.

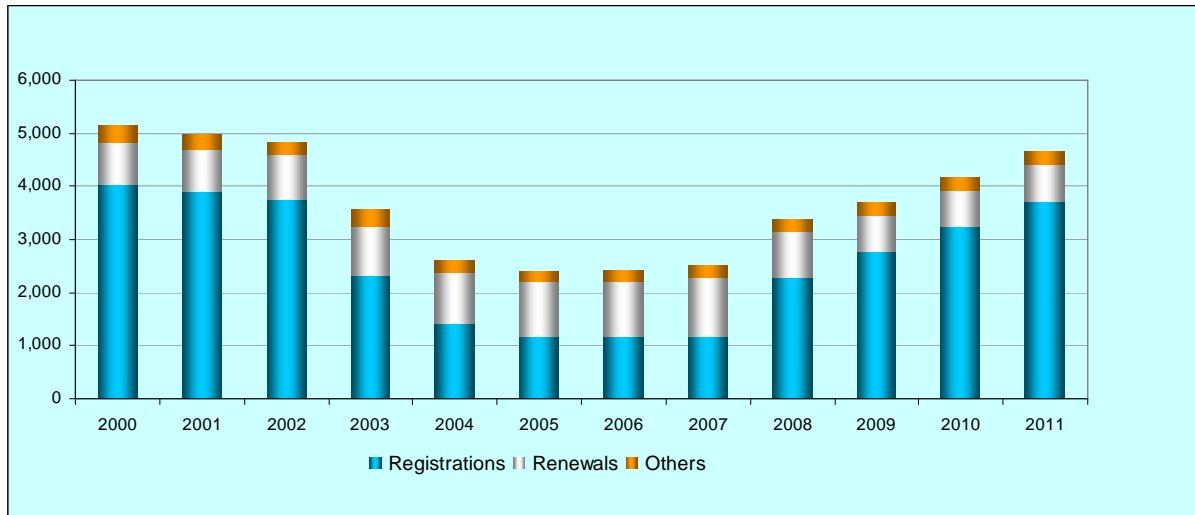
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Expected Level of Hague Income

42. Chart 14 below shows actual Hague fee income in the period from 2000 to 2006, and estimated Hague fee income for the period from 2007 to 2011.

43. The drop in the number of international registrations in the years 2004 to 2006 has heavily influenced fee income under the Hague system. Equally, the average fee was considerably lower in that period than in previous years when the proportion of international registrations was higher than those of renewals and other services.

Chart 14. Expected Level of Hague Fee Income, by Source (2000 to 2011)
(in thousands of Swiss francs)



44. Income estimates for 2007 to 2011 are based on the expected numbers of international registrations and renewals and an estimated average fee ranging from 486 to 597 Swiss francs (Chart 15). The increase in the number of international registrations will have an upward effect on the level of the average fee as from 2008. The income ratio resulting from international registrations, renewals, and other services is expected to move from 46/45/9 in 2007 to 80/15/5 in 2011.

Chart 15. Hague Total Fee Income and Average Fee (2000 to 2011)
(in thousands of Swiss francs)

| | 2000 | 2001 | 2002 | 2003 | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 |
|-----------------------------|-------|-------|-------|-------|--------|-------|-------|-------|-------|-------|-------|-------|
| Registrations | 4,334 | 4,183 | 4,177 | 2,475 | 1,415 | 1,137 | 1,143 | 1,150 | 2,600 | 3,600 | 4,400 | 5,200 |
| Renewals | 2,966 | 2,922 | 3,302 | 3,463 | 3,591 | 3,885 | 3,889 | 4,000 | 3,200 | 2,600 | 2,600 | 2,600 |
| Registrations and Renewals | 7,300 | 7,105 | 7,479 | 5,938 | 5,006 | 5,022 | 5,032 | 5,150 | 5,800 | 6,200 | 7,000 | 7,800 |
| % growth over previous year | 15.7% | 2.2% | -7.3% | 0.8% | -15.7% | 0.3% | 0.2% | 2.3% | 12.6% | 6.9% | 12.9% | 11.4% |
| Fee Income ('000 Sfr) | 5,147 | 4,956 | 4,842 | 3,545 | 2,593 | 2,398 | 2,427 | 2,503 | 3,360 | 3,696 | 4,176 | 4,656 |
| % growth over previous year | 11.1% | 3.1% | -7.0% | 6.1% | -13.2% | -7.5% | 1.2% | 3.1% | 34.2% | 10.0% | 13.0% | 11.5% |
| Average Fee (Sfr) | 705 | 698 | 647 | 597 | 518 | 477 | 482 | 486 | 579 | 596 | 597 | 597 |

45. In this connection, it should be noted that following consultations held with Member States in May 2007, a modified schedule of fees for the Hague system will be proposed for adoption by the Hague Union Assembly in September 2007. The proposal concerns a simplification of the publication fee and the introduction of a fee reduction scheme for applicants from LDCs. If approved, the new schedule of fees will come into force in April 2008. However, the adoption of this new schedule of fees would have no significant incidence on the expected level of fee income.

ASSESSED CONTRIBUTIONS FROM MEMBER STATES

46. It is expected that income from contributions from Member States in 2008/09 will total 34.8 million Swiss francs. This figure is based on current membership and contribution classes. The level of contributions is shown in Appendix A.

WIPO ARBITRATION AND MEDIATION CENTER

47. The Arbitration and Mediation Center 's income is based on fees for services provided under the Uniform Domain Name Dispute Resolution Policy (UDRP) procedures and under the Arbitration and Mediation procedures, as well as participation fees for conferences and workshops organized by the Center. It is estimated that in 2008/09 the income of the Center will be 2.8 million Swiss francs. This estimated increase is based on the expected increase of domain name case filings in 2008/09. A gradual increase in the number of Arbitration and Mediation procedures is also expected, based on an expected increase in the types of intellectual property transactions that lend themselves to resolution through procedures other than court litigation, and a continuation of the Center's awareness-raising activities. The figure is estimated to be 3 million Swiss francs in 2010/2011.

PUBLICATIONS

48. Income from publications in 2008/09 is estimated at 2.6 million Swiss francs. This compares with 3.0 million Swiss francs in the revised budget for 2006/07. The decrease is explained by the fact that a significant number of WIPO publications are being posted free of charge on the web. The figure is estimated to remain stable in 2010/11.

FINANCIAL INVESTMENTS AND OTHER MISCELLANEOUS INCOME COMPONENTS

49. It is estimated that in 2008/09 income from financial investments will be 16.3 million Swiss francs. This compares with 13.1 million Swiss francs in the revised estimates for 2006/07. The increase is explained by the higher amount of funds available for investment in view of the higher than initially estimated level of the reserves.

50. Other miscellaneous income components (including rentals, UPOV, support costs from funds-in-trust, and other miscellaneous sources) are expected to generate 4.2 million Swiss francs in the next biennium.

EXTRABUDGETARY RESOURCES

51. While the Organization's income has entered a period of more moderate, but stable, growth, there is nevertheless an ever increasing demand for its services, in particular regarding cooperation with developing countries and countries with economies in transition. To help meet this need the Organization has embarked on a proactive extrabudgetary resource mobilization.

52. At present, a number of Member States provide extrabudgetary funding by means of contributions in kind, cost-sharing agreements for specific activities (such as seminars, workshops or training activities), or provision of funds to WIPO under special fund-in-trust (FIT) arrangements. These FIT arrangements also enable the funding of Junior Professional Officers (JPOs) attached to WIPO headquarters in Geneva.

53. As also shown in Table IV, it is currently estimated that in the 2008/09 biennium an amount of approximately 13.0 million Swiss francs may be available to WIPO for programming under FIT arrangements established between WIPO and the governments of France, Germany, Japan, Republic of Korea, Spain and the United States of America, as well as with the European Union. Also, it is estimated in 2008/09 there will be six JPOs and three consultants funded through FIT arrangements. Negotiations are currently under way with other additional potential donors.

Proposed Program and Budget for 2008/09

54. In addition, it is worth noting that WIPO also administers the WIPO Voluntary Fund for Accredited Indigenous and Local Communities (established by the WIPO General Assembly in 2005). So far, contributions to the fund have been made by France, SwedBio (Swedish International Biodiversity Programme) and the Christensen Fund. Negotiations are currently underway with other potential donors.

PROPOSED EXPENDITURE FOR 2008/09

55. The proposed level of expenditure for the 2008/09 biennium is 630.2 million Swiss francs. This amount represents a 12.1% increase over the revised budget for 2006/07 and a 18.7% increase over the initial budget for 2006/07.

56. Proposed allocation of expenditure by Object of Expenditure is shown in Table I. Proposed allocation of expenditure by Program is shown in Table II. Proposed posts by Program are shown in Table III.

57. The allocation of income and budget by Union is proposed for approval by Member States on the basis of a revised methodology, the principles of which are set out in Annex I. A definition of the various budget headings is given in Appendix B.

PROPOSED STAFFING LEVEL FOR 2008/09

58. Chart 16 below shows the evolution of the staffing levels of the Organization (Headcount) by category of employment, in the period from 1998 to 2009.

Chart 16. Evolution of Headcount (1998-2009)

| | 1998 | 1999 | 2000 | 2001 | 2002 | 2003 | 2004 | 2005 | 2006 | END 2007 INDICATIVE | END 2009 INDICATIVE |
|----------------------------|------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|------------------------|------------------------|
| Regular budget posts | 685 | 749 | 788 | 853 | 917 | 942 | 928 | 909 | 887 | | |
| S/T staff* | 196 | 279 | 302 | 341 | 368 | 329 | 293 | 266 | 265 | n/a | |
| Consultants | 62 | 62 | 54 | 54 | 73 | 80 | 60 | 45 | 41 | | |
| Special Service Agreements | 39 | 47 | 56 | 45 | 36 | 35 | 29 | 42 | 56 | | |
| Total** | 982 | 1,137 | 1,200 | 1,293 | 1,394 | 1,386 | 1,310 | 1,262 | 1,249 | 1,290 | 1,320 |
| % change | 18.0% | 15.8% | 5.5% | 7.7% | 7.8% | -0.6% | -5.5% | -3.7% | -1.0% | 3.3% | 2.3% |

* Includes General Service, translators, and temporary employees on Special Labor Contracts

** Includes for the years 1998-2003 employees funded under the FIT arrangements

59. As this Chart shows, the headcount of the Organization grew steadily from 1998 (982 employees) to 2002 (1,394 employees), and started then to decline. As Chart 16 also shows, the total headcount foreseen for the end of 2007 (1,290 employees) basically corresponds to the headcount of the Organization by the end of the year 2001 (1,293 employees). Also, the total indicative headcount for the end of 2009 (1,320 employees) is only slightly higher than the 2001 headcount.

60. It should be noted that in Chart 16 the figures appearing on the line "regular budget posts" refer to the total number of occupied posts and not to the total number of authorized (budgeted) posts.

61. Chart 17 below compares the evolution of headcount in the period from 1998 to 2009 with the corresponding evolution of workload in the PCT and Madrid sectors. (At present, these two sectors alone absorb over 50% of the overall headcount of the Organization).

62. The workload of the PCT is measured by the total number of international applications filed per year and the workload of the Madrid sector is measured by the total number of registrations and renewals per year.

63. As Chart 17 shows, in the period from 1998 to 2009 the workload of the PCT and of the Madrid sector shows growth (change) of 161.7% and 131.3%, respectively, when in the same period the growth (change) in the headcount is only of 34.4%. This has been made possible by efficiency-gains

driven by reengineering of processes and procedures and the impact of IT investments in the PCT and Madrid areas.

Chart 17. Change in Headcount vs. Change in PCT and Madrid Workload from 1998 to 2009

| | 1998 | 2009 | Change in Number | Change in % |
|-----------------------------------|--------|---------|------------------|-------------|
| WIPO Headcount | 982 | 1,320 | 338 | 34.4% |
| PCT International Applications | 67,061 | 175,500 | 108,439 | 161.7% |
| Madrid Registrations and Renewals | 25,811 | 59,700 | 33,889 | 131.3% |

64. Pending consideration and approval by the Member States of any recommendation under the desk-to-desk assessment, the proposed Program and Budget for 2008/09 envisages no basic changes in the current staffing level of the Organization or in its structure.

65. This is illustrated in Chart 16. As Chart 16 shows, the total headcount by the end of 2009 is estimated at 1,320 employees. At this stage, however, it is not possible to define how many employees will be on the payroll of the Organization at that point in time in each respective category of employment.

66. Concerning posts, Table 3 shows, however, that the overall number of posts proposed for the 2006/07 biennium (989 posts: see document WO/PBC/12/2) will be held constant in the 2008/09 biennium. The only exception is the request to authorize the creation of 30 new posts to “regularize” 30 short-term employees. (On issues concerning the situation of short-term employees at WIPO, please see the Outline of the Director General dated November 27, 2006 (document WO/PBC/IM/3/06/3, paragraph 56) and the Revised Budget for 2006/07 (document WO/PBC/12/2, paragraphs 17 to 20)).

67. This request reflects the policy that in the medium and long term, all the employees who carry out a core function of the Organization should have not only the same level of remuneration and entitlements of fixed-term staff (please see below) but also a post under the regular budget of the Organization (“regularization policy”). Recognizing that such regularization policy can only be implemented in a gradual way, the Secretariat proposes that, starting with the 2008/09 biennium, a certain number of new posts be established to progressively enable short-term employees to be “regularized” through the required competitive process.

68. Taking into account that at the end of 2006 there were 232 short-term employees at WIPO, it is proposed to create, in 2008/09, an initial lot of 30 posts (e.g., corresponding to approximately 10% of the total number of short term employees).

69. These proposed 30 new posts have been included as “unallocated” posts in Table III, as their allocation by Program would be subject to various criteria and procedures, which are currently under development by the Secretariat. The creation of these posts will not affect the overall headcount of the Organization, because no new short-term employees are envisaged to be recruited to replace these 30 employees.

PROPOSED EXPENDITURE FOR PERSONNEL IN 2008/09

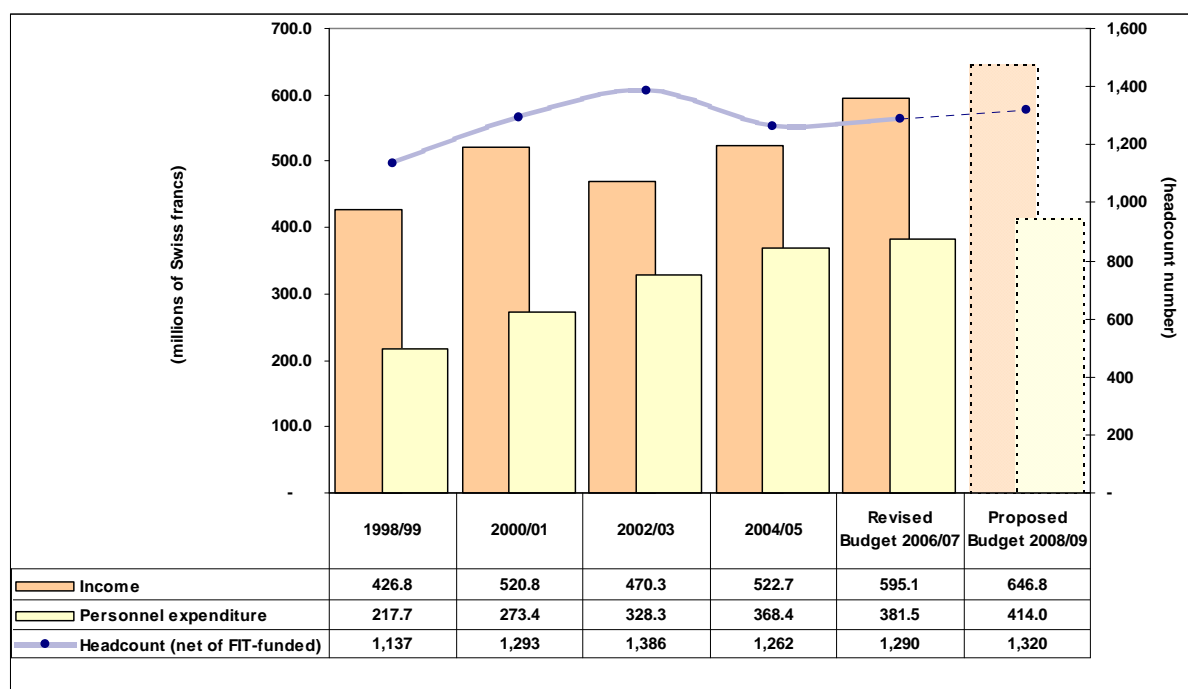
70. Personnel resources are proposed to increase by 25.7 million Swiss francs, from 381.1 million Swiss francs in the revised budget for 2006/07 to 406.8 million Swiss francs under the proposed 2008/09 budget (an increase of 6.7%). Including the personnel costs currently under the unallocated category, the increase is 32.5 million Swiss francs, from 381.5 million Swiss francs in the revised Budget for 2006/07, to 414.0 million Swiss francs in the proposed budget for 2008/09 (an increase of 8.5%).

71. Chart 18 compares, over the period from 1998 to 2009, the evolution of the Organization’s headcount, with the parallel evolution of biennial personnel expenditure and of biennial income. Actual data are shown for the 1998/99, 2000/01, 2002/03 and 2004/05 biennia. The 2006/07 data are drawn from the revised budget for 2006/07. The 2008/09 data are proposed budget figures.

72. As Chart 18 illustrates, as of the year 2004, while income has continued to grow staffing levels have stabilized, with headcount increase restricted to an average of less than 1% over the same period.

73. As Chart 18 also shows, however, the evolution of personnel expenditure (cost factor) does not follow the same curve of the corresponding evolution of staffing levels (volume factor). This is because, even if the headcount is stable, there is an inflation factor for personnel expenditure, driven mainly by the International Civil Service Commission (ICSC) mandatory adjustments and step increases. Also, as of the 2004/05 biennium, personnel expenditure includes a contribution to the provision for separation from service and after-service health insurance (ASHI), corresponding to 6% of biennial staff expenditure. This contribution was much lower, in percentage and actual terms, in the preceding biennia.

Chart 18. Evolution of Income, Personnel Expenditure and Headcount (1998-2009)



Costing Methodology

74. As indicated in the document submitted to the 2006 Assemblies entitled “Strengthening Budgetary, Control and Managerial Processes” (document A/42/11, paragraph 7)), in 2006 the Secretariat conducted a detailed review of the methodology for budgeting for personnel costs. The aim of this review was to ascertain whether, in order to be able to budget for personnel cost in the

most accurate way possible, it would be advisable to shift from the traditional methodology (based on standard costs) to a new methodology based on an individual (post by post) basis.

75. Upon completion of its review, the Secretariat has however come to the conclusion that, while the latter methodology has proven extremely helpful in identifying adjustments required to the personnel resources of the Organization for the purposes of the Revised Budget for 2006/07, insofar as it entails a detailed knowledge of the contract details, career prospects and family situation of every employee of the Organization, it is too labor intensive to be adopted for future budgeting purposes. The Secretariat has thus decided to budget for the required personnel resources of the Organization for 2008/09 on the basis of revised and updated standard costs.

76. The standard cost elements utilized for the 2008/09 budget and the underlying assumptions are shown in Chart 19.

Chart 19. Standard Cost Elements and Underlying Assumptions

| | Professional | General Services | Short-Term Employees |
|---|---|--|---|
| Salary | Apply the latest base salary at the Dependent Rate at a given step per year for all grades converted to Swiss francs, then apply Post Adjustment Multiplier (PAM). Add pensionable remuneration. | Apply the latest base salary at a given grade and step per year. Add pensionable remuneration. | Apply the latest base salary at a given grade and step per year then add pensionable remuneration in the case of General Service employees. Apply the latest rates provided for temporary translators. |
| Common Staff Costs (CSC) | For the CSCs, apply a multiplier which reflects <ul style="list-style-type: none"> entitlements and benefits in accordance with the Staff Regulations historic pattern of expenditure | For the CSCs, apply a multiplier which reflects <ul style="list-style-type: none"> entitlements and benefits in accordance with the Staff Regulations historic pattern of expenditure | For the CSCs, apply a multiplier which reflects <ul style="list-style-type: none"> entitlements and benefits in accordance with the Staff Regulations and Rules historic pattern of expenditure |
| Adjustment Factor | After having applied the above formula, the standard cost is adjusted (deduction applied) to account for a vacancy factor based on historical data and expected occupancy rate. In the case of Professional grades this adjustment factor is 8%. | After having applied the above formula, the standard cost is adjusted (deduction applied) to account for a vacancy factor based on historical data and expected occupancy rate. In the case of General Service grades this adjustment factor is 8%. | After having applied the above formula, the standard cost is adjusted (deduction applied) to account for contract breaks of employees on short-term contracts. In the case of short-term employees and translators this adjustment factor is 2%. |
| Separation Provision and After-Service Health Insurance (ASHI) Cost | Apply 6% to the total remuneration. | Apply 6% to the total remuneration. | |

Analysis of personnel expenditure variation for the 2008/09 biennium

77. The increase of 32.5 million Swiss francs in personnel costs (from 381.5 million Swiss francs to a level of 414.2 million Swiss francs) is further elaborated as follows.

Increase required to reflect the full biennial cost of the flexibility posts (49) created in the 2006/07 biennium and of the new posts (five) proposed in the revised budget for 2006/07

78. A total of 49 flexibility posts were created in the 2006/07 biennium in the PCT and Madrid sectors. Five new posts are also being proposed to the Member States in the Revised Budget for

2006/07. The cost of the flexibility posts in the Revised Budget for 2006/07 was 4.4 million Swiss francs and the cost of the proposed five new posts was estimated at 0.2 million Swiss francs. As elaborated in document WO/PBC/12/2, this cost was calculated on the basis of a careful assessment of the likely rate of occupancy of these posts in the 2006/07.

79. The full biennial cost of these posts has been calculated at 17.2 million Swiss francs, which is an incremental cost of 12.6 million Swiss francs in 2008/09 as compared to the Revised Budget for 2006/07.

Increase required to reflect step increases, ICSC adjustments and expected occupancy rate of posts other than flexibility and new posts in 2008/09

80. This adjustment is made to cover the estimated full biennial impact of (i) the expected step increases within all grades; (ii) the effect of ICSC adjustments announced in 2007, including PAM and UNJSPF; and (iii) filling posts other than the flexibility posts and new posts (based on the standard costing methodology described previously) in 2008/09. The total incremental cost of these elements as compared to the 2006/07 revised budget is 14.1 million Swiss francs.

Increase required to reflect the full biennial cost of measures adopted in 2007 to realign the benefits and entitlements of short-term employees with those of fixed term staff

81. As elaborated in document WO/PBC/12/2, the Outline of the Director General dated November 27, 2006, drew the attention of the Member States to the situation of the short-term General Service employees of the Organization (document WO/PBC/IM/3/06/3, paragraph 56). Contracts for short-term General Service employees initially began to be used to cater to the resource requirements generated by the exceptional growth of the Organization and its workload, particularly in the PCT, during the nineties. During this time WIPO recruited many employees, without the commensurate ability to create regular posts to accommodate the same. The ensuing period of budgetary constraints has continued to aggravate this situation with the result that, currently, there are 232 individuals employed by the Organization on short-term General Service contracts. Approximately two-thirds of these individuals have now been employed by WIPO for over five years and a quarter over seven years. In some cases, the length of employment has now exceeded ten years.

82. In October 2006 the Director General established a dedicated Internal Task Force with the following terms of reference: in a first phase, to identify the gap between the remuneration and benefits of short-term employees versus fixed term staff, and to propose measures to close this gap; and, in a second phase, to formulate recommendations for the possible regularization of short-term employees through regular budget posts.

83. Upon conclusion of the first phase of its work, the Task Force recommended a number of measures to reduce the gap between the remuneration and benefits of short-term employees and those of fixed term staff. Following extensive discussions and consultations, the Director General approved a number of measures, including:

- annual within-grade step increase: An annual within-grade step is to be awarded to short-term General Service employees as of May 1, 2007;
- language allowance: Language allowance is to be granted to eligible short-term General Service employees, with retroactive effect from January 1, 2007;
- contract break: The current mandatory break required between two consecutive contracts was reduced from nine days to seven days as of April 1, 2007; and
- training grant: Eligibility for training grants will be extended to short-term General Service employees on the same basis as that offered to fixed-term staff as of the academic year 2006/2007.

84. The financial implications of the above for the 2006/07 biennium were estimated to total 0.9 million Swiss francs. The full biennial financial implications of the above in respect of 2008/09 amount to 4.2 million Swiss francs.

Net incremental cost of proposed 30 new posts to progressively “regularize” short-term employees

85. In order to enable the Organization to begin to address the situation of short-term employees, 30 additional posts are proposed to be created in 2008/09. The net increase in costs for the regularization of the 30 short-term staff is 1.1 million Swiss francs¹.

Increase in SSAs for translators

86. In view of the growing requirements for translation services, both in the registrations areas and in respect of the working documents of the Organization, the budget line for Special Service Agreements (SSAs) is proposed to be increased by 0.7 million Swiss francs.

Reduction in the cost of consultants – 0.3 million

87. While the number of consultants is projected to remain constant for the next biennium, the downward adjustment in the overall cost of those currently on board has been projected forward into the next biennium, with a 3% increase incorporated to take into account inflation. The overall result is a reduction of 0.3 million Swiss francs for 2008/09 compared to the Revised Budget for 2006/07.

PROPOSED NON-PERSONNEL EXPENDITURE for 2008/09

88. The increase in non-personnel resources proposed in the 2008/09 budget is 31.6 million Swiss francs, representing a 17.6% increase over the Revised Budget for 2006/07. The key elements of this increase relate to: (i) the funds required in the next biennium for outsourcing essential translation work in the PCT sector; (ii) the estimated cost of IT upgrades in the PCT sector and the development of web services in the Madrid and Hague sectors; (iii) an increase in the running cost of security services; (iv) the funds required in the following biennium in relation to the new construction project; and (v) increased costs foreseen for staff mission, third party travel, contractual services and experts' honoraria under relevant Programs.

PROPOSED ALLOCATION OF RESOURCES BY PROGRAM

89. Proposed allocation of resources by Program is shown in Table II. The main highlights in terms of allocation of resources at Program level are as follow.

90. The total amount of resources proposed to be allocated for cooperation with developing countries and countries with economies in transition is 90.8 million Swiss francs. These resources are allocated mainly to Program 3 (Strategic Use of IP for Development), Program 4 (Use of Copyright in the Digital Environment), Program 6 (Africa, Arab, Asia and the Pacific, Latin American and the Caribbean Countries, Least Developed Countries), Program 7 (Certain Countries in Europe and Asia), Program 8 (Business Modernization of IP Institutions), Program 9 (Collective Management of Copyright and Related Rights), and Program 11 (the WIPO Worldwide Academy). This compares with 83.6 million Swiss francs in the revised budget for the 2006/07 biennium (an increase of 8.7%).

91. This is further illustrated in Chart 20.

Chart 20. Comparison of Resources for Cooperation
with Developing Countries and Countries with Economies in Transition between Biennia
(in thousands of Swiss francs)

¹ This is the net result of a reduction of the budget line for short-term personnel by 4.4 million Swiss francs, and an increase of the budget line for regular posts of 5.5 million Swiss francs.

Proposed Program and Budget for 2008/09

| | 2006/07 | 2006/07 | 2008/09 | Difference | |
|--|----------------|----------------|-----------------|--------------|------------|
| | Initial Budget | Revised Budget | Proposed Budget | Amount | % |
| Program 3 (Strategic Use of IP for Development) | 12,347 | 17,759 | 20,581 | 2,823 | 15.9 |
| Program 4 (Use of Copyright in the Digital Environment) | 2,608 | 1,995 | 2,150 | 154 | 7.7 |
| Program 6 (Africa, Arab, Asia and the Pacific, Latin America and the Caribbean Countries, Least Developed Countries) | 37,649 | 38,250 | 40,665 | 2,415 | 6.3 |
| Program 7 (Certain Countries in Europe and Asia) | 4,530 | 5,015 | 5,444 | 429 | 8.6 |
| Program 8 (Business Modernization of IP Institutions) | 4,843 | 4,495 | 4,795 | 300 | 6.7 |
| Program 9 (Collective Management of Copyright and Related Rights) | 2,114 | 1,656 | 1,736 | 79 | 4.8 |
| Program 11 (The WIPO Worldwide Academy) | 14,327 | 14,382 | 15,426 | 1,044 | 7.3 |
| Total | 78,418 | 83,553 | 90,797 | 7,244 | 8.7 |

92. In addition, resources will be allocated to these countries also under Program 12 (Law of Patents), Program 13 (Law of Trademarks, Industrial Designs and Geographical Indications), Program 14 (Law of Copyright and Related Rights), Program 15 (Traditional Knowledge, Traditional Cultural Expressions and Genetic Resources), and Program 10 (IPR Enforcement) in that the budget of these programs bears the cost of the participation of a certain number of representatives from developing countries and countries with economies in transition in the meetings of the Standing Committees on the Law of Patents (SCP), the Standing Committee on the Law of Trademarks, Industrial Designs and Geographical Indications (SCT), the Standing Committee on Copyright and Related Rights (SCCR), the Intergovernmental Committee on Genetic Resources, Traditional Knowledge and Folklore (IGC/GRTKF) and the Advisory Committee on Enforcement (ACE).

93. Furthermore, developing countries and countries with economies in transition benefit from extrabudgetary resources through a variety of funds in trust administered by WIPO for the purpose of technical cooperation projects. As shown in Table IV, it is currently estimated that in 2008/09, an amount of around 13 million Swiss francs of extra budgetary resources will be channeled to these countries under WIPO-administered technical cooperation projects.

94. As specifically concerns countries with economies in transition, an amount of 5.4 million Swiss Francs is proposed to be allocated to Program 7 (Certain Countries in Europe and Asia) to respond to increase requests for activities in this area. This compares with an allocation of 5.0 million Swiss francs in the revised budget for 2006/07 (an increase of 8.6%).

95. An amount of 182.5 million Swiss francs is proposed to be allocated to the operations of the PCT system (Program 16) in the 2008/09 biennium. This represents an increase of 21.2 million Swiss francs or 13.1% over the revised budget for 2006/07. The bulk of these additional resources are required to fully reflect the biennial cost of the flexibility posts created under the Program in 2007 and to finance the cost of outsourcing translation work for the PCT (according to the new policy adopted in the 2006/07 biennium, translation work required by additional PCT workload (growth) will be addressed by means of outsourcing instead of by means of recruiting new translators at WIPO headquarters). Additional resources are also required to finance the cost of IT based projects in the PCT area.

96. An amount of 57.5 million Swiss francs is proposed to be allocated to the operations of the Madrid and Hague systems (Program 18) in the 2008/09 biennium. This represents an increase of 9.9 million Swiss francs or 20.8% over the revised budget for 2006/07. The bulk of these additional resources are required to fully reflect the biennial cost of the flexibility posts created under the Program in 2007. Also, an amount of almost 3 million Swiss francs is budgeted to cover the estimated cost of the development, in the next biennium, of new web based services under the Madrid and Hague systems.

97. An amount of 3.4 million Swiss Francs is proposed to be allocated to Program 24 (Internal Oversight), in the 2008/09 biennium to further strengthen internal audit and oversight functions at WIPO. This compares with an allocation of 2.0 million Swiss francs in the revised budget for 2006/07 (an increase of over 66%). These additional resources are mainly required to finance the cost of the two additional posts proposed for this Program in the Revised Budget for 2006/07.

98. An amount of 3.3 million Swiss Francs is proposed to be allocated to Program 10 (IPR Enforcement) to increase activities in the area of enforcement of IP rights. This compares with 3.1 million Swiss Francs in the Revised Budget for 2006/07 (an increase of 6.7%).

99. An amount of 45.9 million Swiss francs is proposed to be allocated to Program 27 (Information Technology), to cover the estimated cost of the running cost of IT services at WIPO (except for PCT related IT services, which are budgeted under Program 16). The investments required by the Organization to meet its multiple operational and strategic challenges in the IT area are proposed to be financed from the reserves (as elaborated in document WO/PBC/12/4).

100. Following the rescheduling of the calendar for the implementation of the new construction, an amount of 6.7 million Swiss francs is proposed to be allocated to Program 31 (The New Construction) to cover the cost of the Pilot of the project and the estimated cost of the loan to be contracted with the lending bank that will be selected at the end of 2007.

101. An amount of 11.0 million Swiss francs is proposed to be allocated to a new program (Program 32: (Security)) to cover the running cost of the security services of the Organization in 2008/09. In the 2006/07 biennium, the cost of these services was budgeted under Program 29 (Premises Management). The capital investments required to upgrade the security standards of the Organization and bring them into line with UN-H-MOSS standards are proposed to be financed from the reserves (as elaborated in document WO/PBC/12/4(d)).

102. The cost of the meetings and servicing the Audit Committee is budgeted under Program 23 (Resource Management and Control) (an estimated cost of 0.7 million Swiss francs). It is worth noting that the overall budget of Program 23 has decreased as compared to the revised budget for 2006/07 because the latter included the estimated cost of the desk to desk assessment project (approximately 0.88 million Swiss francs).

103. The cost of the External Auditor (previously budgeted under Program 24 (Internal Oversight)), is budgeted under Program 22 (Direction and Executive Management) (an estimated amount of 0.07 million Swiss francs).

104. An amount of 0.6 million Swiss francs is budgeted under Program 25 (Human Resources Management) to cover the expenditure that may be incurred by the Organization in the next biennium to follow up to the 2006 decision of the ILO Administrative Tribunal in respect of the WIPO (closed) Pension Fund.

PROPOSED ALLOCATION OF RESOURCES BY UNION

105. The allocation of income and budget by Union in the 2008/09 biennium is shown in Annex I. Annex I should be read in conjunction with Table V ("2008/09 Estimated Expenditure for the PCT Sector, Including PCT Share of Common Support Services").

EFFICIENCY-GAIN TARGETS FOR THE 2008/09 BIENNIUM

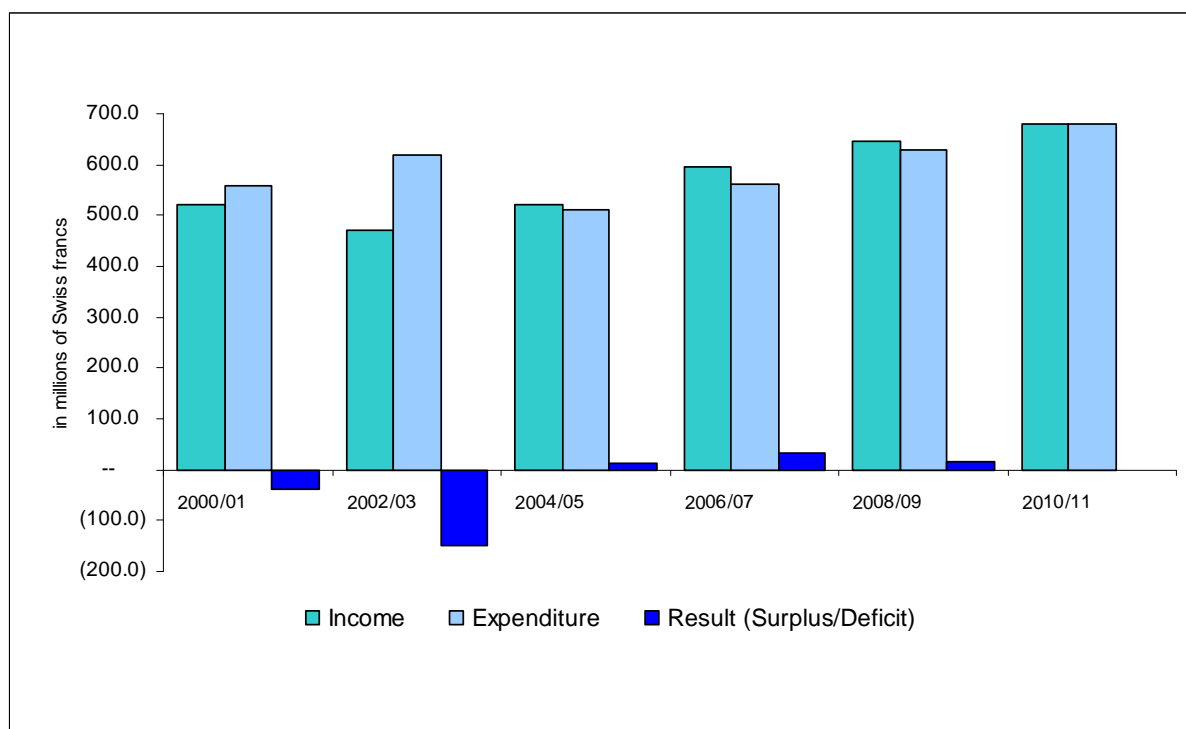
106. The Program and Budget for the 2006/07 biennium presented a list of efficiency-gain targets in various areas of the Organization. Progress achieved against these targets in the first year of the 2006/07 biennium is reported in document WO/PBC/11/3.

107. For the 2008/09 biennium, new efficiency-gain targets have been established. Efficiency-gain targets in respect of PCT operations are shown in Annex II. Efficiency gains targets in respect of Madrid operations are shown in Annex III. Efficiency-gain targets in respect of and selected administrative areas are shown in Annex IV.

EVOLUTION OF THE FINANCIAL SITUATION OF THE ORGANIZATION IN THE MEDIUM TERM

108. Chart 21 illustrates the evolution of the income, expenditure and results of the Organization in 2000/01, 2002/03, and 2004/05 (actual figures), 2006/07 (as per revised budget estimates), 2008/09 (proposed budget figures) and 2010/11 (preliminary estimates).

Chart 21. Evolution of Income, Expenditure and Result
(from 2000/01 to 2010/11)



109. As Chart 21 shows, after two biennia of deficit spending (2000/01 and 2002/03), the Organization has been able to generate a surplus in the 2004/05 biennium, and is expected to generate a surplus again in the current 2006/07 biennium. This positive trend is expected to continue in the medium term.

110. Chart 22 shows the likely evolution, in the medium term, of the main financial parameters of the Organization. For any given biennium these are: (i) the estimated level of income; (ii) the proposed level of expenditure; (iii) the projected result (surplus/deficit); (iv) the opening balance of the reserves at the start of the biennium; (v) the level of reserves at the end of the biennium; and (vi) the level of reserves at the end of the biennium expressed as percentage of the total level of expenditure for the same biennium.

Chart 22. Evolution of the Main Financial Parameters of the Organization in the Medium Term
(in millions of Swiss francs)

| | 2006/07 Initial Budget* | 2006/07 Revised Budget* | 2008/09 Proposed Budget* | 2010/11 Preliminary Estimate |
|---|-------------------------------|-------------------------------|--------------------------------|------------------------------------|
| Income | 531.0 | 595.1 | 646.8 | 678.6 |
| Expenditure | | | | |
| Personnel | 353.9 | 381.5 | 414.0 | n/a |
| Non-Personnel | 177.1 | 180.6 | 216.2 | n/a |
| Total expenditure | 531.0 | 562.1 | 630.2 | 678.6 |
| Result | 0.0 | 33.0 | 16.6 | 0.0 |
| Reserves opening balance | 100.8 | 127.0 | 159.9 | 176.5 |
| Total reserves** | 100.8 | 159.9 | 176.5 | 176.5 |
| Reserves as percentage of biennial expenditure | 19.0% | 28.4% | 28.0% | 26.0% |

* includes unallocated amounts under respective cost categories

** at end 2007, 2009 and 2011, respectively

111. As Chart 22 shows — all other parameters remaining unchanged — at the end of the 2006/07 biennium the reserves of the Organization will total 159.9 million Swiss francs or 28.4% of biennial expenditure. As this chart also shows, at the end of the 2008/09 biennium the reserves of the Organization will total 176.5 million Swiss francs or 28% of biennial expenditure. Based on a preliminary estimate of income and expenditure in the 2010/11 biennium (balanced budget, no surplus), the level of the reserve at the end of 2010/11 would remain unchanged.

