

REVISED DRAFT PROGRAM AND BUDGET

2002-2003

Presented
by the Director General

June 30, 2001



WORLD
INTELLECTUAL
PROPERTY
ORGANIZATION

REVISED DRAFT PROGRAM AND BUDGET 2002-2003

Introduction

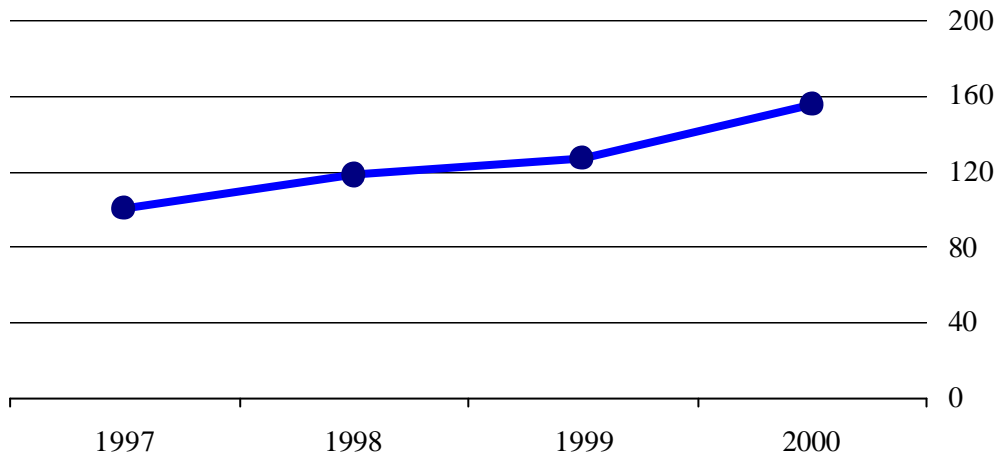
Meeting the Challenges of the New Century

1. In this new century, intellectual property is increasingly empowering individuals and nations alike as a force for both knowledge and wealth creation. The World Intellectual Property Organization (WIPO) foresaw the expansion of intellectual property's role in these areas, the result of more knowledge-intensive activities, more investments driven by information technology, a growth in electronic commerce, and the expanded global economy. Intellectual property today not only touches every aspect of daily life, it has become an effective policy instrument as well. Consequently, WIPO – a specialized agency of the United Nations system – is increasingly called upon to provide dynamic leadership in the use of intellectual property for wealth creation and in providing modern, business-oriented intellectual property services of global reach. A robust intellectual property system creates an environment in which technological innovation and artistic creativity can flourish. This encourages investment and facilitates technology transfer, while increasing the range and quality of products and services available.

2. The expanding worldwide interest in the potential of intellectual property and its role in business, international trade, cultural advancement and knowledge creation will ensure growth in this field well into the new century. The challenges facing WIPO will include keeping the intellectual property community vested with strong and supple intellectual property systems able to adapt to rapid socio-economic, cultural and technological (especially Internet-driven) change. The Organization will also need to provide a solid, reliable structure of global intellectual property services, while continuing to develop the framework of international intellectual property law. A particular challenge of special concern to the Organization is to assist developing countries and countries in economic transition to utilize intellectual property-oriented market development as a platform for economic take-off in the new millennium.

3. WIPO is confronted with ever-growing and dynamic market-driven demands for global protection systems and services, notably under the Patent Cooperation Treaty (PCT), Madrid, The Hague and Lisbon systems, and the on-line domain name dispute resolution service. It is vital that these services are delivered smoothly, without any interruption, that the prescribed deadlines are met and that the highest possible quality is ensured. In addition, they need to be supported by customer-oriented assistance and improved mechanisms and facilities, and be customized for different cultures and languages. Consequently, and in view of the continuing upward trend in global industrial property registration activities, the International Bureau urgently needs to expand its international registration services and supporting programs. The current intake of cases is already stretching to the limit the available staff, office space and automated processing systems of the Organization. The magnitude of these current challenges is illustrated by the statistics shown below.

**PCT, Madrid and the Hague Filings
(Aggregated Figures, 1997= 100)**



Intellectual Property Growth and Development

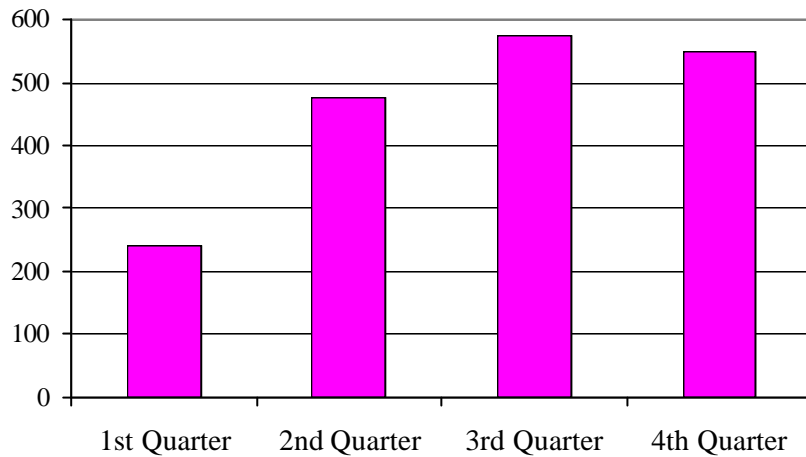
4. In 2000, the International Bureau received and processed 90,948 international applications under the PCT, a 22.9 per cent increase over 1999, and a 35.7 per cent biennium increase from 1998. For developing countries, the upward trend is even greater. Some 3,152 international applications were received from developing countries that are members of the PCT, representing an increase of 80.6 per cent over 1999. Growth trends have also been recorded for trademarks and industrial designs and the number of countries participating in the Madrid and the Hague systems continues to increase.

