

WIPO



WO/PBC/12/5

ORIGINAL: English

DATE: August 21, 2007

WORLD INTELLECTUAL PROPERTY ORGANIZATION
GENEVA

E

PROGRAM AND BUDGET COMMITTEE

Twelfth Session

Geneva, September 11 to 13, 2007

PROPOSAL BY THE UNITED STATES OF AMERICA TO REFLECT A 15% REDUCTION
IN THE PATENT COOPERATION TREATY (PCT) INTERNATIONAL FILING AND
HANDLING FEES EFFECTIVE JANUARY 1, 2008

Document prepared by the Secretariat

1. By communication dated May 23, 2007, the Government of the United States of America requested the addition to the draft agenda for the eleventh session of the Program and Budget Committee (PBC) of an item entitled "Draft Program and Budget for the 2008/09 Biennium Reflecting a 15% Reduction in the Patent Cooperation Treaty (PCT) International Filing and Handling Fees".
2. Based on that request, the Secretariat submitted to the eleventh session of the PBC document WO/PBC/11/9 entitled "Draft Program and Budget for the 2008/09 Biennium Reflecting a 15% Reduction in the Patent Cooperation Treaty (PCT) International Filing and Handling Fees" (copy attached as Annex I).
3. The interventions made on this issue are reflected in the report of the June session of the PBC (document WO/PBC/11/17, paragraphs 49 to 56). Also, at the request of the floor, the Secretariat circulated, at the session, informal notes on the estimated impact of a PCT fee reduction by 15% and 5% respectively, as of January 1, 2008. These notes (annexed to document WO/PBC/11/17) are also reproduced as Annex II to this document.
4. *The Program and Budget Committee is invited to express its view on this item of the agenda.*

[Annexes follow]

WIPO



WO/PBC/11/9

ORIGINAL: English

DATE: June 8, 2007

WORLD INTELLECTUAL PROPERTY ORGANIZATION
GENEVA

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PROGRAM AND BUDGET COMMITTEE

Eleventh Session
Geneva, June 25 to 28, 2007

**DRAFT PROGRAM AND BUDGET FOR THE 2008/09 BIENNIUM REFLECTING A 15%
REDUCTION IN THE PATENT COOPERATION TREATY (PCT) INTERNATIONAL AL
FILING AND HANDLING FEES**

Document prepared by the Secretariat

3. By communication dated May 23, 2007, the Government of the United States of America requested the addition to the draft agenda for the eleventh session of the Program and Budget Committee (PBC) of an item entitled “Draft Program and Budget for the 2008/09 Biennium Reflecting a 15% Reduction in the Patent Cooperation Treaty (PCT) International Filing and Handling Fees”.
4. A copy of the said communication is attached in the Annex to this document.
5. *The Program and Budget Committee is invited to express its view on this item of the agenda.*

[Annexes follow]

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ANNEX



THE PERMANENT REPRESENTATIVE
OF THE
UNITED STATES OF AMERICA
TO THE
UNITED NATIONS AND OTHER INTERNATIONAL ORGANIZATIONS
IN GENEVA

May 23, 2007

Dear Dr. Idris:

In accordance with Rule 5(4) of the General Rules of Procedure of the World Intellectual Property Organization (WIPO) contained in WIPO Publication 399 (FE) Rev. 3, the United States of America hereby requests the addition of the following agenda items on the draft agenda for the Eleventh Session of the WIPO Program and Budget Committee to be held June 25-28, 2007:

- Draft Program and Budget for the 2008/09 Biennium that reflects a 15% reduction in the Patent Cooperation Treaty (PCT) international filing and handling fees.
- WIPO Financial Disclosure Requirements

We request the International Bureau to present such a draft Program and Budget because the United States of America is proposing that the PCT Assembly adopt a revised fee schedule to reflect a 15% reduction in the PCT international filing fee and handling fee effective January 1, 2008. We believe that this reduction in PCT fees can be funded fully from surplus income generated by the PCT system, without any adverse effect on funding for other activities such as development cooperation activities. If the PCT Assembly adopts the proposed fee reduction, the WIPO General Assembly should be in a position to consider a Program and Budget that reflects the reduction. We would also like to review the draft WIPO Financial Disclosure Requirements prior to their submission for approval.

Thank you.

Sincerely,

A handwritten signature in black ink, appearing to read "Warren W. Tichenor".

Warren W. Tichenor
Ambassador

Dr. Kamil Idris
Director General,
World Intellectual Property Organization,
Geneva.