112. The question of the target level of the reserve, and the possible utilization of amounts exceeding this target level, is discussed separately (document WO/PBC/12/4).

2008/2009 WIPO STRATEGIC FRAMEWORK
(including proposed budget and headcount by Program)¹
(in thousands of Swiss francs)

| Strategic Goal One Promoting a Balanced IP System and Realizing Its Development Potential | | | Strategic Goal Two Strengthening IP Infrastructure, Institutions and Human Resources | | | Strategic Goal Three Progressive Development of International IP Law | | | Strategic Goal Four Delivery of Quality Services in Global IP Protection Systems | | |
|---|------------------------|------------------|--|------------------------|------------------|--|------------------------|------------------|--|------------------------|------------------|
| | Proposed Budget | Headcount | | Proposed Budget | Headcount | | Proposed Budget | Headcount | | Proposed Budget | Headcount |
| 1 Public Outreach and Communication | 12,611 | 40 | 6 Africa, Arab, Asia and the Pacific, Latin America and the Caribbean Countries, LDCs | 40,665 | 62 | 12 Law of Patents | 3,079 | 6 | 16 The PCT System | 182,498 | 495 |
| 2 External Coordination | 11,215 | 22 | 7 Certain Countries in Europe and Asia | 5,444 | 9 | 13 Law of Trademarks, Industrial Designs and Geographical Indications | 3,882 | 4 | 17 Associated Patent Services | 3,533 | 5 |
| 3 Strategic Use of IP for Development | 20,581 | 41 | 8 Business Modernization of IP Institutions | 4,795 | 8 | 14 Law of Copyright and Related Rights | 6,002 | 11 | 18 Madrid, The Hague and Lisbon Registration | 57,466 | 157 |
| 4 Use of Copyright in the Digital Environment | 2,150 | 4 | 9 Collective Management of Copyright and Related Rights | 1,736 | 3 | 15 Traditional Knowledge, Traditional Cultural Expressions and Genetic Resources | 6,052 | 11 | 19 Patent Classification and WIPO IP Standards | 7,257 | 17 |
| 5 Life Sciences | 680 | 1 | 10 IPR Enforcement | 3,321 | 6 | | | | 20 International Classifications in the Field of Trademarks and Industrial Designs | 1,201 | 3 |
| | | | 11 The WIPO Worldwide Academy | 15,426 | 22 | | | | 21 Arbitration and Mediation Services and Domain Names Policies and Procedures | 8,036 | 18 |
| TOTAL | 47,237 | 108 | TOTAL | 71,387 | 110 | TOTAL | 19,015 | 32 | TOTAL | 259,991 | 695 |

Strategic Goal Five
Greater Efficiency of Management and Administrative Support Processes

| | Proposed Budget | Headcount | | Proposed Budget | Headcount |
|---------------------------------------|------------------------|------------------|--|------------------------|------------------|
| 22 Direction and Executive Management | 14,081 | 31 | 28 Conference, Language, Printing and Archives | 43,834 | 109 |
| 23 Resource Management and Control | 5,124 | 11 | 29 Premises Management | 47,461 | 31 |
| 24 Internal Oversight | 3,422 | 7 | 30 Travel and Procurement | 11,061 | 27 |
| 25 Human Resources Management | 19,267 | 47 | 31 The New Construction | 6,739 | 1 |
| 26 Financial Operations | 12,138 | 40 | 32 Security | 11,037 | 8 |
| 27 Information Technology | 45,945 | 63 | | | |
| | | | TOTAL | 220,108 | 375 |

OVERVIEW

| | Proposed Budget | Headcount |
|--------------------|------------------------|------------------|
| Strategic Goal I | 47,237 | 108 |
| Strategic Goal II | 71,387 | 110 |
| Strategic Goal III | 19,015 | 32 |
| Strategic Goal IV | 259,991 | 695 |
| Strategic Goal V | 220,108 | 375 |
| Unallocated | 12,482 | - |
| GRAND TOTAL | 630,219 | 1,320 |

¹Headcount figures are indicative. The total number of posts by programs appear in Table III.

PROPOSED PROGRAMS, BY STRATEGIC GOAL

The programs proposed to be implemented in the 2008/09 biennium are presented in the following pages. There are 32 programs organized under five strategic goals, as shown in the WIPO Strategic Framework appearing on page 39. Detailed budgetary data in respect of each of these 32 proposed programs are shown in the Individual Program Data tables.

Strategic Goal One: Promoting a Balanced IP System and Realizing Its Development Potential

- **Program 1: Public Outreach and Communication**

CHALLENGES

With intellectual property issues featuring prominently on public policy agendas, the demand for information on how to reap the benefits of the IP system continues to grow, particularly from developing and emerging economies and among innovators, creators, and entrepreneurs. In addition, new technologies continue to alter the IP landscape. This creates a need for more information that educates both the general public and specific target audiences about the value of creativity and innovation, as well as the workings of the IP system. To address this demand WIPO engaged in a wide range of activities in the 2006/07 biennium including development and dissemination of IP awareness material, and more intensified interaction with the media. In 2006, an increase of 26% in the overall number of articles reporting on IP issues and WIPO activities, and a 20% increase in the media contacts that regularly report on IP was observed as compared to 2005. Also, in 2006, in relation to the World IP Day, some 66 Member States and Organizations carried out extensive public awareness raising activities.

An informed, and more intense, dialogue will be required in the 2008/09 biennium between all stakeholders in the IP system. This calls for consistent and broad dissemination of WIPO's core messages, as well as more tailored information on specific issues, via the WIPO website, publications, film and multimedia products, and through strong relations with the news media.

In this context, a key challenge will be to more fully exploit the WIPO website, which is the Organization's most cost-effective means of disseminating information worldwide. New and increasingly sophisticated information products focusing on specific issues – or for specific target audiences – will need to be produced, using a variety of communications tools. Additional information products would further advance WIPO's role as a leading provider of IP information and analysis, as well as explain and promote the international IP system to existing and potential users. An intensified media communications strategy will be necessary to expand links with the media and further inform the public and target audiences. Close cooperation with Member States in using WIPO's information tools and in creating country-specific outreach campaigns and products will need to be further developed, including for the World IP Day. The WIPO Awards will need to be reinforced and given greater profile and visibility, in order to promote the use of the IP system among inventors, creators, academia, and entrepreneurs. Cultural and gender sensitive approaches will need to be used in all of these activities.

OBJECTIVE

Better understanding of IP issues and of WIPO's role worldwide

Strategic Goal One: Promoting a Balanced IP System and Realizing Its Development Potential

| EXPECTED RESULTS | PERFORMANCE INDICATORS AND TARGETS |
|--|---|
| <p>Broader understanding of the role of IP, and of WIPO and its activities, among policy makers and the general public</p> | <ul style="list-style-type: none"> — Core messages on the value of IP (via printed materials, multimedia products, and the WIPO website) are used by Member States in ten national public outreach activities — IP educational materials for young people are used by ten Member States in national school systems — Broadcast of two WIPO public information spots on at least two international networks and 40 national networks in Member States — 10% increase in the number of Member States with outreach activities on World IP Day |
| <p>Higher global media profile for WIPO activities</p> | <ul style="list-style-type: none"> — At least 5% increase in world press articles on WIPO activities — At least 5% increase in the number of media contacts regularly reporting on WIPO — At least 5% increase in number of WIPO-generated articles in specialized business and academic publications |

| EXPECTED RESULTS | PERFORMANCE INDICATORS AND TARGETS |
|---|--|
| <p>Enhanced appreciation/recognition of WIPO's information products</p> | <ul style="list-style-type: none"> — Distribution of WIPO publications by local publishers in an additional 10 developing countries — Increase in number of translations by Member States of WIPO publications into local languages — 10% increase in the number of website visitors referred to WIPO web pages via internet search engines — 30% more readers of the WIPO Magazine (subscribers to paper version and web hits to html version) and feedback on its quality, timeliness and relevance (survey) — Increase in hits to, and subsequent use of, WIPO online outreach guides by Member States |

STRATEGIES

To better inform the widening debate on IP and to further promote the Organization's role as the primary source of IP information, new, innovative, and more differentiated information products will be created to meet the needs of a wider audience. In addition agreements with external publishers will be pursued to produce a range of publications on IP issues. The Program will also work closely with other sectors to develop promotional campaigns and products for their services. To further improve the content and presentation of WIPO publications and to ensure that these respond to established needs, the WIPO Editorial Board will continue its quality review of new proposed publications.

To further expand WIPO's resources in the areas of outreach, partnerships with the private sector and external entities will continue to be developed. More assistance to Member States in refining their outreach goals and strategies will also be provided.

Topical and timely information will be created and disseminated to the press, NGOs, and other groups, using a broad range of communications media. Key among these will be the WIPO website, which, as the electronic gateway to the Organization, will be further developed. The content, structure, and presentation of the website will be continuously enhanced, and its navigability reviewed regularly. An intensified media relations strategy will ensure a proactive, efficient and open dialogue with the media, and efforts in the area of public affairs will also be strengthened through the organization of visits, briefings and seminars at WIPO headquarters and the WIPO Information Center for various target groups.

The production of WIPO film and multimedia products will continue to further broaden the understanding of key IP issues and WIPO activities. These products will be provided to Member States as well to support their national IP outreach efforts.

Strategic Goal One: Promoting a Balanced IP System and Realizing Its Development Potential

To further increase on-line sales of WIPO information products and reduce distribution costs, a more efficient, automated sales and distribution system will be fully implemented. Agreements with local publishers, particularly in developing countries, will be pursued to further expand distribution of WIPO information products.

PROGRAM LINKS This Program will cooperate closely with all substantive programs (to disseminate information on their activities) and especially with Program 27 (for further development of the WIPO website).

RESOURCES

| | 2006/07 Initial Budget | 2006/07 Revised Budget | 2008/09 Proposed Budget | Difference Revised Budget 2006/07 vs. Proposed Budget 2008/09 | |
|---------------|---------------------------|---------------------------|----------------------------|---|--------|
| | (thousand Sfr) | (thousand Sfr) | (thousand Sfr) | Amount | % |
| Budget | | | | | |
| Personnel | 10,840 | 11,633 | 11,209 | (424) | (3.6) |
| Non-Personnel | 2,440 | 1,795 | 1,402 | (393) | (21.9) |
| Total | 13,280 | 13,428 | 12,611 | (817) | (6.1) |
| Posts | 25 | 25 | 25 | 0 | 0.0 |

• **Program 2: External Coordination**

CHALLENGES

The consolidation of the External Relations function in the 2006/07 biennium, enabled a more coherent and effective organizational approach to relations with the external community, including with other UN system organizations, inter-governmental organizations, regional and sub-regional organizations, relevant government institutions, industry and consumer groups and associations. To take advantage of external relation networks, this Program now also coordinates WIPO's efforts to mobilize extrabudgetary resources and establish partnerships with both the public and private sector, in particular to support technical assistance and capacity-building activities.

The main challenges which the Program will face in the 2008/09 biennium include: ensuring that the Organization is fully informed of, and strongly placed to, assist debates on IP issues in various fora; identifying and taking advantage of suitable opportunities to promote a better understanding of the developmental benefits of IP, in particular in relation to the Millennium Development Goals (MDGs); ensuring the Organization is a fully engaged member of the UN system, contributing effectively to UN-wide reform initiatives, and liaising, as appropriate, with other organizations concerning system-wide issues such as in the area of gender mainstreaming and gender equality; and, taking advantage of the broad support for the work of the Organization, to attract appropriate financial support and develop partnerships for technical assistance and capacity-building work.

OBJECTIVE

Enhanced and more effective engagement of WIPO with the external community

| EXPECTED RESULTS | PERFORMANCE INDICATORS AND TARGETS |
|--|--|
| Deliberations pertaining to IP issues in other international fora, including the UN, take WIPO's input duly into account | <ul style="list-style-type: none"> — 10 documents and international meeting reports reflect WIPO's input |
| Greater understanding in the public and private sector (governmental and non-governmental organizations) of WIPO's work and the developmental benefits of IP | <ul style="list-style-type: none"> — 10 communications, reports and publications from governmental and non-governmental organizations reflect a more informed view on IP — Increased number of NGOs participate as observers at WIPO and engage in joint activities — Increased number of joint activities with regional, sub-regional and national organizations |

Strategic Goal One: Promoting a Balanced IP System and Realizing Its Development Potential

| EXPECTED RESULTS | PERFORMANCE INDICATORS AND TARGETS |
|---|--|
| Increase in extrabudgetary resources available to WIPO to support its technical assistance and capacity-building work | <ul style="list-style-type: none"> — Increase in extrabudgetary income to WIPO in 2008/09 as compared with the extrabudgetary income reported in the 2006/07 Financial Management Report — Increase in the WIPO donor base reflected in the number of new donors, Funds-in-Trust (FIT) Agreements and other such Agreements — 4 additional public and private sector partnerships |

STRATEGIES

The external relations Program at WIPO headquarters, together with the WIPO Coordination Offices (Brussels, New York, Singapore, Tokyo and Washington), will continue to develop and manage networks of relationships with the external community. In particular, WIPO's external environment will continue to be systematically monitored, and engaged with. This would ensure that WIPO is fully informed of relevant IP related developments, and there is a greater understanding and more informed debate on IP issues among external stakeholders. To this end, networks of stakeholders will also be developed and nurtured, including through the Coordination Offices.

The Program will continue to strengthen cooperation with the UN system, intergovernmental organizations, the Bretton Woods Institutions and non-governmental organizations in order to promote a better understanding of WIPO's vision and objectives. It will also work closely with other UN organizations and relevant UN bodies, on issues relating to UN system-wide management and reform. Joint projects and activities with various stakeholders in support of the Organization's objectives will be developed.

The development of partnerships and resource mobilization in support of WIPO's technical assistance and capacity-building activities will be facilitated including through the development of data management tools (databases, Intranet page, etc) for internal use, and similar information tools for use by Member States and the donor community.

PROGRAM LINKS Links with all WIPO Programs.

RESOURCES

| | 2006/07 Initial Budget | 2006/07 Revised Budget | 2008/09 Proposed Budget | Difference Revised Budget 2006/07 vs. Proposed Budget 2008/09 | |
|---------------|------------------------|------------------------|-------------------------|---|-----|
| | (thousand Sfr) | (thousand Sfr) | (thousand Sfr) | Amount | % |
| Budget | | | | | |
| Personnel | 7,418 | 8,115 | 8,241 | 127 | 1.6 |
| Non-Personnel | 3,325 | 2,820 | 2,974 | 154 | 5.5 |
| Total | 10,743 | 10,935 | 11,215 | 281 | 2.6 |
| Posts | 14 | 15 | 15 | 0 | 0.0 |

• **Program 3: Strategic Use of IP for Development**

CHALLENGES

The IP system can play an important role in promoting innovation and creativity, as well as in enhancing the transfer and dissemination of knowledge, information and technology. For developing countries and countries with economies in transition, there is a need to ensure that a balanced IP system is in place that promotes innovation and creativity, while taking into account other key public policy objectives. A clear understanding of different policy options, based on economic analysis, is critical for policy-makers. Enhancing the capacity of innovators, creators, research institutions, small and medium-sized enterprises and creative industries to use the IP system, is also an important factor in ensuring that it can realize its development potential.

In the 2006/07 biennium, a wide range of activities was developed targeting both policy-makers and users of the IP system. These included the organization of a series of international seminars on IP and economic development for policy-makers; advice to a number of Member States on flexibilities under the current international IP regime; support for Member State IP strategy initiatives in several countries, including use of WIPO's IP Audit Tool; establishment of R&D networks and IP hubs in Member States; targeted training workshops to enhance capacity in IP licensing and patent drafting; establishment or strengthening of IP-related services for SMEs in institutions in several Member States; the development of studies on the economic contribution of copyright industries based on the methodology developed by WIPO; and a number of targeted economic studies and useful awareness-raising and capacity-building tools for SMEs and creative industries. The Program was also responsible for coordinating the Development Agenda process. A total number of four meetings of the Provisional Committee on Proposals Related to a WIPO Development Agenda (PCDA) were held, in which the 111 proposals presented by Member States were examined. In addition, inputs were provided to several other activities organized by Member States and a number of institutions, to deliberate on various aspects of this process.

In the 2008/09 biennium, a key challenge that the program will continue to address is the relative lack of economic research on IP in developing countries and the limited information available to policy-makers on the interaction between IP and economic development. Specific constraints in this regard are the limited availability of data for rigorous economic analysis, the relatively small number of economists in developing countries with experience in empirical analysis of IP issues, and the lack of methodological tools for analyzing IP and its impact on development, that are suited to developing countries. Further challenges are to ensure that WIPO research projects are relevant and useful for policy-makers and that outcomes of research projects, including experiences in the use of IP, are broadly disseminated.

Creative industries have firmly established themselves on the international scene as major drivers in the knowledge economy. Both developed and developing countries are witnessing significant growth in these industries, which are fundamentally based on intellectual property protection. Major challenges in this field will be to continue to provide high quality assistance to Member States, wishing to evaluate the potential of their creative sector; reflect adequately the economic, cultural and IP perspectives on creative industries; integrate effectively the potential of creative industries in national development strategies; and enhance awareness among the various users of the IP system that an environment of respect for and understanding of the IP system is required for creative industries to flourish.

A key challenge for the 2008/09 biennium will be to support and respond to Member States' demands to help them strengthen their innovation infrastructure to fully benefit from the IP system. Institutions in Member States face a wide range of challenges in creating, protecting and exploiting IP assets, including the need for

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trained professionals in drafting patents, managing IP assets and negotiating technology transfer contracts. There is generally a need for practical and focused programs that build sustainable national capacity in this field. In this connection, IP strategies addressing issues such as incentives, institutional IP policies, affordability, valuation and financing for early stage technologies and technology marketing are crucially important.

The competitiveness of SMEs is a matter of continuing concern in every country. Among SMEs, there is generally an inadequate appreciation of the importance of creativity and inventiveness and a limited understanding of the role of IP in extracting value from creativity and inventiveness. This is also true of SME support institutions, financial institutions and policy-makers. As a result, SMEs are often not aware of the relevance of IP to their competitiveness, or are not in a position to use the IP system effectively. SME support institutions have limited capacity to assist their clients in IP matters and financial institutions rarely take IP into account in their investment decisions due to their insufficient understanding of the real value of IP assets to SMEs.

The development of public policies relating to IP requires a clear identification of the flexibilities that exist under the current international intellectual property regime, in order to analyze policy options that are most suited to the specific needs of Member States. This task requires looking at pro-competitive and development-oriented IP measures that achieve a balanced IP system, in the interests of society as a whole.

The Development Agenda process will have its own set of challenges, given the wide range of proposals presented by Member States. There will be a need to examine the proposals in depth and provide further information and analysis, as required, to facilitate the process of consideration of the proposals.

OBJECTIVE

Enhanced capacity of Member States, institutions and other stakeholders to benefit from the development potential of a balanced IP system

| EXPECTED RESULTS | PERFORMANCE INDICATORS AND TARGETS |
|--|--|
| Enhanced capacity of policy-makers to take decisions on IP issues based on economic research and analysis | — Policy processes using WIPO's studies or inputs from WIPO policy dialogues |
| Increased availability of economic research on IP from developing countries and countries with economies in transition | — Economic studies on IP published by economists from developing countries and economies in transition |

| EXPECTED RESULTS | PERFORMANCE INDICATORS AND TARGETS |
|---|--|
| <p>Increased awareness and improved understanding of the importance of creative industries for social, economic and cultural development</p> | <ul style="list-style-type: none"> — Use of WIPO studies in policy making on creative industries and contribution to policy dialogues in this field — Use of and demand for practical tools developed by WIPO for economic analysis and data collection on creative industries — Number of studies using the practical tools developed by WIPO for economic analysis of creative industries — Number of studies on the impact on creative industries of non-compliance with IP regimes |
| <p>Enhanced capacity of Member States to develop IP strategies</p> | <ul style="list-style-type: none"> — IP audits carried out and IP national strategies developed by Member States |
| <p>Enhanced capacity to manage IP assets in Member States</p> | <ul style="list-style-type: none"> — Use of WIPO-developed tools, models or training kits in developing countries and countries with economies in transition — R&D Networks and IP Hubs established in developing countries and countries in transition — Number of research institutions with technology management units or IP policies based on WIPO support |
| <p>Enhanced awareness among SMEs, policy makers, SME support institutions and financial institutions of the relevance of the IP system to improve the competitiveness of SMEs</p> | <ul style="list-style-type: none"> — Increase in page views of SME website and in subscribers to the WIPO SME newsletter — Publication of nationally customized versions of WIPO SME guides by partner institutions — Funding institutions incorporate WIPO advice in their IP policies |
| <p>Enhanced capacity of SME support institutions to provide IP services to their constituencies</p> | <ul style="list-style-type: none"> — SME support institutions having established or improved their IP services for SMEs |

Strategic Goal One: Promoting a Balanced IP System and Realizing Its Development Potential

| EXPECTED RESULTS | PERFORMANCE INDICATORS AND TARGETS |
|--|--|
| Increased awareness of the availability of IP flexibilities that Member States can use for implementing national public policies | <ul style="list-style-type: none"> — Policy processes that have benefited from WIPO advice on flexibilities — Inclusion of recommendations emanating from studies on flexibilities in Member State public policies |

STRATEGIES In the 2008/09 biennium, the Program will focus on five main areas, as described below. In addition, the WIPO Development Agenda process will continue to be coordinated under this Program and any agreed outcomes from the ongoing debate will be reflected in the implementation of all relevant programs and activities of the Organization. The Program will collaborate with other sectors and divisions in the organization to deal with this issue in a comprehensive manner.

IP and Economic Development. In order to enhance the capacity of policy-makers to take decisions on IP matters, WIPO will commission a series of economic studies and methodological tools for empirical analysis on specific IP issues of policy interest, and will respond to requests from Member States to conduct economic studies. Partnerships with reputable national and regional institutions, with proven research capacity, will be sought and strengthened. Roundtables on the economics of IP for developing country economists will continue to be organized, and an attempt will be made to enhance the availability of data for economic analysis. In addition, seminars for policy-makers will continue to be organized to discuss different policy options and their potential impact on economic development. Work on the economics of nation-branding will also continue as well as the collection and dissemination of information on use of IP by industries and companies in different regions.

Creative Industries. A key element of WIPO's strategy relating to creative industries will be to examine the actual contribution of the creative sector, as well as underscore its potential as an important constituent in support of policy making. To this effect, the Program will build on the results achieved in the 2006/07 biennium, and will launch new projects based on the feedback from users of the various tools developed. Partnerships with interested governments and international organizations will be sought and strengthened and products developed will be tested before widespread national implementation. Practical tools for selected creative sectors will also be developed to meet sector-specific needs.

IP Strategies and Asset Management. Member States will continue to be supported in integrating IP strategies into national economic development planning. This will involve the development of practical tools that stress the importance of national choices in the development and implementation of IP strategies. R&D Networks and IP Hubs, a means for developing countries and countries with economies in transition to build cost-efficient innovation infrastructure, will also continue to be promoted. R&D institutions and universities will be supported to develop institutional IP policies to facilitate IP asset management. Practical training programs in technology licensing, patent valuation, patent drafting, and technology management and marketing will be strengthened. A key objective will be to support Member States in creating a capable pool of national experts in IP strategy and IP asset management.

IP and Small and Medium-sized Enterprises. Partnerships will continue to be developed with national IP offices and SME support institutions in order to create or strengthen their capacity to deliver IP-related services to SMEs. In addition, the program will partner with financial institutions to enhance their ability to take IP assets into account while appraising business plans by entrepreneurs and SMEs. Original content on IP for business will continue to be developed and disseminated through the SMEs web site, the monthly e-newsletter as well as via publications on IP for SMEs, including sector-specific publications. As part of a capacity-building strategy for business students, entrepreneurs, SMEs and SME support institutions, the development of training material and the collection and sharing of best practices and case studies will also continue.

Flexibilities, Public Policy and Development. The strategy in this area will consist of identifying available flexibilities under the current international IP regime, at the multilateral, regional and bilateral levels; advising on the use of flexibilities by WIPO Member States, including through incorporation into public policies; and generating awareness about the legal, economic and social implications of those flexibilities among government officials, the business sector and civil society.

PROGRAM LINKS This program will cooperate closely with Program 1 (public outreach and communication) Program 4 (copyright in the digital environment), Program 5 (life sciences), Programs 6 and 7 (for technical assistance and capacity building at the national level), Program 9 (collective management of copyright), Program 11 (for teaching and training), Programs 12, 13 and 14 (for legal aspects relating to patents, trademarks and copyright and related rights), Program 15 (traditional knowledge and folklore) and Program 17 (patent information).

RESOURCES

| | 2006/07 Initial Budget (thousand Sfr) | 2006/07 Revised Budget (thousand Sfr) | 2008/09 Proposed Budget (thousand Sfr) | Difference Revised Budget 2006/07 vs. Proposed Budget 2008/09 | |
|----------------------|---|---|--|---|------|
| | | | | Amount | % |
| <u>Budget</u> | | | | | |
| Personnel | 9,205 | 12,145 | 14,575 | 2,431 | 20.0 |
| Non-Personnel | 3,142 | 5,614 | 6,006 | 392 | 7.0 |
| Total | 12,347 | 17,759 | 20,581 | 2,823 | 15.9 |
| <u>Posts</u> | 22 | 32 | 32 | 0 | 0.0 |

• **Program 4: Use of Copyright in the Digital Environment**

CHALLENGES

The Internet and emerging digital technologies have become pivotal features of the information society. Consumers now have unprecedented access to vast quantities of information over the digital networks, and new business models have been developed to sustain industries that trade in information and creative product. The copyright system is responsible for a great deal of the value that is being generated by the digital economy, and is continually being adapted at the national and international levels to remain an effective tool for creators and users.

In the 2006/07 biennium work was undertaken to increase understanding of, and build capacity for, the sustainable exercise and exploitation of copyright works by rightsholders in a high-technology environment. Discussions were held and seminars organized with various partners to raise awareness of key legal and policy issues including new licensing schemes and rights management models, the relationship of copyright and digital rights management (DRM), including standards, and Internet service provider liability. WIPO contributed to discussions on copyright issues in relation to standards fora such as the International Standards Organization (ISO), the International Telecommunications Union (ITU) and the European Telecommunications Standards Institute (ETSI). In the context of the World Summit on the Information Society (WSIS), an online forum was established to reach out to a wide range of global stakeholders, including creators and performers of copyright works, rightsholders and distributors, online intermediaries, government policy-makers and users, for discussions on policy issues.

As rightsholders continue to assert their rights over uses of their work in online business, users are increasingly becoming dynamic components of the copyright system. This focuses attention on the role of DRM and limitations and exceptions to copyright, and greater understanding is required of these new and sensitive issues. The challenge is to meet the expectations of, and involve, the growing number and variety of stakeholders in addressing these issues. The 'digital divide' between technologically developed and other countries remains a significant concern. There is a need to raise awareness in many countries of the opportunities provided by the copyright system for using and benefiting from the digital environment and, thereby, helping to bridge the "digital divide". There is also a need for better understanding of digital copyright tools and appropriate legal frameworks to support these tools. Finally, there is a need to address the growing demand among Member States for information about technological developments, alternative models for exploiting copyright, and sustainable models for copyright-based industries in the digital environment.

OBJECTIVE

Enhanced capacity in Member States to respond to the challenges and opportunities offered by copyright in the digital environment

| EXPECTED RESULTS | PERFORMANCE INDICATORS AND TARGETS |
|---|--|
| <p>Increased understanding of the possibilities for commercial exploitation of copyright in the digital environment</p> | <ul style="list-style-type: none"> — Explicit recognition of WIPO's support and input in clarifying different approaches to use of rights management information (RMI) among ten Member States — Clarification of issues in other international fora on information and communication technology (ICT) standards and IP, including interoperability — 2,000 additional subscribers to the WIPO Copyright newsletter |
| <p>Greater understanding of the impact of emerging technologies on creation, access to and use of copyright content</p> | <ul style="list-style-type: none"> — Clarification of issues between creators and users relating to access to works of unknown or unidentifiable authorship — Discussions in ten Member States among governments, private sector and users on copyright liability of Internet intermediaries |

STRATEGIES

This Program will reach out to various stakeholders to assist in raising awareness of emerging developments in copyright, and to better assess and make appropriate choices in using copyright in the digital environment. There will be a special focus on creators, as the foundation of the copyright system, and work will be conducted to raise awareness of copyright and how best to manage rights in the digital marketplace. Copyright information tools for creators in various sectors (film producers, photographers, journalists etc.) will be developed.

Partnerships with other international organizations and the private sector will be strengthened, particularly in developing countries and countries with economies in transition. Outreach activities to the private and non-profit sectors will also continue, to gather information and to build networks of collaboration for the benefit of Member States and the IP community generally.

Activities will also be undertaken to raise awareness and assist Member State institutions to develop capacity to respond to emerging issues in the field of copyright, to help support commercial exploitation of copyright in the digital environment, and at the same time promote the public interest. Research will be conducted and seminars organized on recent developments in legal issues relating to copyright in the areas mentioned above. Research will also be undertaken on market and technology-related issues, such as IP-related risk management, the legitimate uses of peer-to-peer technologies, and DRM and interoperability. The outcome of these activities will be reported to the Standing Committee on Copyright and Related Rights (SCCR) and other relevant WIPO bodies for consideration and further action, where appropriate.

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PROGRAM LINKS The Program will cooperate with Program 1 (to promote understanding of the role of copyright in narrowing the “digital divide”), Program 3 (for coordination of activities for creative industries), Programs 6 and 7 (for coordination of activities at the national level), and Program 14 (for enhancing consensus on international copyright law and developments).

RESOURCES

| | 2006/07 Initial Budget | 2006/07 Revised Budget | 2008/09 Proposed Budget | Difference Revised Budget 2006/07 vs. Proposed Budget 2008/09 | |
|----------------------|---------------------------|---------------------------|----------------------------|---|-----|
| | (thousand Sfr) | (thousand Sfr) | (thousand Sfr) | Amount | % |
| <u>Budget</u> | | | | | |
| Personnel | 2,358 | 1,531 | 1,650 | 118 | 7.7 |
| Non-Personnel | 250 | 464 | 500 | 36 | 7.8 |
| Total | 2,608 | 1,995 | 2,150 | 154 | 7.7 |
| <u>Posts</u> | 5 | 3 | 3 | 0 | 0.0 |

• **Program 5: Life Sciences**

CHALLENGES

Recent developments in the life sciences pose unique and distinct challenges for IP law and policy. In the 2006/07 biennium, the Program continued to develop a systematic and factual approach to IP aspects of life sciences technologies. This consolidated past WIPO work dates back to the exploratory work undertaken by the WIPO Working Group on Biotechnology, and included more recent technical work conducted in partnership with the World Health Organization (WHO), United Nations Educational, Scientific and Cultural Organization (UNESCO), the Food and Agricultural Organization (FAO), and other key partners.

Life science technologies touch upon such fundamental human and social needs as health, food and a safe environment. Their importance for society is increasing at the same time as public scrutiny and debate. The debate has touched on IP from several perspectives and the challenges faced by this Program reflect the increasing complexity of the matter. The discussion on life sciences raises questions such as: bioethics implications of IP protection of life sciences innovations; the use of the IP system in the life sciences domain to promote innovation, public welfare outcomes, equitable access, and effective transfer of life science technologies; ways in which the IP system may deliver welfare benefits in the context of public investments in health, agricultural and environmental research; the use of general patentability criteria to promote the public interest when applied to specific life sciences technologies; distinctive aspects of life sciences innovation that lead to proposals for alternative innovation structures tailored to public interest outcomes, such as collaborative innovation, public private partnerships and commons-based peer production in agricultural biotechnology; and the need for new analytical tools using raw patent data in order to understand patenting trends in the biotechnology and biomedical sectors.

Improving access to medical technology is another global challenge for which the identification of IP options specific for health care technologies is increasingly necessary. Access to value-added patent information resources in this area would be important to enable national policy-makers as well as international organizations to take informed decisions. There is also a widely acknowledged need for enhanced dialogue and enhanced policymaking expertise in these testing policy domains.

The fast pace of life sciences innovation calls for a systematic monitoring of IP developments; objective information on patenting patterns in life sciences innovation; and an open, inclusive and informed debate on the IP system's possibilities in achieving and fostering public interest outcomes in this area.

OBJECTIVE

Enhanced capacity of WIPO Member States to assess and exercise policy, legal and practical options concerning IP and the life sciences

Strategic Goal One: Promoting a Balanced IP System and Realizing Its Development Potential

| EXPECTED RESULTS | PERFORMANCE INDICATORS AND TARGETS |
|---|--|
| <p>Increased capacity of policymakers to monitor developments in IP and life sciences, review the implications of policy options, and assess the policy interests and perspectives concerned with intellectual property and the life sciences</p> | <ul style="list-style-type: none"> — Use of WIPO policy materials and other inputs in eight international and national processes — Feedback and reported impact from policy fora that WIPO convenes or contributes to — Requests for WIPO inputs from Member States, IGOs and other organizations |
| <p>Enhanced interactive exchange between governments, international organizations, civil society actors, and the private sector in the area of IP and the life sciences</p> | <ul style="list-style-type: none"> — Requests for WIPO participation in policy fora on life sciences — Feedback and reported impact from policy fora convened by WIPO — Enhanced cooperation with at least eight policy dialogue partners, including new partnerships |
| <p>Enhanced capacity of Member States and partner IGOs to make informed decisions regarding practical options for use of patented life sciences technology</p> | <p>Feedback from users of patent information products</p> |

STRATEGIES

The key strategy of this Program will be to assemble in practical, usable form factual information and comprehensive surveys of actual patterns of activity, policy choices and different innovation structures in the life sciences domain. Activities will continue to be demand-driven, responding to Member State requests and the invitations of other international organizations, particularly those within the UN system. The Program will concentrate on those aspects of IP law and related regulation that are truly distinctive to the life sciences. In doing so, issues papers and background studies, earlier developed under this Program, will be consolidated and presented to a broader policy audience, to provide more effective and sustained support for national and international policy processes. New analytical tools and information resources will also be developed, including patent landscapes and reviews of patenting trends, in distinct life sciences policy domains, notably biomedical innovation.

This Program will continue to provide the substantive and technical element of WIPO's cooperation with other international organizations and agencies dealing with life sciences issues, such as CBD, FAO, UNAIDS, UNCTAD, ICGEB, UNEP, UNESCO, WHO and the WTO, and will continue to provide the input that those bodies request from WIPO. The Program will contribute, as appropriate and as required, to international processes such as the WHO Intergovernmental Working Group on Public Health, Innovation and Intellectual Property and the UN Inter-Agency Committee on Bioethics. International discussions will be supported with information material on selected IP issues related to life sciences addressing subjects of particular concern to Member States, other international organizations, the private sector and civil society. A series of informal life sciences related IP

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events such as colloquia, workshops or presentations will help to identify and clarify the IP dimension in life sciences and underline WIPO's role in providing IP policy information related to life sciences. This will culminate in the convening of a major policy meeting, aimed at reviewing developments since the 1999 meeting of the WIPO Working Group on Biotechnology and at assessing future directions in IP and the life sciences.

PROGRAM LINKS This Program will cooperate closely with Programs 6 and 7 (for coordination of activities at the national level), Program 11 (for providing expert input), Programs 12, 13 and 14 (on legal issues related to the law of patents, trademarks, industrial designs and geographical indications as well as copyright and related rights), and Program 15 (for traditional knowledge, traditional cultural expressions and genetic resources related issues), and Program 17 (for patent information products).

RESOURCES

| | 2006/07 Initial Budget (thousand Sfr) | 2006/07 Revised Budget (thousand Sfr) | 2008/09 Proposed Budget (thousand Sfr) | Difference Revised Budget 2006/07 vs. Proposed Budget 2008/09 | |
|---------------|---|---|--|---|--------|
| | | | | Amount | % |
| Budget | | | | | |
| Personnel | 1,121 | 378 | 420 | 41 | 10.9 |
| Non-Personnel | 487 | 365 | 260 | (105) | (28.8) |
| Total | 1,608 | 743 | 680 | (64) | (8.6) |
| Posts | 2 | 1 | 1 | 0 | 0.0 |

Strategic Goal Two: Strengthening IP Infrastructure, Institutions and Human Resources

- **Program 6: Africa, Arab, Asia and the Pacific, Latin America and the Caribbean Countries, Least Developed Countries**

CHALLENGES

During the past few years, WIPO has intensified its cooperation with developing countries and least developed countries (LDCs) and has supported them in developing and modernizing their IP systems consistent with their development priorities and national plans. The key focus has been to support countries in building national capacity in terms of IP infrastructure, institutions and human resources. The technical assistance program and activities of WIPO have been designed in close consultation with the countries concerned. These have been tailored to respond to their diverse and specific needs in order to develop and enhance their capacity in important areas of IP such as planning for IP development; awareness building; human resource development; strengthening of relevant institutions and infrastructure; formulation of legislation; and enhancing professional capabilities, at the national and regional levels.

At the beginning of the 2008/09 biennium, the situation of capacity development of IP in various countries may be generally summed up as follows: a growing number of developing countries have recorded remarkable progress, evidenced by their increased capacity – human, infrastructural and institutional – to manage and utilize IP to achieve their development goals. In many other countries, considerable progress and improvements are noticeable, and a sustained capacity-building effort is needed to enable them to realize the attendant benefits. Several countries have become increasingly aware of the catalytic role that IP plays in accelerating economic, social and cultural development, and have been receiving technical assistance tailored to their circumstances in order to create an effective IP infrastructure. All countries, irrespective of the progress made in establishing an efficient IP system, will need to continue to further modernize their IP administrations and infrastructures, develop human resources, and raise IP awareness.

The main challenges which the Program will address in the 2008/09 biennium are the following:

- insufficient awareness and knowledge about the positive role that IP can play in enhancing the development capabilities of the countries;
- limited capacity of developing countries in relevant areas of IP including planning and strategy development, IP administration, human resource, infrastructure creation, and legislation ;
- the need to put in place customized IP capacity-building programs which suit the level of economic development of individual countries, available human and capital resources, strengths and constraints; and
- the need for assistance to developing countries to accede to and implement international treaties, and to analyze available legislative options to enable countries to comply with their international obligations.