5. The significant rise in PCT applications, which is greater than forecast, brought not only an unexpected increase in workload and office space needs (see Chapter A – Financial Overview 2000-2001 and 2002-2003, Table 2), but also an increased surplus. Based on the latest forecasts, income for the 2002-2003 biennium is estimated at Sfr532 million, an increase of Sfr103 million or 24.1 per cent over the integrated initial income for 2000-2001 of Sfr429 million (figures are rounded up; see Chapter A, Table 1). However, as the contributions of Member States will remain unchanged, while the fees of the global protection services will be reduced, the reserves are expected to decrease towards the end of the 2004-2005 biennium, resulting in a balanced budget in the mid-term (see Appendix 2 – Financial Indicators 1996-2005, Table 27). The characteristic feature of WIPO's income structure will remain unchanged in the next biennium with 85 per cent of income coming from fees paid by users of WIPO services (see Chapter D – Income 2000-2001 and 2002-2003, Table 16).

6. Demand for on-line domain name dispute resolution services also increased (see chart below), as WIPO's value-added arbitration and mediation services made it a world leader in this area. The demand remains high and set to grow in the next biennium, as e-commerce is

gaining strong momentum in a number of countries, and there is a growing recognition of the value of Internet domain names as a business asset.

On-Line Domain Name Arbitration Cases in 2000



Strategy for the 2002-2003 Biennium

Overall Strategy

7. Since 1998, WIPO has successfully carried out many new initiatives, major shifts in policy, and new approaches in planning and administering WIPO activities. The institutional experience and knowledge gained through the development of policies, and the implementation of program activities within a re-structured organizational environment, have already established a solid foundation for modern management, characterized by greater confidence and maturity. Consequently, the first of WIPO's strategies in the 2002-2003 biennium will be to fine-tune the existing main programs for greater depth and focus, and to further enhance the efficiency of activities. As shown in the Table of Contents of this draft Program and Budget, the relationship and logical links between, and within, the main programs have been rationalized and strengthened, resulting in more coherent program designs and a reduction in the number of sub-programs.

8. It is expected that a strong market and consumer orientation will characterize intellectual property development in the 2002-2003 biennium, similar to that emerging in other fields, such as social development, environmental management, health, labor and international finance. Thus the second strategy for the biennium is continued provision of global services of the highest possible quality, geared to achieving maximum customer satisfaction, in anticipation of the predominance of private business issues in the domain of intellectual property.

9. To cope with the more focused and value-added activities and increasing demands described above, the International Bureau will continue to optimize its organizational, financial and administrative structures to enhance the efficiency and effectiveness of program implementation, and obtain optimal return from the resources available. Consequently, the draft Program and Budget proposes a budget for the 2002-2003 biennium amounting to Sfr678 million, representing an increase of 19.9 per cent over the revised budget for the 2000-2001 biennium of Sfr566 million (figures are rounded up; see Chapter A, Table 1 and Chapter B – Proposed Program and Budget 2002-2003, Table 4). One of the most critical areas in this regard is the investment being made in information technology.

Investment in WIPO's IT Infrastructure

10. The "Internet revolution" has become a driving force behind not only the newly emerging high-tech industries but also the traditional bricks-and-mortar firms as the fastest and most efficient communication tool for optimizing internal work processes and rationalizing business-to-business transactions. In this context, WIPO's third strategy for the next biennium is to continue to establish an information technology (IT) infrastructure and make active use of IT to maximize the benefits of the intellectual property system for Member States and users. Thus, WIPO will be proactive in bridging the digital divide in its communications with intellectual property offices in Member States, and in upgrading its global systems and services. Efforts in this direction have already started with the development of WIPONET, the IMPACT project and electronic filing for the PCT system, the Organization's Intranet and Internet sites and other IT initiatives. This is a priority for the Organization, given its increasing reliance on its IT systems to meet the expanding demands and the requirements for greater sophistication and security of services. As shown by many similar experiences in industry, the establishment of an IT infrastructure requires an extensive investment with sophisticated management and technical expertise for a sustained but limited duration.

Structure and Orientation

11. The structure proposed in this draft Program and Budget reflects all of the above-mentioned strategies including consolidated presentation for all activities. While the program activities proposed for the 2002-2003 biennium are largely the same as those of the 2000-2001 biennium, a comprehensive review was undertaken to refocus all of the substantive programs with a view to achieving greater depth and coherence, clearer objectives, stronger relevance and higher quality outputs and results, and to enhance transparency in the budget presentation. Certain new program areas have been added, reflecting the requests of a number of Member States, for example, greater attention to the use of intellectual property by small and medium-sized enterprises, and more coherent and consistent support for intellectual property office automation (sub-programs 10.2 and 12.4, respectively).

12. The proposed program and budget is presented on a single document, reflecting decisions adopted at the September 2000 Assemblies concerning surplus resources, as well as the advice provided by Member States at the third session of the Program and Budget Committee. Essentially, the presentation of a single document integrates the project activities previously submitted off-budget into the biennial, results-based budget presentation utilized for the regular budget of WIPO. The single biennial presentation is supplemented and supported by presenting the long-term implications of major budget proposals. This is done in Annex 1 (Major information technology activities) and Annex 2 (WIPO premises plan up to 2007).