[End of Annex and of document]

[Annex II follows]

Annex II

Estimated Impact of 15% Reduction in PCT International Filing and Handling Fees

as of January 1, 2008

Overall Scenario in 2008-2011

(in millions of Swiss francs)

	2008/09		2010/11	
	No PCT fee change (WO/PBC/11/6) Variant A	15% PCT fee reduction as of 1/1/2008 Variant B	No PCT fee change (WO/PBC/11/6) Variant A	15% PCT fee reduction as of 1/1/2008 Variant B
Income	646.8	578.1	678.6	605.2
Expenditure	630.2	630.2	678.6	678.6
Result (Surplus/(Deficit))	16.6	(52.1)	0.0	(73.4)
Reserves Opening Balance	159.9	159.9	176.5	107.8
Total Reserves at End of Biennium	176.5	107.8	176.5	34.5
Reserves as % of Biennial Expenditure	28.0%	17.1%	26.0%	5.1%
Target Level for Reserves				
as per current reserve policy*	117.4	119.5	126.5	128.6
if 25% of biennial expenditure	157.6	157.6	169.7	169.7
Amount of Reserves in Excess of/(Below) the Target Level				
as per current reserve policy	59.0	(11.6)	50.1	(94.2)
if 25% of biennial expenditure	18.9	(49.7)	6.9	(135.2)

* Target levels for the 2010/11 biennium are based on the respective average percentage targets in 2008/09.

**Estimated Impact of 15% Reduction in PCT International
Filing and Handling Fees as of January 1, 2008****Income Evolution**

(in millions of Swiss francs)

	Variant A No PCT fee change (WO/PBC/11/6)		Variant B 15% PCT fee reduction as of 1/1/2008	
	2008/09	2010/11	2008/09	2010/11
Contributions	34.8	34.8	34.8	34.8
Fees				
PCT	485.0	510.0	416.4	436.6
Madrid	94.0	96.6	94.0	96.6
Hague	7.1	8.8	7.1	8.8
Lisbon	0.0	0.0	0.0	0.0
<i>Total, Fees</i>	<i>586.1</i>	<i>615.4</i>	<i>517.4</i>	<i>542.0</i>
Arbitration and Mediation Center	2.8	3.0	2.8	3.0
Publications	2.6	2.6	2.6	2.6
Interest	16.3	18.6	16.3	18.6
Other	4.2	4.2	4.2	4.2
TOTAL	646.8	678.6	578.1	605.2

**Estimated Impact of 5% Reduction in PCT International Filing and Handling Fees
as of January 1, 2008
Overall Scenario in 2008-2011**

(in millions of Swiss francs)

	2008/09		2010/11	
	No PCT fee change (WO/PBC/11/6) A	5% PCT fee reduction as of 1/1/2008 B	No PCT fee change (WO/PBC/11/6) A	5% PCT fee reduction as of 1/1/2008 B
	Income	646.8	623.9	678.6
Expenditure	630.2	630.2	678.6	678.6
Result (Surplus/(Deficit))	16.6	(6.3)	0.0	(24.4)
Reserves: Opening Balance	159.9	159.9	176.5	153.6
Total Reserves at End of Biennium	176.5	153.6	176.5	129.2
Reserves as a Percentage of Biennial Expenditure	28.0%	24.4%	26.0%	19.0%
Target Level for Reserves:				
as per current reserve policy*	117.4	118.0	126.5	127.0
if 25% of biennial expenditure	157.6	157.6	169.7	169.7
Amount of Reserves in Excess of/(Below) the Target Level:				
as per current reserve policy	59.0	35.6	50.1	2.1
if 25% of biennial expenditure	18.9	(4.0)	6.9	(40.5)

* Target levels for 2010/11 biennium are based on the respective average percentage targets in 2008/09.

**Estimated Impact of 5% Reduction in PCT International
Filing and Handling Fees as of January 1, 2008
Income Evolution**

(in millions of Swiss francs)

	Variant A No PCT fee change (WO/PBC/11/6)		Variant B 5% PCT fee reduction as of 1/1/2008	
	2008/09	2010/11	2008/09	2010/11
	Contributions	34.8	34.8	34.8
Fees				
PCT	485.0	510.0	462.1	485.5
Madrid	94.0	96.6	94.0	96.6
Hague	7.1	8.8	7.1	8.8
Lisbon	0.0	0.0	0.0	0.0
<i>Total, Fees</i>	<i>586.1</i>	<i>615.4</i>	<i>563.2</i>	<i>590.9</i>
Arbitration and Mediation Center	2.8	3.0	2.8	3.0
Publications	2.6	2.6	2.6	2.6
Interest	16.3	18.6	16.3	18.6
Other	4.2	4.2	4.2	4.2
TOTAL	646.8	678.6	623.9	654.2

[End of Annex II and end of document]