OBJECTIVE

Enhanced national IP capacities, knowledge base and infrastructure supportive of development priorities and dovetailed with national plans in developing countries and least developed countries

| EXPECTED RESULTS | PERFORMANCE INDICATORS AND TARGETS |
|---|---|
| National IP capacity-building programs dovetailed with the country-owned development plans | Some 20-25 countries with national IP capacity-building programs taking into account national development plans |
| National IP infrastructure and institutions providing effective user-friendly services, through strengthened administrative and management capacities | <ul style="list-style-type: none"> — Some 20-25 countries with modernized IP infrastructure, including updated working methods and streamlined IP office operations — Some 20-25 countries with effective functioning of IP-related information and service centers |
| National IP legislation consistent with national development priorities as well as with international IP treaties and agreements | Some 15-20 countries with updated national IP law and regulations |
| Domestic partnerships between the public and private sectors (PPPs) encouraging greater utilization of IP systems | Some 15 countries with partnerships among public and private sectors for IP development and use |
| Strengthened regional cooperation for IP capacity building and infrastructure development | At least one regional or sub-regional IP capacity and infrastructure development programs formulated through horizontal cooperation in each region |

STRATEGIES

The key priorities in 2008/09 will be to continue to support developing countries and LDCs in building national IP capacity, a knowledge base and an infrastructure supportive of their development priorities and integrated with their national development plans. A main plank of the strategy during the 2008/09 biennium will be to encourage and support countries to develop annual and mid-term national plans containing specific targets, which would enable them to assess their existing IP systems and determine the elements which need to be established or reinforced. The emphasis would, therefore, be on significantly strengthening the capacity of countries to develop and implement their own national IP plans in a medium term perspective. These IP plans would enable the countries, as well as WIPO, to better coordinate and assess progress in strengthening institutional, human and infrastructural capacities, ensure effective cohesion of programs and optimal use of resources, and develop partnerships and synergies. Particular attention will be given to the special needs of LDCs.

Within the above framework, the Program will offer systematic assistance to developing countries and LDCs, along the following strategic lines:

- Formulation and implementation of pro-active IP capacity-building programs in accordance with the specific needs and the level of development of individual countries. This process will require wide-ranging participation and the full commitment of different government sectors as also other stakeholders.
- Support to the process of strengthening and modernizing IP administrations and infrastructure, through the updating of work methods, training of human resources, and streamlining of office operations.

Strategic Goal Two: Strengthening IP Infrastructure, Institutions and Human Resources

- Development, creation and implementation of mechanisms which facilitate access to intellectual property information (patents and technological information, jurisprudence, commercial information, intellectual property statistics, classification tools, etc.) by increasing numbers and categories of users and beneficiaries.
- Formulation of updated IP legislation and provision of legal assistance in accordance with each country's specific requirements, including aspects related to the implementation of international treaties within national legislation, taking into consideration available legislative options.
- Development of outreach activities for the promotion of an IP culture, as a necessary complement to the strengthening of IP legal and administrative infrastructures. Such outreach activities are of particular importance for those developing countries where the awareness of the potential impact of IP for development is still relatively low.
- Strengthening of mechanisms for inter and intra-regional cooperation and development of mechanisms and partnerships leveraging the support of a wide range of stakeholders, with a view to encouraging synergies through the process of regional integration and internationalization of national IP systems.
- Support to initiatives towards the establishment of partnerships between the public and private sectors, aimed at encouraging greater use of the IP system.
- The specific needs of LDCs will be addressed through the process of policy dialogue and consultations involving policy makers at the highest level of governmental and other organizations for clearer understanding of policy options to benefit from IP. This will be accompanied by an enhanced focus on assisting LDCs to develop and implement customized IP capacity-building programs.

PROGRAM LINKS This Program will cooperate closely with, in particular, Programs 1 and 2 (outreach and external coordination), Program 3 (for strategic use of IP for development), Program 5 (life science issues), Program 7 (for technical assistance and capacity-building issues), Program 8 (business modernization), Program 9 (collective management of copyright and related rights) Program 10 (enforcement), Program 11 (training) and Program 15 (traditional knowledge, traditional cultural expressions and folklore).

RESOURCES

| | 2006/07 Initial Budget | 2006/07 Revised Budget | 2008/09 Proposed Budget | Difference Revised Budget 2006/07 vs. Proposed Budget 2008/09 | |
|---------------|---------------------------|---------------------------|----------------------------|---|------|
| | (thousand Sfr) | (thousand Sfr) | (thousand Sfr) | Amount | % |
| Budget | | | | | |
| Personnel | 22,909 | 22,916 | 22,938 | 22 | 0.1 |
| Non-Personnel | 14,740 | 15,334 | 17,727 | 2,393 | 15.6 |
| Total | 37,649 | 38,250 | 40,665 | 2,415 | 6.3 |
| Posts | 49 | 46 | 46 | 0 | 0.0 |

• **Program 7: Certain Countries in Europe and Asia**

CHALLENGES

The major challenge for WIPO’s activities in the regions covering Certain Countries in Europe and Asia is to ensure relevant technical assistance to countries with different levels of economic and social development and, hence, also different levels of IP infrastructure development. In meeting this challenge WIPO will support these countries in building national capacities, relevant knowledge base and an infrastructure to enhance their development priorities and national plans, as well as IPR strategies.

All these countries have recorded significant progress in their ability to utilize IP to achieve their developmental goals. Indeed, in many countries IP plays a prominent role in their accelerated economic, social and cultural development. As a result their requests and needs for technical assistance are increasingly for more advanced activities and programs. The challenge for WIPO will be to provide more specific assistance of an advanced and specialized level to satisfy the enhanced expectations of these countries, including at the enterprise, sectoral and regional levels. Another challenge will be to promote a cross-cutting exchange of experiences, lessons learned and best practices between countries within the geographical frame of this Program. However, it is true for this group of countries as well that, irrespective of the progress made in establishing an efficient IP system, they will need to continue to further modernize their IP administrations, infrastructures, develop human resources, and enhance the IP services offered to the user community.

During the past few years, WIPO has intensified its cooperation with countries in Eastern Europe, the Caucasus Region and Central Asia. WIPO has supported these countries in developing and modernizing their IP systems consistent with their development priorities and national plans. The key focus has been to support the countries in building national capacity in terms of IP infrastructure and human resources, combined with enhancing the general and specific awareness level and knowledge base for effectively utilizing IP for economic, social and cultural development.

At the beginning of the 2008/09 biennium, the situation for this group of countries can be generally described as follows: Further progress has been achieved in Countries in Eastern Europe, the Caucasus Region and Central Asia in the fields of development of relevant IP structures, legislation and in promotion of cooperation between WIPO and these countries. The regional Eurasian Patent Organization has successfully marked its ten years of existence and became an important regional tool for promotion of protection of patent inventions and has increased its links with the PCT system. As far as Central European and Baltic states are concerned, 12 countries of the region have successfully joined the European Union and its IP related structures. Fifteen countries are members of the European Patent Organization, and 7 countries (the countries of the Western Balkans and Turkey) are at different stages in the process of association and/or accession to the European Union, and are upgrading and aligning their relevant legal and administrative environment, including the national IP infrastructure.

OBJECTIVE

Enhanced and sustainable IP capacity in certain countries in Europe and Asia enabling effective use of IP for development objectives

| EXPECTED RESULTS | PERFORMANCE INDICATORS AND TARGETS |
|---|--|
| Enhanced national IP capacities in line with national development plans | Some 10 countries with national IP capacity-building programs dovetailed with national development plans |

Strategic Goal Two: Strengthening IP Infrastructure, Institutions and Human Resources

| EXPECTED RESULTS | PERFORMANCE INDICATORS AND TARGETS |
|--|---|
| More effective and user-friendly services by national IP institutions | <ul style="list-style-type: none"> — Some 20 countries with modernized IP infrastructure, including updated working methods and automated IP office operations — Some 20 countries with well functioning IP-related information and service centers |
| Enhanced capacity of IP professionals | Some 10 countries with regular IP training programs for professionals |
| National IP legislation is consistent with international IP treaties and agreements, and conforms with national development priorities | Some 25 countries with updated national IP law and regulations |
| Greater utilization of IP systems prompted by the establishment of domestic partnerships between the public and private sectors (PPPs) in the area of IP | Some 3-5 countries with partnerships among public and private sectors for IP development and use |
| Enhanced regional cooperation and exchange of experience among countries in the region | Number of countries which incorporate regional best practice in IP policies |

STRATEGIES

The overall strategy for assisting certain countries in Europe and Asia will have a two-pronged approach: it will differentiate between the specific requirements of these countries; at the same time, it will seek to build on certain commonalities and shared features of the IP systems of these countries.

The differentiated, country specific approach will be achieved by providing assistance within the framework of national IP plans. These plans will reflect the particular needs and requirements of concerned countries, as articulated by their IP authorities. The plans will be reviewed and updated periodically in close consultation with national authorities, and will, thus, be treated as living documents rather than as static frameworks for action.

WIPO's technical assistance program and activities will be designed in close consultation with countries in Eastern Europe, the Caucasus Region and Central Asia with the objective to respond to their diverse and specific needs in order to develop and enhance their capacity in all important areas of IP such as development of IP strategies and services; awareness building; human resource development; strengthening of relevant institutions and infrastructure; and formulations of legislation at the national and regional levels.

The shared features and requirements of certain countries in Europe and Asia pertain to the close relationship of many of these countries with the European Union (EU), as well as the relatively advanced levels of assistance required by them. Accordingly, cooperation with these countries will take into consideration requirements arising from the new membership of some of these countries in the EU, as well as the specific needs of acceding countries, candidate countries and countries benefiting from EU's European Neighbourhood Policy. Synergies will be

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aimed for with IP programs which these countries may be undertaking within a EU context.

In addition, the specific activities and programs shall seek to increase the capacity of the IP Offices to offer more advanced services to existing and potential users of IP. This will entail a greater focus on creating a critical mass of trained IP experts in these countries. The upgrading of human resources would be a most effective means of facilitating the use of IP in a systematic and sustained manner for attaining larger socio-economic objectives. Also, given the common nature of many of the IP challenges faced by these countries, there will be an increased focus on mutual exchange of experiences and sharing of best practices.

PROGRAM LINKS This Program will cooperate closely with, in particular, Programs 1 and 2 (outreach and external coordination), Program 3 (for IP and economic development issues), Program 5 (life science issues), Program 6 (for technical assistance and capacity building issues), Program 8 (business modernization), Program 9 (collective management of copyright and related rights) Program 10 (enforcement), Program 11 (training) and Program 15 (traditional knowledge, traditional cultural expressions and folklore).

RESOURCES

| | 2006/07 Initial Budget | 2006/07 Revised Budget | 2008/09 Proposed Budget | Difference Revised Budget 2006/07 vs. Proposed Budget 2008/09 | |
|---------------|---------------------------|---------------------------|----------------------------|---|------|
| | (thousand Sfr) | (thousand Sfr) | (thousand Sfr) | Amount | % |
| Budget | | | | | |
| Personnel | 3,266 | 3,551 | 3,560 | 9 | 0.3 |
| Non-Personnel | 1,264 | 1,464 | 1,884 | 420 | 28.7 |
| Total | 4,530 | 5,015 | 5,444 | 429 | 8.6 |
| Posts | 8 | 8 | 8 | 0 | 0.0 |

• **PROGRAM 8: Business Modernization of IP Institutions**

CHALLENGES

The recipients of business modernization assistance are IP institutions, in particular, IP offices (IPOs) and collective management organizations (CMOs) in about 160 developing countries, least developed countries and countries in economic transition.

At the end of 2007, about 50 IPOs and 8 CMOs are expected to have been provided with modernization assistance consisting of needs assessment, technical advice, streamlining and simplification of business procedures, upgrading of technical infrastructure, deployment of customized systems adapted to the recipient institutions for the automation of their business procedures, e-communication with WIPO treaties and systems, training and knowledge transfer, and enhancement of existing automation solutions.

While most institutions request the full range of the above-mentioned services, some request only selected ones based on their needs and priorities. In general, though, there is a significant increase in the requests for modernization assistance from IP institutions as many of them still have paper-based manual procedures, with little or no automation, and are thus finding it difficult to cope with the growing workload, long pendency times and demands from IP stakeholders for faster, efficient and quality processing.

The growing number of requests for assistance and the varied levels of development, capacity, resources, skills, and infrastructure of these institutions pose several challenges for this Program, including: delivering consistent, appropriate and quality services; building sufficient capacity to sustain the benefits of modernization; developing better evaluation mechanisms; and, adapting services to evolving business requirements and emerging technologies.

Evaluation results have shown that even with the same level of assistance provided by WIPO, the level of benefit varies from one recipient institution to another as there are several challenges faced by the institutions themselves in realizing the full potential of the delivered assistance. These challenges include: availability of capacity and resources for digitizing relatively large volumes of paper records into IP databases; adequate technical infrastructure to support automation; working conditions and salary structures of office staff; turnover of trained staff; transition from manual to automated procedures; ownership issues; and adequate resources to sustain the basic infrastructure for modernization. The challenges faced after the deployment of automation are, therefore, as critical, if not more, than the automation process itself, as they impact directly on the level of success achieved. Therefore, more than half of the IP institutions that already have been assisted will continue to need further assistance to achieve the objectives of modernization.

OBJECTIVE

Enhanced efficiency of IP registration activities and improved services provided by IP institutions to their stakeholders

| EXPECTED RESULT(S) | PERFORMANCE INDICATORS AND TARGETS |
|---|---|
| <p>Modernized business procedures of IP institutions</p> | <p>Forty-four IP Offices (14 new ones and 30 ongoing) with:</p> <ul style="list-style-type: none"> — availability of national IP databases (e.g. trademarks, patents, industrial designs) through digitized paper records — reduced backlog of IP applications — faster processing of IP applications <p>Twenty CMOs (12 new ones and 8 ongoing) with:</p> <ul style="list-style-type: none"> — availability of national databases (e.g. musical works, authors, etc.) through digitization of paper documentation — reduced backlog of work |
| <p>IP Offices enabled for electronic communication with WIPO Treaties</p> | <ul style="list-style-type: none"> — Time and cost savings for 15 IPOs for processing Madrid applications through direct electronic communication with WIPO systems — Patent information from IPOs linked to the WIPO PatentScope website (actual number depending on the availability and quality of the information) |

STRATEGIES

It is expected that at the end of the 2008/09 biennium, a total of 64 IPOs and 20 CMOs will have been provided with business modernization assistance covering some or all of the services listed above. This includes the full range of comprehensive assistance to new institutions, as well as ongoing assistance to maximize the benefits of modernization to those where automation systems have already been deployed.

As modernization of automation systems and business processes is an ongoing endeavor, the overall strategy is based on a long term view rather than a one-time effort. A key element of the strategy is the provision of customized assistance through the application of a wide range of mature products, services, solutions and best practices that have been tested and proven and that will continue to be enhanced in the future. The Program will continue to adapt the scope, level, frequency and duration of assistance it provides based on the assessment of the receiving institution’s profile. In order to enhance sustainability, the utilization of local expertise and procurement from local markets will be maximized. The presence of WIPO experts in the different geographical regions has proven to be highly efficient in providing timely and cost-effective services. The regional presence of the Program will therefore continue to be consolidated. The institutional knowledge and experience of other relevant organizations that have successfully achieved automation will continue to be drawn upon, including through

Strategic Goal Two: Strengthening IP Infrastructure, Institutions and Human Resources

the WIPO trained automation Focal Points in recipient institutions. In this regard, a global approach will continue to be applied in the provision of modernization assistance by leveraging WIPO's collective experience across all regions.

Special emphasis will be given in 2008/09 to post-deployment type of activities relating to capacity building, transfer of knowledge, value-added services and sharing of experiences through regional and inter-regional workshops. The "Train the Trainer" approach will continue to be used to further multiply the impact of training to a larger group of people in the institutions and in the regions.

Post-deployment evaluations have proved valuable in adapting and refining the program strategy and approach, to improve the service delivery. The evaluation mechanisms will therefore continue to be an integral part of the assistance and will be further strengthened using international norms and standards.

As the quality of the modernization assistance provided is linked to the quality of the automation tools and products used, WIPO will continue to invest in their ongoing improvement by adding new functionalities such as national e-filing and e-dossier, and by making these more reliable and easy to support.

The Program will also collaborate closely with relevant regional and national IP organizations to enhance its effectiveness, in particular, the European Patent Office (EPO), African Regional Intellectual Property Organization (ARIPO), *l'Organisation Africaine de la Propriété Intellectuelle* (OAPI), the Eurasian Patent Organization (EAPO), Japan Patent Office (JPO), the Korean Intellectual Property Office (KIPO) and IP Australia. Collaboration with other partners will be explored.

PROGRAM LINKS This Program will cooperate closely with Programs 6, 7 and 9 (for the coordination of activities at the national level), Program 16 (for PCT e-filing and Receiving Office procedures), Program 18 (for electronic exchange procedures for Madrid, Lisbon and Hague Registration Systems), Programs 19 and 20 (for international patent, trademarks and industrial designs classifications) and Program 27 (for WIPO IT standards and interface with WIPO IT systems).

RESOURCES

| | 2006/07 Initial Budget | 2006/07 Revised Budget | 2008/09 Proposed Budget | Difference Revised Budget 2006/07 vs. Proposed Budget 2008/09 | |
|---------------|---------------------------|---------------------------|----------------------------|---|-----|
| | (thousand Sfr) | (thousand Sfr) | (thousand Sfr) | Amount | % |
| Budget | | | | | |
| Personnel | 2,843 | 2,695 | 2,836 | 141 | 5.2 |
| Non-Personnel | 2,000 | 1,800 | 1,959 | 159 | 8.8 |
| Total | 4,843 | 4,495 | 4,795 | 300 | 6.7 |
| Posts | 6 | 7 | 7 | 0 | 0.0 |

• **Program 9: Collective Management of Copyright and Related Rights**

CHALLENGES

In a globalized economy, the exercise of copyright and related rights through collective management systems, where applicable, can be of great economic value to creators, performers and other rightholders. The development of automated systems for rights management, based on global technical standards, has helped to enhance access to international markets. Collective management systems that are built in accordance with those standards are important to facilitate access to those markets by the rightholders concerned in developing countries and countries with economies in transition.

During the 2006/07 biennium, the Program addressed a wide range of policy issues relating to collective management from a conceptual and technical point of view in cooperation with partner non-governmental organizations. International standards and codes, copyright management technology, automated licensing and monitoring systems were central issues discussed at several programs and meetings organized during the biennium. This, along with effective coordination of activities with key partner institutions, such as international non-governmental organizations, has been an important factor in achieving results relating to the establishment and strengthening of collective management organizations worldwide.

In the 2008/09 biennium the main challenge for this program will continue to be to address the evolving needs of right owners in developing countries and countries with economies in transition. This would require assistance in the establishment and further development of national or regional collective management infrastructure, as well as ensuring that collective management organizations upgrade their technological capabilities to use digital technology in accordance with global technical standards. In order to maximize the potential of works produced in developing countries and countries in transition, collective management organizations need to establish practices and procedures that would ensure that works comply with the technical standards defined for such systems. Finally, efforts need to be made to enhance the awareness and improve understanding of the benefits and mechanisms of the collective management of copyright and related rights among policy-makers and other stakeholders.

OBJECTIVE

Enhanced capacity to collectively manage copyright and related rights

| EXPECTED RESULTS | PERFORMANCE INDICATORS AND TARGETS |
|--|--|
| Creation of new Collective Management Organizations (CMOs) | Five newly established CMOs |
| Enhanced administration in existing copyright and related rights management organizations, including the integration of digital technologies in their operations | Number of CMOs that have incorporated effective digital technologies for rights management |
| Enhanced cooperation with relevant partner institutions | One new cooperation agreement and enhancement of existing joint working committees |

STRATEGIES

The main focus of this program will continue to be the rights of authors, performers, visual artists, the publishing and phonographic industry, and reprography. WIPO will continue to facilitate the setting up and strengthening of collective management

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of copyright and related rights organizations in developing countries, least developed countries and countries with economies in transition. In addition, support will be provided to CMOs to ensure that rights management systems are compatible with international systems. Cooperation with the International Federation of Authors and Composers Societies (CISAC) and International Federation of Reproduction Rights Organizations (IFRRO), including through the strengthening of the joint working committees (JWC) will be enhanced. Possible joint cooperation agreements with other interested organizations or associations will also be examined and, where appropriate, concluded and implemented.

In order to clarify some of the challenges faced in rights management and help CMOs to develop suitable responses, national or regional training events in certain areas of rights management will be organized. The preparation of model contracts, guidelines, studies and other reference material relating to the management of rights (e.g. model statutes), will also continue to be an important area of work. This will include material relevant for policy formulation, awareness raising and capacity building by various stakeholders, including enforcement authorities on various aspects of collective management systems. The further development of automated systems for the operation of collective management societies will be undertaken in order to permit their fuller integration in digital international systems and compliance with global technical standards.

PROGRAM LINKS The Program will cooperate closely with Program 3 (on the strategic use of IP for development), Programs 6 and 7 (for coordination of technical assistance and capacity-building activities at the national level) Program 8 (for the modernization and automation of CMOs), Program 10 (for enforcement), Program 11 (for teaching and training) and Program 14 (on the law of copyright and related rights).

RESOURCES

| | 2006/07 Initial Budget | 2006/07 Revised Budget | 2008/09 Proposed Budget | Difference Revised Budget 2006/07 vs. Proposed Budget 2008/09 | |
|---------------|---------------------------|---------------------------|----------------------------|---|-----|
| | (thousand Sfr) | (thousand Sfr) | (thousand Sfr) | Amount | % |
| Budget | | | | | |
| Personnel | 1,659 | 1,168 | 1,234 | 65 | 5.6 |
| Non-Personnel | 455 | 488 | 502 | 14 | 2.9 |
| Total | 2,114 | 1,656 | 1,736 | 79 | 4.8 |
| Posts | 4 | 3 | 3 | 0 | 0.0 |

• **PROGRAM 10: IPR Enforcement**

CHALLENGES

In a technological environment which facilitates violations of IP rights, and allows infringers to make considerable profits to the detriment of governments, right holders and consumers, the need to put in place and continuously improve enforcement mechanisms, including in the online environment, is at the heart of policy debates and initiatives in many countries and regions around the globe. Yet, in spite of the efforts at the international, regional and national levels to render IP enforcement more effective, there has been a significant increase in counterfeiting and piracy activities in recent years.

During the 2006/07 biennium, the WIPO Advisory Committee on Enforcement (ACE), which was established in 2002 as a forum for international review and debate on topical issues related to IP enforcement, held its third and fourth sessions. The expertise of WIPO, as an organization with a global perspective, was increasingly sought by Member States to integrate IP in national policies and programs designed to strengthen the enforcement infrastructure and institutions. WIPO has also become a key provider of training programs for law enforcement officials so as to deal with the increased demand for judicial processes from both civil and criminal perspectives. In addition, WIPO has built strategic partnerships with a number of international organizations such as the World Customs Organization (WCO), Interpol, the World Health Organization (WHO), the Organization for Economic Cooperation and Development (OECD), and the World Trade Organization (WTO). The Organization has also worked, as appropriate, with relevant private sector organizations. For example, in 2007, WIPO, together with the WCO and Interpol, and in partnership with organizations representing the private sector, hosted the Third Global Congress on Counterfeiting.

This Program will need to address the increasing requests by Member States for advice on the modernization of enforcement provisions in national legislation, the interrelation of IP and other related legislation, and the creation of an efficient enforcement infrastructure for implementation of all applicable provisions. In addition, there will be a continued need to facilitate informed policy debates on optimal measures to address IP enforcement challenges at the international level.

OBJECTIVE

Strengthened capacity in Member States for the effective enforcement of IP rights in the interest of social and economic development and consumer protection, and informed policy discussions at the international level

| EXPECTED RESULT(S) | PERFORMANCE INDICATORS |
|---|--|
| Implementation of efficient national, sub-regional or regional IP enforcement systems | <ul style="list-style-type: none"> <li data-bbox="967 1525 1445 1644">— Formulation of IP enforcement strategies in six Member States/sub-regions, involving the various stakeholders <li data-bbox="967 1682 1445 1767">— New or updated legislative framework for effective IP enforcement in four Member States |

Strategic Goal Two: Strengthening IP Infrastructure, Institutions and Human Resources

| EXPECTED RESULT(S) | PERFORMANCE INDICATORS |
|--|---|
| Constructive and balanced international policy dialogue | <ul style="list-style-type: none"> — Identification of issues of common global concern in the field of IP enforcement in the ACE resulting in commonly agreed conclusions by the Chair — Strengthened strategic partnerships through new joint activities, including special projects, with other IGOs and NGOs |
| Enhanced capacity of the judiciary and law enforcement officials in handling enforcement matters | <ul style="list-style-type: none"> — Improved border measures and more efficient enforcement actions in eight Member States by customs and police officials — Improved right holder participation in the enforcement process in six Member States |
| Adequate integration of IP issues in enforcement-related activities of partner Organizations | Reflection of four substantive contributions provided by WIPO to relevant initiatives of IGOs or NGOs |

STRATEGIES

Under the Program, tailored advice for the modernization and streamlining of IP enforcement systems will be provided to Member States on request. This will take due account of existing national, regional and international legal frameworks and reflect the specific needs and concerns of Member States. Where required, advice would address coherent enforcement mechanisms for several countries of a region or sub-region in cooperation with regional or sub-regional organizations. National and regional consultations, pilot programs, legal and technical cooperation activities and awareness raising meetings will be held with a focus on the development and enhanced use of updated and efficient IP enforcement mechanisms. When requested, substantive advice will be provided in the framework of special projects to assist Member States or partner organizations in streamlining their efforts related to IP enforcement.

Regular meetings of the ACE will continue to be convened as a global forum for IP enforcement policy dialogue. This dialogue will be supported with detailed information and legal analysis, based on the experience of different countries and regions. An objective will be to facilitate a comprehensive understanding on enforcement issues. Information sharing will be facilitated through the development of WIPO Publications, Enforcement Newsletters, the Intellectual Property and Enforcement Issues and Strategies (IPEIS) Forum, and by disseminating information through the enforcement website on emerging trends, jurisprudence and developments in this field.

There will be enhanced cooperation with organizations having an expertise in specific areas relating to IP enforcement, such as the WCO, WTO, WHO and Interpol. This will include regular information exchange and meetings, substantive contributions to the applicable activities initiated by these partner organizations,

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and joint events. There will be active involvement in defining the further directions of the Global Congress on Combating Counterfeiting and Piracy.

In addition, Member States will be assisted in increasing the capacity of decision-makers, the judiciary and law enforcement officials in effectively dealing with IP enforcement matters. The development of judicial capacities to deal with the effective adjudication of IP disputes will be facilitated and supported, including through the preparation of case law compilations as reference material for the judiciary and the preparation of legal analysis and studies in the area of IP enforcement. Structured information and training programs for judicial authorities and law enforcement officials such as prosecutors, customs and police officials will be offered. In this context, cooperation with other organizations will be further increased.

PROGRAM LINKS This Program will cooperate closely with Programs 3, 6 and 7 (for strategic use of IP for development and coordination of activities at the national level), Program 11 (for provision of expert input) and Program 21 ((in relation to enforcement frameworks to which arbitration and mediation may constitute alternatives).

RESOURCES

| | 2006/07 Initial Budget | 2006/07 Revised Budget | 2008/09 Proposed Budget | Difference Revised Budget 2006/07 vs. Proposed Budget 2008/09 | |
|---------------|---------------------------|---------------------------|----------------------------|---|--------|
| | (thousand Sfr) | (thousand Sfr) | (thousand Sfr) | Amount | % |
| Budget | | | | | |
| Personnel | 2,110 | 2,093 | 2,443 | 350 | 16.7 |
| Non-Personnel | 856 | 1,020 | 878 | (142) | (13.9) |
| Total | 2,966 | 3,113 | 3,321 | 208 | 6.7 |
| Posts | 7 | 5 | 5 | 0 | 0.0 |

• **Program 11 The WIPO Worldwide Academy**

CHALLENGES

Since its founding in 1998, the WIPO Worldwide Academy has become a globally recognized institution for intellectual property (IP) education and training. A combination of face-to-face training and state-of-the-art distance learning has been developed to offer programs which respond to the needs of diverse beneficiaries worldwide. Courses are being offered in Arabic, Chinese, English, French, Portuguese, Russian and Spanish.

Strategic partnerships with more than 25 national IP Offices and regional organizations have also given the Academy a unique opportunity to provide practical, customized training on IP. The Distance Learning Program is bringing IP to even wider sectors of society worldwide, bridging the gaps of distance and time, and reducing the costs of access to IP education. In the 2006/07 biennium, around 35,000 participants were to take the WIPO Distance Learning courses, with a completion rate of 70%.

In the 2008/09 biennium a continued high demand for IP education and training is expected. This will pose a number of challenges, including the need to strengthen face-to-face training and the programs aimed at bringing together, in high-level fora, world renowned experts, professors, research and development practitioners, and government officials. In 2006/07, the rate of satisfaction of participants in the policy development and the professional training courses was between 80-90%, and in the professional training programs between 70-80% of the participants considered that they had had their skills considerably enhanced.

There will be a continued need to strengthen digital and on-line programs, adapt programs to the needs of different categories of users, including IP Office staff, policy-makers, business managers, IP professors and students, and enhance international cooperation with the appropriate partners in order to address the requirements for IP education and training. In this context, in the 2006/07 biennium, the Master of Law (LL.M.) in IP continued to be offered on a yearly basis in cooperation with the University of Turin and the International Training Center of the International Labour Organization (ILO) and the financial support of the Government of Italy. In addition, five IP Academies were established in Member States and the Academy Distance Learning Courses were being used in educational programs of three academic institutions. Another four institutions started offering the courses in national languages.

New technologies for the Distance Learning Program would also need to be leveraged and new advanced Distance Learning courses would need to continue to be developed.

To enhance the use of the Academy's IP information resources, the services of the WIPO Library and the Collection of Laws for Electronic Access (CLEA) will need to be further promoted.

OBJECTIVE

Strengthened IP educational infrastructure and IP human resources as well as enhanced access to IP knowledge and information

| EXPECTED RESULTS | PERFORMANCE INDICATORS AND TARGETS |
|---|---|
| Enhanced capacity of decision-makers and policy advisers to formulate appropriate and effective IP policies | <ul style="list-style-type: none"> — 90% end-of-course satisfaction rate with policy development programs — Number of IP-related policies, initiated, developed and/or implemented |
| Strengthened infrastructure for human resources development and IP education in Member States | <ul style="list-style-type: none"> — At least one university in each region to introduce specialized IP courses — Establishment of at least five IP academies and/or training centers in Member States |
| Upgraded and enhanced knowledge and skills of staff of IP offices and business managers | <ul style="list-style-type: none"> — 90% end-of-course satisfaction rate with professional training programs — Demonstrated improvement in the skills of 80% of participants in professional training programs |
| Wider use of distance learning as a complement to IP education | <ul style="list-style-type: none"> — 40.000 registrations and 70% completion rate of WIPO on-line courses — Use of the Academy Distance Learning courses in educational programs of five academic institutions — Four institutions in Member States offer Academy Distance Learning programs in national languages |
| Enhanced interdisciplinary IP education and research worldwide | <ul style="list-style-type: none"> — High end-of-course satisfaction rate of the Turin Master of Law in IP (LL.M) — Number of students being employed in the IP field. |
| Increased use of the WIPO Academy's information resources | <ul style="list-style-type: none"> — 10% increase in the number of students and professors using the Library services (from 10/week in 2006) — 20% increase in the number of page views of CLEA (from 500,000page views in 2006) |

Strategic Goal Two: Strengthening IP Infrastructure, Institutions and Human Resources

STRATEGIES

During the biennium, the existing programs of the Academy, the WIPO Library and the IP Law collection will be further upgraded.

The Academy will continue to develop and implement new methodologies for the professional training programs at the intermediate and advanced levels, including using distance learning and a “train-the-trainers” approach.

In order to deepen the understanding of the IP system and provide a forum for discussion and exchange of experiences in this area, the Academy will continue to organize Academy sessions for decision makers, policy advisers and other senior government officials involved in formulating IP policies. In addition, programs will be organized that address emerging issues in the field of IP and that are targeted towards special target groups.

To promote the teaching of IP in universities and strengthen human resources in this field, the Academy will continue to offer and develop joint programs with academic institutions leading to the award of degrees/diplomas. It will continue to develop strategic partnerships with academic institutions, in particular from developing countries and countries with economies in transition. Partnerships with academic institutions will also involve the development of teaching and training materials and curricula on IP. In 2008/09, the Academy will continue to organize the Turin Master of Law (LL.M.) program as an international and inter-disciplinary degree on IP.

As part of its strategy to enhance IP teaching and training, the Academy will organize national symposia on IP education and research in a number of countries; provide expert advice to IP offices, universities and ministries of education; organize annual meetings of IP academies; offer a number of executive programs in and outside Geneva, some of which will be offered jointly with business schools and industry associations; and establish a network of professors of IP management from business schools, industry and management consultancy firms.

The Distance Learning Program will focus on offering new courses in priority areas and continue to efficiently administer existing courses. The Academy will acquire a new distance learning platform, in order to leverage the available technology and cope with the growing demand.

The WIPO Library will increase its presence in the IP community by promoting its services and by improving its presence on the WIPO web site. Greater demand for information will be supported via an enriched Library collection of online and paper materials with a focus on up-to-date IP books and theses. The Collection of IP Laws will be further developed by working on the capture of data in a full-text searchable format.

PROGRAM LINKS

This Program will cooperate with Program 1 (information materials and publications), Programs 3, 6 and 7 (for strategic use of IP for development and coordination of activities at the national level), and Programs 12, 13, 14, 15 and 21 (for the development of Distance Learning courses on these subjects).

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RESOURCES

| | 2006/07 Initial Budget (thousand Sfr) | 2006/07 Revised Budget (thousand Sfr) | 2008/09 Proposed Budget (thousand Sfr) | Difference Revised Budget 2006/07 vs. Proposed Budget 2008/09 | |
|----------------------|---|---|--|---|-------|
| | | | | Amount | % |
| <u>Budget</u> | | | | | |
| Personnel | 7,559 | 6,004 | 5,998 | (6) | (0.1) |
| Non-Personnel | 6,768 | 8,378 | 9,428 | 1,050 | 12.5 |
| Total | 14,327 | 14,382 | 15,426 | 1,044 | 7.3 |
| <u>Posts</u> | 17 | 13 | 13 | 0 | 0.0 |

Strategic Goal Three: Progressive Development of International IP Law

• Program 12: Law of Patents

CHALLENGES

Throughout the 2006/07 biennium, this Program continued to address issues relating to the international dimension of patent law and practice, including elaboration of current patent law issues, and consideration of a work program for the Standing Committee on the Law of Patents (SCP). The international patent system today is influenced by, in particular, two major factors, namely its success, evidenced by a continuing growth in the number of patent applications worldwide, and the complexity of a changing environment.

The first aspect, that is, the increase in patent filings, has generated several consequences. One consequence is that patent offices encounter increasing difficulty in handling, in a timely manner, the number of applications filed and, at the same time, ensuring a high quality in the titles issued. Another consequence relates to concerns about the broader implications of the patent system in respect of a number of public policy issues.

The second factor, the complexity of the environment in which the patent system operates, is reflected in: technological developments, such as information and communication technologies, biotechnology or nanotechnology, which have increasingly been at the center of public attention in recent years; the number of countries that have become - or are becoming - important actors in the patent system, which has led, for example, to increased geographical and linguistic diversity in the prior art; and globalized economic ties, which have produced complex interactions between national, regional and international patent policies.

These factors are both a cause and a reflection of the existing divergences in priorities among Member States. Against this backdrop, the key challenges for this Program will be to explore and identify potential areas of common interest to all Member States and users, to identify those issues that are mature and appropriate for international discussion and cooperation, and to include them, where appropriate, in the work program of the SCP. One of the key tasks in working toward that goal will be to deepen the understanding of the role of, and the principles underpinning, the patent system.

OBJECTIVE

Progressive development of international patent law and practice that stimulates innovation and balances the interests of Member States, users and society as a whole by improving the understanding of, and international cooperation on, patent-related matters.

| EXPECTED RESULTS | PERFORMANCE INDICATORS AND TARGETS |
|--|---|
| Enhanced cooperation among Member States in the area of developing the international patent system | <ul style="list-style-type: none"> — Agreement and implementation of the SCP work program and advancement on issues of common interest — Greater number of Contracting Parties to the patent-related WIPO administered treaties |

| EXPECTED RESULTS | PERFORMANCE INDICATORS AND TARGETS |
|--|--|
| Greater awareness of the legal principles and practices of the patent system and of its role in economic development | <ul style="list-style-type: none"> — Feedback from Member States, right holders, third parties and the general public — Greater acceptance and use of patent principles and practices in Member States |
| Enhanced understanding and further clarification of current and emerging issues that arise in relation to patents | Feedback from Member States, right holders, third parties and the general public |
| Reduction, where possible, of redundant functionalities in the patent system | Instruments of international cooperation in the area of patents, or drafts of, or work-in-progress, regarding such instruments |

STRATEGIES

The SCP will continue to be the main forum for consideration of patent issues and the development of the international patent system, and will hold up to four meetings in the 2008/09 biennium. In addition, increased efforts will be undertaken by the Program to enhance cooperation among Member States and to achieve consensus-based solutions for addressing patent-related issues and the development of a balanced international patent system. These efforts may include: the organization of targeted meetings to address and clarify specific current topics; the provision of contact and networking opportunities among Member States to improve mutual understanding and cooperation; the provision, on request, of information and advice on the international patent system, utility models and layout designs of integrated circuits; promotion of WIPO's patent-related treaties (including the Paris Convention, the Patent Law Treaty and the Budapest Treaty); and exploration of opportunities of considering other legal instruments.

To improve awareness of the principles of patent law and practice, a range of measures will be undertaken, such as addressing and clarifying current and emerging patent-related issues and concepts through studies, and contributing, on request, to the provision of information and assistance on patent-related matters as well as on WIPO-administered treaties to Member States.

PROGRAM LINKS

This Program will cooperate closely with Programs 6 and 7 (for coordination of activities at the national level), Program 8 (concerning business modernization of IP institutions), Program 11 (for provision of expert input), Program 15 (coordination of patent-related matters) and Program 16 (the PCT System).

RESOURCES

| | 2006/07 Initial Budget | 2006/07 Revised Budget | 2008/09 Proposed Budget | Difference Revised Budget 2006/07 vs. Proposed Budget 2008/09 | |
|---------------|---------------------------|---------------------------|----------------------------|---|-----|
| | (thousand Sfr) | (thousand Sfr) | (thousand Sfr) | Amount | % |
| Budget | | | | | |
| Personnel | 1,983 | 2,008 | 2,056 | 49 | 2.4 |
| Non-Personnel | 1,013 | 993 | 1,023 | 30 | 3.0 |
| Total | 2,996 | 3,001 | 3,079 | 79 | 2.6 |
| Posts | 5 | 5 | 5 | 0 | 0.0 |

• **Program 13: Law of Trademarks, Industrial Designs and Geographical Indications**

CHALLENGES

Branding is becoming an increasingly important factor in national and global manufacturing, agricultural and service industries. Intellectual property rights used in connection with branding, such as trademarks, industrial designs and geographical indications, secure brand investment and reduce transaction costs. An international legal framework that is responsive to the needs and expectations of stake holders, including Member States' trademark administrations and brand owners, is, therefore, of great importance. The work of the Standing Committee on the Law of Trademarks, Industrial Designs and Geographical Indications (SCT) has contributed to this goal. In March 2006, the SCT's work led to the adoption by a Diplomatic Conference of the Singapore Treaty on the Law of Trademarks ("the Singapore Treaty") and a resolution supplementary to the Singapore Treaty ("the Singapore Resolution"). Widespread implementation of the Singapore Treaty and Resolution would require promotional activities throughout the 2008/09 biennium aimed at raising awareness of the Treaty and Resolution among all Member States, and of the benefits of a broad adherence to this instrument. The SCT has also defined areas for further development of the international law of trademarks, industrial designs and geographical indications. There will be a need to continue work on those areas during the 2008/09 biennium.