13. The presentation of the draft budget has been greatly expanded to improve transparency. For the first time, the revised budget (see Chapter C – Revised Budget 2000-2001) and the income estimates are presented together with a detailed presentation of formulas concerning budget flexibility, a new presentation of budget allocation by Union, and a detailed description of the various budget stages.

14. Transparency in program planning and implementation will be enhanced by a process of continuous monitoring and evaluation, reflected in the performance indicators included in the draft Program and Budget, which program managers have further improved in the light of their experience during the last biennium.

15. This draft Program and Budget also emphasizes the strategic areas of growth in the Organization's programs and services, and the relevant policy issues that need to be addressed in that regard in the 2002-2003 biennium. These include: information technology imperatives; unprecedented growth of global protection services and intellectual property dispute resolution services; progressive and dynamic development of intellectual property laws; refocused cooperation for development and human resources development; newly emerging global intellectual property issues affecting socio-economic and environmental development; and cost-effective operations and administration within the International Bureau.

16. The need for developing countries, Least Developed Countries, and countries in economic transition to fully benefit from modern intellectual property systems has become as urgent as their need to participate, economically and politically, in the rapid expansion of the world economy. Thus, WIPO's cooperation for development program will shift its emphasis and refocus its energies towards empowering national and regional intellectual property systems to contribute more effectively to national development programs. Human resources in the field of intellectual property have become even more important than before in view of the rapid growth of users of the intellectual property system. The WIPO Worldwide Academy is gearing up to face this challenge, fine-tuning its human resources development strategies in the light of the practical needs of the business-oriented sectors, developments in information technology and modern self-training schemes, as well as the requirements of national capacity-building to help meet the needs in this area.

17. In the 2002-2003 biennium, the ability of Member States to profit from modern, knowledge-based economies will be the driving force behind the growth of a more effective intellectual property infrastructure. WIPO will need to continue providing a modern and coherent international intellectual property framework to facilitate cooperation and coordinated development for this purpose, and this draft Program and Budget will enable it to do so.

18. The Program and Budget Committee is invited to express its views on the proposals contained in this draft Program and Budget for the 2002-2003 biennium, and to endorse its approval by the Assembly of the Member States during its meeting in September 2001.

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[Chapter A follows]

A. FINANCIAL OVERVIEW 2000-2001 AND 2002-2003

19. The proposed budget for 2002-2003 amounts to Sfr678,400,000. This reflects an increase of Sfr112,542,000 or 19.9 per cent over the revised budget for 2000-2001 of Sfr565,858,000. The income for the 2002-2003 biennium is estimated at Sfr531,782,000, which reflects an increase of Sfr5,737,000 or 1.1 per cent over the revised income for 2000-2001 of Sfr526,045,000. As a result, the reserve at the end of 2003 will decrease to Sfr115,580,000. The detailed proposals are elaborated in Chapter B.

20. The proposed program and budget is presented in a single document, including activities previously submitted as regular budget, information technology projects and premises projects. This is done in conformity with the agreement reached by the Program and Budget Committee during its third session in April, 25-27, 2001, as outlined in paragraphs 76 and 77 of document WO/PBC/3/5. According to the agreement, the proposed program and budget presented in this document reflects the structure of the main programs and sub-programs and the distribution of expenditure by Unions and program initially proposed in documents WO/PBC/3/2 and WO/PBC/3/3. As a result, the new presentation represents a reformatting of the initial proposals and information reviewed by the Program and Budget Committee during its session in April 2001. In addition to the joint biennial program and budget presentation, two annexes are introduced to capture the long-term evolution of information technology and premises activities. A detailed description on the development of the single budget document is presented in Section A of Appendix 1.

21. Whereas the joint budget presentation reflects the proposed budget estimates initially submitted in document WO/PBC/3/2 and WO/PBC/3/3, additional improvements have been introduced in response to specific requests expressed during the third session of the Program and Budget Committee. This covers in particular additional information on income projections as outlined in Chapter D, including an increase of projected income for the period 2004-2005. It also includes additional information on the budgetary arrangement for short-term staffing and consultants.

22. In order to formulate the joint budget presentation, integrated initial estimates are developed for the 2000-2001 biennium. This includes a budget of Sfr525,205,000, income of Sfr428,584,000 and a reserve level at end-biennium of Sfr205,390,000. The integrated initial estimates incorporates the initial estimates 2000-2001 as presented in document A/34/2 of March 12, 1999, and all information technology and premises projects. The integrated initial estimates are compared to the revised estimates 2000-2001. As acknowledged by the Program and Budget Committee at its third session, this is the first time revised estimates are presented for an ongoing biennium, designed to increase the budget transparency. The revised budget of Sfr565,858,000 exceeds the initial integrated budget of Sfr525,205,000 by Sfr40,653,000 or 7.7 per cent. The revised income is estimated at Sfr526,045,000, which reflects an increase of Sfr97,461,000 or 22.7 per cent over the initial integrated income of Sfr428,584,000. As a result, the reserves at the end of 2001 will increase by Sfr56,808,000 to Sfr262,198,000. The detailed calculations for the integrated initial budget and the revised budget 2000-2001 are outlined in Chapter C; a summary of the proposals is presented in Table 1.

Table 1. Budget, Income and Reserves 2000-2001 and 2002-2003
(in thousands of Swiss francs)

	2000-2001		Variation		2000-2001 Revised	Variation		2002-2003 Proposed
	Initial	Integrated Initial	C	C/B (%)		D=B+C	E	
	A	B			F=D+E			
A. Budget	409,705	525,205	40,653	7.7	565,858	112,542	19.9	678,400
B. Income	409,884	428,584	97,461	22.7	526,045	5,737	1.1	531,782
Difference, B-A	179	(96,621)	56,808		(39,813)	(106,805)		(146,618)
C. Reserves ^a	127,512	205,390			262,198			115,580

^a End biennium

23. The budget proposals can be viewed in relation to a number of workload and income indicators, including demand-driven workload indicators such as number of applications, registrations and filings, and income indicators such as level of the contribution unit and average fees collected. Such indicators are shown in Table 2.