Communication procedures under Article 6*ter* of the Paris Convention continue to be in demand by States party to the Paris Convention and international intergovernmental organizations. In this regard, offering an enhanced flow of information, including state-of-the-art communication tools, is a key challenge. Standards for electronic communications supplementing the paper-based communication procedure will also need to be developed and deployed.

In addition, the complexity of the issues in this area of law is resulting in a strong demand for substantive input and legal advice to other WIPO sectors, particularly the sector responsible for technical assistance and capacity building. This demand will need to be adequately addressed by the Program.

OBJECTIVE

Further development of the multilateral legal framework for trademarks, industrial designs and geographical indications and wider adherence to, and implementation of, existing standards

| EXPECTED RESULTS | PERFORMANCE INDICATORS AND TARGETS |
|--|--|
| Further advancement within the SCT on the international law of trademarks, industrial designs and geographical indications | Four sessions of the SCT and work on at least three specific topics |
| Ratifications of and accessions to the Singapore Treaty on the Law of Trademarks | At least four ratifications by States or intergovernmental organizations |

| EXPECTED RESULTS | PERFORMANCE INDICATORS AND TARGETS |
|--|--|
| Efficient administration of Article 6 <i>ter</i> of the Paris Convention | <ul style="list-style-type: none"> <li data-bbox="970 315 1422 461">— Processing of Article 6<i>ter</i> communications within a timeframe of 3 weeks as from the receipt of the request for communication <li data-bbox="970 501 1422 620">— Immediate updating of the Article 6<i>ter</i> on-line database; yearly updating and distribution of the database on hard carrier. |

STRATEGIES

To advance work on the defined areas for development of the international law of trademarks, industrial designs and geographical indications, the SCT will hold regular sessions during the 2008/09 biennium. Deliberations of the SCT will be supported by working documents prepared by the Secretariat on the basis of input from Member States. To further facilitate an open discussion of topical issues, fora will be organized back-to-back with SCT meetings and a worldwide symposium on geographical indications will also be arranged. Also, for this purpose, a study on branding in WIPO Member States will be prepared, which will examine the role of trademarks, industrial designs and geographical indications within the branded goods and services industries.

Wider adherence to, and implementation of, the Singapore Treaty and the Singapore Resolution, will require raising Member States' awareness of the Treaty and the Resolution. To this end, information and promotion meetings will be organized in interested Member States at the regional and national levels in cooperation with the sectors responsible for technical assistance and capacity building.

In line with Member States' expectations, the Secretariat will continue to ensure the efficient administration of Article 6*ter* procedures by processing communications in a timely manner, and continuously updating the Article 6*ter* on-line database.

Furthermore, the Program will continue to review information products and program activities that fall in its area of expertise, with a view to providing legal advice and support to all concerned sectors within the Organization.

PROGRAM LINKS

This Program will cooperate closely with Program 1 (for awareness building activities), Programs 6, 7 and 8 (for the promotion of the accession to, and implementation of, the Singapore Treaty, and the Singapore Resolution, and other norms in the area under consideration), Program 11 (for providing expert input), and Program 18 (to support the expansion of the International Registration Systems).

Strategic Goal Three: Progressive Development of International IP Law

RESOURCES

| | 2006/07 Initial Budget (thousand Sfr) | 2006/07 Revised Budget (thousand Sfr) | 2008/09 Proposed Budget (thousand Sfr) | Difference Revised Budget 2006/07 vs. Proposed Budget 2008/09 | |
|----------------------|---|---|--|---|--------|
| | | | | Amount | % |
| <u>Budget</u> | | | | | |
| Personnel | 3,006 | 1,897 | 1,609 | (289) | (15.2) |
| Non-Personnel | 1,948 | 1,909 | 2,273 | 364 | 19.1 |
| Total | 4,954 | 3,806 | 3,882 | 75 | 2.0 |
| <u>Posts</u> | 8 | 4 | 4 | 0 | 0.0 |

• **Program 14: Law of Copyright and Related Rights**

CHALLENGES

The WIPO Copyright Treaty (WCT) and the WIPO Performances and Phonograms Treaty (WPPT) are increasingly becoming general international standards for protection of copyright and related rights. With the expected adherence to these treaties by the European Community and its member States the number of States party to each treaty will increase to more than 80. However, additional efforts will be required to support the effective implementation and use of the treaties.

The Standing Committee on Copyright and Related Rights (SCCR) will continue its work on progressive development of the law of copyright and related rights, focusing on limitations and exceptions in the digital era, and possibly on applicable law in respect of international infringements, or other issues raised by Member States. In addition, the SCCR will need to work on the implementation aspects of the WCT and the WPPT, particularly regarding provisions on technological measures of protection. As required, continued action will also need to be taken for the protection of performers in regard to the audiovisual use of their performances.

Subject to the approval of the Member States, a Diplomatic Conference is expected to be convened in 2007 to adopt a treaty on the protection of the rights of broadcasting organizations, in the event of which consultations and seminars will be required to support its implementation and use.

OBJECTIVE

Improved protection of copyright and related rights and broad consensus on international copyright law

| EXPECTED RESULTS | PERFORMANCE INDICATORS AND TARGETS |
|---|---|
| Wider adherence to and effective implementation of the WCT and the WPPT | <ul style="list-style-type: none"> — Six additional accessions to the WCT, and six to the WPPT. — Four additional States have adopted effective policies for the implementation of the WCT and the WPPT |
| Clarifications of the international framework for limitations and exceptions, the applicable law and technological measures of protection or other issues raised by Member States | Clarification of issues and possible solutions in the SCCR |
| Clarification of the protection of audiovisual performances | Decision made by Member States regarding the future work on the protection of audiovisual performances |

STRATEGIES

The Program will continue and reinforce the provision of legal assistance to requesting Member States with the aim of supporting accession to, and implementation of, the WCT and WPPT. Work will also be undertaken, in cooperation with other relevant sectors, on preparing and updating draft laws, and provision of advice and comments on existing and proposed legislation which may be requested by developing countries and countries in transition.

Strategic Goal Three: Progressive Development of International IP Law

The SCCR will be convened on a regular basis during the biennium to continue its work on the development of international copyright and related rights law. Studies and other documentation will be prepared, and information seminars organized, as necessary and requested by the SCCR. Consultation meetings will be organized regarding the issues discussed in the Committee. Discussions on such issues, organized by stakeholders and other interested parties, would be appropriately supported. In addition, emerging copyright and related rights issues will be examined and presented to the SCCR in the form of studies, discussion papers or other information material. In the event of the adoption of the broadcasting treaty, regional seminars will be organized for developing countries and countries in transition so as to facilitate its effective implementation and use.

PROGRAM LINKS The Program will cooperate closely with Program 4 (on the identification of emerging issues), with Programs 6 and 7 (for the promotion of accession to the WCT and the WPPT and the implementation of these treaties at the national level), and with Program 11 (for providing expert input).

RESOURCES

| | 2006/07 Initial Budget (thousand Sfr) | 2006/07 Revised Budget (thousand Sfr) | 2008/09 Proposed Budget (thousand Sfr) | Difference Revised Budget 2006/07 vs. Proposed Budget 2008/09 | |
|---------------|---|---|--|---|-----|
| | | | | Amount | % |
| Budget | | | | | |
| Personnel | 3,966 | 4,149 | 4,152 | 3 | 0.1 |
| Non-Personnel | 1,717 | 1,770 | 1,850 | 80 | 4.5 |
| Total | 5,683 | 5,919 | 6,002 | 83 | 1.4 |
| Posts | 8 | 8 | 8 | 0 | 0.0 |

• **Program 15: Traditional Knowledge, Traditional Cultural Expressions and Genetic Resources**

CHALLENGES

Many WIPO Member States and representatives of indigenous, traditional and local communities (“communities”) call for enhanced protection, internationally and nationally, of traditional knowledge (TK), traditional cultural expressions (TCEs) and genetic resources (GR), and voice aspirations for the social, cultural and developmental benefits resulting from appropriate protection. Actual approaches taken for protection are diverse at the legal and practical levels, even on such basic questions as the scope of subject matter to be protected and beneficiaries of protection. Even so, WIPO has in recent years laid a solid groundwork for protection of TK and TCEs that is internationally inclusive, practically effective, and grounded in the actual experiences and needs expressed directly by communities.

A continuing challenge is to set the appropriate scope for a broad-based IP approach to protection of TK, TCEs and GR. This entails clarifying the specific contribution of the IP system within broader international moves toward greater respect for, and recognition of, the cultural heritage and knowledge systems of communities. WIPO’s work continues to take its proper place in the context of related international processes and instruments. This requires WIPO to sustain its focus on its mandate and core competencies, while promoting mutually supportive cooperation with other organizations.

Despite the cultural and intellectual richness represented by their TK, TCEs and GR, communities face major resource constraints in defining and protecting their IP-related interests and concerns beyond the traditional community circle. These needs are apparent both in terms of grass roots capacities at the community level, and in terms of effective involvement in international processes. WIPO work need to continue to be inclusive, recognizing the diversity of communities, cultures and value systems that are involved in these debates and policy issues.

IP policy issues and legal measures in the area of TK systems, traditional cultural heritage and creativity, and GR touch upon fundamental human rights, rights of indigenous peoples as such, environmental protection, cultural heritage and cultural diversity, and policies relating to museums and archives, health, food and agriculture, biodiversity, and innovation. This has led to a special focus on the principles that determine, on the one hand, what is misuse, misappropriation and the illicit exploitation or reproduction of such intangible materials, and on the other hand, what are the legitimate boundaries of the public domain. But the key challenge is to fashion from such general principles practical tools and realistic pathways for communities to protect TK, TCEs and GR consistently with their own interests, needs and value systems, as directly identified by them.

OBJECTIVE

Establishment, and more effective application, of legal, practical and policy IP mechanisms for the protection of TCEs, TK and GR in line with the needs, interests and expectations expressed by traditional custodians and communities and Member States.

Strategic Goal Three: Progressive Development of International IP Law

| EXPECTED RESULTS | PERFORMANCE INDICATORS AND TARGETS |
|---|--|
| <p>A stronger international legal and policy framework protecting TK and TCEs for the direct benefit of their customary holders and the broader benefit of society.</p> | <ul style="list-style-type: none"> — Formulation of at least one distinct new international instrument. — Use of WIPO policy documents and outcomes in four new regional/sub-regional cooperation initiatives, at least four new national policy, legal and capacity building processes, and community and civil society processes in four different regions. |
| <p>Greater cooperation and coordination of international and regional processes concerning TK, TCEs and GR</p> | <ul style="list-style-type: none"> — Explicit recognition of WIPO's support and input in at least three existing and three new processes of other international fora and agencies. — Four joint publications or activities between WIPO and other international agencies. |
| <p>Enhanced capacity in Member States and regional bodies to support IP-related protection of TK and TCEs, and to manage the IP aspects of genetic resources, for the sustainable benefit of holders and custodians of TK, TCEs and GRs</p> | <ul style="list-style-type: none"> — At least six community, national or regional capacity building activities that make actual use of WIPO materials or expertise — Legal mechanisms adapted and applied in practice in six instances — At least four on-going processes in Member States to enhance measures against illegitimate or erroneous patenting of TK/GR — At least four national or community processes make active use of IP guidelines, best practices and manuals, and tailored ICT services, for digitizing and disseminating intangible cultural heritage and TCEs. |

STRATEGIES

The central strategy will continue to be anchored in building up a strong positive feedback loop between broad-based international policy dialogue and the negotiation of international outcomes, on the one hand, and the grass-roots community consultation and consultative development of practical tools, on the other hand. This strategy includes the direct participation of indigenous and local communities in the international policy processes, and ensures that work at the international level is informed by and is consistent with the actual needs and expectations expressed by communities themselves. Furthermore, this approach ensures that capacity building initiatives at the grass roots level are informed by the broader policy and legal environment, so that enhanced capacity at community

level translates also into enhanced capacity to engage directly with international processes.

The implementation of the Program's strategies will depend on key decisions to be taken by Member States, especially in regard to further international negotiations and policy dialogue, through the Intergovernmental Committee on Intellectual Property and Genetic Resources, Traditional Knowledge and Folklore (IGC).

Substantive and logistical support will continue to be provided for national, regional and interregional policy processes, capacity building and legislative development at the request of Member States and regional and international bodies. In addition, practical legislative and policy resources on issues relating to TK, TCEs and GR will be created to systematize the provision of policy support and legislative advice for Member States. Specific tools for protection of TK and TCEs will be developed tailored to meet the needs of the holders and custodians of TK and TCEs, as well as other public policy interests and concerned institutions.

Existing initiatives aimed at strengthening the role and capacities of indigenous and local communities within WIPO's international and regional processes will be consolidated, including the continuing development of the WIPO Voluntary Fund and other practical measures.

A related strategy will consist of maintaining consistency and positive collaboration with other international legal instruments, negotiations and policy processes, to ensure that WIPO activities and outcomes support the broader international legal and policy environment, and that there is mutual reinforcement between programs. Practical and technical cooperation with partner agencies within the UN system will continue in support of their mandated programs and objectives on issues of common interest with bearing on protection of TK, TCEs and GR.

Specific practical steps to close the loop between practical capacity building at the community level and the international policy debate will include the development of patent landscapes and other patent related tools in the field of GR and TK. A comprehensive online mechanism and database to provide practical support to Offices and other users of the patent system will be created. This would facilitate the prevention of erroneous or illegitimate patents covering TK and GR subject matter and other forms of recognition of TK within the patent system, limited to material already freely accessible in the public domain or otherwise subject to safeguards against use without the prior informed consent of the traditional holders of the knowledge or resources. Furthermore, a set of creative heritage tools, on policy, legal, practical and ICT aspects of managing IP when recording, digitizing and disseminating intangible cultural heritage, especially TCEs, will be developed for use by communities and other interested parties such as governmental institutions, museums and archives. Finally, studies, surveys and policy information resources will be produced to promote awareness of the nature of the problems confronted, the range of legal, policy and practical options available, and the practical experience of communities, as well as national and regional authorities in addressing those problems.

PROGRAM LINKS This Program will cooperate closely with Programs 1 and 2 (outreach and external relations), Programs 3, 6, and 7 (for strategic use of IP for development and coordination of activities at the national level), Program 11 (for training) and Programs 19 and 20 (international IP classification).

Strategic Goal Three: Progressive Development of International IP Law

RESOURCES

| | 2006/07 Initial Budget | 2006/07 Revised Budget | 2008/09 Proposed Budget | Difference Revised Budget 2006/07 vs. Proposed Budget 2008/09 | |
|----------------------|---------------------------|---------------------------|----------------------------|---|-----|
| | (thousand Sfr) | (thousand Sfr) | (thousand Sfr) | Amount | % |
| <u>Budget</u> | | | | | |
| Personnel | 2,238 | 3,371 | 3,458 | 87 | 2.6 |
| Non-Personnel | 2,411 | 2,518 | 2,594 | 76 | 3.0 |
| Total | 4,649 | 5,889 | 6,052 | 163 | 2.8 |
| <u>Posts</u> | 6 | 7 | 7 | 0 | 0.0 |

Strategic Goal Four: Delivery of Quality Service in Global IP Protection

• Program 16: The PCT System

CHALLENGES

The continued growth in the filing of PCT applications in 2004, 2005 and 2006 reflects, on the one hand, the confidence of the user community in the services provided by WIPO. On the other hand, in particular in light of the budgetary constraints during the last two biennia, it presents a significant challenge to the Organization to continue to satisfy the justified expectations of users for the provision of consistent, high quality services.

To achieve the objective of this Program outlined below, three areas, in particular, will require special attention and investment: (i) the Program will have to respond to the changing geography and nature of demand in the PCT system, with implications in particular for staff skills and IT systems; (ii) use of modern information technology will have to be reinforced so as to open new opportunities for cooperation between PCT offices and to offer enhanced services and cost efficiencies; and (iii) efforts will have to continue to focus, in particular, on delivering high quality PCT services, including high quality international search reports and preliminary reports on patentability, noting the importance of those reports for national Offices, and on further simplification of administrative procedures and, where possible, the PCT legal framework.

In 2007, PCT Operations expects to have processed, translated and published in excess of 157,000 International Applications, an increasingly high proportion of which represent filings from East Asian countries, notably China, Japan, and the Republic of Korea. In the 2008/09 biennium, this total workload is expected to increase by approximately 5% per year and filings from China, Japan, and the Republic of Korea are expected to constitute, respectively, 4.8%, 20.4% and 5.7% of this total workload. The challenge for PCT Operations in 2008/9 will be to absorb this increased workload at minimal additional cost, to adjust the composition and skills of the workforce so that it can handle the increase in filings, including those from the three East Asian countries in question, while, at the same time, maintaining a level of service that is commensurate with the legitimate expectations of the users of the PCT system.

At the closure of the 2006/07 biennium, the number of different technologies deployed to support the PCT automated procedure will have been reduced. However, in 2008/09, a further reduction will be required to achieve a homogeneous technical platform. Such a single technical environment will largely eliminate any overlap in technical expertise required to support the PCT procedure. Concerning progress in the establishment of a fully electronic PCT procedure, at the end of 2007, the monthly percentage of PCT documentation in electronic format transiting the International Bureau is expected to be approximately 50%. During the 2008/09 biennium, this percentage is expected to increase to 65%. In addition, 2007 will see some tools to process text-based (XML) filings in place, with the capacity to more fully process text (XML), being another challenge in 2008/09. By the end of 2007, the PatentScope web portal will offer only limited access to internally held PCT application processing data. The challenge for the 2008/09 biennium will be to make available, through PatentScope, an increasing variety of PCT data and documentation, including certain confidential data via secure mechanisms.

At the end of 2007, the implementation and training relating to the significant amendments to the PCT Regulations, which entered into force during that year, is expected to have been completed. This will have provided PCT users with a new set of information resources assisting them in taking advantage of the procedures covered in the amended Rules. Close contacts with PCT users would also have been continued to solicit feedback on how the PCT system can better respond to

Strategic Goal Four: Delivery of Quality Service in Global IP Protection

their needs. The challenge for 2008/09 will be to continue to provide timely and highest possible quality advice on PCT legal matters internally and legal information and training to PCT users, to identify and reach out to specific categories of potential PCT users, and to focus on servicing needs of PCT users and potential users in the geographic areas of highest growth in PCT filings.

The creation, in early 2007, of the PCT International Cooperation Division was an important step towards a more comprehensive approach with regard to the International Bureau's PCT cooperation activities *vis-à-vis*: Offices of PCT Member States, in their different PCT capacities as receiving Offices, International Searching and Preliminary Examining Authorities, and designated and elected Offices; and countries interested in joining the PCT. The challenge in the 2008/09 biennium will be to identify new opportunities for cooperation between the International Bureau and Offices of PCT Member States and, in particular, to respond to the changing geography in demand in the PCT system.

OBJECTIVE

Maintain and reinforce the PCT as the central node of the international patent system and preferred route for obtaining international patent protection

| EXPECTED RESULTS | PERFORMANCE INDICATORS AND TARGETS |
|---|---|
| <i>PCT Operations Division</i> | |
| Containment of cost of receiving, processing and translating an international application | <ul style="list-style-type: none"> — Workload Indicators¹ — Productivity Indicators² |
| Consistent, high quality services to PCT users | <ul style="list-style-type: none"> — PCT Quality indicator³ |
| <i>PCT Information Systems Division</i> | |
| A single consolidated processing environment supporting the PCT procedure | <ul style="list-style-type: none"> — Reduction, to a minimum, of the number of separate processing systems supporting the PCT procedure — 99% systems availability for agreed operations times. — Satisfactory systems performance based on user feedback. |
| Increased capability for character-based (XML) electronic processing | <ul style="list-style-type: none"> — Delivery of text (XML) based processing functionality, for the application body, into the PCT E-Dossier system. — 10% of PCT publications will be accompanied with 100% accurate text (in place of OCR quality text) |

¹ Detailed explanation of the Workload Indicators can be found in Annex II: Indicators for PCT Operations.

² Detailed explanation of the Productivity Indicators can be found in Annex II.

³ Detailed explanation of the Quality Indicator can be found in Annex II.

| EXPECTED RESULTS | PERFORMANCE INDICATORS AND TARGETS |
|--|---|
| Considerable progress made in the establishment of a fully electronic PCT procedure | <ul style="list-style-type: none"> — 65% of incoming documents arrive electronically — Reduction in exception cases presented through electronic document exchange |
| Availability to applicants and Offices of a variety of PCT data and documentation, including certain confidential data via secure mechanisms | Data and documentation is regularly accessed by applicants and Offices. |
| <i>PCT Legal Division</i> | |
| Enhanced network of users and potential users in high volume PCT user countries and high growth PCT countries | <ul style="list-style-type: none"> — Number of user training activities and potential user outreach activities in target countries — Number of subscribers to PCT email list services |
| Improved understanding by the International Bureau of the needs and PCT strategies of the top PCT applicants worldwide | Regular contacts with the top PCT applicants worldwide |
| Where possible, simplification of legal framework and administrative procedures | Examine potential means of simplifying the legal framework and administrative procedures |
| <i>PCT International Cooperation Division</i> | |
| Intensified cooperation with, and improved coordination of activities of, PCT Offices and Authorities | Number of co-operation agreements with PCT Offices and Authorities |
| Further developed quality framework for international search and preliminary examination | Feedback from applicants and national Offices on usefulness of international search reports and international preliminary reports on patentability |

STRATEGIES

PCT Operations: In order to absorb, at minimal additional cost, the increasing workloads resulting from growing filing rates, in particular in the East Asian region, PCT Operations will need to further rationalize its operational procedures, as well as adjust the composition of its staff to this changing geography of demand. In addition, to ensure more resource flexibility, PCT Operations will increase its reliance on outsourcing. With a view to ensuring appropriate levels of service to users, more comprehensive quality control mechanisms will be introduced, and the multi-lingual terminology database supporting PatentScope search functions will be enhanced.

PCT Information Systems Division: In order to accelerate the implementation of a single application and technical architecture and to adequately respond to business needs, additional applications development resources will be deployed, which will result in the further consolidation and stabilization of the PCT electronic systems. Such additional resources will reinforce the business continuity and disaster recovery capabilities of the PCT systems. With the view to streamlining the IT

Strategic Goal Four: Delivery of Quality Service in Global IP Protection

procedures used for the reception and transmission of PCT documentation in electronic format, variations in electronic data structures and formats will be limited to those already in place. Moreover improved user visibility on the PCT electronic document exchange systems will be implemented in order to improve the timeliness of the system and reduce its support overhead. Following direction solicited from the PCT user community, functions enabling secure access to PCT documentation by applicants will be enhanced.

PCT Legal Division: The PCT Legal Division will continue its core functions of providing advice on PCT legal matters within the International Bureau, providing PCT users with general and specific legal information, advice and training, and providing information and advice to potential PCT users. In order to maintain close relationships with PCT users, PCT outreach activities will be strengthened and rationalized. In addition, the PCT legal framework will be further developed via established procedures. Also, means by which the PCT legal framework and administrative procedures might be simplified and streamlined will be further explored.

PCT International Cooperation Division: The PCT International Cooperation Division will further strengthen the cooperation with, and the coordination of activities of, Offices of PCT Member States in their different PCT capacities as receiving Offices, International Searching and Preliminary Examining Authorities, and designated and elected Offices. To this end, comprehensive cooperation agreements will be concluded with Offices of PCT Member States, covering, *inter alia*, operational, technical, procedural, legal and training issues. Furthermore, assistance will be offered to countries, in particular, developing countries and least developed countries, interested in joining the PCT. Given the importance of the international search and preliminary examination reports for national Offices, work will also continue towards further improving the quality framework for international search and preliminary examination.

The Program will also cover the cost of the participation of one delegate per member country of the PCT systems to the regular session of the PCT Assembly, (two sessions in the biennium).

PROGRAM LINKS This Program will cooperate closely with Program 12 (for the law of patents), Program 17 (for patent data) and Program 19 (for patent classification, WIPO IP standards and patent information services to developing countries).

RESOURCES

| | 2006/07 Initial Budget | 2006/07 Revised Budget | 2008/09 Proposed Budget | Difference Revised Budget 2006/07 vs. Proposed Budget 2008/09 | |
|----------------------|---------------------------|---------------------------|----------------------------|---|------|
| | (thousand Sfr) | (thousand Sfr) | (thousand Sfr) | Amount | % |
| <u>Budget</u> | | | | | |
| Personnel | 121,699 | 126,310 | 136,148 | 9,838 | 7.8 |
| Non-Personnel | 22,776 | 35,002 | 46,350 | 11,348 | 32.4 |
| Total | 144,475 | 161,312 | 182,498 | 21,186 | 13.1 |
| <u>Posts</u> | 337 | 348 | 348 | 0 | 0.0 |

• **Program 17: Associated Patent Services**

CHALLENGES

This Program addresses matters related to patent services and statistics. It aims to provide valuable policy information to users of the IP system, industry, policy makers and researchers. It also seeks to leverage the opportunities that are available due to the capacity of IT tools and multi-national networks.

In the 2006/2007 biennium, dissemination of patent data and related information has been improved via the PatentScope web portal, in particular regarding published PCT international applications. The PatentScope database and related IT tools provide the basis for further enhancing the value inherent in patent data and for optimizing the disclosure function of the patent system. Significant progress has also been made on collection and publication of industrial property statistics. WIPO has improved its statistical data collection mechanisms, established a statistical database, published regular statistical updates on the Internet and published annual statistical reviews on the PCT system and patents.

In the 2008/09 biennium, patent related information resources will need to be further enhanced by increasing the quantity and depth of information and improving accessibility for non-expert users. The increasing diversity of prior art in the patent system presents challenges to patent offices and users who need to have access to more types of documentation, from more sources and in more languages. Modern IT tools and methods create opportunities to improve the sharing of status information, including search and examination results, for the patent applications accessible via PatentScope.

The database of IP statistics will need to be extended to include the detailed data that will enable more granular analysis of IP and technology trends. High-quality data sets would need to be established that break down data by technology classifications, industry, country/region and enable estimations of IP lifecycles and value. Not all of the required information is currently available in IP offices and, hence, statistical databases will need to be combined with data from other sources.

OBJECTIVE

Enhanced availability, to the broadest possible audience, of the technological, economic and strategic information that is disclosed through the use of the PCT and national patent systems, and improved patent services internationally

| EXPECTED RESULTS | PERFORMANCE INDICATORS AND TARGETS |
|---|--|
| Enhanced availability and use of PCT and national patent data disclosed in the patent system. | <ul style="list-style-type: none"> — Use of the PatentScope Search facility by users in offices, industry and the general public. — 50% increase in the number of direct subscribers to the PatentScope Data Services for high-volume data delivery. — 90% of users express satisfaction with the offered services (customer surveys and feedback). |

Strategic Goal Four: Delivery of Quality Service in Global IP Protection

| EXPECTED RESULTS | PERFORMANCE INDICATORS AND TARGETS |
|--|---|
| Enhanced sharing of information between IP Offices of search and examination reports delivered in respect of particular patent applications. | Number of Offices whose search and examination reports are made available on a centralized web site. |
| Enhanced awareness of the value of the technological, economic and strategic information disclosed via the patent system. | Feedback and citations on technology reports and similar studies using patent information. |
| Increased understanding of the value of patent information, particularly in developing countries and by SMEs. | Guides and training materials on the use of patent information are actively used in patent information centers. |
| Cheaper and easier exchange of priority documents for the purposes of the Paris Convention for applicants and IP Offices | The priority document service is used in processing patent applications at patent Offices world wide. |
| Increased use of WIPO statistical publications | Feedback and citations on the publications. |

STRATEGIES

In order to increase the reliability and functionality of the PatentScope search engine, especially in the area of language tools, and to be able to process larger volumes of data, the search engine technology will be upgraded. In addition the breadth and depth of the information available via PatentScope will be increased, in particular by integrating more information and documents relating to the national search and examination of patent applications and subsequent status information.

To improve conformity with WIPO standards and to enhance the electronic processing of published PCT applications by users, the PCT electronic publication products will be upgraded, and the electronic delivery of documents and data to offices, industry and the private sector will be improved.

To better demonstrate the value and usefulness of patent information to users world wide, patent landscapes and similar publications for selected technologies will be developed. In addition, specific patent information products, such as guides and tutorials highlighting the different uses of patent data, its sources and value for different types of analysis and decision-making, will be developed in cooperation with Member States making use of existing best-practices.

With a view to develop specific proposals for improved services, issues relating to the accessibility of prior art databases will be examined to better address the needs of offices, industry and users. This will include a review of WIPO's existing services relating to prior art and PCT minimum documentation, especially the Journal of Patent Associated Literature (JOPAL).

The establishment of a digital access service for priority documents was approved in October 2006 by the Paris Union Assembly, the PLT Assembly and the PCT Union Assembly, and will respond to an Agreed Statement by the Diplomatic Conference for the Adoption of the PLT. In accordance with the recommendations of the Working Group on the Digital Access Service for Priority Documents, the service will be made available to offices in 2007 or during the 2008/2009 biennium.

Proposed Program and Budget for 2008/09

To enhance the availability of a wide range of statistics, statistical methods and quality control of statistical data will be updated to enable the complete collection of statistical indicators in the WIPO Statistics Database to be published on the Internet. The Database will also be further extended to encompass the full range of industrial property, including the detailed information necessary to support the needs of offices, researchers, industry, etc. Furthermore, regular and reliable statistical reports on the IP system will be published.

With a view to further enhance the annual WIPO Patent Report, analyses will be conducted and standard methodologies developed so that country-level and technology-level indicators can be included in the Report and in statistical indicators published on the Internet.

PROGRAM LINKS This Program will cooperate closely with Program 16 (to utilize data generated by the PCT System and to coordinate business processes and systems, in particular in the area of PCT publication), and Program 27 (to ensure efficient use of IT resources and appropriate technologies).

RESOURCES

| | 2006/07 Initial Budget | 2006/07 Revised Budget | 2008/09 Proposed Budget | Difference Revised Budget 2006/07 vs. Proposed Budget 2008/09 | |
|---------------|---------------------------|---------------------------|----------------------------|---|-------|
| | (thousand Sfr) | (thousand Sfr) | (thousand Sfr) | Amount | % |
| Budget | | | | | |
| Personnel | 1,831 | 2,116 | 2,333 | 217 | 10.3 |
| Non-Personnel | 470 | 461 | 1,200 | 739 | 160.3 |
| Total | 2,301 | 2,577 | 3,533 | 956 | 37.1 |
| Posts | 4 | 5 | 5 | 0 | 0.0 |

*This program was entitled "PCT Reform" in 2006/07

• **Program 18: Madrid, The Hague and Lisbon Registration Systems**

CHALLENGES

The Madrid System: The Madrid System for the International Registration of Marks, governed by the Madrid Agreement and Protocol, facilitates acquisition and maintenance of protection for trademarks and service marks at the international level through the filing of a single application and the management of a single registration in respect of multiple countries. As of December 31, 2006, 79 States and one intergovernmental organization were members of the Madrid System. The increased number of Contracting Parties has created challenges in terms of the volume of operations that the International Bureau has to cope with and the need for the International Bureau, in coordination with the Offices of the Contracting Parties, to find ways and means to establish the smoothest possible procedures for the communication of notifications between them under the Madrid system. Use of the Madrid System continues to grow. However, while the number of international applications received by the International Bureau increased significantly since 2003 (i.e., from a total of 23,872 in 2003 to 29,473 in 2004, 33,565 in 2005, and 36,471 in 2006), more modest growth rates are expected in the years to come (i.e., an estimated 38,700 in 2007, 39,900 in 2008 and 41,100 in 2009).

The Hague System: The Hague System for the International Registration of Industrial Designs facilitates the acquisition and maintenance of protection for industrial designs at the international level through the filing of a single application and the management of a single registration in respect of multiple countries. It is governed by the 1934, the 1960 and the 1999 Acts of the Hague Agreement. By December 31, 2006, 45 States were party to one or several of these Acts. A total of some 1,150 international applications were received by the International Bureau in 2006, and a similar number of international applications are expected in 2007. New accessions to the 1999 Act are likely to occur in 2007 and/or during the 2008/09 biennium. It is expected, in particular, that the European Community will accede to the Geneva Act in early 2008. This accession is likely to result in a significant growth in operations under the Hague System.

The Lisbon System: The Lisbon System for the International Registration of Appellations of Origin facilitates the protection of appellations of origin at the international level through the filing of a single application for registration in respect of multiple countries. It is governed by the Lisbon Agreement of 1958 which, by December 31, 2006, had 26 member countries. Registration activity under the Lisbon System has been low for many years. However, since 2004, six countries acceded to the Agreement and registration activity has increased as well (i.e., from a total of 15 new notifications to be processed in 2004, and 28 in 2005, to 50 in 2006). Also, there was more demand for information about Lisbon procedures and the content of the Lisbon register.

Automation: Further automation of the procedures and services will need to be continued as a priority and promoted among the Offices of Contracting Parties and the user community. In this regard, all communications between the International Bureau and the Offices of Contracting Parties under the procedures of the international registration systems should, eventually, be transmitted by electronic means. In addition, plans have been developed to establish the necessary means for applicants and holders of international registrations, wherever direct communication with the International Bureau is permitted, to communicate electronically under the international registration procedures to the International Bureau, and vice versa. Under the Madrid System, currently, Madrid Electronic CommunicAtions (MECA) involve seven Offices that are transmitting all or some types of the communications in question by electronic means (Input MECA), while 43 Offices are receiving the communications concerned from the International Bureau by electronic means (Output MECA); and facilities are available for holders of international registrations to submit their requests for renewal electronically as well as requests for the continuation of effects in successor states. Projects currently under way concern, under the Madrid System, the expansion of the

number of Offices using Input and Output MECA; the transmission by the International Bureau of provisional refusals and irregularity notices to holders of international registrations electronically; the electronic submission of irregularity payments by applicants and holders of international registrations; and, under the Hague System, the introduction of an e-filing facility for the submission of international applications.

Development and promotion of the international registration systems: An ongoing challenge is to seek to expand the geographical coverage of the international registration systems, the benefits of which are only available to applicants from Contracting Parties and extend only to the territories of Contracting Parties. Expansion of the use of these systems also remains a challenge and requires that the systems remain attractive for users and responsive to their needs. To this end, their procedures must be adapted to new situations and the evolving needs of users. The discussions in the Working Group on the Legal Development of the Madrid System are aimed at a simplification of the system and further improvements in the legal framework and the procedures for the international registration of trademarks. The introduction of improvements in the procedures for the international registration of industrial designs and appellations of origin under the Hague System and the Lisbon System respectively also needs to be explored.

OBJECTIVE

Efficient and cost-effective administration of the Madrid, Hague and Lisbon systems, increased geographical coverage of the systems and their further legal development, as well as increased awareness of their benefits

| EXPECTED RESULTS | PERFORMANCE INDICATORS AND TARGETS | | | | | | | | | | | | | | | | | | | | | |
|-------------------------------------|--|-------------|-------------|-------------|--------------------|--------|--------|----------------------------|--------|--------|-----------|--------|--------|-----------------------------------|--------|--------|-----------------------|--------|--------|-------------------------------------|---------|---------|
| Increased use of the Madrid System | Registration activity concerning international trademark applications and requests for the renewal or modification of international registrations, resulting in the following recordings: <table border="0" style="width: 100%; border-collapse: collapse;"> <tr> <td></td> <td style="text-align: center;"><u>2008</u></td> <td style="text-align: center;"><u>2009</u></td> </tr> <tr> <td>New registrations:</td> <td style="text-align: right;">38,800</td> <td style="text-align: right;">40,000</td> </tr> <tr> <td>Renewals:</td> <td style="text-align: right;">19,000</td> <td style="text-align: right;">19,700</td> </tr> <tr> <td>Total:</td> <td style="text-align: right;">57,800</td> <td style="text-align: right;">59,700</td> </tr> <tr> <td>Subsequent Designations:</td> <td style="text-align: right;">11,400</td> <td style="text-align: right;">11,900</td> </tr> <tr> <td>Other changes:</td> <td style="text-align: right;">82,000</td> <td style="text-align: right;">88,000</td> </tr> <tr> <td>Refusals and related Notifications:</td> <td style="text-align: right;">290,000</td> <td style="text-align: right;">320,000</td> </tr> </table> | | <u>2008</u> | <u>2009</u> | New registrations: | 38,800 | 40,000 | Renewals: | 19,000 | 19,700 | Total: | 57,800 | 59,700 | Subsequent Designations: | 11,400 | 11,900 | Other changes: | 82,000 | 88,000 | Refusals and related Notifications: | 290,000 | 320,000 |
| | <u>2008</u> | <u>2009</u> | | | | | | | | | | | | | | | | | | | | |
| New registrations: | 38,800 | 40,000 | | | | | | | | | | | | | | | | | | | | |
| Renewals: | 19,000 | 19,700 | | | | | | | | | | | | | | | | | | | | |
| Total: | 57,800 | 59,700 | | | | | | | | | | | | | | | | | | | | |
| Subsequent Designations: | 11,400 | 11,900 | | | | | | | | | | | | | | | | | | | | |
| Other changes: | 82,000 | 88,000 | | | | | | | | | | | | | | | | | | | | |
| Refusals and related Notifications: | 290,000 | 320,000 | | | | | | | | | | | | | | | | | | | | |
| Increased use of the Hague System | Registration activity concerning international industrial design applications and requests for the renewal or modification of international registrations, resulting in the following recordings: <table border="0" style="width: 100%; border-collapse: collapse;"> <tr> <td></td> <td style="text-align: center;"><u>2008</u></td> <td style="text-align: center;"><u>2009</u></td> </tr> <tr> <td>New registrations:</td> <td style="text-align: right;">2,600</td> <td style="text-align: right;">3,600</td> </tr> <tr> <td>Designs contained therein:</td> <td style="text-align: right;">13,000</td> <td style="text-align: right;">18,000</td> </tr> <tr> <td>Renewals:</td> <td style="text-align: right;">3,200</td> <td style="text-align: right;">2,600</td> </tr> <tr> <td>Total registrations and renewals:</td> <td style="text-align: right;">5,800</td> <td style="text-align: right;">6,200</td> </tr> <tr> <td>Refusals and Changes:</td> <td style="text-align: right;">2,700</td> <td style="text-align: right;">3,700</td> </tr> </table> | | <u>2008</u> | <u>2009</u> | New registrations: | 2,600 | 3,600 | Designs contained therein: | 13,000 | 18,000 | Renewals: | 3,200 | 2,600 | Total registrations and renewals: | 5,800 | 6,200 | Refusals and Changes: | 2,700 | 3,700 | | | |
| | <u>2008</u> | <u>2009</u> | | | | | | | | | | | | | | | | | | | | |
| New registrations: | 2,600 | 3,600 | | | | | | | | | | | | | | | | | | | | |
| Designs contained therein: | 13,000 | 18,000 | | | | | | | | | | | | | | | | | | | | |
| Renewals: | 3,200 | 2,600 | | | | | | | | | | | | | | | | | | | | |
| Total registrations and renewals: | 5,800 | 6,200 | | | | | | | | | | | | | | | | | | | | |
| Refusals and Changes: | 2,700 | 3,700 | | | | | | | | | | | | | | | | | | | | |

Strategic Goal Four: Delivery of Quality Service in Global IP Protection

| EXPECTED RESULTS | PERFORMANCE INDICATORS AND TARGETS |
|---|--|
| <p>Swift, reliable and cost-effective processing of applications and other communications</p> | <ul style="list-style-type: none"> — The time for the processing of Madrid, Hague and Lisbon applications and other requests for recording in the international registers should, on average, be about four weeks from their receipt by the International Bureau, in case they do not contain irregularities. — An automatic pre-translation service of standard lists of goods and services will become operational. — A translation database will become fully operational allowing for quicker and more consistent translation of data to be recorded in the International Register. |
| <p>Increased quality of service</p> | <ul style="list-style-type: none"> — Criteria aimed at more consistency in the application of the Nice Classification will become operational. — The number of errors requiring corrections in the International Register should be kept at a minimum. — The establishment of an Internet page listing FAQs. — Information queries should be answered expeditiously; the aim will be to answer 80% within two working days, taking into account that the majority of these queries are usually of a simple nature. |
| <p>Enhanced electronic filing and communication under international registration procedures</p> | <ul style="list-style-type: none"> — At least, double the number of Offices using Input MECA; paper communications with current Output MECA Offices entirely eliminated. — At least ten new Output MECA Offices. — Electronic filing facilities in place for applicants and holders of international registrations under all relevant procedures. — The necessary means in place for the electronic notification by the International Bureau to applicants and holders of international registrations under all relevant procedures. |

| EXPECTED RESULTS | PERFORMANCE INDICATORS AND TARGETS |
|--|--|
| Increased international coverage of the Madrid, Hague and Lisbon systems | <ul style="list-style-type: none"> — Six new Contracting Parties to the Madrid Protocol; — Six new Contracting Parties to the 1999 Act of the Hague Agreement; — Two new Contracting Parties to the Lisbon Agreement. |
| Improved procedures under the Madrid, Hague and Lisbon systems | Adoption by the relevant Assembly of amended provisions laying down the procedures under the Madrid, Hague and Lisbon systems. |

STRATEGIES

The International Bureau processes applications for international registration, requests for the renewal of registrations, subsequent designations and other changes in international registrations as well as grants of protection, refusals and related communications received from Offices of Contracting Parties. It further issues notifications to the Offices of Contracting Parties, applicants and right holders, and communicates with applicants, holders and Offices of Contracting Parties on irregularities and updates the international registers, as required. It also publishes registered data, after translation into the working languages of the relevant system, in the WIPO Gazette of International Marks, the International Designs Bulletin and Appellations of Origin, on electronic carriers. The International Bureau supplies, on request, extracts, certified extracts and certified copies.