24. As illustrated in Table 2, both PCT international applications and filings for on-line dispute resolutions have increased substantially. It also indicates the reduction in the average fee for the PCT and the Hague in 2002-2003 and fee increases for on-line dispute resolution. The latter will ensure a full cost-recovery system for this new service provided to Member States.

Table 2. Selected Workload and Income Indicators 2000-2001 and 2002-2003

	2000-2001	Variation		2000-2001	Variation		2002-2003	
	Initial	B	B/A (%)	Revised	D	D/C (%)	Proposed	
	A			C			E	
A. Selected Workload Indicators								
PCT international applications	172,000	25,000	14.5	197,000	39,000	19.8	236,000	
Madrid registrations and renewals	53,000	10,800	20.4	63,800	4,200	6.6	68,000	
Hague deposits and renewals	14,000	900	6.4	14,900	1,200	8.1	16,100	
On-line dispute resolution filings	1,200	3,300	275.0	4,500	2,200	48.9	6,700	
B. Selected Income Indicators (In Swiss Francs)								
Contribution unit	45,579	-	-	45,579	-	-	45,579	
PCT average fee	1,736	187	10.8	1,923	(318)	(16.5)	1,605	
Madrid average fee	884	(48)	(5.4)	836	-	-	836	
Hague average fee	660	42	6.4	702	(70)	(10.0)	632	
On-line dispute resolution fee	417	320	76.7	737	963	130.7	1,700	

25. In addition to the introduction of a revised budget for the current biennium and a detailed description of income projections, the presentation of the proposed program and budget has been expanded and improved to enhance transparency and codify budgetary practice. This includes the introduction of a resource plan for 2000-2001 and 2002-2003 as shown in Table 3, which provides for an integrated view of all resources at the disposal of WIPO. The resource plan illustrates the interrelationship between budget estimates and resource availability for the regular budget by Union financed and trust funds and the related

movements of fund balances, including the Union reserves. Table 3 indicates the revised budget of Sfr565,858,000 (line 1) and the revised income of Sfr526,045,000 (line 2). The proposals for the 2002-2003 biennium include the initial budget of Sfr678,400,000 (line 5) and initial income estimate of Sfr531,782,000 (line 6). The additional resource requirements for the 2000-2001 biennium of Sfr39,813,000 (line 3) and for the 2002-2003 biennium of Sfr146,618,000 (line 7) is transferred from the related Union reserve funds (lines 12 and 14). A detailed description of the resource table is provided in Section C of Appendix 1.

26. Table 3 also illustrates the application of the new reserve and surplus policy as approved in September 2000. This includes the redistribution of funds of Sfr236,863,000 previously contained in the Special Reserve Fund to the corresponding Union reserves (line 11). It also includes the introduction of targets for reserve levels, expressed as percentage of biennial expenditure (PBE factors). With the conclusion of the 2002-2003 biennium, the financial scenario evolves towards the PBE targets as established by Member States in September 2000.

27. Other changes include the introduction of a detailed description of the various budget stages in Section B of Appendix 1 and a new arrangement for budget allocation by Union as shown in Section D of Appendix 1. Flexibility formulas for budget adjustments are described in Appendix 3. Finally, financial indicators are presented for the 10-year period from 1996 to 2005 in Appendix 2. The presentation illustrates the rapid growth of WIPO, in particular of the PCT Union. It is also shown that the growth in resource utilization is anticipated to peak during the 2002-2003 biennium, in particular due to the implementation of major information technology and building projects funded from surplus resources. With the conclusion of those projects, it is further anticipated that subsequent growth will be considerably lower as compared to the growth in volume of work. This would be the direct result of efficiency gains due to automation and a reduction in rental cost due to utilization of new WIPO-owned facilities.

Table 3. Resource Plan 2000-2001 and 2002-2003
(in thousands of Swiss francs)

Budget and Resource availability	Regular Budget						Trust Funds	TOTAL
	Cont. fin. Unions A	PCT Union B	Madrid Union C	Hague Union D	Arb./Others E	Total F=A+...E	G	H=F+G
Budget 2000-2001								
1. Revised budget	38,612	441,602	68,128	12,342	5,174	565,858	21,000	586,858
Resource availability 2000-2001								
2. Revised income	38,986	406,267	63,176	11,908	5,708	526,045	17,500	543,545
3. +/- Transfer from/to fund balance	(374)	35,335	4,952	434	(534)	39,813	3,500	43,313
4. Total, resources	38,612	441,602	68,128	12,342	5,174	565,858	21,000	586,858
Budget 2002-2003								
5. Initial budget	38,612	530,795	78,945	13,572	16,476	678,400	20,500	698,900
Resource availability 2002-2003								
6. Initial income	38,430	399,394	66,464	11,486	16,008	531,782	18,500	550,282
7. +/- Transfer from/to fund balance	182	131,401	12,481	2,086	468	146,618	2,000	148,618
8. Total, resources	38,612	530,795	78,945	13,572	16,476	678,400	20,500	698,900

Fund Balance	Reserve and Working Capital (RWC) Funds ^{a/}										Trust Funds	TOTAL
	Cont. fin. A	PBE %	PCT B	PBE %	Madrid C	PBE %	Hague D	PBE %	Arb./Others E	Total F=A+...E	G	H=F+G
9. Level 31/12/1999	18,951	42	18,768	7	26,073	47	1,356	17	236,863	302,011	8,569	310,580
10. New surplus policy	--		223,500		10,066		3,297		(236,863)	--	--	--
11. Level 31/12/1999 adjusted	18,951	42	242,268	73	36,139	62	4,653	50	--	302,011	8,569	310,580
12. +/- Transfer to/from fund balance	374		(35,335)		(4,952)		(434)		534	(39,813)	(3,500)	(43,313)
13. Level 31/12/2001	19,325	50	206,933	47	31,187	46	4,219	34	534	262,198	5,069	267,267
14. +/- Transfer to/from fund balance	(182)		(131,401)		(12,481)		(2,086)		(468)	(146,618)	(2,000)	(148,618)
15. Level 31/12/2003	19,143	50	75,532	14	18,706	24	2,133	16	66	115,580	3,069	118,649
16. Target 31/12/2003	19,306	50	79,619	15	19,736	25	2,036	15	n/a	n/a	n/a	N/a

^{a/} Does not include Separation Reserve of Sfr12,705,300 as of 31/12/1999; n/a: not applicable.

B. PROPOSED PROGRAM AND BUDGET 2002-2003

Summary

28. The proposed budget for 2002-2003 amounts to Sfr678,400,000, which reflects an increase of Sfr112,542,000 or 19.9 per cent as compared with the revised budget for 2000-2001 of Sfr565,858,000. The budget by Union is shown in Table 4.

Table 4. Budget 2002-2003: Budget Variation by Unions
(in thousands of Swiss francs)

Union	2000-2001 Revised Budget A	Project Variation		Resource Variation						Budget Variation		2002-2003 Proposed Budget G=A+F
		Amount B	% B/A	Program		Cost		Total		Amount F=B+E	% F/A	
				Amount C	% C/A	Amount D	% D/A	Amount E	% E/A			
Cont.fin.Unions	38,612	--	--	(1,857)	(4.8)	1,857	4.8	--	--	--	--	38,612
PCT Union	441,602	(29,874)	(6.8)	92,761	21.0	26,306	6.0	119,067	27.0	89,193	20.2	530,795
Madrid Union	68,128	(2,192)	(3.2)	8,892	13.1	4,117	6.0	13,009	19.1	10,817	15.9	78,945
Hague Union	12,342	(534)	(4.3)	1,066	8.6	698	5.7	1,764	14.3	1,230	10.0	13,572
Arb./Others	5,174	--	--	8,584	165.9	2,718	52.5	11,302	218.4	11,302	218.4	16,476
TOTAL	565,858	(32,600)	(5.8)	109,446	19.3	35,696	6.3	145,142	25.6	112,542	19.9	678,400

29. As indicated in Table 4, the budget for Contribution-financed Unions remains at Sfr38,612,000. This represents a zero nominal growth for activities funded from Member States contributions. Increases are presented for the PCT Union of Sfr89,193,000 or 20.2 per cent, for the Madrid Union of Sfr10,817,000 or 15.9 per cent, The Hague Union of Sfr1,230,000 or 10.0 per cent and for Arbitration and other activities of Sfr11,302,000 or 218.4 percent. This reflects the increases in volume of work and resource availability, particularly under the PCT Union and for the activities associated with the on-line dispute resolution service which was introduced in the 2000-2001 biennium. Table 4 gives a summary of the detailed calculation presented in Table 8 of this Chapter and is further elaborated in Appendix 1. The sharing of budgets between Unions follows the apportionment of costs as well as the distribution of available funding. As such, it is an integral part of the decisions, that also affect the income and fund balance of each Union.

30. An amount for project variation is shown in Table 4 reflecting a decrease of Sfr32,600,000. As noted in Chapter A above, the proposed program and budget is presented in a single document, including activities previously submitted as regular budget and off-budget project activities. This is done by presenting an integrated initial budget for the 2000-2001 biennium, which reflects previously approved project allocations of Sfr115,500,000. This amount decreases to Sfr82,900,000 for the 2002-2003 biennium, the difference being indicated as negative project variation of Sfr32,600,000. The project adjustment is compatible with the financial presentation previously provided in document WO/PBC/3/2 as demonstrated below under item (vi), Section A of Appendix 1. A failure to

introduce the project adjustment would result in an understatement of the increase in budget variation for the 2002-2003 biennium.

31. The resource variations shown in Table 4 amounts to Sfr145,142,000 or 25.6 per cent. This includes Sfr62,242,000 previously presented as increase in the regular budget in document WO/PBC/3/2 and Sfr82,900,000 previously requested for new information technology projects in document WO/PBC/3/3. Resource variations are further elaborated by distinguishing between program variation, i.e. changes in activities, and cost variations, i.e. changes in the cost structure. Program variations amount to Sfr109,446,000 or 19.3 per cent and cost variations to Sfr35,696,000 or 6.36 per cent. Details concerning the calculation of resource variations are presented in Appendix 1. With regard to the Contribution-financed Unions, the zero nominal growth budget policy requires the increase in cost variation to be offset by a corresponding decrease in program variation. The large cost variation for on-line dispute resolution mainly covers the additional costs in 2002-2003 of posts established only during the second year of the 2000-2001 biennium under the related flexibility arrangement.