In order to ensure the quality of operations, work practices and internal procedures will be reviewed and improved and staff will continue to be further trained. The aim will be to establish teams of multi-task examiners, as this will allow more flexibility in case of disproportionate increases in workload among the various operations. Similarly, the cost of external services will be monitored continually and measures to reduce them will be taken, as appropriate. Further expansion of electronic communication and the introduction of electronic filing facilities will be pursued, in coordination with the Offices of the Contracting Parties. In addition, electronic communication with users will be made available and the use of related databases through the Internet will be further encouraged. This will require investments to be made for the upgrading of the existing IT support services and the development of a new IT platform. Advice to governments and to Offices of Contracting Parties on procedural questions arising from the implementation of the international registration systems, and to users on similar questions arising from the use of the systems, will continue to be provided, with a focus on improved cooperation and efficiency. Training will be provided to officials from the offices concerned and to users and potential users. In addition, the information services will be enhanced, with a focus on efficiency and user-friendliness.

Meetings with government representatives will take place on a regular basis to consider, and exchange views on policy issues concerning the development of the registration systems for trademarks, industrial designs and geographical indications. Also, the acceptance of the latest Acts of the international registration treaties by new Contracting Parties will be promoted, and assistance will be provided to those Parties for the implementation of the provisions in their domestic law. Proposals aimed at improving the procedures that apply under the international registration systems will be prepared, with the help of working groups, to be considered by the Madrid, Hague or Lisbon Union Assembly and, whenever required, extraordinary sessions of the said Assemblies will be convened (in

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addition to their regular sessions) to consider questions requiring amendments to the Regulations of the treaties concerned.

The Program will also cover the cost of the participation of one delegate per member country of the Madrid and of the Hague systems to the regular sessions of the Madrid and Hague Assemblies, respectively (two sessions in the biennium).

PROGRAM LINKS This Program will cooperate with Programs 1 and 2 (for communication, public outreach and external coordination), Programs 3, 6, 7, 8 (for the promotion of accession to the latest Acts of the treaties establishing the international registration systems at the national level), Program 11 (for providing expert input), Program 13 (for the preparation of studies on issues relating to the law of trademarks and industrial designs), Program 20 (for the proper classification of trademarks and industrial designs), and Program 27 (for the further development of the IT system).

RESOURCES

| | 2006/07 Initial Budget (thousand Sfr) | 2006/07 Revised Budget (thousand Sfr) | 2008/09 Proposed Budget (thousand Sfr) | Difference Revised Budget 2006/07 vs. Proposed Budget 2008/09 | |
|----------------------|---|---|--|---|------|
| | | | | Amount | % |
| <u>Budget</u> | | | | | |
| Personnel | 33,710 | 40,062 | 47,266 | 7,204 | 18.0 |
| Non-Personnel | 8,239 | 7,507 | 10,200 | 2,693 | 35.9 |
| Total | 41,949 | 47,569 | 57,466 | 9,897 | 20.8 |
| <u>Posts</u> | 100 | 113 | 113 | 0 | 0.0 |

• **Program 19: Patent Classification and WIPO IP Standards**

CHALLENGES

The principal challenge for this Program is to ensure the worldwide application of the International Patent Classification (IPC) and WIPO IP standards, duly taking into account Member States' specific needs.

The reformed IPC entered into force on January 1, 2006, and a new IPC revision procedure was put in place. Many countries have successfully implemented the reformed Classification during the 2006/07 biennium. This process will need to continue in 2008/09 to ensure that all countries, publishing patent documents, apply the reformed IPC with high quality and consistency. This will require active promotion of the reformed IPC, the introduction in the Classification of more features created by the reform, and enhanced harmonization of internal classifications of large offices with the IPC. In addition, classification of non-patent literature according to the IPC will need to be ensured.

WIPO IP standards provide a basis for the transmission, exchange, dissemination and sharing of IP information and documentation. The challenge will be to ensure their worldwide application by promoting them as a main tool for harmonization of IP Offices' practices in the field of IP information and documentation, and enhanced exchange of information among Offices. Work will also be required to develop new and revise existing WIPO IP standards, recommendations and guidelines in line with IT developments and new methods for transmitting and exchanging IP information.

The main challenge for the WIPO IP information services for developing countries will be to further enhance the services by increasing the number of channels for dissemination of information and improve the use of IP information in developing countries. To this end, more technical assistance and training to IP users in developing countries will be required.

IT has played a major role in IPC reform. New IT tools have been developed which have supported the reform process. The main challenge for 2008/09 will be to consolidate those tools and IT services required for IPC operations and promotion. In respect of the revision of the IPC, the development of additional IT tools will be required to provide web-based support for the revision and associated reclassification of patent collections. Further IT assistance to small and medium-sized IP Offices will also be needed, for the implementation of the reformed IPC and associated IT support tools in their working languages. In addition, the IT supported update of the publication and maintenance procedures of the *WIPO Handbook on IP Information and Documentation* will be important in order to implement new procedures for the dissemination of information and the updating of surveys, examples and country-specific information, and to improve the reusability of data, search and display options.

OBJECTIVE

Enhanced efficiency of the use of IP information and documentation by IP Offices, applicants and the general public worldwide

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| EXPECTED RESULTS | PERFORMANCE INDICATORS AND TARGETS |
|---|--|
| Efficient functioning of the new IPC revision procedure and timely publication of new versions of the IPC core and advanced levels and of related material. | <ul style="list-style-type: none"> — Increase in the number of amendments introduced in the 2009 edition of the IPC core level. — Increase in the number of new entries in the IPC advanced level. — Publication of new versions in accordance with the IPC revision procedure. |
| Use of the IPC for classifying non-patent literature. | Increase by 10 % in the number of technical and scientific articles classified according to the IPC. |
| Establishment, revision and promotion of WIPO Standards for the transmission, exchange and sharing of IP information and documentation. | New standards and revisions to existing standards adopted by the SCIT Standards and Documentation Working Group. |
| Enhanced user awareness of information activities carried out by IP Offices | Increase in the number of users accessing Annual Technical Reports on patent, trademark and industrial design activities made available on WIPO's website. |
| Enhanced use of WIPO Industrial Property Information Services for developing countries (WPIS) and improved IP information dissemination channels. | <ul style="list-style-type: none"> — Increase, from the existing 15, of the number of donor countries participating in WPIS — Increase by 10 % in the number of searches carried out by donor countries. — Increase in the number of IP information units in universities, chambers of commerce and industry. |
| Use of the clustering analysis for the computer-assisted revision of the IPC by Member States of the IPC Union. | Number of IPC revision projects initiated by Member States, with the clustering-based IT assistance. |
| Development of XML web services for reclassification of patent collections in the core and the advanced levels of the IPC. | Number of IP Offices using XML web services for reclassification. |

STRATEGIES

To consider proposals for revision of the IPC core level, regular meetings of the IPC Revision Working Group will be convened, while revision of the advanced level will be closely monitored by the International Bureau. The IPC Committee of Experts will, at its meetings, supervise the revision and other developments of the IPC and provide guidance for further work. Full implementation of the new revision procedure and use of respective IT tools will ensure timely publication of new versions of the IPC. A new edition of the IPC core level will be published in 2009. To ensure necessary classification of non-patent literature, various options for the

enhancement of the Journal of Patent-Associated Literature (JOPAL) or its replacement by alternative means will be considered.

For the development of new and revision of existing WIPO IP standards, three meetings of the SCIT Standards and Documentation Working Group (SDWG) will be convened. The Program will provide necessary support for the SDWG and its Task Forces, including creation of electronic discussion fora. The new and revised standards and related material will also be published on various media. The Annual Technical Reports (ATR) on patent, trademark and industrial design activities will be processed and published with the use of the enhanced ATRs Management System. A new publication platform and maintenance procedures of the WIPO *Handbook on Industrial Property Information and Documentation* will be developed and implemented and an updated version of the Handbook will be published.

The services of the WIPO Industrial Property Information Services for developing countries (WPIS) will be reviewed with a view to further improving those services and increasing the number of searches carried out by donor countries. This will require consultations with donor countries. Technical assistance and training will be provided to developing countries for the creation of IP information units at universities, chambers of commerce, industry and professional associations. To improve the dissemination of IP information and public awareness in developing countries, training events on IP information sources and retrieval tools, and their use for transfer of technology will be conducted.

The outsourcing of IT systems will be strengthened on the basis of ISO 9126-3 metrics and definition of business priorities for each IT system. This will ensure a more cost effective use of budgets, and better planning of new investments and replacement of some critical systems. To facilitate the use by IP Offices of the IPC in national languages, the deployment of IT tools using common maintenance procedures and supporting the IPC in national languages will continue. Clustering and semantic analysis techniques will be used for the identification of new concepts providing a basis for respective IPC revision projects.

PROGRAM LINKS This Program will cooperate closely with Programs 6 and 7 (for the provision of IP information services), Programs 16 and 18 (concerning use of the IPC and WIPO IP standards under the PCT and the International Registration Systems) and Program 27 (for IT operations and support).

RESOURCES

| | 2006/07 Initial Budget | 2006/07 Revised Budget | 2008/09 Proposed Budget | Difference Revised Budget 2006/07 vs. Proposed Budget 2008/09 | |
|----------------------|---------------------------|---------------------------|----------------------------|---|------|
| | (thousand Sfr) | (thousand Sfr) | (thousand Sfr) | Amount | % |
| <u>Budget</u> | | | | | |
| Personnel | 5,028 | 6,071 | 6,176 | 105 | 1.7 |
| Non-Personnel | 431 | 853 | 1,081 | 228 | 26.7 |
| Total | 5,459 | 6,924 | 7,257 | 333 | 4.8 |
| <u>Posts</u> | 15 | 16 | 16 | 0 | 0.0 |

• **Program 20: International Classifications in the Field of Trademarks and Industrial Designs**

CHALLENGES

The international classifications established by the Nice Agreement Concerning the International Classification of Goods and Services for the Purposes of the Registration of Marks, the Vienna Agreement Establishing an International Classification of the Figurative Elements of Marks and the Locarno Agreement Establishing an International Classification for Industrial Designs organize commercial and technological information relating to trademarks and industrial designs into indexed, manageable structures for easy retrieval by, in particular, industrial property offices, the business community and researchers. By the end of the year 2006, the total number of Contracting Parties to the Nice, Locarno and Vienna Agreements were 80, 43 and 23 respectively. In respect of the actual use of those classifications by the end of the year 2006, the respective numbers were 155 countries and four organizations for the Nice Classification, 51 countries and three organizations for the Vienna Classification and 56 countries and three organizations for the Locarno Classifications.

The 9th edition of the Nice Classification entered into force on January 1, 2007, and the sixth edition of the Vienna Classification will enter into force on January 1, 2008. By the beginning of 2008, the new editions of the Nice and Vienna Classifications (ninth and sixth, respectively) will thus have been published. The revision period for the Locarno Classification will also have been closed and the new (ninth) edition will be published in the course of 2008.

The classifications are indispensable tools for carrying out searches with a view to determining prior rights and clearing trademarks. Moreover, these classifications are applied in the administration of the Madrid and Hague Systems, and examiners, translators as well as applicants rely heavily on them. The classifications need to be updated regularly to take account of changes and advances in technology and commercial practices, and to respond to the constantly changing and growing needs of their users, both industrial property offices and right owners. The updating process will, therefore, need to be continued in the 2008/09 biennium.

OBJECTIVE

Further development of the Nice, Vienna and Locarno Classifications and their enhanced use by industrial property offices and the private sector

| EXPECTED RESULTS | PERFORMANCE INDICATORS AND TARGETS |
|--|--|
| Further revision of the ninth edition of the Nice Classification | <ul style="list-style-type: none"> — Two sessions of the Preparatory Working Group of the Committee of Experts of the Nice Union. — Adoption by the Preparatory Working Group of recommendations for modification of the 9th edition of the Nice Classification |

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| EXPECTED RESULTS | PERFORMANCE INDICATORS AND TARGETS |
|---|--|
| Wider acceptance and more effective use of the Nice, Vienna and Locarno Classifications | <ul style="list-style-type: none"> — Four new Contracting Parties to the Nice Agreement — Two new Contracting Parties to the Vienna and Locarno Agreements. — Four additional countries apply the Nice, Vienna and Locarno Classifications. |

STRATEGIES

A major focus of the Program will be to ensure that the Locarno and Nice Classifications remain relevant to the needs of the users. The new (ninth) edition of the Locarno Classification will be published on paper, CD-ROM and Internet and distributed to all States members of the Paris Convention in the second half of 2008. It will enter into force on January 1, 2009.

The Preparatory Working Group of the Committee of Experts of the Nice Union will meet twice in 2008/09 to examine proposals for modifications to the ninth edition of the Nice Classification submitted to the International Bureau by the countries of the Union. To further enhance the classification and translation of goods and services indications, a Classification and Translation Committee will work on an electronic classification and translation tool for use by WIPO examiners and translators under the Madrid System (and possibly by the public in the future). The new tool will enable automatic translation of individual indications of goods or services from English, French or Spanish into any of the other languages, and automatic checking of the correct classification of those indications according to the Nice Classification.

The promotion of enhanced use of the Nice, Vienna and Locarno Classifications by registration authorities, applicants and search companies will remain a key priority for the program. To this end, advice and assistance to registration authorities and other users will be provided, including through training workshops. The program will also establish, at the request of national or regional industrial property offices, classification reports on the correct classification of goods and services for the purposes of the registration of marks, and will publish recommendations on the classification of new goods and services that have not yet been entered into the alphabetical list, so as to facilitate convergence in the application of the Nice Classification.

PROGRAM LINKS This Program will cooperate with Programs 6, 7 and 18.

RESOURCES

| | 2006/07 Initial Budget (thousand Sfr) | 2006/07 Revised Budget (thousand Sfr) | 2008/09 Proposed Budget (thousand Sfr) | Difference Revised Budget 2006/07 vs. Proposed Budget 2008/09 | |
|---------------|---|---|--|---|------|
| | | | | Amount | % |
| Budget | | | | | |
| Personnel | 1,209 | 1,040 | 1,078 | 38 | 3.7 |
| Non-Personnel | 61 | 83 | 123 | 40 | 48.2 |
| Total | 1,270 | 1,123 | 1,201 | 78 | 7.0 |
| Posts | 3 | 3 | 3 | 0 | 0.0 |

Program 21: Arbitration and Mediation Services and Domain Names Policies and Procedures

CHALLENGES

The WIPO Arbitration and Mediation Center (“Center”) has become the principal international resource center in the area of arbitration and mediation of intellectual property disputes, acting both as a provider of legal and organizational expertise and as an administrator of cases. The Center is the global leader in the provision of services for a specialized category of such disputes, namely those concerning Internet domain names, comprising the administration of complaints filed with the Center as well as the provision of advice and assistance for the establishment of dispute policies.

At the end of 2007, the Center had conducted some 150 arbitration and mediation proceedings, concerning such subject matter as patent licenses, software contracts, pharmaceutical distribution agreements, research and development transactions, and trademark issues. In the specific area of domain names, the Center had processed well over 26,000 disputes. These included more than 11,000 under the WIPO-initiated Uniform Domain Name Dispute Resolution Policy (UDRP), the principal policy that applies to all registrations in generic Top-Level Domains (gTLDs), as well as under related policies for country-code Top-Level Domains (ccTLDs).

The principal challenge will be to establish the Center and its procedures as consistent options for intellectual property stakeholders to consider for the efficient resolution of their disputes. To this end, the Center’s services need to be time and cost effective for parties, in the face of the increasing complexity and rapid evolution of the technological, business and legal conditions underlying intellectual property disputes.

Another challenge for this Program is presented by the geographical shift in the creation and use of intellectual property to countries in Asia and other high-growth regions, making it important to offer legal procedures and case administration practices that accommodate the attendant business and dispute resolution needs and expectations.

The Center has a permanent need to adapt its domain name dispute resolution procedures and policy advice to the rapidly evolving Internet environment. This is to enable right holders to use their intellectual property without being unduly affected by the changing practices in the Internet Domain Name System. The continuing effectiveness of the UDRP and other policies in protecting intellectual property identifiers depends on finding practical ways to address complications arising from developments such as the growing anonymity of domain name registrations, the increased facility for speculative registration, the proliferation of registrars, and the emerging options for the registration of domain names in different scripts. Such developments compound the challenges being posed by the spectacular rise in global registrations.

OBJECTIVE

To contribute to the productive use of intellectual property assets through the provision of quality dispute-resolution services that involve the minimum dislocation for intellectual property assets under dispute, and to enhance the legal framework for the protection of intellectual property in the Internet Domain Name System

| EXPECTED RESULTS | PERFORMANCE INDICATORS AND TARGETS |
|---|--|
| International and domestic intellectual property disputes are increasingly resolved through arbitration and mediation | <ul style="list-style-type: none"> — 10 per cent increase in the number of arbitration and mediation cases administered by the Center |
| Effective intellectual property protection in the gTLDs | <ul style="list-style-type: none"> — 3,000 gTLD UDRP cases resolved — Implementation by ICANN and new gTLD registries of WIPO policy recommendations |
| Effective intellectual property protection in the ccTLDs | <ul style="list-style-type: none"> — 150 ccTLD UDRP-based cases resolved — 6 additional ccTLD administrators with improved design or administration of intellectual property protection mechanisms |

STRATEGIES

A key element of the Center’s strategy will be the promotion of awareness in industry and among professionals of the appropriateness and advantages of alternatives to court litigation for resolving intellectual property disputes, requiring responsive communication with intellectual property owners and users.

The Center will also work to optimize its procedures to meet the needs of intellectual property right holders for timeliness and cost-effectiveness in the resolution of disputes in relation to those rights. The principal component of this effort will be quality management and resolution of cases conducted under those procedures. This will require training and appointing qualified arbitrators, mediators and experts, maintaining up-to-date case administration infrastructure, including through use of information technology, and active management of WIPO cases, including support to appointed neutrals. Such appointments will need to satisfy specific requirements in terms of language, applicable law, and contracting customs.

Leadership will also be provided in the development of solutions to tensions arising from the intersection of intellectual property identifiers and domain names and other virtual identifiers. Using its extensive experience with domain name disputes, the Center will liaise with stakeholders in the Internet Domain Name System, including intellectual property right holders, the Internet Corporation for Assigned Names and Numbers (ICANN) and registries of newly approved gTLDs and of ccTLDs, and will create and implement dispute resolution policies for such domains.

Strategic Goal Four: Delivery of Quality Service in Global IP Protection

PROGRAM LINKS This Program will cooperate with Programs 3, 6 and 7 (for collaboration with arbitration and mediation institutions, neutrals and ccTLD authorities) and Program 10 (in relation to enforcement frameworks to which arbitration and mediation may constitute alternatives).

RESOURCES

| | 2006/07 Initial Budget (thousand Sfr) | 2006/07 Revised Budget (thousand Sfr) | 2008/09 Proposed Budget (thousand Sfr) | Difference Revised Budget 2006/07 vs. Proposed Budget 2008/09 | |
|----------------------|---|---|--|---|------|
| | | | | Amount | % |
| <u>Budget</u> | | | | | |
| Personnel | 5,148 | 5,210 | 5,861 | 651 | 12.5 |
| Non-Personnel | 1,371 | 1,803 | 2,175 | 372 | 20.6 |
| Total | 6,519 | 7,013 | 8,036 | 1,023 | 14.6 |
| <u>Posts</u> | 13 | 13 | 13 | 0 | 0.0 |

Strategic Goal Five: Greater Efficiency of Management and Administrative Support Processes

• Program 22: Direction and Executive Management

CHALLENGES

The direction and executive management functions encompass a range of activities aimed primarily at the provision of policy, legal, administrative and protocol related support to the Director General. These functions are critical to the ability of the Secretariat to assist Member States in responding effectively to policy challenges posed by the dynamic evolution of the role of IP in modern economies.

Over the past biennium, the direction and executive management functions within the Organization have been significantly strengthened. Measures have been taken to enhance coordination of relevant inputs from within and outside the Organization, present policy options on substantive issues to the Director General and strengthen processes for medium- and long-term strategic planning. Steps were also taken to enhance the timeliness and quality of legal assistance and advice to the Director General, the constituent organs and other bodies of WIPO Member States and the Secretariat. A new treaty database was launched and a reduction in the time of processing notifications of adherence (from an average of seven to four days) was achieved.

The challenges in this biennium shall be to: further strengthen mechanisms for obtaining inputs from different sectors of the Organization, and from stakeholders, in order to have a firm basis for adopting specific policy directions; formulate and implement appropriate policies, strategies and programs in accordance with the directives of the Member States and bearing in mind the increasingly complex and diverse concerns of various stakeholders; effectively follow up and monitor the implementation of policy decisions; ensure continued respect for the rules and procedures governing the activities of the Organization while maintaining respect for privileges, immunities and legal status of the Organization; address increasing demands for legal inputs emanating from, inter alia, Assemblies related activities and contractual work linked to the implementation of the construction project; and the continued provision of effective and professional administrative, protocol and logistical support to the Director General.

OBJECTIVE

Effective formulation and management of WIPO's policies, strategies and programs in accordance with Member States' directives, and the internal regulations, rules and applicable laws

| EXPECTED RESULT(S) | PERFORMANCE INDICATORS AND TARGETS |
|--|---|
| WIPO's strategic planning, policy development, program formulation and implementation continue to reflect inputs and direction provided by the Member States, international policy trends and needs of the market sector | Member States support for WIPO's policy and planning documents. |
| Timely quality advice and assistance to the Director General, Member States, WIPO's internal sectors and divisions on a wide range of legal issues related to the work of the Organization | Feedback from the Director General, Member States and WIPO's internal sectors and divisions on the appropriateness, timelines and effectiveness of the received advice. |

Strategic Goal Five: Greater Efficiency of Management and Administrative Support Processes

| EXPECTED RESULT(S) | PERFORMANCE INDICATORS AND TARGETS |
|--|---|
| Enhanced effectiveness of the Organization's depository function of WIPO-administered treaties and agreements, including registration, certification and update of the treaties database | Average processing time of notifications of adherence and other treaty actions maintained at four days. |
| Efficient logistic, administrative and protocol arrangements | Feedback indicating high-level of satisfaction with arrangements. |

STRATEGIES

There will be a continued focus on strengthening mechanisms to fully integrate Member States policy inputs and directives, as well as the needs of the IP user community, in the process of presenting to the Director General options on policy, strategy and program related areas. These mechanisms would include the organization of high level fora for sustained, productive dialogue with Member States and a broad range of stakeholders on substantive issues. In addition, executive management mechanisms such as the Senior Management Team, and units with a primary focus on policy issues, especially the Cabinet of the Director General and the Office of Strategic Planning and Policy Development (OSPPD), would be reinforced. The Cabinet would address issues related to overall policy development, strategy formulation and effective implementation of policy decisions, while the OSPPD would deal with policy aspects of program development and formulation.

More effective follow-up and monitoring of implementation of policy decisions shall be achieved by strengthening communication between different sectors, and greater coordination by these sectors on cross-cutting issues. This would include use of multi-sectoral Task Forces in generation of policy options on emerging issues, and for implementation of critical projects. In addition, there would be an emphasis on the development of management tools to effectively monitor implementation of programs approved by the Member States.

Professional administrative support to the Director General and efficient protocol arrangements would be ensured primarily by staffing the relevant units with high quality officials. The officials would be entrusted with the important tasks of processing of correspondence, briefing materials and statements – all of which are essential to the effective operation of executive management functions.

The full and continued compliance of the Organization with the requisite rules, regulations and laws would be ensured by a strong Office of the Legal Counsel. This Office would be adequately resourced to carry out its key tasks including high quality advice to the Member States and the Director General on legal issues, assuring WIPO's interests in resolution of administrative and contractual matters, monitoring and analysis of legal developments, mainly within the UN environment, which may impact on WIPO's activities, enhancing the performance of depository functions in relation to the treaties and agreements administered by the Organization, and participating in external activities related to legal aspects of IP issues as well as general legal issues concerning the management of the Organization.

Proposed Program and Budget for 2008/09

PROGRAM LINKS Liaison with all programs.

RESOURCES

| | 2006/07 Initial Budget | 2006/07 Revised Budget | 2008/09 Proposed Budget | Difference Revised Budget 2006/07 vs. Proposed Budget 2008/09 | |
|----------------------|---------------------------|---------------------------|----------------------------|---|-----|
| | (thousand Sfr) | (thousand Sfr) | (thousand Sfr) | Amount | % |
| <u>Budget</u> | | | | | |
| Personnel | 12,545 | 11,859 | 13,002 | 1,143 | 9.6 |
| Non-Personnel | 1,432 | 996 | 1,079 | 83 | 8.3 |
| Total | 13,977 | 12,855 | 14,081 | 1,226 | 9.5 |
| <u>Posts</u> | 26 | 27 | 27 | 0 | 0.0 |

• **Program 23: Resource Management and Control**

CHALLENGES

Program 23 finances the activities of the Office of the Controller. This Office includes a Budget Section and a Special Projects Section. The latter was created to monitor the implementation of the desk-to-desk assessment and to support other resource management and management reform projects.

In 2006, the Office of the Controller concentrated its efforts on the development of a new mechanism to further involve Member States in the preparation and follow up of the Program and Budget of the Organization (a new mechanism was adopted by the member States at the 2006 Assemblies), and in the preparations for the desk-to-desk assessment project. It also worked on the follow up of the recommendations of the 2005 report of the Joint Inspection Unit (JIU) entitled "Review of Management and Administration in WIPO: Budget, Oversight and Related Issues" (a status of implementation report was submitted to the 2006 Assemblies), the preparation of a comprehensive set of new Financial Regulations and Rules (a first draft was submitted to the eleventh session of the PBC (document WO/PBC/11/8) and the audit, by the External Auditor, of the costs of the revised new construction project (the final report was received from the External Auditor in December 2006).

In 2007, the Office of the Controller acted, together with the Human Resources Management Department (HRMD), as the main operational focal point for the implementation of the desk-to-desk assessment exercise. This was in addition to monitoring the implementation of the 2006/07 Program and Budget, preparing the proposed revised budget for the biennium, and monitoring, on a monthly basis, the evolution of demand for services in the PCT, Madrid and Hague systems (and the related income projections), the volume and cost of WIPO human resources, and progress in respect of the efficiency-gain targets established in the 2006/07 Program and Budget.

The core task in the 2008/09 biennium for the Office of the Controller remains to ensure that the Organization's resources are managed in an effective and efficient manner and to reinforce already established policies, procedures and practices in support of a streamlined governance framework. In addition, in the 2008/09 the Office of the Controller will face a number of new challenges, as follows.

First, in view of the entry into force of the new Financial Regulations and Rules of the Organization, the Office of the Controller will carry out, in consultation with the relevant areas of the Organization, a systematic review of relevant processes and procedures, and prepare training material for Program Managers, Certifying Officers, Approving Officers and Bank Signatories, and other members of the accounting staff, to ensure that the new regulatory framework is consistently implemented across all sectors of the Organization.

Second, the adoption of IPSAS by 2010, will be a key challenge for the Office of the Controller, with multi-faceted implications on all areas of its responsibility in both the development and the implementation phase of this important project. As explained in more detail in document WO/PBC/11/7 Rev., the adoption of IPSAS has wide-ranging implications for accounting and budgetary procedures, and will also require changes in the resource management systems of the Organization. The training and implementation aspects of the adoption of IPSAS will also need to be fully embraced by the Office of the Controller in order to be able to support the Organization's full compliance with the new standards.

Third, the Office of the Controller will be at the forefront of the implementation of a new enterprise resource planning (ERP) system for WIPO, together with the necessary review of administrative, financial and related business processes in place. The implementation of such a project is a critical task for the deployment of the management reform process embarked upon by the Organization and, in

particular, the revision of its financial regulatory framework. It is also linked to the need to adopt IPSAS and the requirements of a dynamic business entity in the 21st century. These issues are discussed in more detail in document WO/PBC/11/7 Rev.

Fourth, following the presentation of the final report of the desk to desk assessment project to the WIPO Assemblies in 2007, a number of measures may be put in place by the Organization as a follow up. The Office of the Controller would have to play a central role, together with the HRMD, in the implementation of such measures in the next biennium.

Fifth, in the 2008/09 biennium the Office of the Controller plans to develop a comprehensive corporate financial strategy for the Organization, embracing in a consistent way its policies on reserve, financial investment, external borrowing (loan) and long term financial liabilities. A revised strategy for short and long term investment of funds standing at the credit of the Organization will be developed in consultation with the Finance Department to ensure appropriate rates of return.

Finally, the implementation of the new construction project, various IT upgrading projects in the PCT and Madrid areas and, subject to the approval of the Member States, the Security Change Project, will be additional challenges for the Program in the next biennium.

The Program will also continue to finance (as in the previous biennium) the cost of the meetings and servicing of the Audit Committee.

OBJECTIVE

To ensure that the financial governance and control framework of the Organization enables effective and efficient resource utilization and to reinforce the alignment of responsibilities in the most effective and efficient way in order to deliver results based on Organizational priorities, as decided by the Member States

| EXPECTED RESULT(S) | PERFORMANCE INDICATORS AND TARGETS |
|---|--|
| Coherent regulatory framework in place in respect of the use of financial resources and post management | <ul style="list-style-type: none"> — Revised set of comprehensive and consistent Rules and Instructions in place to enable financial governance and control — Program Managers trained in their roles and fully enabled to take authority and accountability for their defined areas of responsibility |
| Improved efficiency and transparency of resource management | <ul style="list-style-type: none"> — Timely and relevant reports and analysis available to senior management, Program Managers and Member States to support daily operational tasks and key decisions — No remarks in the biennium from the External Auditor or from Internal Oversight concerning budget control and budget management practices. |

Strategic Goal Five: Greater Efficiency of Management and Administrative Support Processes

| EXPECTED RESULT(S) | PERFORMANCE INDICATORS AND TARGETS |
|---|--|
| Continued efficiency gains in budgeting and the use of WIPO's resources | Progress on efficiency targets set out in the Program and Budget document. |

STRATEGIES

The Office of the Controller will

- have an extensive range of tasks and responsibilities to complete and fulfill in order to ensure the achievement of the above objectives and expected results. It will continue to work extensively and in close cooperation with all relevant areas of the Organization in order to achieve this.
- ensure that the Program and Budget of the Organization is developed taking into account comprehensive inputs from Member States and Program Managers, accurate data for the existing financial and payroll systems of the Organization and the principles of results based management.
- ensure that the implementation of the biennial Program and Budget is monitored continuously and efficiently and early warnings are provided to Program Managers on the trends and status of implementation.
- continuously seek to identify opportunities for the implementation of best practices and for undertaking Management Reform in co-ordination with relevant sectors.
- continuously seek to improve internal budget control mechanisms.

PROGRAM LINKS

The Office of the Controller works closely with all areas of the Organization. In particular, very close links will continue to be maintained with the areas of Finance, and all the other administrative functions of the Organization (HR, IT, Procurement etc.) as well as with Internal Oversight.

RESOURCES

| | 2006/07 Initial Budget | 2006/07 Revised Budget | 2008/09 Proposed Budget | Difference Revised Budget 2006/07 vs. Proposed Budget 2008/09 | |
|---------------|---------------------------|---------------------------|----------------------------|---|--------|
| | (thousand Sfr) | (thousand Sfr) | (thousand Sfr) | Amount | % |
| Budget | | | | | |
| Personnel | 3,311 | 4,758 | 3,964 | (794) | (16.7) |
| Non-Personnel | 1,202 | 1,686 | 1,160 | (526) | (31.2) |
| Total | 4,513 | 6,444 | 5,124 | (1,320) | (20.5) |
| Posts | 10 | 10 | 10 | 0 | 0.0 |

• **Program 24: Internal Oversight**

CHALLENGES

Internal Oversight activities cover the areas of: internal audit; inspection and investigation; as well as evaluation and performance assessment. These functions are essential to ensure that WIPO's governance and management processes continue to contribute to accountability, effectiveness, relevance, efficiency, and integrity of the Organization's operations. These are also important sources of information for the Organization's and Member States' decision-making processes. The 2006/07 biennium saw important enhancements to the institutional policy frameworks of WIPO's oversight functions, following the adoption by Member States of the WIPO Internal Audit Charter, and the further development of compliance, ethics and integrity systems and processes. In addition, the new mechanism for the preparation and follow up of the WIPO Program and Budget approved by the Assemblies in 2006 considerably strengthened Member States' role in the substantive review of organizational performance, through the review of Program Performance Reports in sessions of the Program and Budget Committee in parallel with the review of the corresponding financial statements.

An effective implementation of the adopted oversight policy frameworks will require a further strengthening of Internal Oversight at WIPO. In the areas of ethics and integrity, and inspection and investigation, the institutional framework will need to be streamlined. As WIPO moves towards more active processes of prevention of wrong doing, and education on compliance, ethics and integrity issues, the key areas for effective implementation will be the systems for managing conflicts of interest and "whistle-blowing" procedures.

Concerning evaluation and performance assessment, the main challenges will consist of making significant progress in internalizing an evaluation culture at WIPO and establishing a routine of evaluations; strengthening program managers' capacities to plan, conduct and use evaluation as a managing-for-results tool; and establishing adequate monitoring, performance assessment and evaluation mechanisms to ensure that evidence-based information on results is being generated and collected on a continuous basis.

As outlined under Program 23, WIPO will be undertaking several important financial management and control related reforms in the biennium 2008/09. Internal Oversight will play an independent role in supporting these initiatives by being a technical and expert internal reference partner and advisor.

For all internal oversight functions, it will continue to be important to stay up-to-date with international developments in this field, in particular within the UN system.

OBJECTIVE

Enhanced relevance, effectiveness, efficiency, accountability and integrity of the Organization's processes, operations and activities

| EXPECTED RESULT(S) | PERFORMANCE INDICATORS AND TARGETS |
|---|---|
| Full compliance by the Organization with WIPO's regulations, rules and procedures | <ul style="list-style-type: none"> — Satisfactory audit opinion by the External Auditor — Recommendations made by WIPO oversight entities are expeditiously implemented — Key risk areas audited |

Strategic Goal Five: Greater Efficiency of Management and Administrative Support Processes

| | |
|--|---|
| <p>A reliable integrity and ethics framework is in place</p> | <ul style="list-style-type: none"> — All investigations undertaken within 6 months — Whistle-blowing procedures, a fraud prevention and awareness policy and disclosure of interest system in place |
| <p>Evidence-based information on results is being generated by evaluations and effectively used by WIPO senior management, program managers and Member States for learning, decision-making and accountability purposes.</p> | <ul style="list-style-type: none"> — 10 Project and Funds-in-Trust evaluations conducted and/or managed by program managers — Recommendations from 6 independent program or thematic evaluations are implemented in a timely manner |

STRATEGIES

The further strengthening of the internal audit function will require a full implementation of the Internal Audit Charter. This will be done through the development of an audit needs assessment, a strategic audit plan and detailed work plans, based on a risk based audit approach. Full cooperation and coordination with the External Auditor and Audit Committee will remain essential, as will the active follow up on the implementation of audit and other oversight recommendations. In addition, appropriate audit tools, such as an audit manual, rules and guidelines will continue to be developed.

The implementation of the Integrity and Ethics Process Statement, will include making fully operational a Disclosure of Interests System, a fraud prevention and awareness policy and the establishment of a “whistle-blowing” information collecting system. WIPO Codes of Ethics will be developed, specific Standards of Conduct for all staff categories will be enhanced and training will be provided for staff to inform and raise awareness of the new processes and requirements. Furthermore, investigations and inspections will be carried out expeditiously, as necessary, and reported through appropriate channels.

An effective implementation of the WIPO Evaluation Policy will be done through a strategy centered around advocacy and consultation with WIPO senior management and program managers, as well as capacity building activities targeted mainly at program managers. Adequate procedures, methodologies and mechanisms will be put in place to ensure the necessary rigor for the generation of quality and real-time evaluative information (including for performance assessment purposes), the dissemination of information generated by evaluations, including lessons learned, and the timely follow-up to recommendations contained in evaluation reports. In addition, a number of independent program and thematic evaluations will be conducted by the WIPO central independent evaluation unit, based on risk considerations.

Support will be provided, as appropriate, in connection with WIPO’s planned transition, by 2010, to the International Public Sector Accounting Standards (IPSAS) for financial reporting, and for the development and implementation of the revised WIPO Financial Regulations and Rules; a new internal control framework; and an enterprise risk management process.

Continuous cooperation with the internal oversight community, including other UN agencies, multilateral development financial institutions and relevant international and professional associations, will continue during the biennium to ensure that internal oversight at WIPO is being conducted in line with international developments and good practices in this field.

Proposed Program and Budget for 2008/09

PROGRAM LINKS Internal Oversight will support and work closely with all Programs.

RESOURCES

| | 2006/07 Initial Budget | 2006/07 Revised Budget | 2008/09 Proposed Budget | Difference Revised Budget 2006/07 vs. Proposed Budget 2008/09 | |
|----------------------|---------------------------|---------------------------|----------------------------|---|------|
| | (thousand Sfr) | (thousand Sfr) | (thousand Sfr) | Amount | % |
| <u>Budget</u> | | | | | |
| Personnel | 1,383 | 1,635 | 2,704 | 1,069 | 65.4 |
| Non-Personnel | 398 | 425 | 718 | 293 | 68.9 |
| Total | 1,781 | 2,060 | 3,422 | 1,362 | 66.1 |
| <u>Posts</u> | 5 | 7 | 7 | 0 | 0.0 |

• **Program 25: Human Resources Management**

CHALLENGES

During the 2006/07 biennium, work on a WIPO Human Resources Strategy was initiated and presented to Member States. The final strategy document, which will take into account the recommendations of the desk-to-desk assessment, will be submitted to the Member States during the Assemblies in 2007. Implementation of the Strategy will constitute the main challenge in the 2008/09 biennium, centered on several projects such as the implementation of a new and comprehensive HR information system and the introduction of an Organization-wide Performance Management and Development System (PMDS). The latter will include, *inter alia*, the introduction of improved performance appraisal mechanisms, the establishment of a corporate management training program, and the revision of human resource policies, practices and procedures.