32. Total budget variations in accordance with the program structure for the 2002-2003 biennium are presented in Table 5. The new structure comprises 18 main programs grouped into four main program parts. The amounts indicated by program are compatible with the financial presentation previously put forward in documents WO/PBC/3/2 and WO/PBC/3/3. The calculation of the revised budget allocation in accordance with the new program structure is set out in Chapter C. As outlined above, project variations reflect changes in the budget allocations for projects previously approved off-budget. This includes a decrease for Main Program 15 (Information Technology) of Sfr48,781,000 and an increase for Main Program 18 (Premises) of Sfr16,181,000. The main changes in budget variation are highlighted below.

33. Part I (Policy, Direction and Management) shows a budget increase of Sfr991,000 or 4.0 per cent.

34. Part II (Intellectual Property Systems and Global Issues) shows a budget increase of Sfr26,978,000 or 14.1 per cent, including program increases of Sfr12,380,000 or 6.5 percent and cost increases of Sfr14,598,000 or 7.6 per cent. In particular, Main Program 11 (Arbitration and Mediation Center) has substantial program as well as cost increases due to the rapid growth in the demand for dispute resolution services, as outlined in Chapter D. The associated costs of this budget increase are fully covered by corresponding increases in income under on-line dispute resolution and the budget growth follows the flexibility formula proposed in Appendix 3. Increases in program variation for Main Program 06 (Patent Cooperation Treaty System) of Sfr9,390,000 or 8.2 per cent are comparable with the increase in the number of international applications as outlined in Section D. Despite an increase in registrations and renewals under the Madrid and Hague systems, the program variation for Main Program 07 (Madrid, Hague and Lisbon Systems) indicate a decrease due to the introduction of additional efficiencies. The budget reduction in Main Program 08 (Development of Copyright and Related Rights) reflects the end of the diplomatic conference in 2001. Should it be decided to reconvene the diplomatic conference during the 2002-2003 biennium, additional budget allocations would be required for this purpose. Finally, the increase in Main Program 10 (Global Intellectual Property Issues), with Sfr1,642,000 or 17.4 per cent program variations, reflects the focus on new program initiatives such as the sub-program on small and medium-sized enterprises.

Table 5. Budget 2002-2003: Budget Variation by Program
(in thousands of Swiss francs)

	2000-2001 Revised Budget A	Project Variation		Resource Variation						Budget Variation		2002-2003 Proposed Budget G=A+F
				Program		Cost		Total				
		Amount B	% B/A	Amount C	% C/A	Amount D	% D/A	Amount E	% E/A	Amount F=B+E	% F/A	
Part I: Policy, Direction and Management												
01 Organs of the Member States	4,500	-	-	(157)	(3.5)	157	3.5	-	-	-	-	4,500
02 Direction and Executive Management	10,507	-	-	(215)	(2.0)	741	7.1	526	5.0	526	5.0	11,033
03 Legal Counsel	3,185	-	-	272	8.5	235	7.4	507	15.9	507	15.9	3,692
04 Planning, Budgeting and Control	6,659	-	-	(481)	(7.2)	439	6.6	(42)	(0.6)	(42)	(0.6)	6,617
Total, I	24,851	-	-	(581)	(2.3)	1,572	6.3	991	4.0	991	4.0	25,842
Part II: Intellectual Property Systems and Global Issues												
05 Development of Industrial Property Law	8,237	-	-	621	7.5	491	6.0	1,112	13.5	1,112	13.5	9,349
06 Patent Cooperation Treaty System	114,754	-	-	9,390	8.2	8,745	7.6	18,135	15.8	18,135	15.8	132,889
07 Madrid, Hague and Lisbon Systems	33,077	-	-	(1,379)	(4.2)	1,547	4.7	168	0.5	168	0.5	33,245
08 Development of Copyright and Related Rights	8,283	-	-	(1,420)	(17.1)	218	2.6	(1,202)	(14.5)	(1,202)	(14.5)	7,081
09 Global Communications	13,153	-	-	1,358	10.3	811	6.2	2,169	16.5	2,169	16.5	15,322
10 Global Intellectual Property Issues	9,428	-	-	1,642	17.4	482	5.1	2,124	22.5	2,124	22.5	11,552
11 Arbitration and Mediation Center	4,739	-	-	2,168	45.7	2,304	48.6	4,472	94.4	4,472	94.4	9,211
Total, II	191,671	-	-	12,380	6.5	14,598	7.6	26,978	14.1	26,978	14.1	218,649
Part III: Cooperation for Development												
12 Cooperation with Developing Countries	52,255	-	-	3,758	7.2	3,220	6.2	6,978	13.4	6,978	13.4	59,233
13 Cooperation with Certain Countries in Europe and Asia	4,406	-	-	503	11.4	254	5.8	757	17.2	757	17.2	5,163
14 The WIPO Worldwide Academy	14,051	-	-	1,495	10.6	702	5.0	2,197	15.6	2,197	15.6	16,248
Total, III	70,712	-	-	5,756	8.1	4,176	5.9	9,932	14.0	9,932	14.0	80,644
Part IV: Administration												
15 Information Technology	103,426	(48,781)	(47.2)	88,186	85.3	5,825	5.6	94,011	90.9	45,230	43.7	148,656
16 Human Resources Management	15,444	-	-	1,920	12.4	983	6.4	2,903	18.8	2,903	18.8	18,347
17 Administrative Services	59,175	-	-	369	0.6	3,709	6.3	4,078	6.9	4,078	6.9	63,253
18 Premises	96,480	16,181	16.8	909	0.9	4,366	4.5	5,275	5.5	21,456	22.2	117,936
Total, IV	274,525	(32,600)	(11.9)	91,384	33.3	14,883	5.4	106,267	38.7	73,667	26.8	348,192
Miscellaneous and Unforeseen	4,099	-	-	507	12.4	467	11.4	974	23.8	974	23.8	5,073
TOTAL	565,858	(32,600)	(5.8)	109,446	19.3	35,696	6.3	145,142	25.6	112,542	19.9	678,400

35. Part III (Cooperation for Development) shows budget increase of Sfr9,932,000 or 14.0 per cent. The highest increase in program variation of 11.4 per cent has been allocated to Main Program 13 (Cooperation with Certain Countries in Europe and Asia), followed by 10.6 per cent to Main Program 14 (WIPO Worldwide Academy).