Another challenge which will also be addressed within the framework of the Human Resources Strategy, will be to enhance the adequacy of staffing for all WIPO's programs. This will require further steps to improve the efficiency and flexibility of recruitment processes, staff redeployment and administration and a streamlining of approval processes concerning human resources for key business areas. Recruitment will increasingly need to make sure that needed competencies are available within WIPO, and an infusion of young staff is ensured. It will also require more timely, appropriate and efficient redeployment of staff for priority activities. In parallel, an enhanced emphasis on the development of existing staff skills will be required to enable staff to fully develop professionally and to better support WIPO's objectives. This would ensure that the necessary technical and managerial competencies are available throughout the Organization. A particular challenge in the 2008/09 biennium will be to enhance management capacities within the Organization, including for the proper appraisal and assessment of staff performance.

Entitlements and classifications services will need to continue to adhere to strict quality and efficiency standards and to ensure that WIPO Staff Regulations and Staff Rules are revised and maintained in line with UN common system standards. Linkages with the revised Financial Regulations and Rules will also need to be established.

The automation of the Social Security Section, initiated in 2006/07, will need to be completed during the 2008/09 biennium. This will include the creation of links to the United Nations Joint Staff Pension Fund system to implement, *inter alia*, automatic deductions of medical insurance premiums on the retired staff member's pension benefits.

Several staff well-being projects were developed in the previous biennia. These will need to be consolidated during the 2008/09 biennium, leading to the creation of a comprehensive work-life balance policy.

During the biennium 2006/07, the mechanisms for the resolution of grievances and work related conflict resolution were improved including through revised terms of reference for the Ombudsman, several changes to the procedures relating to the WIPO Appeal Board and establishment of a Joint Grievance Panel. In 2008/09 the use of such mechanisms will be further promoted.

The HRMD will be actively involved in the planned enterprise resource planning project (ERP) for the Organization. The HR process will be reviewed before the HR module of the project is implemented.

OBJECTIVE

Efficient and effective management of human resources

| EXPECTED RESULT(S) | PERFORMANCE INDICATORS |
|--|--|
| Improved system for appraisal of performance of staff | All staff performance appraisals are conducted in line with the new Performance Management and Development System (PMDS) |
| Increased training programs, priorities on the basis of policy and sectoral requirements | <ul style="list-style-type: none"> — Training policy developed in line with policy and sectoral priorities and needs and outcome of the desk-to-desk assessment exercise — Increase in the percentage of gross salary dedicated to training activities from 0.34% in the 2006/07 biennium to at least 1% |
| Reduction of absenteeism | Decrease in overall absences related to sick leave as compared to the 2006/07 biennium |
| Program Managers' staffing needs are met more efficiently | All external recruitment completed within four months from vacancy announcement to contract conclusion, in line with UN system best practices |
| More efficient administration of staff entitlements and classification services | 20% decrease in the number of queries from all categories of staff regarding entitlements and social security coverage |
| Improved staff well-being and more cost-effective healthcare services | <ul style="list-style-type: none"> — 15% decrease in complaints related to workplace-related illness compared to the 2006/07 biennium — 5% saving in healthcare and social security costs compared to the 2006/07 biennium |
| Work-related conflicts solved informally through established mechanism | Relevant cases referred to the Ombudsman and resolved informally |

STRATEGIES

Strategies for the biennium 2008/09 will be centered on the implementation of the WIPO Human Resources Strategy, taking duly into account directions given by Member States following the desk-to-desk assessment.

The new Performance Management Development System (PMDS), replacing the current performance appraisal mechanism, will be based on the objectives of the Organization, and identify the role of each employee in achieving those objectives.

Strategic Goal Five: Greater Efficiency of Management and Administrative Support Processes

Staff will be actively involved at each phase of these change processes to further encourage accountability and responsibility.

To better serve the needs of the Organization, WIPO's recruitment policies will be refined, in line with the on-going UN reform, to include professional interchange agreements, partnerships with national and regional IP Offices for alternative recruitment funding mechanisms, and flexible resourcing alternatives, such as outsourcing and internships. Current contract types will be reviewed and new ones identified within the framework of the UN common system to maximize responsiveness to organizational needs. Recruitment and administrative activities will take full advantage of further developments of HR software systems.

In order to enhance the effectiveness of staff redeployment, procedures for the transfer and administration of temporary employees will be improved and the use of appropriate contractual arrangements will be ensured.

Staff skills will be developed, as appropriate, through management, communication, IT, language and other courses as well as self-learning tools. In particular, a 5-year corporate management training program will be launched in the biennium targeting all staff with managerial responsibilities. The training program will, inter alia, assist managers in addressing the assessment of the performance of their staff.

Entitlements and classification services will continue to ensure that the WIPO Staff Regulations and Staff Rules are maintained in line with UN common system standards. Job descriptions will continue to be updated, revised and classified to ensure conformity with changing responsibilities and post requirements.

Costs for social security coverage and the social support services will be monitored. Staff and family members newly arrived in Geneva will continue to be assisted, and counseling provided for personal and/or family-related problems. Liaison will continue with relevant institutions in the Geneva area and assistance provided to retirees and activities organized for children and retired staff. Projects aimed at enhancing workplace well-being will be consolidated. Healthcare services will continue to be provided to staff, retirees, delegates and official guests.

In collaboration with the Legal Counsel, advice on complex personnel policy issues will continue to be provided to senior management, and cases will be prepared and represented before the Joint Advisory Committee, the WIPO Appeal Board, the ILO Administrative Tribunal and the appeal mechanisms provided in relevant pension schemes.

The Ombudsman will continue to work with staff on resolving employment-related conflicts, to identify trends and developments in workplace problems and, where appropriate, propose constructive solutions conducive to a better working environment.

Proposed Program and Budget for 2008/09

PROGRAM LINKS This Program will cooperate closely with all Programs. Special coordination will be ensured with Program 22 (Legal Counsel), Program 23 (resource coordination), and Program 26 (payments of benefits and entitlements). This Program will also maintain close liaison with the Staff Association.

RESOURCES

| | 2006/07 Initial Budget (thousand Sfr) | 2006/07 Revised Budget (thousand Sfr) | 2008/09 Proposed Budget (thousand Sfr) | Difference Revised Budget 2006/07 vs. Proposed Budget 2008/09 | |
|----------------------|---|---|--|---|------|
| | | | | Amount | % |
| <u>Budget</u> | | | | | |
| Personnel | 13,069 | 14,575 | 15,171 | 597 | 4.1 |
| Non-Personnel | 2,656 | 2,510 | 4,096 | 1,586 | 63.2 |
| Total | 15,725 | 17,085 | 19,267 | 2,183 | 12.8 |
| <u>Posts</u> | 37 | 39 | 39 | 0 | 0.0 |

• **Program 26 : Financial Operations**

CHALLENGES

This Program finances the activities of the Finance Department. The main focus of the Program during the 2006/07 biennium was to continue to provide quality services while further improving cost-effectiveness. This was achieved by adapting the new automated finance system (AIMS) to WIPO's financial operations and budget control. The enhanced functionality of the AIMS income control modules contributed considerably to improved productivity.

As outlined in Program 23, in the 2008/09 biennium the Organization must prepare for the implementation of the new International Public Sector Accounting Standards (IPSAS) in 2010. This will represent a major challenge for the Finance Department in terms of introducing the appropriate modifications to financial reporting and carrying out the relevant training of staff.

Further challenges will include the review of the IT system for payroll in cooperation with the Human Resources Management Department, and the assessment of the feasibility and cost-efficiency of the computerization of the Treasury Management System.

OBJECTIVE

Efficient, transparent and accountable financial operations in conformity with applicable rules and regulations

| EXPECTED RESULTS | PERFORMANCE INDICATORS AND TARGETS |
|--|--|
| Continued efficiency of financial operations | <ul style="list-style-type: none"> — Timely financial reporting. — Madrid and Hague fees distributed on time — Payments made on time |
| All financial operations executed with probity | <ul style="list-style-type: none"> — Financial operations conform to the provisions of the applicable WIPO conventions and treaties, the WIPO Financial Regulations and Rules and the United Nations Accounting Standards. — Satisfactory financial report from the external auditors confirms the conformity of accounting operations with applicable regulations, rules and standards. |
| Investment funds are safeguarded and maximum return achieved | Return on invested funds is in line with benchmarks established by the Investment Advisory Committee |

| EXPECTED RESULTS | PERFORMANCE INDICATORS AND TARGETS |
|--|---|
| <p>Smooth transition to the new International Public Sector Accounting Standards for 2010 implementation</p> | <ul style="list-style-type: none"> — Full documentation of the new rules and procedures — Significant progress made in the implementation of the required changes to the IT system. — Full documentation of all IT procedures. |

STRATEGIES

To effectively prepare for the implementation of the new accounting standards (IPSAS) in 2010, the Finance Department will be directly involved in the plan devised for the Organization for IPSAS implementation (document WO/PBC/11/7 Rev.). The main task will be to revise accounting rules and procedures, and to provide support for the Budget and Finance module of the planned project to introduce an enterprise resource planning (ERP) at WIPO (documents WO/PBC/11/11 and WO/PBC/12/4(c)). In this context, liaising with other UN organizations will be important to ensure that experiences are shared and lessons learned.

To enhance the long term efficiency and security of financial operations for WIPO, the Unions administered by WIPO, the WIPO (Closed) Pension Fund, and UPOV, staff skills and IT tools will be further developed. In addition, all payments, including payroll, payments to staff as well as to suppliers of goods and services will continue to be made on time. Incoming payments, such as Member States' contributions and fees for services, will continue to be received and assigned to the relevant sectors (trademarks, industrial designs, PCT, and arbitration), the fees collected under the Madrid and Hague Systems will continue to be distributed to Member States in a timely manner, debtors will be followed-up, and arrears in contributions reduced with monthly updates.

In addition, standard procedures for daily operations and their computerization will be established and internal control improved by reconciling the accounts on a quarterly basis. The relevant rules and regulations will be modified, as appropriate.

In the context of the revision of the financial regulatory framework of the Organization, the Finance Department will be involved, together with the Office of the Controller, in the development of a revised policy for long-term investment of funds standing at the credit of the Organization. It will also prepare financial reports for Member States. There will be increased emphasis on improved communication with the Member States. In this respect, the aim will be to improve the information provided by giving clearer explanations of the methods used and results obtained. Close cooperation with WIPO internal and external audit bodies will continue to ensure the rapid follow-up and implementation of their recommendations.

Strategic Goal Five: Greater Efficiency of Management and Administrative Support Processes

PROGRAM LINKS This Program will cooperate closely, in particular, with Programs 16 and 18, 23, 25 and 31.

RESOURCES

| | 2006/07 Initial Budget (thousand Sfr) | 2006/07 Revised Budget (thousand Sfr) | 2008/09 Proposed Budget (thousand Sfr) | Difference Revised Budget 2006/07 vs. Proposed Budget 2008/09 | |
|----------------------|---|---|--|---|--------|
| | | | | Amount | % |
| <u>Budget</u> | | | | | |
| Personnel | 10,424 | 11,407 | 11,747 | 339 | 3.0 |
| Non-Personnel | 841 | 620 | 391 | (229) | (36.9) |
| Total | 11,265 | 12,027 | 12,138 | 110 | 0.9 |
| <u>Posts</u> | 30 | 33 | 33 | 0 | 0.0 |

• **Program 27: Information Technology**

CHALLENGES

The last two biennia were characterized by strict IT budgetary management where only essential capital investment was possible. However, a focused infrastructure renewal program was necessary to reinforce the Organization's underlying technical and desk top facilities.

In 2007, senior management commissioned an independent assessment of the IT Program. The result of the independent assessment will be a key input to the development of a mid-term IT Strategy.

The key challenges which will need to be addressed by the IT strategy and, more importantly, in the biennium 2008/09, are: to ensure that WIPO business and administrative sectors continue to meet and address increased user demand for modern IT services through the establishment of a more flexible and elastic resource base in key areas of the IT program that can meet demand; improved alignment of the existing technical and managerial skills with the requirements of the Program; and the introduction of minimum industry standard methodologies for project management and service delivery. The need to establish and implement 24/7 operational support arrangements and appropriate disaster recovery and business continuity measures in an increasing number of sectors will be one of the challenges in the infrastructure and service management areas. Lastly, as a means of providing more working flexibility options to WIPO staff, appropriate and secure technologies will need to be implemented to improve the current remote access to the WIPO Intranet and remote electronic access to the majority of WIPO's computer systems.

With the adoption of the new Financial Regulations and Rules (possibly as of January 1, 2008), the Organization will need to develop an enterprise resource planning (ERP) system for the integration and automation of its new administrative and financial processes. Using a single ERP solution is expected to yield significant benefits in terms of administrative efficiency and cost-effectiveness. Other administrative overheads will be further reduced by implementing enterprise standards for technical IT infrastructure and business application development tools.

Other major capital investments will need to be made in the medium term to renew the IT systems that support the Madrid and Hague registration systems (MAPS and DMAPS) and migrate them to more modern and open technology platforms, while exploiting the organizational experience and learning gained in implementing such systems within the PCT sector. Investments are also required to upgrade information security.

While the regular budget will continue to finance the running costs of the IT program (staff, infrastructure operations, service delivery etc), it is proposed that the ERP project and other capital investments required in the medium term be funded, subject to the approval of Member States, from the reserves. This is elaborated in documents WO/PBC/11/11, WO/PBC/12/4(c) and WO/PBC/12/4.

OBJECTIVE

Reliable, secure, sustainable and cost-efficient operation of all the Organization's IT Systems

Strategic Goal Five: Greater Efficiency of Management and Administrative Support Processes

| EXPECTED RESULTS | PERFORMANCE INDICATORS AND TARGETS |
|---|---|
| Continued high system availability of mission critical systems | <ul style="list-style-type: none"> — Availability of business systems remains greater than 99.8 per cent — Availability of critical network services (file servers, printers and email) remains at 99.7 per cent — Increased number of Service Level Agreements (SLAs) in force for WIPO business systems — Service Desk Metrics (number of Service Desk calls, average incident resolution time and the number of incidents resolved at the first level of the Service Desk) |
| Efficient, cost-effective and high quality external IT service provisioning | <ul style="list-style-type: none"> — Number of External Hosting SLAs in force — Minimum number of SLA incidents |
| Improved capability for WIPO staff to work remotely | <ul style="list-style-type: none"> — Number of business functions available remotely — Number of WIPO staff working remotely |

STRATEGIES

To achieve an efficient and sustainable IT system within the Organization that meets business requirements adequately and takes into account priorities set by the various sectors of the International Bureau and the Member States, a medium-term IT Strategy will be developed supported by an implementation plan.

In the 2008/09 biennium the IT program will work closely with the business and administrative sectors to support their major projects.

In addition, in order to improve oversight and control, an appropriate IT governance model, an industry standard project management methodology, and a standard approach to service management based on the Information Technology Infrastructure Library (ITIL) framework will be implemented.

The above will require the adoption of a systematic approach to IT resource management through staff training programs and the establishment of an appropriate balance between internal and external IT development resources. It will also require establishment of strategic partnerships with external IT service providers to mitigate any risks associated with the implementation of selected IT service outsourcing. Such strategic partnerships will also enhance the IT Program's response capability to meet the needs of various sectors.

The establishment and implementation of an enterprise resource planning (ERP) system for the integration and automation of internal administrative procedures being planned by WIPO will need considerable support from the IT program during the biennium.

To ensure that appropriate service levels are provided to all sectors of WIPO, remote electronic access to WIPO applications will be improved and the IT Service Desk capability will be continually reinforced.

Proposed Program and Budget for 2008/09

PROGRAM LINKS This Program will cooperate closely with all Programs, in particular Program 16 (for development of PCT information systems), Program 18 (IT developments for Madrid, The Hague and Lisbon Registration Systems) and Programs 23, 24, 25 and 26 (for the implementation of the ERP system).

RESOURCES

| | 2006/07 Initial Budget (thousand Sfr) | 2006/07 Revised Budget (thousand Sfr) | 2008/09 Proposed Budget (thousand Sfr) | Difference Revised Budget 2006/07 vs. Proposed Budget 2008/09 | |
|----------------------|---|---|--|---|-----|
| | | | | Amount | % |
| <u>Budget</u> | | | | | |
| Personnel | 17,134 | 22,076 | 22,160 | 84 | 0.4 |
| Non-Personnel | 21,844 | 21,634 | 23,785 | 2,151 | 9.9 |
| Total | 38,978 | 43,710 | 45,945 | 2,235 | 5.1 |
| <u>Posts</u> | 46 | 51 | 51 | 0 | 0.0 |

• **Program 28: Conference, Language, Printing and Archives**

CHALLENGES Program 28 finances the administrative support activities of the Organization in the following main areas: conference, communications and records management; translations; and printing. During the 2006/07 biennium several initiatives were taken to streamline and modernize services provided by the Organization in these areas while at the same time improving their cost effectiveness. These initiatives will continue in 2008/09.

In the 2008/09 biennium, the main challenges to be addressed by the Conference, Communications and Records Management Division include meeting the demands of Member States for an increased number of conferences and meetings, greater use of electronic distribution of meeting documents, and development of an Electronic Document Management System (EDMS) as well as continuation of efforts to reduce mail and telecommunications costs.

As regards translations, the main challenge consists of maintaining an appropriate balance between quantity of translations, number of languages, cost-effectiveness and quality, while facing greater demands by Member States for documents to be provided in all official languages. A global international tender for translation services in all WIPO working languages was launched in 2006, and a number of competitive companies were outsourced work in 2007, to test quality and assure, ultimately, cost-effectiveness of this type of arrangement, all factors taken into account, compared to in-house services. Based on the positive result of this test, outsourcing will continue and be further fostered in 2008/09.

Regarding printing services, the main challenge will be to meet all printing and publishing requirements in a timely, efficient and cost-effective manner.

OBJECTIVE

Enhanced efficiency and cost-effectiveness of conference, language and printing and archives services while maintaining the expected quantity and quality levels

| EXPECTED RESULTS | PERFORMANCE INDICATORS AND TARGETS |
|--|--|
| Efficient and responsive conference and meeting services to delegates and the Secretariat | Feedback from delegates and the Secretariat |
| Greater use of electronic means to distribute meeting documents | 25% savings in document mailing costs compared with 2006/07 |
| Reliable and cost-effective telecommunications | Reduced costs compared to the 2006/07 biennium |
| Timely and cost-efficient mail expedition, records management, archiving and messenger-driver services | <ul style="list-style-type: none"> — Number of mail items and mailing costs 25% below 2006/07 level — Savings of 30% in paper and supplies, compared to the 2006/07 level following progressive introduction of the new EDMS |

Proposed Program and Budget for 2008/09

| EXPECTED RESULTS | PERFORMANCE INDICATORS AND TARGETS |
|--|---|
| Timely, good quality and cost-effective translations in all working languages | <ul style="list-style-type: none"> — Staff and delegate feedback on quality and timeliness of translated documents — Productivity standards for in-house translation and cost per page maintained at 2006/07 levels |
| On-time production of printed and electronic matter respecting PCT and Madrid treaty obligations | Quantity of printed material delivered within required deadline |

STRATEGIES

To enable the provision of reliable conference facilities and services, and to maximize the cost-efficient use of electronic systems and resources, conference rooms and equipment will be modernized. Telecommunication and mail services will continue to be monitored, and new procurement actions will be included in 2008/09 to ensure that cost paid by the Organization to its current suppliers remains competitive. Internet-based telecommunication services will be explored as an alternative option. The cost of processing and archiving of correspondence and documentation will be improved through further development of the electronic document management system.

To enhance the management of translation workloads, detailed human, financial and workflow planning will be carried out, and quality management principles will be applied to all internal and external translation work. In addition, the development of the use of computer assisted translation tools will continue.

Concerning printing services, operations will be made more effective by transferring documents to the printing services electronically instead of in paper form.

RESOURCES

| | 2006/07 Initial Budget | 2006/07 Revised Budget | 2008/09 Proposed Budget | Difference Revised Budget 2006/07 vs. Proposed Budget 2008/09 | |
|---------------|---------------------------|---------------------------|----------------------------|---|------|
| | (thousand Sfr) | (thousand Sfr) | (thousand Sfr) | Amount | % |
| Budget | | | | | |
| Personnel | 30,007 | 31,024 | 31,617 | 593 | 1.9 |
| Non-Personnel | 10,793 | 10,791 | 12,217 | 1,426 | 13.2 |
| Total | 40,800 | 41,815 | 43,834 | 2,019 | 4.8 |
| Posts | 84 | 78 | 78 | 0 | 0.0 |

• **Program 29: Premises Management**

CHALLENGES

The start of the work on the new construction will lead to restrictions in terms of the space available and reduced access to the buildings located close to the future worksite, in particular the AB building. This situation will require effective management of premises and necessary structural modifications to ensure that WIPO operates without interruption and takes into account that the average premises occupancy rate is estimated at 97% by the end of 2007.

The age of some of the buildings, in particular AB, GBI and GBII, makes it necessary to maintain the current pace of work to improve the installations and premises. A key challenge in this respect will be to make use of new building technologies and comply with new standards and local legislation, while ensuring a similar level of comfort and technological infrastructure in all WIPO buildings.

In addition, the implementation of the Security Change Project (see Program 32) may require specific management of workspaces. This represents an additional challenge for the Program.

OBJECTIVE

Effective management and maintenance of WIPO premises

| EXPECTED RESULTS | PERFORMANCE INDICATORS AND TARGETS |
|---|---|
| Cost-efficient and optimum occupancy of WIPO premises | Occupancy rate of WIPO premises at optimum level (above 95%) |
| Improved WIPO premises and installations | Uniform standards of all WIPO premises in terms of comfort and technological infrastructure |

STRATEGIES

The use of WIPO offices, parking and storage areas will be streamlined and rationalized while reducing, to a minimum, the necessary movement of staff. Archive areas will be created in the basements and allocated to sectors as required, in order to free up the office spaces currently occupied by documents. The necessary modification of premises and access to the buildings located close to the future worksite for the new construction will be done in consultation with the Construction Committee, ensuring that premises remain available.

A range of major maintenance and modernization projects for installations will be undertaken in the course of the 2008/09 biennium, such as the modernization of the lighting system, the ventilation units and sanitation equipment, and the improvement of technical installations.

The implementation of the Security Change Project would imply several works on the premises of the Organization. Such works would be managed in close cooperation with the WIPO Safety and Security Coordination Service and the local authorities.

Proposed Program and Budget for 2008/09

PROGRAM LINKS Links with all programs, in particular with Program 31 (in relation to the new construction) and Program 32 (Security).

RESOURCES

| | 2006/07 Initial Budget (thousand Sfr) | 2006/07 Revised Budget (thousand Sfr) | 2008/09 Proposed Budget (thousand Sfr) | Difference Revised Budget 2006/07 vs. Proposed Budget 2008/09 | |
|----------------------|---|---|--|---|--------|
| | | | | Amount | % |
| <u>Budget</u> | | | | | |
| Personnel | 9,171 | 11,482 | 8,952 | (2,530) | (22.0) |
| Non-Personnel | 49,580 | 44,786 | 38,509 | (6,277) | (14.0) |
| Total | 58,751 | 56,268 | 47,461 | (8,807) | (15.7) |
| <u>Posts</u> | 25 | 30 | 22 | (8) | (26.7) |

*In 2006/07, this Program also funded Security Services (2006/07 Revised Budget: Sfr9,556 thousand)

• **Program 30: Travel and Procurement**

CHALLENGES

This Program finances the cost of the Travel Unit and the Procurement Services Division. Cost of travel itself is charged to the relevant Programs under mission costs or third-party travel.

As concerns the Travel Unit, the implementation of a new electronic travel authorization system is expected to improve considerably the processing of travel authorizations in the 2008/09 biennium. Concerning travel costs, as a result of recent initiatives to reduce travel costs (resulting from negotiated corporate fares and the reduction in the number of prepaid tickets), cost savings of the order of 25-30% compared to the 2004/05 baseline were achieved in 2006/07. The challenge for 2008/09 will be to maintain these levels (in spite of increases in the cost of air travel in general) as well as to increase use of low cost carriers or economy class corporate fares. Furthermore, travel and visa statistical reporting tools as well as visa administrative procedures will be further improved and automated.

In the area of procurement, new procurement and purchase procedures were promulgated in 2006 to further enhance the transparency and efficiency of the procurement activities of the Organization. A number of challenges, however, still need to be addressed. Firstly, a smooth transition from the old procurement rules to the new system will be required, while at the same time initiating a gradual transition from essentially manual processes to IT-supported automatic processes and Internet-based support services. Secondly, there will be a need to adjust to the widening of the geographical sourcing of goods and services under more international tender procedures. This will require wider information dissemination of procurement opportunities to potential suppliers, particularly in developing countries and the countries with economies in transition.

OBJECTIVE

More cost-effective and efficient travel and procurement services

| EXPECTED RESULTS | PERFORMANCE INDICATORS AND TARGETS |
|--|---|
| <i>Travel</i> | |
| Greater cost-efficiency of travel by WIPO employees and third party travelers financed by WIPO | <ul style="list-style-type: none"> – Maintain the 25-30 per cent costs savings in negotiated corporate fares achieved in 2006/07 – 3-5% increase in the use of low cost airlines and special low cost fares |
| More efficient travel and visa administration | <ul style="list-style-type: none"> – Travel authorizations and visa applications are processed electronically |
| <i>Procurement</i> | |
| Enhanced cost-efficiency of procurement | <ul style="list-style-type: none"> – Number of tenders and resulting purchase orders in proportion to total procurement value, in comparison to previous periods – Savings of at least 500,000 Swiss francs via the consolidation of purchases. |

| EXPECTED RESULTS | PERFORMANCE INDICATORS AND TARGETS |
|---|---|
| <p>More competitive prices and contractual conditions through common UN system procurement cooperation, as well as larger geographical distribution and diversification of suppliers.</p> | <ul style="list-style-type: none"> - More than five procurement contracts signed/renewed under UN interagency procurement initiatives and increase in the value of those contracts. - 25% increase in the number of new vendors/suppliers reached through the vendor registration system compared to 1,800 vendors/suppliers in 2006. - Increase in purchases related to technical assistance from in-country suppliers in developing countries up from 48.7% of total such purchases in 2006. |

STRATEGIES

Regarding travel, regular information will continue to be provided to staff on travel and visa procedures, including on the Intranet. The electronic travel authorization system and related administrative procedures will be streamlined to minimize the processing time for travel authorizations. In addition, various working and reporting tools will be automated. In order to sustain the cost savings achieved in 2006/07, measures to further reduce travel costs for WIPO employees and third party travelers will continue to be identified.

To encourage longer-term procurement planning, assistance will be provided to program managers to adopt three- to five-year planning horizons for procurement of goods and contracting of professional or technical services required for the implementation of their programs. This will make it possible to increase negotiating power with suppliers via greater volume purchases, longer-term contracts and greater economies of scale. Where possible, similar or related goods and/or services would be standardized and consolidated to obtain best prices and volume discounts.

Opportunities for engaging in joint procurement activities in cooperation with procurement services of the other organizations of the United Nations System in the framework of the Inter Agency Procurement Working Group (IAPWG) and the United Nations Common Procurement Activities Group (CPAG) based in Geneva will also be explored. For this purpose, closer working relationships with the Geneva-based UN system Organizations will be developed, including through participation in business information exchange arrangements through the Inter-Agency Procurement Services Office (IAPSO).

Key IT development projects will be initiated for automating various processes, including monitoring and reporting of procurement and contracting activities. An important element of this strategy is the development of an electronic database of annual procurement activities to facilitate planning, evaluation, internal auditing and statistical reporting. Procurement services will be one of the areas addressed in the planned ERP project in the 2008/09 biennium (document WO/PBC/11/11) (Please also see Program 23.)

Strategic Goal Five: Greater Efficiency of Management and Administrative Support Processes

PROGRAM LINKS Particular close coordination will be maintained with the Office of the Controller, the Finance Department and the Internal Audit and Oversight Division

RESOURCES

| | 2006/07 Initial Budget | 2006/07 Revised Budget | 2008/09 Proposed Budget | Difference Revised Budget 2006/07 vs. Proposed Budget 2008/09 | |
|----------------------|---------------------------|---------------------------|----------------------------|---|------|
| | (thousand Sfr) | (thousand Sfr) | (thousand Sfr) | Amount | % |
| <u>Budget</u> | | | | | |
| Personnel | 5,783 | 7,505 | 8,740 | 1,235 | 16.5 |
| Non-Personnel | 2,299 | 2,253 | 2,321 | 68 | 3.0 |
| Total | 8,082 | 9,758 | 11,061 | 1,303 | 13.3 |
| <u>Posts</u> | 14 | 21 | 21 | 0 | 0.0 |

• **Program 31: The New Construction**

CHALLENGES

The new construction project was originally planned to start in 2006 and be completed at the beginning of 2008. However, due to various reasons explained below, the commencement of the construction phase had to be postponed until February 2008 with an expected completion in April 2010.

At the General Assembly session held in September 2005, Member States approved the revised new construction project, its financing through a bank loan, and the proposal to engage the services of a company ("project pilot") to be responsible for the external management of project implementation. At the same session, Member States approved the establishment of the WIPO Audit Committee, whose terms of reference include the supervision of the construction project.

The Audit Committee was established in February 2006. At its first meeting in April 2006, the Committee recommended to carry out a cost audit of the project, and requested the Secretariat to prepare a revised version of the Project Charter and the project timetable. Also, it recommended that the project pilot participate in the preparation of documentation required for the tender for the general contractor.

Within the above framework, the Construction Committee established by the Secretariat to internally monitor the project prepared, in June 2006, a revised Project Charter and project timetable.

An updated timetable for the project appears in document WO/PBC/11/13.

In September 2006, the Committee subsequently requested the External Auditor to carry out the cost audit of the project. The report of the External Auditor was received in December 2006 and submitted to the Audit Committee in January 2007.

In addition, following the preselection by the independent Selection Board in June 2006 of several companies and firms, a firm was selected in October 2006 for the project pilot, with which a contract was signed in November 2006. The pilot took up its duties immediately thereafter. In the meantime, a complementary request for authorization to build, corresponding to the revised project, was finalized and submitted to the cantonal authorities in October 2006.

The project pilot assisted in the preparation of the call for expressions of interest for the general contractor, which was launched in December 2006. It is expected that the general contractor will be selected and a contract signed by the end of 2007. The selection of a financing institution is to be finalized also before the end of 2007 following the preselection process initiated in 2007.

The project pilot also prepared a detailed cost audit of the project, the results of which were communicated to the Construction Committee in April 2007.

The 2008/09 biennium should, therefore, see the larger part of the project implementation take shape according to the timetable mentioned above.

Finally, it is also important to stress that after the revised construction project had been approved by the Member States in September 2005, the Organization received new system-wide UN directives on minimum operating security standards for the physical security of staff (UN-H-MOSS). In order to comply with those new standards, a number of technical adjustments will have to be made to the project. These are discussed in more detail in document WO/PBC/12/4(d).

OBJECTIVE

Progress of the new construction towards a completion date of April 2010, within the budgetary limits, and in accordance with the requisite quality levels and United Nations security standards (UN-H-MOSS)

| EXPECTED RESULTS | PERFORMANCE INDICATORS AND TARGETS |
|--|---|
| Construction work on time and within the budgetary limits | <ul style="list-style-type: none"> — Observance of key construction timelines — Observance of the budgetary envelope approved by the Member States |
| Construction work in accordance with required quality levels | <ul style="list-style-type: none"> — Acceptance by the Pilot and the Construction Committee of the choice by the general contractor of construction materials and methods in accordance with the required quality levels |
| Construction work in accordance with United Nations security standards (UN-H-MOSS) | <ul style="list-style-type: none"> — Acceptance by the Pilot and the Construction Committee of the choice of construction materials and methods for implementation used by the general contractor for implementation of the UN-H-MOSS security standards selected by WIPO. |

STRATEGIES

Following the selection of the financing institution by the Selection Board, the general contractor will start work in early 2008 under the management of the project pilot and progress in the course of the biennium, according to the timetable, with April 2010 as the targeted completion date. During this time, the pilot will keep WIPO (via the Construction Committee) regularly informed of the progress of the project. This will be done through monthly reports which will also be communicated to the Audit Committee.

The preparatory work on the worksite, the structural work, and the larger part of the work to equip the new building, basements and connections between the basement levels and those of the main headquarters building (Arpad Bogsch building) will be spread over 2008 and 2009.

Program 31 will cover the cost of the services of the project pilot, the cost of the bank loan that will accrue to WIPO in the 2008/09 biennium, and the cost of one full-time consultant (to be part of the Construction Committee and to act as Coordinator of the Internal Project Monitoring Team for the project). The budget of Program 31 for the 2008/09 biennium is based on the assumption of a loan of 113.6 million Swiss francs and payment of interest as of January 2008. These assumptions will be validated after the contract with the general contractor and the contract with the financing institution are finalized. This is expected to take place in November/December 2007.

Proposed Program and Budget for 2008/09

PROGRAM LINKS This Program will cooperate closely with Program 23 (Resource Management and Control) 26 (Financial Operations) 29 (Premises Management), 30 (for procurement services) and 32 (Security).

RESOURCES

| | 2006/07 Initial Budget (thousand Sfr) | 2006/07 Revised Budget (thousand Sfr) | 2008/09 Proposed Budget (thousand Sfr) | Difference Revised Budget 2006/07 vs. Proposed Budget 2008/09 | |
|----------------------|---|---|--|---|-------|
| | | | | Amount | % |
| <u>Budget</u> | | | | | |
| Personnel | 0 | 348 | 361 | 13 | 3.8 |
| Non-Personnel | 4,631 | 1,167 | 6,378 | 5,211 | 446.5 |
| Total | 4,631 | 1,515 | 6,739 | 5,224 | 344.8 |
| <u>Posts</u> | 0 | 0 | 0 | 0 | n/a |

• **Program 32: Security**

CHALLENGES

Security within the overall United Nations system has been significantly enhanced in recent years due to an increase in the level of actual and perceived global threat. In view of this changing environment a review of security measure in place at WIPO was carried out in December 2005 and a comprehensive Security Risk Assessment (SRA) was carried out by an independent consultant for WIPO Headquarters in April 2006 and for WIPO Coordination Offices between June and October 2006. The SRA of WIPO Headquarters revealed that the security system in existence necessitated significant changes.

Following the SRA, WIPO developed, with the assistance of an external consultant, a Security Change Project (“the Project”). The Project is described in document WO/PBC/12/4(d).

The WIPO Safety and Security Coordination Service was created to strengthen security operations at WIPO, introduce new security policies and procedures and to improve the standards of safety and security.

The implementation of the Security Change Project includes improvements to physical security which will have significant financial implications and requirements for capital investments. These investments cannot be absorbed by the regular budget and, subject to the approval of Member States, would require mobilization of the reserves. This is elaborated in document WO/PBC/12/4(d).

To respond to these new challenges, a new Program (32) is proposed to be created in the 2008/09 biennium. The Program will provide the core of the security services of WIPO, and act as focal point for the implementation, subject to the approval of the Member States, of the Security Change Project.

OBJECTIVE

Enhanced safety and security of all WIPO staff, visitors to WIPO buildings, delegates to WIPO meetings, and WIPO assets

| EXPECTED RESULTS | PERFORMANCE INDICATORS AND TARGETS |
|---|---|
| Reduction in overall security risk | <ul style="list-style-type: none"> — Implementation of the Security Change Project, s approved by the Member States — Risk Management system in place |
| Security plans and crisis management procedures in place | <ul style="list-style-type: none"> — Assignment of relevant roles — Instructions and procedures for staff documented and available |
| Reduction in risk of injury | Improved safety elements in WIPO premises |
| Satisfactory security at high-level WIPO hosted conferences and meetings, in Geneva and elsewhere | Risk assessments carried out for all WIPO-hosted high-level conferences and meetings |

STRATEGIES

Improved security throughout the Organization at all levels will be achieved by the development and implementation of security and safety policies and procedures as well as development of crisis management procedures and the introduction of

Proposed Program and Budget for 2008/09

effective communications in case of crisis. Important elements will be: continued liaison with the United Nations System and the host country, coordination and cooperation with in-house sectors requiring security advice and assistance, and the raising of security awareness in the International Bureau.

The Program will cover the cost of the staff of the WIPO Safety and Security Coordination Service (SSCS), and of WIPO's running costs for security services (these are currently outsourced to a private company).

PROGRAM LINKS This Program will cooperate closely with Programs 29 and 31 (for the security of WIPO buildings) and Program 27 (for information security).