36. Part IV (Administration) reflects a budget increase of Sfr73,667,000 or 26.8 per cent. This is the result of resource increases amounting to Sfr106,267,000 or 38.7 per cent, partly offset by decrease in project variations of Sfr32,600,000 or 11.9 per cent. Resource increase of Sfr106,267,000 include the increase of Sfr23,367,000 previously proposed for the regular budget in document WO/PBC/3/2 and new information technology projects in the amount of Sfr82,900,000 as previously proposed in document WO/PBC/3/3.

37. Budget variations by object of expenditure for the 2002-2003 biennium are presented in Table 6. Adjustment in project variations reflect changes in project allocations previously approved off-budget. An above-average budget increase is indicated for Other Contractual Services (Sfr28,084,000 or 55.7 per cent), reflecting the additional requirements resulting from new information technology activities previously proposed in document WO/PBC/3/3. Increases are included for premises and maintenance (Sfr32,733,000 or 30.9 per cent) to cover additional rental and maintenance costs and previously approved allocations for the new construction. Finally, budget increases are indicated under supplies and materials (Sfr3,878,000 or 51.7 per cent) and staff missions (Sfr2,565,000 or 21.0 per cent). Budget decreases are shown for furniture and equipment (Sfr5,548,000 or 22.5 per cent), fellowships (Sfr1,662,000 or 22.6 per cent) and the cost of publishing (Sfr1,611,000 or 18.4 per cent).

38. Variations by post category and program for the 2002-2003 biennium are presented in Table 7. The total number of 1,032 posts reflect an increase of 100 posts. This is compatible with the previous presentation and includes 69 posts presented under the regular budget in document WO/PBC/3/2 and 31 posts for information technology projects (transferred and new proposals) in document WO/PBC/3/3. The total increase of 100 posts comprising 69 posts in the Professional category and 31 posts in the General Service category. No increase is requested for posts at the level D1 and above. In accordance with the estimated workload projections under the global protection systems, it is proposed to establish out of the 100 additional posts only 58 posts during 2002. The remaining 42 posts will be phased in during 2003. With regard to main programs, major increases are indicated for Main Program 06 (Patent Cooperation Treaty System) with 49 posts, Main Program 15 (Information Technology) with 10 posts, Main Program 11 (Arbitration and Mediation Center) with 9 posts as well as Main Program 12 (Cooperation with Developing Countries) and Main Program 16 (Human Resources Management) with 7 posts each.

Table 6. Budget 2002-2003: Budget Variation by Object of Expenditure
(in thousands of Swiss francs)

Object of Expenditure	1998-1999 Expend.	2000-2001 Revised Budget A	Project Variation		Resource Variation						Budget Variation		2002-2003 Proposed Budget G=A+F
					Program		Cost		Total		Amount F=B+E	% F/A	
			Amount B	% B/A	Amount C	% C/A	Amount D	% D/A	Amount E	% E/A			
Staff Expenses													
Posts	201,548	254,917	-	-	23,833	9.3	22,297	8.7	46,130	18.1	46,130	18.1	301,047
Short-term Expenses	17,502	19,877	-	-	414	2.1	729	3.7	1,143	5.8	1,143	5.8	21,020
Total	219,050	274,794	-	-	24,247	8.8	23,026	8.4	47,273	17.2	47,273	17.2	322,067
Official Travel and Fellowships													
Staff Missions	12,125	12,214	(1,180)	(9.7)	3,234	26.5	511	4.2	3,745	30.7	2,565	21.0	14,779
Government Officials	20,946	19,765	(850)	(4.3)	1,079	5.5	721	3.6	1,800	9.1	950	4.8	20,715
Fellowships	5,326	7,368	(40)	(0.5)	(1,819)	(24.7)	197	2.7	(1,622)	(22.0)	(1,662)	(22.6)	5,706
Total	38,397	39,347	(2,070)	(5.3)	2,494	6.3	1,429	3.6	3,923	10.0	1,853	4.7	41,200
Contractual Services													
Conferences	5,654	6,392	(763)	(11.9)	974	15.2	241	3.8	1,215	19.0	452	7.1	6,844
Consultants	15,416	26,425	(9,883)	(37.4)	11,084	41.9	995	3.8	12,079	45.7	2,196	8.3	28,621
Publishing	7,615	8,765	(525)	(6.0)	(1,334)	(15.2)	248	2.8	(1,086)	(12.4)	(1,611)	(18.4)	7,154
Other	30,311	50,423	(14,034)	(27.8)	39,392	78.1	2,726	5.4	42,118	83.5	28,084	55.7	78,507
Total	58,996	92,005	(25,205)	(27.4)	50,116	54.5	4,210	4.6	54,326	59.0	29,121	31.7	121,126
Operating Expenses													
Premises & Maintenance	91,478	105,957	12,989	12.3	14,924	14.1	4,820	4.5	19,744	18.6	32,733	30.9	138,690
Communication & Other	15,823	17,464	(925)	(5.3)	2,498	14.3	685	3.9	3,183	18.2	2,258	12.9	19,722
Total	107,301	123,421	12,064	9.8	17,422	14.1	5,505	4.5	22,927	18.6	34,991	28.4	158,412
Equipment and Supplies													
Furniture & Equipment	9,028	24,688	(15,987)	(64.8)	9,776	39.6	663	2.7	10,439	42.3	(5,548)	(22.5)	19,140
Supplies & Materials	12,460	7,504	(1,402)	(18.7)	4,884	65.1	396	5.3	5,280	70.4	3,878	51.7	11,382
Total	21,488	32,192	(17,389)	(54.0)	14,660	45.5	1,059	3.3	15,719	48.8	(1,670)	(5.2)	30,522
Unallocated	-	4,099	-	-	507	12.4	467	11.4	974	23.8	974	23.8	5,073
TOTAL	445,232	565,858	(32,600)	(5.8)	109,446	19.3	35,696	6.3	145,142	25.6	112,542	19.9	678,400