RESOURCES

| | 2006/07 Initial Budget | 2006/07 Revised Budget | 2008/09 Proposed Budget | Difference Revised Budget 2006/07 vs. Proposed Budget 2008/09 | |
|---------------|---------------------------|---------------------------|----------------------------|---|-----|
| | (thousand Sfr) | (thousand Sfr) | (thousand Sfr) | Amount | % |
| Budget | | | | | |
| Personnel | n/a | n/a | 3,129 | n/a | n/a |
| Non-Personnel | n/a | n/a | 7,909 | n/a | n/a |
| Total | n/a | n/a | 11,037 | n/a | n/a |
| Posts | n/a | n/a | 8 | n/a | n/a |

*In 2006/07, the Security Services were funded under Program 29 (Premises Management)

TABLE I
2008/09 Proposed Budget, by Object of Expenditure
(in thousands of Swiss francs)

| | 2006/07 Initial Budget | 2006/07 Revised Budget | 2008/09 Proposed Budget | Difference | |
|-----------------------------------|------------------------------|------------------------------|-------------------------------|---------------|--------------|
| | | | | Amount | % |
| A. Personnel Resources | | | | | |
| Posts | 292,110 | 315,684 | 336,651 | 20,967 | 6.6 |
| Short-term Employees | 45,394 | 48,556 | 52,782 | 4,226 | 8.7 |
| Consultants | 12,600 | 10,587 | 10,321 | -266 | (2.5) |
| Special Service Agreements | 3,799 | 6,304 | 7,032 | 727 | 11.5 |
| Total, A | 353,903 | 381,131 | 406,785 | 25,654 | 6.7 |
| B. Non-personnel Resources | | | | | |
| <i>Travel and Fellowships</i> | | | | | |
| Staff Missions | 8,123 | 11,863 | 13,852 | 1,989 | 16.8 |
| Third-party Travel | 18,023 | 23,725 | 26,890 | 3,165 | 13.3 |
| Fellowships | 3,752 | 4,980 | 5,427 | 447 | 9.0 |
| <i>Contractual Services</i> | | | | | |
| Conferences | 5,321 | 5,934 | 6,565 | 631 | 10.6 |
| Experts' Honoraria | 2,654 | 2,035 | 3,517 | 1,482 | 72.8 |
| Publishing | 5,865 | 1,956 | 2,341 | 385 | 19.7 |
| Other | 36,806 | 51,082 | 67,335 | 16,253 | 31.8 |
| <i>Operating Expenses</i> | | | | | |
| Premises & Maintenance | 64,412 | 55,435 | 62,003 | 6,568 | 11.8 |
| Communication & Other | 7,523 | 10,839 | 9,508 | -1,331 | (12.3) |
| <i>Equipment and Supplies</i> | | | | | |
| Furniture & Equipment | 10,409 | 3,883 | 5,579 | 1,696 | 43.7 |
| Supplies & Materials | 8,952 | 7,577 | 7,936 | 359 | 4.7 |
| Total, B | 171,840 | 179,309 | 210,952 | 31,643 | 17.6 |
| C. Unallocated | 5,257 | 1,702 | 12,482 | 10,780 | 633.4 |
| TOTAL | 531,000 | 562,142 | 630,219 | 68,077 | 12.1 |

TABLE II
2008/09 Proposed Budget, by Program
(in thousands of Swiss francs)

| | 2006/07 | 2006/07 | 2008/09 | Difference | |
|---|-------------------|-------------------|--------------------|---------------|-------------|
| | Initial Budget | Revised Budget | Proposed Budget | Amount | % |
| 1 Public Outreach and Communication | 13,280 | 13,428 | 12,611 | (817) | (6.1) |
| 2 External Coordination | 10,743 | 10,935 | 11,215 | 281 | 2.6 |
| 3 Strategic Use of IP for Development | 12,347 | 17,759 | 20,581 | 2,823 | 15.9 |
| 4 Use of Copyright in the Digital Environment | 2,608 | 1,995 | 2,150 | 154 | 7.7 |
| 5 Life Sciences | 1,608 | 743 | 680 | (64) | (8.6) |
| 6 Africa, Arab, Asia and the Pacific, Latin America and the Caribbean Countries, Least Developed Countries | 37,649 | 38,250 | 40,665 | 2,415 | 6.3 |
| 7 Certain Countries in Europe and Asia | 4,530 | 5,015 | 5,444 | 429 | 8.6 |
| 8 Business Modernization of IP Institutions | 4,843 | 4,495 | 4,795 | 300 | 6.7 |
| 9 Collective Management of Copyright and Related Rights | 2,114 | 1,656 | 1,736 | 79 | 4.8 |
| 10 IPR Enforcement | 2,966 | 3,113 | 3,321 | 208 | 6.7 |
| 11 The WIPO Worldwide Academy | 14,327 | 14,382 | 15,426 | 1,044 | 7.3 |
| 12 Law of Patents | 2,996 | 3,001 | 3,079 | 79 | 2.6 |
| 13 Law of Trademarks, Industrial Designs and Geographical Indications | 4,954 | 3,806 | 3,882 | 75 | 2.0 |
| 14 Law of Copyright and Related Rights | 5,683 | 5,919 | 6,002 | 83 | 1.4 |
| 15 Traditional Knowledge, Traditional Cultural Expressions and Genetic Resources | 4,649 | 5,889 | 6,052 | 163 | 2.8 |
| 16 The PCT System | 144,445 | 161,312 | 182,498 | 21,186 | 13.1 |
| 17 Associated Patent Services | 2,301 | 2,577 | 3,533 | 956 | 37.1 |
| 18 Madrid, The Hague and Lisbon Registration Systems | 41,949 | 47,569 | 57,466 | 9,897 | 20.8 |
| 19 Patent Classification and WIPO IP Standards | 5,459 | 6,924 | 7,257 | 333 | 4.8 |
| 20 International Classifications in the Field of Trademarks and Industrial Designs | 1,270 | 1,123 | 1,201 | 78 | 7.0 |
| 21 Arbitration and Mediation Services and Domain Names Policies and Procedures | 6,519 | 7,013 | 8,036 | 1,023 | 14.6 |
| 22 Direction and Executive Management | 13,977 | 12,855 | 14,081 | 1,226 | 9.5 |
| 23 Resource Management and Control | 4,513 | 6,444 | 5,124 | (1,320) | (20.5) |
| 24 Internal Oversight | 1,781 | 2,060 | 3,422 | 1,362 | 66.1 |
| 25 Human Resources Management | 15,725 | 17,085 | 19,267 | 2,183 | 12.8 |
| 26 Financial Operations | 11,265 | 12,027 | 12,138 | 110 | 0.9 |
| 27 Information Technology | 38,978 | 43,710 | 45,945 | 2,235 | 5.1 |
| 28 Conference, Language, Printing and Archives | 40,800 | 41,815 | 43,834 | 2,019 | 4.8 |
| 29 Premises Management | 58,751 | 56,268 | 47,461 | (8,807) | (15.7) |
| 30 Travel and Procurement | 8,082 | 9,758 | 11,061 | 1,303 | 13.3 |
| 31 The New Construction | 4,631 | 1,515 | 6,739 | 5,224 | 344.8 |
| 32 Security | -- | -- | 11,037 | 11,037 | n/a |
| Total | 525,743 | 560,440 | 617,737 | 57,297 | 10.2 |
| Unallocated | 5,257 | 1,702 | 12,482 | 10,780 | 633.4 |
| TOTAL | 531,000 | 562,142 | 630,219 | 68,077 | 12.1 |

TABLE III
2008/09 Proposed Posts, by Program

| | 2006/07: As at End February 2007 | | | | | 2008/09: As at End February 2007 | | | | | Difference | | | | |
|--|----------------------------------|-----------|------------|------------|------------|----------------------------------|-----------|------------|------------|--------------|----------------|----------|----------|-----------|-----------|
| | DG/DDG/ ADG* | D | P | G | Total | DG/DDG/ ADG | D | P | G | Total | DG/DDG/ ADG | D | P | G | Total |
| 1 Public Outreach and Communication | - | 1 | 13 | 11 | 25 | - | 1 | 13 | 11 | 25 | - | - | - | - | - |
| 2 External Coordination | 1 | 4 | 7 | 3 | 15 | 1 | 4 | 7 | 3 | 15 | - | - | - | - | - |
| 3 Strategic Use of IP for Development | - | 3 | 19 | 10 | 32 | - | 3 | 19 | 10 | 32 | - | - | - | - | - |
| 4 Use of Copyright in the Digital Environment | - | 1 | 2 | - | 3 | - | 1 | 2 | - | 3 | - | - | - | - | - |
| 5 Life Sciences | - | - | 1 | - | 1 | - | - | 1 | - | 1 | - | - | - | - | - |
| 6 Africa, Arab, Asia and the Pacific, Latin America and the Caribbean Countries, Least Developed Countries | 1 | 5 | 26 | 14 | 46 | 1 | 5 | 26 | 14 | 46 | - | - | - | - | - |
| 7 Certain Countries in Europe and Asia | - | 1 | 5 | 2 | 8 | - | 1 | 5 | 2 | 8 | - | - | - | - | - |
| 8 Business Modernization of IP Institutions | - | 1 | 4 | 2 | 7 | - | 1 | 4 | 2 | 7 | - | - | - | - | - |
| 9 Collective Management of Copyright and Related Rights | - | - | 2 | 1 | 3 | - | - | 2 | 1 | 3 | - | - | - | - | - |
| 10 IPR Enforcement | - | 1 | 3 | 1 | 5 | - | 1 | 3 | 1 | 5 | - | - | - | - | - |
| 11 The WIPO Worldwide Academy | - | 1 | 7 | 5 | 13 | - | 1 | 7 | 5 | 13 | - | - | - | - | - |
| 12 Law of Patents | - | - | 3 | 2 | 5 | - | - | 3 | 2 | 5 | - | - | - | - | - |
| 13 Law of Trademarks, Industrial Designs and Geographical Indications | - | - | 3 | 1 | 4 | - | - | 3 | 1 | 4 | - | - | - | - | - |
| 14 Law of Copyright and Related Rights | 1 | 1 | 4 | 2 | 8 | 1 | 1 | 4 | 2 | 8 | - | - | - | - | - |
| 15 Traditional Knowledge, Traditional Cultural Expressions | - | - | 5 | 2 | 7 | - | - | 5 | 2 | 7 | - | - | - | - | - |
| 16 The PCT System | 1 | 2 | 127 | 218 | 348 | 1 | 2 | 127 | 218 | 348 | - | - | - | - | - |
| 17 Associated Patent Services | - | 1 | 3 | 1 | 5 | - | 1 | 3 | 1 | 5 | - | - | - | - | - |
| 18 Madrid, The Hague and Lisbon Registration Systems | 1 | 2 | 41 | 69 | 113 | 1 | 2 | 41 | 69 | 113 | - | - | - | - | - |
| 19 Patent Classification and WIPO IP Standards | - | - | 9 | 7 | 16 | - | - | 9 | 7 | 16 | - | - | - | - | - |
| 20 International Classifications in the Field of Trademarks and Industrial Designs | - | - | 2 | 1 | 3 | - | - | 2 | 1 | 3 | - | - | - | - | - |
| 21 Arbitration and Mediation Services and Domain Names Policies and Procedures | - | - | 8 | 5 | 13 | - | - | 8 | 5 | 13 | - | - | - | - | - |
| 22 Direction and Executive Management | 1 | 3 | 17 | 6 | 27 | 1 | 3 | 17 | 6 | 27 | - | - | - | - | - |
| 23 Resource Management and Control | - | 1 | 7 | 2 | 10 | - | 1 | 7 | 2 | 10 | - | - | - | - | - |
| 24 Internal Oversight | - | 1 | 4 | 2 | 7 | - | 1 | 4 | 2 | 7 | - | - | - | - | - |
| 25 Human Resources Management | - | 1 | 18 | 20 | 39 | - | 1 | 18 | 20 | 39 | - | - | - | - | - |
| 26 Financial Operations | - | 1 | 9 | 23 | 33 | - | 1 | 9 | 23 | 33 | - | - | - | - | - |
| 27 Information Technology | - | 1 | 35 | 15 | 51 | - | 1 | 35 | 15 | 51 | - | - | - | - | - |
| 28 Conference, Language, Printing and Archives | 1** | 1 | 29 | 47 | 78 | 1** | 1 | 29 | 47 | 78 | - | - | - | - | - |
| 29 Premises Management | 1 | 1 | 11 | 17 | 30 | 1 | 1 | 7 | 13 | 22 | - | - | (4) | (4) | (8) |
| 30 Travel and Procurement | - | 1 | 9 | 11 | 21 | - | 1 | 9 | 11 | 21 | - | - | - | - | - |
| 31 The New Construction | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 32 Security*** | - | - | - | - | - | - | - | 4 | 4 | 8 | - | - | 4 | 4 | 8 |
| Unallocated | - | 8 | 5 | - | 13 | - | 8 | 5 | 30 | 43 | - | - | - | 30 | 30 |
| TOTAL | 8 | 43 | 438 | 500 | 989 | 8 | 43 | 438 | 530 | 1,019 | - | - | - | 30 | 30 |

* DDG and ADG may have more than one program under their supervision. However, for budgeting purposes, the post each of them occupies is shown under one program only.

** A D2 post has been re-classified at ADG level for the period from December 1, 2006 to November 30, 2009, as per the decision of the Coordination Committee (WO/CC/54/3 Corr., paragraph 77(i))

*** Proposed new program for 2008/09, previously part of Program 29.

TABLE IV
Fund-in-Trust Resources Potentially
Available for Programming in 2008/09
(in thousands of Swiss francs)

| Fund-in-Trust (FIT) | Estimated Balance End 2007 | Estimated Contributions 2008/09 ² | Estimated Available for Programming in 2008/09 ² |
|--|----------------------------------|--|--|
| Finland ³ | - | - | - |
| France | | | |
| France/Copyright | 10 | 80 | 90 |
| France/IP | 150 | 600 | 750 |
| Sub-Total, France | 160 | 680 | 840 |
| Germany/JPO | 120 | 200 | 320 |
| Italy ⁴ | - | - | - |
| Japan | | | |
| Japan/Copyright | 440 | 1,180 | 1,620 |
| Japan/IP | 1,425 | 3,800 | 5,225 |
| Sub-Total, Japan | 1,865 | 4,980 | 6,845 |
| Republic of Korea | | | |
| Republic of Korea (IP) ⁵ | 585 | - | 585 |
| Republic of Korea (Copyright) ⁶ | 390 | - | 390 |
| Republic of Korea/JPO | 170 | 240 | 410 |
| Sub-Total, Korea | 1,145 | 240 | 1,385 |
| Spain | 112 | 1,010 | 1,122 |
| US | - | 600 | 600 |
| EU/Sri Lanka | 60 | - | 60 |
| EU/Bangladesh | 390 | 1,432 | 1,822 |
| TOTAL | 3,852 | 9,142 | 12,994 |

¹ The figures do not include interest and exchange rate adjustments. It should also be noted that these funds generally provide for activities spanning a period of time exceeding or overlapping a single biennium, as income is received and expenditure incur

² This column is purely indicative and is based on previous funding patterns. It does not represent Member States' commitments except in those cases where the FIT arrangement also covers the 2008/09 period.

³ In the 2006/07 biennium, Finland provided 40,000 Swiss francs in a fund-in-trust agreement. A further contribution corresponding to this amount is under consideration at the date of this document.

⁴ A Memorandum of Understanding between WIPO and the Italian Government is under negotiation at the date of writing of this document for the establishment of a fund-in-trust as of 2007.

⁵ Annual contributions vary and fluctuations have been observed from one year to another. No indication is available for the level of contributions for 2008/09.

⁶ The initial Agreement only covers the 2006/07 biennium. There is no indication at this stage of a possible renewal.

Table V. 2008/09 Estimated Expenditure for the PCT Sector,
Including PCT Share of Common Support Services

| Programs | Estimated Expenditure |
|---|-----------------------|
| A. Programs Exclusively Relating to PCT (100% share) | |
| 16 The PCT System | 182,498 |
| 17 Associated Patent Services | 3,533 |
| <i>Sub-total, A</i> | <i>186,031</i> |
| B. Programs Relating to PCT (50% share) | |
| 12 Law of Patents | 1,540 |
| 19 Patent Classification and WIPO IP Standards | 3,629 |
| <i>Sub-total, B</i> | <i>5,168</i> |
| C. Programs Providing Common Support Services (54.6 per cent share) | |
| 22 Direction and Executive Management | 7,685 |
| 23 Resource Management and Control | 2,797 |
| 24 Internal Oversight | 1,868 |
| 25 Human Resources Management | 10,516 |
| 26 Financial Operations | 6,625 |
| 27 Information Technology | 25,077 |
| 28 Conference, Language, Printing and Archives | 23,925 |
| 29 Premises Management | 25,904 |
| 30 Travel and Procurement | 6,037 |
| 31 The New Construction | 3,678 |
| 32 Security | 6,024 |
| <i>Sub-total, C</i> | <i>120,137</i> |
| D. Total PCT Expenditure (A+B+C) | 311,336 |
| E. Total Budget | 630,219 |
| F. PCT Share in Percentage of Total Budget (D/E) | 49.4% |

The present table is an updated version of the table presented in the Proposed Program and Budget for 2006/07 as Table VII. This table is based on the following methodology. First, it establishes the ratio of the total headcount of programs concerning PCT (as of the end of February 2007) (489) with the overall headcount of the Organization, minus the headcount of the programs providing common support services (Programs 22, 23, 24, 25, 26, 27, 28, 29, 30, 31 and 32) (895). The resulting ratio is $489/895 = 54.6\%$. Second, it applies this ratio to the budgeted expenditure of these common support programs. Third, it attributes 50% of the budgeted expenditure of Programs 12 and 19 to the PCT. Fourth, it sums these amounts to the budgeted expenditure of Programs 16 (The PCT System) and 17 (Associated Patent Services).

As this table shows, based on this methodology, budgeted expenditure for PCT in the 2008/09 biennium totals 311.3 thousand Swiss francs or 49.4% of total budgeted expenditure for the biennium.

The present table should be read in conjunction with Annex I (Annex I/4). The key principles applied to the present table and Annex I/4 are largely the same, with the exception of the following adjustments.

- In Annex I/4, the budgeted expenditure for Program 19 is fully attributed to the PCT.
- In Annex I/4, 93% of the budgeted expenditure for Program 12, is attributed to the PCT. (This is due to the allocation methodology used, which takes the respective Union's share of the total income of the Unions concerned as a basis of the allocation of the costs of shared programs (paragraph 1.1 of Annex I)).
- In Annex I/4, the allocation of budgeted expenditure for programs providing common support services is determined with a different methodology, as follows. In a first step, the total share of direct administrative costs for all Unions is determined on the basis of the total headcount of the direct union-related programs relative to the total headcount of

Proposed Program and Budget for 2008/09

all programs other than Programs 22, 23, 24, 26, 27, 28, 29, 30, 31 and 32. In a second step, this Union Direct administrative expense is allocated to the respective Unions on the basis of the relative share of each Union's headcount to the total headcount of direct Union-related programs (paragraph 1.2 of Annex I).

Based on the latter methodology, the overall budgeted expenditure for PCT in the 2008/09 biennium totals 325.7 million Swiss francs, or 51.7% of total budgeted expenditure for the biennium.

Program 1 Public Outreach and Communication

(in thousands of Swiss francs)

| | 2006/07 | 2006/07 | 2008/9 | Difference | |
|-----------------------------------|-------------------|-------------------|--------------------|--------------|---------------|
| | Initial Budget | Revised Budget | Proposed Budget | Amount | % |
| A. Personnel Resources | | | | | |
| Posts | 7,957 | 8,935 | 8,405 | (530) | (5.9) |
| Short-term Employees | 1,530 | 1,788 | 2,128 | 340 | 19.0 |
| Consultants | 960 | 820 | 585 | (236) | (28.7) |
| Special Service Agreements | 393 | 89 | 92 | 3 | 3.0 |
| Total, A | 10,840 | 11,633 | 11,209 | (424) | (3.6) |
| B. Non-personnel Resources | | | | | |
| <i>Travel and Fellowships</i> | | | | | |
| Staff Missions | 288 | 291 | 200 | (91) | (31.3) |
| Third-party Travel | 52 | 20 | 21 | 1 | 5.0 |
| Fellowships | -- | -- | -- | -- | -- |
| <i>Contractual Services</i> | | | | | |
| Conferences | -- | 85 | 88 | 3 | 3.5 |
| Experts' Honoraria | 8 | -- | -- | -- | -- |
| Publishing | 817 | 447 | 454 | 7 | 1.6 |
| Other | 784 | 209 | 199 | (10) | (4.8) |
| <i>Operating Expenses</i> | | | | | |
| Premises & Maintenance | -- | 11 | 6 | (5) | (45.5) |
| Communication & Other | 76 | 96 | 98 | 2 | 2.1 |
| <i>Equipment and Supplies</i> | | | | | |
| Furniture & Equipment | 58 | 44 | 45 | 1 | 2.3 |
| Supplies & Materials | 357 | 592 | 291 | (301) | (50.8) |
| Total, B | 2,440 | 1,795 | 1,402 | (393) | (21.9) |
| TOTAL | 13,280 | 13,428 | 12,611 | (817) | (6.1) |

Program 2 External Coordination

(in thousands of Swiss francs)

| | 2006/07 | 2006/07 | 2008/9 | Difference | |
|-----------------------------------|-------------------|-------------------|--------------------|------------|------------|
| | Initial Budget | Revised Budget | Proposed Budget | Amount | % |
| A. Personnel Resources | | | | | |
| Posts | 6,296 | 7,247 | 7,246 | (1) | (0.0) |
| Short-term Employees | 522 | 474 | 580 | 107 | 22.5 |
| Consultants | 600 | 382 | 402 | 20 | 5.3 |
| Special Service Agreements | -- | 13 | 13 | | 3.0 |
| Total, A | 7,418 | 8,115 | 8,241 | 127 | 1.6 |
| B. Non-personnel Resources | | | | | |
| <i>Travel and Fellowships</i> | | | | | |
| Staff Missions | 692 | 592 | 609 | 17 | 2.9 |
| Third-party Travel | 108 | 79 | 81 | 2 | 2.5 |
| Fellowships | -- | -- | -- | -- | -- |
| <i>Contractual Services</i> | | | | | |
| Conferences | 180 | 25 | 26 | 1 | 4.0 |
| Experts' Honoraria | 25 | 16 | 17 | 1 | 6.3 |
| Publishing | 20 | -- | -- | -- | -- |
| Other | 440 | 2 | 165 | 163 | 8,150.0 |
| <i>Operating Expenses</i> | | | | | |
| Premises & Maintenance | 1,038 | 1,308 | 1,286 | (22) | (1.7) |
| Communication & Other | 661 | 760 | 750 | (10) | (1.3) |
| <i>Equipment and Supplies</i> | | | | | |
| Furniture & Equipment | 35 | 20 | 20 | -- | -- |
| Supplies & Materials | 126 | 18 | 20 | 2 | 11.1 |
| Total, B | 3,325 | 2,820 | 2,974 | 154 | 5.5 |
| TOTAL | 10,743 | 10,935 | 11,215 | 281 | 2.6 |

Program 3 Strategic Use of IP for Development

(in thousands of Swiss francs)

| | 2006/07 | 2006/07 | 2008/9 | Difference | |
|-----------------------------------|-------------------|-------------------|--------------------|--------------|-------------|
| | Initial Budget | Revised Budget | Proposed Budget | Amount | % |
| A. Personnel Resources | | | | | |
| Posts | 7,615 | 10,249 | 12,481 | 2,232 | 21.8 |
| Short-term Employees | 870 | 1,064 | 1,368 | 303 | 28.5 |
| Consultants | 720 | 831 | 727 | (104) | (12.5) |
| Special Service Agreements | -- | -- | -- | -- | -- |
| Total, A | 9,205 | 12,145 | 14,575 | 2,431 | 20.0 |
| B. Non-personnel Resources | | | | | |
| <i>Travel and Fellowships</i> | | | | | |
| Staff Missions | 749 | 1,123 | 1,502 | 379 | 33.7 |
| Third-party Travel | 487 | 2,780 | 2,024 | (756) | (27.2) |
| Fellowships | -- | 70 | 299 | 229 | 327.1 |
| <i>Contractual Services</i> | | | | | |
| Conferences | 224 | 511 | 601 | 90 | 17.6 |
| Experts' Honoraria | 133 | 150 | 475 | 325 | 216.7 |
| Publishing | 226 | 140 | 315 | 175 | 125.0 |
| Other | 540 | 722 | 365 | (357) | (49.4) |
| <i>Operating Expenses</i> | | | | | |
| Premises & Maintenance | 24 | -- | -- | -- | -- |
| Communication & Other | 64 | 77 | 129 | 52 | 67.5 |
| <i>Equipment and Supplies</i> | | | | | |
| Furniture & Equipment | 545 | 16 | 36 | 20 | 125.0 |
| Supplies & Materials | 150 | 25 | 260 | 235 | 940.0 |
| Total, B | 3,142 | 5,614 | 6,006 | 392 | 7.0 |
| TOTAL | 12,347 | 17,759 | 20,581 | 2,823 | 15.9 |

Program 4 Use of Copyright in the Digital Environment

(in thousands of Swiss francs)

| | 2006/07 | 2006/07 | 2008/9 | Difference | |
|-----------------------------------|-------------------|-------------------|--------------------|------------|------------|
| | Initial Budget | Revised Budget | Proposed Budget | Amount | % |
| A. Personnel Resources | | | | | |
| Posts | 2,010 | 1,407 | 1,478 | 71 | 5.0 |
| Short-term Employees | 348 | 124 | 172 | 48 | 38.4 |
| Consultants | -- | -- | -- | -- | -- |
| Special Service Agreements | -- | -- | -- | -- | -- |
| Total, A | 2,358 | 1,531 | 1,650 | 118 | 7.7 |
| B. Non-personnel Resources | | | | | |
| <i>Travel and Fellowships</i> | | | | | |
| Staff Missions | 50 | 206 | 222 | 16 | 7.8 |
| Third-party Travel | 50 | 100 | 100 | -- | -- |
| Fellowships | -- | 30 | 35 | 5 | 16.7 |
| <i>Contractual Services</i> | | | | | |
| Conferences | 150 | 35 | 50 | 15 | 42.9 |
| Experts' Honoraria | -- | 8 | 14 | 6 | 75.0 |
| Publishing | -- | 20 | 33 | 13 | 65.0 |
| Other | -- | 48 | -- | (48) | (100.0) |
| <i>Operating Expenses</i> | | | | | |
| Premises & Maintenance | -- | -- | 10 | 10 | -- |
| Communication & Other | -- | 10 | 18 | 8 | 80.0 |
| <i>Equipment and Supplies</i> | | | | | |
| Furniture & Equipment | -- | -- | 10 | 10 | -- |
| Supplies & Materials | -- | 7 | 8 | 1 | 14.3 |
| Total, B | 250 | 464 | 500 | 36 | 7.8 |
| TOTAL | 2,608 | 1,995 | 2,150 | 154 | 7.7 |

Program 5
Life Sciences
(in thousands of Swiss francs)

| | 2006/07 | 2006/07 | 2008/9 | Difference | |
|-----------------------------------|-------------------|-------------------|--------------------|--------------|---------------|
| | Initial Budget | Revised Budget | Proposed Budget | Amount | % |
| A. Personnel Resources | | | | | |
| Posts | 947 | 378 | 420 | 41 | 10.9 |
| Short-term Employees | 174 | -- | -- | -- | -- |
| Consultants | -- | -- | -- | -- | -- |
| Special Service Agreements | -- | -- | -- | -- | -- |
| Total, A | 1,121 | 378 | 420 | 41 | 10.9 |
| B. Non-personnel Resources | | | | | |
| <i>Travel and Fellowships</i> | | | | | |
| Staff Missions | 146 | 81 | 92 | 11 | 13.6 |
| Third-party Travel | -- | 33 | 50 | 17 | 51.5 |
| Fellowships | 40 | -- | -- | -- | -- |
| <i>Contractual Services</i> | | | | | |
| Conferences | 15 | 15 | -- | (15) | (100.0) |
| Experts' Honoraria | -- | 5 | 80 | 75 | 1,500.0 |
| Publishing | 44 | 24 | 30 | 6 | 25.0 |
| Other | 143 | 202 | -- | (202) | (100.0) |
| <i>Operating Expenses</i> | | | | | |
| Premises & Maintenance | -- | -- | -- | -- | -- |
| Communication & Other | 43 | 3 | 4 | 1 | 33.3 |
| <i>Equipment and Supplies</i> | | | | | |
| Furniture & Equipment | 6 | -- | -- | -- | -- |
| Supplies & Materials | 50 | 2 | 4 | 2 | 100.0 |
| Total, B | 487 | 365 | 260 | (105) | (28.8) |
| TOTAL | 1,608 | 743 | 680 | (64) | (8.6) |

Program 6
Africa, Arab, Asia and the Pacific, Latin America
and the Caribbean Countries, Least Developed Countries

(in thousands of Swiss francs)

| | 2006/07 | 2006/07 | 2008/9 | Difference | |
|-----------------------------------|-------------------|-------------------|--------------------|--------------|-------------|
| | Initial Budget | Revised Budget | Proposed Budget | Amount | % |
| A. Personnel Resources | | | | | |
| Posts | 18,274 | 19,563 | 19,126 | (438) | (2.2) |
| Short-term Employees | 2,595 | 1,597 | 1,676 | 78 | 4.9 |
| Consultants | 2,040 | 1,756 | 2,137 | 381 | 21.7 |
| Special Service Agreements | -- | -- | -- | -- | -- |
| Total, A | 22,909 | 22,916 | 22,938 | 22 | 0.1 |
| B. Non-personnel Resources | | | | | |
| <i>Travel and Fellowships</i> | | | | | |
| Staff Missions | 1,405 | 2,971 | 3,435 | 464 | 15.6 |
| Third-party Travel | 8,542 | 8,572 | 9,910 | 1,338 | 15.6 |
| Fellowships | 617 | 57 | 66 | 9 | 15.8 |
| <i>Contractual Services</i> | | | | | |
| Conferences | 618 | 912 | 1,054 | 142 | 15.6 |
| Experts' Honoraria | 1,324 | 520 | 601 | 81 | 15.6 |
| Publishing | 190 | 500 | 578 | 78 | 15.6 |
| Other | 1,052 | 1,042 | 1,205 | 163 | 15.6 |
| <i>Operating Expenses</i> | | | | | |
| Premises & Maintenance | 109 | 85 | 98 | 13 | 15.3 |
| Communication & Other | 100 | 315 | 364 | 49 | 15.6 |
| <i>Equipment and Supplies</i> | | | | | |
| Furniture & Equipment | 507 | 187 | 216 | 29 | 15.5 |
| Supplies & Materials | 276 | 173 | 200 | 27 | 15.6 |
| Total, B | 14,740 | 15,334 | 17,727 | 2,393 | 15.6 |
| TOTAL | 37,649 | 38,250 | 40,665 | 2,415 | 6.3 |

Program 7 Certain Countries in Europe and Asia

(in thousands of Swiss francs)

| | 2006/07 | 2006/07 | 2008/9 | Difference | |
|-----------------------------------|-------------------|-------------------|--------------------|------------|-------------|
| | Initial Budget | Revised Budget | Proposed Budget | Amount | % |
| A. Personnel Resources | | | | | |
| Posts | 3,081 | 3,385 | 3,373 | (13) | (0.4) |
| Short-term Employees | 185 | 165 | 188 | 22 | 13.3 |
| Consultants | -- | -- | -- | -- | -- |
| Special Service Agreements | -- | -- | -- | -- | -- |
| Total, A | 3,266 | 3,551 | 3,560 | 9 | 0.3 |
| B. Non-personnel Resources | | | | | |
| <i>Travel and Fellowships</i> | | | | | |
| Staff Missions | 200 | 356 | 210 | (146) | (41.0) |
| Third-party Travel | 580 | 828 | 950 | 122 | 14.7 |
| Fellowships | -- | -- | 100 | 100 | -- |
| <i>Contractual Services</i> | | | | | |
| Conferences | 90 | 76 | 170 | 94 | 123.7 |
| Experts' Honoraria | 55 | 67 | 75 | 8 | 11.9 |
| Publishing | 85 | 10 | 23 | 13 | 130.0 |
| Other | 100 | 91 | 300 | 209 | 229.7 |
| <i>Operating Expenses</i> | | | | | |
| Premises & Maintenance | 10 | -- | 15 | 15 | -- |
| Communication & Other | 50 | 13 | 23 | 10 | 76.9 |
| <i>Equipment and Supplies</i> | | | | | |
| Furniture & Equipment | 50 | 18 | 18 | -- | -- |
| Supplies & Materials | 44 | 5 | -- | (5) | (100.0) |
| Total, B | 1,264 | 1,464 | 1,884 | 420 | 28.7 |
| TOTAL | 4,530 | 5,015 | 5,444 | 429 | 8.6 |

Program 8 Business Modernization of IP Institutions

(in thousands of Swiss francs)

| | 2006/07 | 2006/07 | 2008/9 | Difference | |
|-----------------------------------|-------------------|-------------------|--------------------|------------|------------|
| | Initial Budget | Revised Budget | Proposed Budget | Amount | % |
| A. Personnel Resources | | | | | |
| Posts | 2,232 | 2,538 | 2,664 | 126 | 5.0 |
| Short-term Employees | 371 | 157 | 172 | 14 | 9.1 |
| Consultants | 240 | -- | -- | -- | -- |
| Special Service Agreements | -- | -- | -- | -- | -- |
| Total, A | 2,843 | 2,695 | 2,836 | 141 | 5.2 |
| B. Non-personnel Resources | | | | | |
| <i>Travel and Fellowships</i> | | | | | |
| Staff Missions | 450 | 312 | 340 | 28 | 9.0 |
| Third-party Travel | 80 | 83 | 90 | 7 | 8.4 |
| Fellowships | -- | 11 | 12 | 1 | 9.1 |
| <i>Contractual Services</i> | | | | | |
| Conferences | 152 | 1 | 1 | -- | -- |
| Experts' Honoraria | -- | 238 | 259 | 21 | 8.8 |
| Publishing | -- | -- | -- | -- | -- |
| Other | 780 | 958 | 1,043 | 85 | 8.9 |
| <i>Operating Expenses</i> | | | | | |
| Premises & Maintenance | -- | 14 | 15 | 1 | 7.1 |
| Communication & Other | 80 | 16 | 17 | 1 | 6.3 |
| <i>Equipment and Supplies</i> | | | | | |
| Furniture & Equipment | 458 | 120 | 131 | 11 | 9.2 |
| Supplies & Materials | -- | 47 | 51 | 4 | 8.5 |
| Total, B | 2,000 | 1,800 | 1,959 | 159 | 8.8 |
| TOTAL | 4,843 | 4,495 | 4,795 | 300 | 6.7 |

Program 9
Collective Management of Copyright and
Related Rights

(in thousands of Swiss francs)

| | 2006/07 | 2006/07 | 2008/9 | Difference | |
|-----------------------------------|-------------------|-------------------|--------------------|------------|------------|
| | Initial Budget | Revised Budget | Proposed Budget | Amount | % |
| A. Personnel Resources | | | | | |
| Posts | 1,659 | 1,168 | 1,234 | 65 | 5.6 |
| Short-term Employees | -- | -- | -- | -- | -- |
| Consultants | -- | -- | -- | -- | -- |
| Special Service Agreements | -- | -- | -- | -- | -- |
| Total, A | 1,659 | 1,168 | 1,234 | 65 | 5.6 |
| B. Non-personnel Resources | | | | | |
| <i>Travel and Fellowships</i> | | | | | |
| Staff Missions | 90 | 200 | 206 | 6 | 3.0 |
| Third-party Travel | -- | 200 | 206 | 6 | 3.0 |
| Fellowships | 30 | -- | -- | -- | -- |
| <i>Contractual Services</i> | | | | | |
| Conferences | -- | 10 | 10 | -- | -- |
| Experts' Honoraria | 30 | 5 | 5 | -- | -- |
| Publishing | -- | -- | -- | -- | -- |
| Other | 210 | 58 | 60 | 2 | 3.4 |
| <i>Operating Expenses</i> | | | | | |
| Premises & Maintenance | -- | -- | -- | -- | -- |
| Communication & Other | 20 | 10 | 10 | -- | -- |
| <i>Equipment and Supplies</i> | | | | | |
| Furniture & Equipment | -- | -- | -- | -- | -- |
| Supplies & Materials | 75 | 5 | 5 | -- | -- |
| Total, B | 455 | 488 | 502 | 14 | 2.9 |
| TOTAL | 2,114 | 1,656 | 1,736 | 79 | 4.8 |

Program 10 IPR Enforcement

(in thousands of Swiss francs)

| | 2006/07 | 2006/07 | 2008/9 | Difference | |
|-----------------------------------|-------------------|-------------------|--------------------|--------------|---------------|
| | Initial Budget | Revised Budget | Proposed Budget | Amount | % |
| A. Personnel Resources | | | | | |
| Posts | 1,936 | 1,808 | 2,150 | 342 | 18.9 |
| Short-term Employees | 174 | 3 | -- | (3) | (100.0) |
| Consultants | -- | 282 | 293 | 11 | 4.0 |
| Special Service Agreements | -- | -- | -- | -- | -- |
| Total, A | 2,110 | 2,093 | 2,443 | 350 | 16.7 |
| B. Non-personnel Resources | | | | | |
| <i>Travel and Fellowships</i> | | | | | |
| Staff Missions | 123 | 114 | 147 | 33 | 28.9 |
| Third-party Travel | 448 | 294 | 495 | 201 | 68.4 |
| Fellowships | -- | -- | -- | -- | -- |
| <i>Contractual Services</i> | | | | | |
| Conferences | 64 | 105 | 110 | 5 | 4.8 |
| Experts' Honoraria | -- | 21 | 98 | 77 | 366.7 |
| Publishing | 196 | -- | -- | -- | -- |
| Other | -- | 460 | -- | (460) | (100.0) |
| <i>Operating Expenses</i> | | | | | |
| Premises & Maintenance | -- | -- | -- | -- | -- |
| Communication & Other | 15 | 21 | 23 | 2 | 9.5 |
| <i>Equipment and Supplies</i> | | | | | |
| Furniture & Equipment | -- | -- | -- | -- | -- |
| Supplies & Materials | 10 | 5 | 5 | -- | -- |
| Total, B | 856 | 1,020 | 878 | (142) | (13.9) |
| TOTAL | 2,966 | 3,113 | 3,321 | 208 | 6.7 |

Program 11 The WIPO Worldwide Academy

(in thousands of Swiss francs)

| | 2006/07 | 2006/07 | 2008/9 | Difference | |
|-----------------------------------|-------------------|-------------------|--------------------|--------------|--------------|
| | Initial Budget | Revised Budget | Proposed Budget | Amount | % |
| A. Personnel Resources | | | | | |
| Posts | 6,011 | 4,960 | 4,728 | (232) | (4.7) |
| Short-term Employees | 348 | 492 | 598 | 106 | 21.5 |
| Consultants | 1,200 | 553 | 672 | 120 | 21.7 |
| Special Service Agreements | -- | -- | -- | -- | -- |
| Total, A | 7,559 | 6,004 | 5,998 | (6) | (0.1) |
| B. Non-personnel Resources | | | | | |
| <i>Travel and Fellowships</i> | | | | | |
| Staff Missions | 319 | 570 | 657 | 87 | 15.3 |
| Third-party Travel | 452 | 2,540 | 3,460 | 920 | 36.2 |
| Fellowships | 2,735 | 3,597 | 3,171 | (426) | (11.8) |
| <i>Contractual Services</i> | | | | | |
| Conferences | 201 | 370 | 379 | 9 | 2.4 |
| Experts' Honoraria | -- | 635 | 669 | 34 | 5.4 |
| Publishing | 749 | 40 | 47 | 7 | 17.5 |
| Other | 1,760 | 499 | 560 | 61 | 12.2 |
| <i>Operating Expenses</i> | | | | | |
| Premises & Maintenance | 300 | -- | 5 | 5 | -- |
| Communication & Other | 88 | 60 | 68 | 8 | 13.3 |
| <i>Equipment and Supplies</i> | | | | | |
| Furniture & Equipment | 164 | 17 | 30 | 13 | 76.5 |
| Supplies & Materials | -- | 50 | 382 | 332 | 664.0 |
| Total, B | 6,768 | 8,378 | 9,428 | 1,050 | 12.5 |
| TOTAL | 14,327 | 14,382 | 15,426 | 1,044 | 7.3 |

Program 12
Law of Patents
(in thousands of Swiss francs)

| | 2006/07 | 2006/07 | 2008/9 | Difference | |
|-----------------------------------|-------------------|-------------------|--------------------|------------|------------|
| | Initial Budget | Revised Budget | Proposed Budget | Amount | % |
| A. Personnel Resources | | | | | |
| Posts | 1,852 | 2,008 | 2,056 | 49 | 2.4 |
| Short-term Employees | -- | -- | -- | -- | -- |
| Consultants | -- | -- | -- | -- | -- |
| Special Service Agreements | 131 | -- | -- | -- | -- |
| Total, A | 1,983 | 2,008 | 2,056 | 49 | 2.4 |
| B. Non-personnel Resources | | | | | |
| <i>Travel and Fellowships</i> | | | | | |
| Staff Missions | 150 | 90 | 100 | 10 | 11.1 |
| Third-party Travel | 388 | 628 | 675 | 47 | 7.5 |
| Fellowships | -- | -- | -- | -- | -- |
| <i>Contractual Services</i> | | | | | |
| Conferences | 320 | 245 | 143 | (102) | (41.6) |
| Experts' Honoraria | 57 | 10 | 5 | (5) | (50.0) |
| Publishing | 21 | -- | -- | -- | -- |
| Other | 26 | 5 | 50 | 45 | 900.0 |
| <i>Operating Expenses</i> | | | | | |
| Premises & Maintenance | -- | -- | 15 | 15 | -- |
| Communication & Other | 30 | 10 | 15 | 5 | 50.0 |
| <i>Equipment and Supplies</i> | | | | | |
| Furniture & Equipment | 21 | -- | 10 | 10 | -- |
| Supplies & Materials | -- | 5 | 10 | 5 | 100.0 |
| Total, B | 1,013 | 993 | 1,023 | 30 | 3.0 |
| TOTAL | 2,996 | 3,001 | 3,079 | 79 | 2.6 |

Program 13
Law of Trademarks, Industrial Designs and
Geographical Indications

(in thousands of Swiss francs)

| | 2006/07 | 2006/07 | 2008/9 | Difference | |
|-----------------------------------|-------------------|-------------------|--------------------|--------------|---------------|
| | Initial Budget | Revised Budget | Proposed Budget | Amount | % |
| A. Personnel Resources | | | | | |
| Posts | 3,006 | 1,896 | 1,609 | (287) | (15.1) |
| Short-term Employees | -- | -- | -- | -- | -- |
| Consultants | -- | 2 | -- | (2) | (100.0) |
| Special Service Agreements | -- | -- | -- | -- | -- |
| Total, A | 3,006 | 1,897 | 1,609 | (289) | (15.2) |
| B. Non-personnel Resources | | | | | |
| <i>Travel and Fellowships</i> | | | | | |
| Staff Missions | -- | 114 | 240 | 126 | 110.5 |
| Third-party Travel | 561 | 900 | 1,013 | 113 | 12.6 |
| Fellowships | -- | 13 | 250 | 237 | 1,823.1 |
| <i>Contractual Services</i> | | | | | |
| Conferences | 781 | 867 | 570 | (297) | (34.3) |
| Experts' Honoraria | 100 | -- | 100 | 100 | -- |
| Publishing | -- | 5 | 50 | 45 | 900.0 |
| Other | 242 | -- | 40 | 40 | -- |
| <i>Operating Expenses</i> | | | | | |
| Premises & Maintenance | -- | -- | -- | -- | -- |
| Communication & Other | 200 | 10 | 10 | -- | -- |
| <i>Equipment and Supplies</i> | | | | | |
| Furniture & Equipment | -- | -- | -- | -- | -- |
| Supplies & Materials | 64 | -- | -- | -- | -- |
| Total, B | 1,948 | 1,909 | 2,273 | 364 | 19.1 |
| TOTAL | 4,954 | 3,806 | 3,882 | 75 | 2.0 |

Program 14

Law of Copyright and Related Rights

(in thousands of Swiss francs)

| | 2006/07 | 2006/07 | 2008/9 | Difference | |
|-----------------------------------|-------------------|-------------------|--------------------|------------|------------|
| | Initial Budget | Revised Budget | Proposed Budget | Amount | % |
| A. Personnel Resources | | | | | |
| Posts | 3,020 | 3,772 | 3,777 | 5 | 0.1 |
| Short-term Employees | 946 | 326 | 375 | 49 | 15.1 |
| Consultants | -- | 52 | -- | (52) | (100.0) |
| Special Service Agreements | -- | -- | -- | -- | -- |
| Total, A | 3,966 | 4,149 | 4,152 | 3 | 0.1 |
| B. Non-personnel Resources | | | | | |
| <i>Travel and Fellowships</i> | | | | | |
| Staff Missions | 300 | 606 | 633 | 27 | 4.5 |
| Third-party Travel | 459 | 769 | 804 | 35 | 4.6 |
| Fellowships | -- | -- | -- | -- | -- |
| <i>Contractual Services</i> | | | | | |
| Conferences | 840 | 225 | 235 | 10 | 4.4 |
| Experts' Honoraria | 70 | 10 | 10 | -- | -- |
| Publishing | -- | -- | -- | -- | -- |
| Other | -- | 25 | 26 | 1 | 4.0 |
| <i>Operating Expenses</i> | | | | | |
| Premises & Maintenance | -- | -- | -- | -- | -- |
| Communication & Other | 48 | 130 | 136 | 6 | 4.6 |
| <i>Equipment and Supplies</i> | | | | | |
| Furniture & Equipment | -- | -- | -- | -- | -- |
| Supplies & Materials | -- | 5 | 6 | 1 | 20.0 |
| Total, B | 1,717 | 1,770 | 1,850 | 80 | 4.5 |
| TOTAL | 5,683 | 5,919 | 6,002 | 83 | 1.4 |

Program 15
Traditional Knowledge, Traditional Cultural
Expressions and Genetic Resources

(in thousands of Swiss francs)

| | 2006/07 | 2006/07 | 2008/9 | Difference | |
|-----------------------------------|-------------------|-------------------|--------------------|------------|------------|
| | Initial Budget | Revised Budget | Proposed Budget | Amount | % |
| A. Personnel Resources | | | | | |
| Posts | 1,923 | 2,653 | 2,710 | 57 | 2.2 |
| Short-term Employees | 315 | 496 | 547 | 51 | 10.3 |
| Consultants | -- | 223 | 201 | (21) | (9.5) |
| Special Service Agreements | -- | -- | -- | -- | -- |
| Total, A | 2,238 | 3,371 | 3,458 | 87 | 2.6 |
| B. Non-personnel Resources | | | | | |
| <i>Travel and Fellowships</i> | | | | | |
| Staff Missions | 200 | 414 | 136 | (278) | (67.1) |
| Third-party Travel | 835 | 1,286 | 1,631 | 345 | 26.8 |
| Fellowships | 40 | -- | -- | -- | -- |
| <i>Contractual Services</i> | | | | | |
| Conferences | 795 | 589 | 555 | (34) | (5.8) |
| Experts' Honoraria | 352 | 40 | 180 | 140 | 350.0 |
| Publishing | 60 | 45 | 70 | 25 | 55.6 |
| Other | 80 | 114 | -- | (114) | (100.0) |
| <i>Operating Expenses</i> | | | | | |
| Premises & Maintenance | -- | -- | -- | -- | -- |
| Communication & Other | 35 | 10 | 12 | 2 | 20.0 |
| <i>Equipment and Supplies</i> | | | | | |
| Furniture & Equipment | 14 | -- | -- | -- | -- |
| Supplies & Materials | -- | 20 | 10 | (10) | (50.0) |
| Total, B | 2,411 | 2,518 | 2,594 | 76 | 3.0 |
| TOTAL | 4,649 | 5,889 | 6,052 | 163 | 2.8 |

Program 16 The PCT System

(in thousands of Swiss francs)

| | 2006/07 | 2006/07 | 2008/9 | Difference | |
|-----------------------------------|-------------------|-------------------|--------------------|---------------|-------------|
| | Initial Budget | Revised Budget | Proposed Budget | Amount | % |
| A. Personnel Resources | | | | | |
| Posts | 94,844 | 98,922 | 107,023 | 8,100 | 8.2 |
| Short-term Employees | 20,318 | 23,069 | 24,790 | 1,721 | 7.5 |
| Consultants | 3,363 | 2,075 | 2,025 | (51) | (2.4) |
| Special Service Agreements | 3,144 | 2,243 | 2,310 | 67 | 3.0 |
| Total, A | 121,699 | 126,310 | 136,148 | 9,838 | 7.8 |
| B. Non-personnel Resources | | | | | |
| <i>Travel and Fellowships</i> | | | | | |
| Staff Missions | 526 | 1,275 | 1,497 | 222 | 17.4 |
| Third-party Travel | 1,145 | 2,265 | 2,805 | 540 | 23.8 |
| Fellowships | -- | 175 | 200 | 25 | 14.3 |
| <i>Contractual Services</i> | | | | | |
| Conferences | -- | 191 | 295 | 104 | 54.5 |
| Experts' Honoraria | -- | 50 | 100 | 50 | 100.0 |
| Publishing | 1,275 | 190 | 225 | 35 | 18.4 |
| Other | 11,759 | 25,522 | 33,618 | 8,096 | 31.7 |
| <i>Operating Expenses</i> | | | | | |
| Premises & Maintenance | 2,006 | 2,265 | 2,781 | 516 | 22.8 |
| Communication & Other | 1,596 | 1,669 | 1,750 | 81 | 4.9 |
| <i>Equipment and Supplies</i> | | | | | |
| Furniture & Equipment | 1,002 | 295 | 1,560 | 1,265 | 428.8 |
| Supplies & Materials | 3,467 | 1,105 | 1,519 | 414 | 37.5 |
| Total, B | 22,776 | 35,002 | 46,350 | 11,348 | 32.4 |
| TOTAL | 144,445 | 161,312 | 182,498 | 21,186 | 13.1 |

Program 17*

Associated Patent Services

(in thousands of Swiss francs)

| | 2006/07 | 2006/07 | 2008/9 | Difference | |
|-----------------------------------|-------------------|-------------------|--------------------|------------|--------------|
| | Initial Budget | Revised Budget | Proposed Budget | Amount | % |
| A. Personnel Resources | | | | | |
| Posts | 1,591 | 2,028 | 2,333 | 305 | 15.0 |
| Short-term Employees | -- | -- | -- | -- | -- |
| Consultants | 240 | 87 | -- | (87) | (100.0) |
| Special Service Agreements | -- | -- | -- | -- | -- |
| Total, A | 1,831 | 2,116 | 2,333 | 217 | 10.3 |
| B. Non-personnel Resources | | | | | |
| <i>Travel and Fellowships</i> | | | | | |
| Staff Missions | 91 | 86 | 320 | 234 | 272.1 |
| Third-party Travel | 105 | 238 | -- | (238) | (100.0) |
| Fellowships | -- | -- | -- | -- | -- |
| <i>Contractual Services</i> | | | | | |
| Conferences | 34 | 60 | 60 | -- | -- |
| Experts' Honoraria | -- | 20 | -- | (20) | (100.0) |
| Publishing | 66 | -- | -- | -- | -- |
| Other | 8 | 20 | 740 | 720 | 3,600.0 |
| <i>Operating Expenses</i> | | | | | |
| Premises & Maintenance | -- | -- | 20 | 20 | -- |
| Communication & Other | 92 | 16 | 20 | 4 | 25.0 |
| <i>Equipment and Supplies</i> | | | | | |
| Furniture & Equipment | 36 | 5 | 20 | 15 | 300.0 |
| Supplies & Materials | 38 | 16 | 20 | 4 | 25.0 |
| Total, B | 470 | 461 | 1,200 | 739 | 160.3 |
| TOTAL | 2,301 | 2,577 | 3,533 | 956 | 37.1 |

*This program was entitled "PCT Reform" in 2006/07

Program 18
Madrid, The Hague and Lisbon
Registration Systems

(in thousands of Swiss francs)

| | 2006/07 | 2006/07 | 2008/9 | Difference | |
|-----------------------------------|-------------------|-------------------|--------------------|--------------|-------------|
| | Initial Budget | Revised Budget | Proposed Budget | Amount | % |
| A. Personnel Resources | | | | | |
| Posts | 28,233 | 30,955 | 36,278 | 5,323 | 17.2 |
| Short-term Employees | 4,637 | 6,024 | 6,445 | 422 | 7.0 |
| Consultants | 840 | 446 | 361 | (85) | (19.1) |
| Special Service Agreements | -- | 2,638 | 4,182 | 1,544 | 58.5 |
| Total, A | 33,710 | 40,062 | 47,266 | 7,204 | 18.0 |
| B. Non-personnel Resources | | | | | |
| <i>Travel and Fellowships</i> | | | | | |
| Staff Missions | 142 | 847 | 1,031 | 184 | 21.7 |
| Third-party Travel | 1,681 | 1,308 | 1,480 | 172 | 13.1 |
| Fellowships | 60 | 70 | 72 | 2 | 2.9 |
| <i>Contractual Services</i> | | | | | |
| Conferences | 28 | 300 | 474 | 174 | 58.0 |
| Experts' Honoraria | 500 | 70 | 100 | 30 | 42.9 |
| Publishing | 1,644 | 322 | 275 | (47) | (14.6) |
| Other | 962 | 1,720 | 4,443 | 2,723 | 158.3 |
| <i>Operating Expenses</i> | | | | | |
| Premises & Maintenance | 1,760 | 289 | 34 | (255) | (88.2) |
| Communication & Other | 1,108 | 2,238 | 1,815 | (423) | (18.9) |
| <i>Equipment and Supplies</i> | | | | | |
| Furniture & Equipment | 62 | 143 | 149 | 6 | 4.2 |
| Supplies & Materials | 292 | 200 | 327 | 127 | 63.5 |
| Total, B | 8,239 | 7,507 | 10,200 | 2,693 | 35.9 |
| TOTAL | 41,949 | 47,569 | 57,466 | 9,897 | 20.8 |

Program 19 Patent Classification and WIPO IP Standards

(in thousands of Swiss francs)

| | 2006/07 | 2006/07 | 2008/9 | Difference | |
|-----------------------------------|-------------------|-------------------|--------------------|------------|-------------|
| | Initial Budget | Revised Budget | Proposed Budget | Amount | % |
| A. Personnel Resources | | | | | |
| Posts | 4,854 | 6,010 | 6,082 | 72 | 1.2 |
| Short-term Employees | 174 | -- | -- | -- | -- |
| Consultants | -- | 61 | 94 | 33 | 54.6 |
| Special Service Agreements | -- | -- | -- | -- | -- |
| Total, A | 5,028 | 6,071 | 6,176 | 105 | 1.7 |
| B. Non-personnel Resources | | | | | |
| <i>Travel and Fellowships</i> | | | | | |
| Staff Missions | 35 | 261 | 346 | 85 | 32.7 |
| Third-party Travel | -- | 100 | 109 | 9 | 8.6 |
| Fellowships | -- | 10 | 10 | | 2.9 |
| <i>Contractual Services</i> | | | | | |
| Conferences | 97 | 272 | 287 | 15 | 5.7 |
| Experts' Honoraria | -- | 10 | 10 | | 2.9 |
| Publishing | 122 | 28 | 47 | 19 | 67.0 |
| Other | 134 | 121 | 195 | 74 | 60.8 |
| <i>Operating Expenses</i> | | | | | |
| Premises & Maintenance | 8 | -- | -- | -- | -- |
| Communication & Other | 20 | 21 | 24 | 3 | 12.9 |
| <i>Equipment and Supplies</i> | | | | | |
| Furniture & Equipment | 10 | 5 | 10 | 5 | 90.3 |
| Supplies & Materials | 5 | 25 | 43 | 18 | 74.0 |
| Total, B | 431 | 853 | 1,081 | 228 | 26.7 |
| TOTAL | 5,459 | 6,924 | 7,257 | 333 | 4.8 |

Program 20
International Classifications in the Field of
Trademarks and Industrial Designs

(in thousands of Swiss francs)

| | 2006/07 | 2006/07 | 2008/9 | Difference | |
|-----------------------------------|-------------------|-------------------|--------------------|------------|-------------|
| | Initial Budget | Revised Budget | Proposed Budget | Amount | % |
| A. Personnel Resources | | | | | |
| Posts | 1,122 | 1,040 | 1,078 | 38 | 3.7 |
| Short-term Employees | 87 | -- | -- | -- | -- |
| Consultants | -- | -- | -- | -- | -- |
| Special Service Agreements | -- | -- | -- | -- | -- |
| Total, A | 1,209 | 1,040 | 1,078 | 38 | 3.7 |
| B. Non-personnel Resources | | | | | |
| <i>Travel and Fellowships</i> | | | | | |
| Staff Missions | 11 | -- | 35 | 35 | -- |
| Third-party Travel | 6 | -- | -- | -- | -- |
| Fellowships | -- | -- | -- | -- | -- |
| <i>Contractual Services</i> | | | | | |
| Conferences | 15 | 27 | 30 | 3 | 11.1 |
| Experts' Honoraria | -- | -- | -- | -- | -- |
| Publishing | 16 | 17 | 1 | (16) | (94.1) |
| Other | -- | 35 | 55 | 20 | 57.1 |
| <i>Operating Expenses</i> | | | | | |
| Premises & Maintenance | -- | -- | -- | -- | -- |
| Communication & Other | 5 | -- | 2 | 2 | -- |
| <i>Equipment and Supplies</i> | | | | | |
| Furniture & Equipment | 5 | -- | -- | -- | -- |
| Supplies & Materials | 3 | 4 | -- | (4) | (100.0) |
| Total, B | 61 | 83 | 123 | 40 | 48.2 |
| TOTAL | 1,270 | 1,123 | 1,201 | 78 | 7.0 |

Program 21
Arbitration and Mediation Services
and Domain Names Policies and Procedures

(in thousands of Swiss francs)

| | 2006/07 | 2006/07 | 2008/9 | Difference | |
|-----------------------------------|-------------------|-------------------|--------------------|--------------|-------------|
| | Initial Budget | Revised Budget | Proposed Budget | Amount | % |
| A. Personnel Resources | | | | | |
| Posts | 3,625 | 3,956 | 4,610 | 653 | 16.5 |
| Short-term Employees | 1,043 | 765 | 790 | 24 | 3.2 |
| Consultants | 480 | 488 | 462 | (26) | (5.4) |
| Special Service Agreements | -- | -- | -- | -- | -- |
| Total, A | 5,148 | 5,210 | 5,861 | 651 | 12.5 |
| B. Non-personnel Resources | | | | | |
| <i>Travel and Fellowships</i> | | | | | |
| Staff Missions | 200 | 200 | 285 | 85 | 42.5 |
| Third-party Travel | 494 | 160 | 220 | 60 | 37.5 |
| Fellowships | 200 | 910 | 1,140 | 230 | 25.3 |
| <i>Contractual Services</i> | | | | | |
| Conferences | 326 | 170 | 200 | 30 | 17.6 |
| Experts' Honoraria | -- | 160 | 120 | (40) | (25.0) |
| Publishing | 100 | 160 | 160 | -- | -- |
| Other | -- | 10 | -- | (10) | (100.0) |
| <i>Operating Expenses</i> | | | | | |
| Premises & Maintenance | -- | -- | -- | -- | -- |
| Communication & Other | 35 | 10 | 25 | 15 | 150.0 |
| <i>Equipment and Supplies</i> | | | | | |
| Furniture & Equipment | 10 | 13 | 25 | 12 | 92.3 |
| Supplies & Materials | 6 | 10 | -- | (10) | (100.0) |
| Total, B | 1,371 | 1,803 | 2,175 | 372 | 20.6 |
| TOTAL | 6,519 | 7,013 | 8,036 | 1,023 | 14.6 |

Program 22 Direction and Executive Management

(in thousands of Swiss francs)

| | 2006/07 | 2006/07 | 2008/9 | Difference | |
|-----------------------------------|-------------------|-------------------|--------------------|--------------|------------|
| | Initial Budget | Revised Budget | Proposed Budget | Amount | % |
| A. Personnel Resources | | | | | |
| Posts | 11,032 | 11,156 | 12,234 | 1,078 | 9.7 |
| Short-term Employees | 902 | 703 | 768 | 65 | 9.2 |
| Consultants | 480 | -- | -- | -- | -- |
| Special Service Agreements | 131 | -- | -- | -- | -- |
| Total, A | 12,545 | 11,859 | 13,002 | 1,143 | 9.6 |
| B. Non-personnel Resources | | | | | |
| <i>Travel and Fellowships</i> | | | | | |
| Staff Missions | 627 | 459 | 586 | 127 | 27.7 |
| Third-party Travel | 248 | -- | -- | -- | -- |
| Fellowships | -- | -- | -- | -- | -- |
| <i>Contractual Services</i> | | | | | |
| Conferences | 171 | -- | -- | -- | -- |
| Experts' Honoraria | -- | -- | 90 | 90 | -- |
| Publishing | 53 | 3 | 8 | 5 | 166.7 |
| Other | 36 | 45 | 218 | 173 | 384.4 |
| <i>Operating Expenses</i> | | | | | |
| Premises & Maintenance | -- | -- | -- | -- | -- |
| Communication & Other | 252 | 436 | 94 | (342) | (78.4) |
| <i>Equipment and Supplies</i> | | | | | |
| Furniture & Equipment | 18 | 23 | 50 | 27 | 117.4 |
| Supplies & Materials | 27 | 30 | 33 | 3 | 10.0 |
| Total, B | 1,432 | 996 | 1,079 | 83 | 8.3 |
| TOTAL | 13,977 | 12,855 | 14,081 | 1,226 | 9.5 |

Program 23 Resource Management and Control

(in thousands of Swiss francs)

| | 2006/07 | 2006/07 | 2008/9 | Difference | |
|-----------------------------------|-------------------|-------------------|--------------------|----------------|---------------|
| | Initial Budget | Revised Budget | Proposed Budget | Amount | % |
| A. Personnel Resources | | | | | |
| Posts | 3,311 | 3,723 | 3,879 | 155 | 4.2 |
| Short-term Employees | -- | 52 | -- | (52) | (100.0) |
| Consultants | -- | -- | -- | -- | -- |
| Special Service Agreements | -- | 983 | 85 | (898) | (91.3) |
| Total, A | 3,311 | 4,758 | 3,964 | (794) | (16.7) |
| B. Non-personnel Resources | | | | | |
| <i>Travel and Fellowships</i> | | | | | |
| Staff Missions | 106 | 51 | 53 | 2 | 3.9 |
| Third-party Travel | -- | 368 | 440 | 72 | 19.6 |
| Fellowships | -- | -- | -- | -- | -- |
| <i>Contractual Services</i> | | | | | |
| Conferences | -- | 255 | 300 | 45 | 17.6 |
| Experts' Honoraria | -- | -- | -- | -- | -- |
| Publishing | 87 | -- | -- | -- | -- |
| Other | 1,000 | 1,000 | 250 | (750) | (75.0) |
| <i>Operating Expenses</i> | | | | | |
| Premises & Maintenance | -- | -- | -- | -- | -- |
| Communication & Other | -- | 12 | 111 | 99 | 825.0 |
| <i>Equipment and Supplies</i> | | | | | |
| Furniture & Equipment | 9 | -- | 4 | 4 | -- |
| Supplies & Materials | -- | -- | 2 | 2 | -- |
| Total, B | 1,202 | 1,686 | 1,160 | (526) | (31.2) |
| TOTAL | 4,513 | 6,444 | 5,124 | (1,320) | (20.5) |

Program 24 Internal Oversight

(in thousands of Swiss francs)

| | 2006/07 | 2006/07 | 2008/9 | Difference | |
|-----------------------------------|-------------------|-------------------|--------------------|--------------|-------------|
| | Initial Budget | Revised Budget | Proposed Budget | Amount | % |
| A. Personnel Resources | | | | | |
| Posts | 1,383 | 1,635 | 2,704 | 1,069 | 65.4 |
| Short-term Employees | -- | -- | -- | -- | -- |
| Consultants | -- | -- | -- | -- | -- |
| Special Service Agreements | -- | -- | -- | -- | -- |
| Total, A | 1,383 | 1,635 | 2,704 | 1,069 | 65.4 |
| B. Non-personnel Resources | | | | | |
| <i>Travel and Fellowships</i> | | | | | |
| Staff Missions | 142 | 12 | 180 | 168 | 1,400.0 |
| Third-party Travel | -- | -- | -- | -- | -- |
| Fellowships | -- | -- | -- | -- | -- |
| <i>Contractual Services</i> | | | | | |
| Conferences | -- | -- | -- | -- | -- |
| Experts' Honoraria | -- | -- | 419 | 419 | -- |
| Publishing | 82 | -- | 20 | 20 | -- |
| Other | -- | 110 | -- | (110) | (100.0) |
| <i>Operating Expenses</i> | | | | | |
| Premises & Maintenance | -- | -- | -- | -- | -- |
| Communication & Other | 152 | 291 | 70 | (221) | (75.9) |
| <i>Equipment and Supplies</i> | | | | | |
| Furniture & Equipment | 22 | 7 | 29 | 22 | 314.3 |
| Supplies & Materials | -- | 5 | -- | (5) | (100.0) |
| Total, B | 398 | 425 | 718 | 293 | 68.9 |
| TOTAL | 1,781 | 2,060 | 3,422 | 1,362 | 66.1 |

Program 25 Human Resources Management

(in thousands of Swiss francs)

| | 2006/07 | 2006/07 | 2008/9 | Difference | |
|-----------------------------------|-------------------|-------------------|--------------------|--------------|-------------|
| | Initial Budget | Revised Budget | Proposed Budget | Amount | % |
| A. Personnel Resources | | | | | |
| Posts | 12,222 | 13,170 | 13,518 | 348 | 2.6 |
| Short-term Employees | 847 | 1,093 | 1,332 | 239 | 21.9 |
| Consultants | -- | 231 | 238 | 7 | 3.1 |
| Special Service Agreements | -- | 80 | 82 | 2 | 3.0 |
| Total, A | 13,069 | 14,575 | 15,171 | 597 | 4.1 |
| B. Non-personnel Resources | | | | | |
| <i>Travel and Fellowships</i> | | | | | |
| Staff Missions | 279 | 172 | 178 | 6 | 3.3 |
| Third-party Travel | 68 | 174 | 231 | 57 | 32.7 |
| Fellowships | -- | 2 | 2 | | 2.9 |
| <i>Contractual Services</i> | | | | | |
| Conferences | 24 | 20 | 7 | (13) | (64.0) |
| Experts' Honoraria | -- | -- | -- | -- | -- |
| Publishing | 10 | -- | -- | -- | -- |
| Other | 1,855 | 1,394 | 2,904 | 1,510 | 108.3 |
| <i>Operating Expenses</i> | | | | | |
| Premises & Maintenance | 4 | -- | 10 | 10 | -- |
| Communication & Other | 81 | 459 | 480 | 21 | 4.6 |
| <i>Equipment and Supplies</i> | | | | | |
| Furniture & Equipment | 148 | 67 | 71 | 4 | 5.6 |
| Supplies & Materials | 188 | 222 | 213 | (9) | (4.1) |
| Total, B | 2,656 | 2,510 | 4,096 | 1,586 | 63.2 |
| TOTAL | 15,725 | 17,085 | 19,267 | 2,183 | 12.8 |

Program 26 Financial Operations

(in thousands of Swiss francs)

| | 2006/07 | 2006/07 | 2008/9 | Difference | |
|-----------------------------------|-------------------|-------------------|--------------------|--------------|---------------|
| | Initial Budget | Revised Budget | Proposed Budget | Amount | % |
| A. Personnel Resources | | | | | |
| Posts | 9,160 | 10,187 | 10,397 | 210 | 2.1 |
| Short-term Employees | 1,264 | 1,220 | 1,350 | 130 | 10.6 |
| Consultants | -- | -- | -- | -- | -- |
| Special Service Agreements | -- | -- | -- | -- | -- |
| Total, A | 10,424 | 11,407 | 11,747 | 339 | 3.0 |
| B. Non-personnel Resources | | | | | |
| <i>Travel and Fellowships</i> | | | | | |
| Staff Missions | 47 | 12 | 30 | 18 | 150.0 |
| Third-party Travel | -- | -- | 30 | 30 | -- |
| Fellowships | -- | 26 | -- | (26) | (100.0) |
| <i>Contractual Services</i> | | | | | |
| Conferences | -- | -- | 8 | 8 | -- |
| Experts' Honoraria | -- | -- | 90 | 90 | -- |
| Publishing | 2 | 5 | 5 | -- | -- |
| Other | -- | 41 | 36 | (5) | (12.2) |
| <i>Operating Expenses</i> | | | | | |
| Premises & Maintenance | -- | -- | -- | -- | -- |
| Communication & Other | 727 | 536 | 172 | (364) | (67.9) |
| <i>Equipment and Supplies</i> | | | | | |
| Furniture & Equipment | 50 | -- | 10 | 10 | -- |
| Supplies & Materials | 15 | -- | 10 | 10 | -- |
| Total, B | 841 | 620 | 391 | (229) | (36.9) |
| TOTAL | 11,265 | 12,027 | 12,138 | 110 | 0.9 |

Program 27 Information Technology

(in thousands of Swiss francs)

| | 2006/07 | 2006/07 | 2008/9 | Difference | |
|-----------------------------------|-------------------|-------------------|--------------------|--------------|------------|
| | Initial Budget | Revised Budget | Proposed Budget | Amount | % |
| A. Personnel Resources | | | | | |
| Posts | 15,091 | 19,321 | 19,475 | 154 | 0.8 |
| Short-term Employees | 1,083 | 1,386 | 1,383 | (3) | (0.2) |
| Consultants | 960 | 1,369 | 1,302 | (67) | (4.9) |
| Special Service Agreements | -- | -- | -- | -- | -- |
| Total, A | 17,134 | 22,076 | 22,160 | 84 | 0.4 |
| B. Non-personnel Resources | | | | | |
| <i>Travel and Fellowships</i> | | | | | |
| Staff Missions | 459 | 147 | 257 | 110 | 74.8 |
| Third-party Travel | 534 | -- | 65 | 65 | -- |
| Fellowships | -- | -- | -- | -- | -- |
| <i>Contractual Services</i> | | | | | |
| Conferences | -- | 100 | 280 | 180 | 180.0 |
| Experts' Honoraria | -- | -- | -- | -- | -- |
| Publishing | -- | -- | -- | -- | -- |
| Other | 6,667 | 13,060 | 15,500 | 2,440 | 18.7 |
| <i>Operating Expenses</i> | | | | | |
| Premises & Maintenance | 7,447 | 3,612 | 3,023 | (589) | (16.3) |
| Communication & Other | 260 | 110 | 60 | (50) | (45.5) |
| <i>Equipment and Supplies</i> | | | | | |
| Furniture & Equipment | 4,912 | 2,235 | 2,600 | 365 | 16.3 |
| Supplies & Materials | 1,565 | 2,370 | 2,000 | (370) | (15.6) |
| Total, B | 21,844 | 21,634 | 23,785 | 2,151 | 9.9 |
| TOTAL | 38,978 | 43,710 | 45,945 | 2,235 | 5.1 |

Program 28 Conference, Language, Printing and Archives

(in thousands of Swiss francs)

| | 2006/07 | 2006/07 | 2008/9 | Difference | |
|-----------------------------------|-------------------|-------------------|--------------------|--------------|-------------|
| | Initial Budget | Revised Budget | Proposed Budget | Amount | % |
| A. Personnel Resources | | | | | |
| Posts | 25,603 | 25,705 | 26,014 | 309 | 1.2 |
| Short-term Employees | 4,404 | 5,310 | 5,594 | 284 | 5.3 |
| Consultants | -- | -- | -- | -- | -- |
| Special Service Agreements | -- | 9 | 9 | | 3.0 |
| Total, A | 30,007 | 31,024 | 31,617 | 593 | 1.9 |
| B. Non-personnel Resources | | | | | |
| <i>Travel and Fellowships</i> | | | | | |
| Staff Missions | 121 | 168 | 214 | 46 | 27.6 |
| Third-party Travel | 700 | -- | -- | -- | -- |
| Fellowships | 30 | 9 | 70 | 61 | 677.8 |
| <i>Contractual Services</i> | | | | | |
| Conferences | 196 | 461 | 631 | 170 | 36.9 |
| Experts' Honoraria | -- | -- | -- | -- | -- |
| Publishing | -- | -- | -- | -- | -- |
| Other | 1,765 | 2,260 | 3,391 | 1,131 | 50.0 |
| <i>Operating Expenses</i> | | | | | |
| Premises & Maintenance | 4,624 | 4,129 | 4,041 | (88) | (2.1) |
| Communication & Other | 1,350 | 3,229 | 2,962 | (267) | (8.3) |
| <i>Equipment and Supplies</i> | | | | | |
| Furniture & Equipment | 1,498 | 112 | 289 | 177 | 158.3 |
| Supplies & Materials | 509 | 423 | 619 | 196 | 46.2 |
| Total, B | 10,793 | 10,791 | 12,217 | 1,426 | 13.2 |
| TOTAL | 40,800 | 41,815 | 43,834 | 2,019 | 4.8 |

Program 29*

Premises Management

(in thousands of Swiss francs)

| | 2006/07 | 2006/07 | 2008/9 | Difference | |
|-----------------------------------|-------------------|-------------------|--------------------|----------------|---------------|
| | Initial Budget | Revised Budget | Proposed Budget | Amount | % |
| A. Personnel Resources | | | | | |
| Posts | 7,579 | 9,780 | 7,807 | (1,973) | (20.2) |
| Short-term Employees | 1,355 | 1,215 | 1,145 | (71) | (5.8) |
| Consultants | 237 | 407 | -- | (407) | (100.0) |
| Special Service Agreements | -- | 80 | -- | (80) | (100.0) |
| Total, A | 9,171 | 11,482 | 8,952 | (2,530) | (22.0) |
| B. Non-personnel Resources | | | | | |
| <i>Travel and Fellowships</i> | | | | | |
| Staff Missions | 72 | 87 | 21 | (66) | (75.9) |
| Third-party Travel | -- | -- | -- | -- | -- |
| Fellowships | -- | -- | -- | -- | -- |
| <i>Contractual Services</i> | | | | | |
| Conferences | -- | 7 | -- | (7) | (100.0) |
| Experts' Honoraria | -- | -- | -- | -- | -- |
| Publishing | -- | -- | -- | -- | -- |
| Other | 4,963 | 114 | -- | (114) | (100.0) |
| <i>Operating Expenses</i> | | | | | |
| Premises & Maintenance | 43,951 | 43,652 | 38,464 | (5,188) | (11.9) |
| Communication & Other | 290 | 159 | -- | (159) | (100.0) |
| <i>Equipment and Supplies</i> | | | | | |
| Furniture & Equipment | 274 | 356 | 20 | (336) | (94.4) |
| Supplies & Materials | 30 | 411 | 4 | (407) | (99.0) |
| Total, B | 49,580 | 44,786 | 38,509 | (6,277) | (14.0) |
| TOTAL | 58,751 | 56,268 | 47,461 | (8,807) | (15.7) |

*In 2006/07, this Program also funded Security Services (2006/07 Revised Budget: Sfr9,556, thousand)

Program 30 Travel and Procurement

(in thousands of Swiss francs)

| | 2006/07 | 2006/07 | 2008/9 | Difference | |
|-----------------------------------|-------------------|-------------------|--------------------|--------------|-------------|
| | Initial Budget | Revised Budget | Proposed Budget | Amount | % |
| A. Personnel Resources | | | | | |
| Posts | 4,641 | 6,129 | 7,182 | 1,053 | 17.2 |
| Short-term Employees | 902 | 1,031 | 1,196 | 165 | 16.0 |
| Consultants | 240 | 225 | 238 | 14 | 6.0 |
| Special Service Agreements | -- | 121 | 124 | 4 | 3.0 |
| Total, A | 5,783 | 7,505 | 8,740 | 1,235 | 16.5 |
| B. Non-personnel Resources | | | | | |
| <i>Travel and Fellowships</i> | | | | | |
| Staff Missions | 103 | 34 | 35 | 1 | 3.0 |
| Third-party Travel | -- | -- | -- | -- | -- |
| Fellowships | -- | -- | -- | -- | -- |
| <i>Contractual Services</i> | | | | | |
| Conferences | -- | -- | -- | -- | -- |
| Experts' Honoraria | -- | -- | -- | -- | -- |
| Publishing | -- | -- | -- | -- | -- |
| Other | -- | 70 | 72 | 2 | 3.0 |
| <i>Operating Expenses</i> | | | | | |
| Premises & Maintenance | -- | 50 | 52 | 2 | 3.0 |
| Communication & Other | 45 | 102 | 105 | 3 | 3.0 |
| <i>Equipment and Supplies</i> | | | | | |
| Furniture & Equipment | 495 | 200 | 206 | 6 | 3.0 |
| Supplies & Materials | 1,656 | 1,797 | 1,851 | 54 | 3.0 |
| Total, B | 2,299 | 2,253 | 2,321 | 68 | 3.0 |
| TOTAL | 8,082 | 9,758 | 11,061 | 1,303 | 13.3 |

Program 31 The New Construction

(in thousands of Swiss francs)

| | 2006/07 | 2006/07 | 2008/9 | Difference | |
|-----------------------------------|-------------------|-------------------|--------------------|--------------|--------------|
| | Initial Budget | Revised Budget | Proposed Budget | Amount | % |
| A. Personnel Resources | | | | | |
| Posts | -- | -- | -- | -- | -- |
| Short-term Employees | -- | -- | -- | -- | -- |
| Consultants | -- | 298 | 310 | 12 | 3.9 |
| Special Service Agreements | -- | 50 | 51 | 1 | 3.0 |
| Total, A | -- | 348 | 361 | 13 | 3.8 |
| B. Non-personnel Resources | | | | | |
| <i>Travel and Fellowships</i> | | | | | |
| Staff Missions | -- | 12 | 15 | 3 | 25.0 |
| Third-party Travel | -- | -- | -- | -- | -- |
| Fellowships | -- | -- | -- | -- | -- |
| <i>Contractual Services</i> | | | | | |
| Conferences | -- | -- | -- | -- | -- |
| Experts' Honoraria | -- | -- | -- | -- | -- |
| Publishing | -- | -- | -- | -- | -- |
| Other | 1,500 | 1,125 | 1,900 | 775 | 68.9 |
| <i>Operating Expenses</i> | | | | | |
| Premises & Maintenance | 3,131 | 20 | 4,448 | 4,428 | 22,140.0 |
| Communication & Other | -- | 10 | 15 | 5 | 50.0 |
| <i>Equipment and Supplies</i> | | | | | |
| Furniture & Equipment | -- | -- | -- | -- | -- |
| Supplies & Materials | -- | -- | -- | -- | -- |
| Total, B | 4,631 | 1,167 | 6,378 | 5,211 | 446.5 |
| TOTAL | 4,631 | 1,515 | 6,739 | 5,224 | 344.8 |

Program 32*

Security

(in thousands of Swiss francs)

| | 2006/07 | 2006/07 | 2008/9 | Difference | |
|-----------------------------------|-------------------|-------------------|--------------------|------------|------------|
| | Initial Budget | Revised Budget | Proposed Budget | Amount | % |
| A. Personnel Resources | | | | | |
| Posts | n/a | n/a | 2,586 | n/a | n/a |
| Short-term Employees | n/a | n/a | 188 | n/a | n/a |
| Consultants | n/a | n/a | 273 | n/a | n/a |
| Special Service Agreements | n/a | n/a | 82 | n/a | n/a |
| Total, A | n/a | n/a | 3,129 | n/a | n/a |
| B. Non-personnel Resources | | | | | |
| <i>Travel and Fellowships</i> | | | | | |
| Staff Missions | n/a | n/a | 40 | n/a | n/a |
| Third-party Travel | n/a | n/a | -- | n/a | n/a |
| Fellowships | n/a | n/a | -- | n/a | n/a |
| <i>Contractual Services</i> | | | | | |
| Conferences | n/a | n/a | -- | n/a | n/a |
| Experts' Honoraria | n/a | n/a | -- | n/a | n/a |
| Publishing | n/a | n/a | -- | n/a | n/a |
| Other | n/a | n/a | -- | n/a | n/a |
| <i>Operating Expenses</i> | | | | | |
| Premises & Maintenance | n/a | n/a | 7,680 | n/a | n/a |
| Communication & Other | n/a | n/a | 126 | n/a | n/a |
| <i>Equipment and Supplies</i> | | | | | |
| Furniture & Equipment | n/a | n/a | 20 | n/a | n/a |
| Supplies & Materials | n/a | n/a | 43 | n/a | n/a |
| Total, B | n/a | n/a | 7,909 | n/a | n/a |
| TOTAL | n/a | n/a | 11,037 | n/a | n/a |

*In 2006/07, the Security Services were funded under Program 29 (Premises Management)