Table 7. Budget 2002-2003: Post Variation by Post Category and Program

	2000-2001 Revised Budget				Budget Variation				2002-2003 Proposed Budget			
	D	P	G	Total	D	P	G	Total	D	P	G	Total
Part I: Policy, Direction and Management												
02 Direction and Executive Management	4	7	8	19	(1)	3	(1)	1	3	10	7	20
03 Legal Counsel	2	3	2	7	(1)	2	-	1	1	5	2	8
04 Planning, Budgeting and Control	4	8	4	16	1	(2)	1	-	5	6	5	16
Total, I	10	18	14	42	(1)	3	-	2	9	21	14	44
Part II: Intellectual Property Systems and Global Issues												
05 Development of Industrial Property Law	4	4	6	14	-	2	-	2	4	6	6	16
06 Patent Cooperation Treaty System	6	45	272	323	(2)	26	25	49	4	71	297	372
07 Madrid, Hague and Lisbon Systems	2	17	69	88	(1)	2	-	1	1	19	69	89
08 Development of Copyright and Related Rights	3	3	5	11	(2)	2	(3)	(3)	1	5	2	8
09 Global Communications	1	8	18	27	-	4	(3)	1	1	12	15	28
10 Global Intellectual Property Issues	1	10	2	13	2	1	2	5	3	11	4	18
11 Arbitration and Mediation Center	-	2	19	21	-	-	9	9	-	2	28	30
Total, II	17	89	391	497	(3)	37	30	64	14	126	421	561
Part III: Cooperation for Development												
12 Cooperation with Developing Countries	11	34	35	80	2	6	(1)	7	13	40	34	87
13 Cooperation with Certain Countries in Europe and Asia	-	3	2	5	-	1	-	1	-	4	2	6
14 The WIPO Worldwide Academy	-	7	7	14	1	2	2	5	1	9	9	19
Total, III	11	44	44	99	3	9	1	13	14	53	45	112
Part IV: Administration												
15 Information Technology	2	50	33	85	-	12	(2)	10	2	62	31	95
16 Human Resources Management	1	13	24	38	1	3	3	7	2	16	27	45
17 Administrative Services	4	41	104	149	-	1	(1)	-	4	42	103	149
18 Premises	1	1	20	22	-	4	-	4	1	5	20	26
Total, IV	8	105	181	294	1	20	-	21	9	125	181	315
TOTAL	46	256	630	932	-	69	31	100^(*)	46	325	661	1,032

D-level posts include posts for DG, DDG's, ADG's and Directors.

(*)42 posts for 2003 only.

39. In addition to posts, provisions are included for short-term employees and consultants. The proposed budget allocation under short-term expenses of Sfr21,020,000 is sufficient to fund approximately 150 short-termers through the financial period. In addition and in accordance with the budget policy of WIPO, savings in staff costs generated through vacant posts can be utilised for the funding of short-term employees. As an indication of magnitude, some 280 short-termers were employed in early 2001, funded from savings under post vacancies and from dedicated budget provision for short-term expenses. Moreover, a budget provision of Sfr28,621,000 is proposed for consultants and experts. Remuneration of consultants are in a similar range as compared to staff, with an average monthly cost of some Sfr10,000. As an indication of magnitude, some 60 consultants were employed in early 2001. In addition, the cost of experts and lecturers are funded under the same budget provision.

40. Three additional tables are provided in Chapter B. The summary presentation of budget variation by Union introduced in Table 4 is further elaborated in Table 8 by main program. Table 9 gives details on budget allocation by staff, non-staff and main program. Finally, details are provided on the estimated use of trust fund resources by main program in Table 10. This is done for the first time. It is anticipated that Main Program 12 (Cooperation with Developing Countries) will implement an amount of Sfr20,200,000 of trust fund resources in addition to the allocation of Sfr59,233,000 under the regular budget.

Table 8. Detailed Budget 2002-2003: Budget Allocation by Union and Program
(in thousands of Swiss francs)

	Contribution-financed Unions		PCT Union		Madrid Union		Hague Union		Arbitration/Others		Total	
	Amount A	% of total	Amount B	% of total	Amount C	% of total	Amount D	% of total	Amount E	% of total	Amount A+...+E	% of total
Part I: Policy, Direction and Management												
01 Organs of the Member States	270	0.7	3,467	0.7	553	0.7	95	0.7	115	0.7	4,500	0.7
02 Direction and Executive Management	618	1.6	8,671	1.6	1,263	1.6	217	1.6	264	1.6	11,033	1.6
03 Legal Counsel	209	0.5	2,907	0.5	426	0.5	68	0.5	82	0.5	3,692	0.5
04 Planning, Budgeting and Control	386	1.0	5,141	1.0	789	1.0	136	1.0	165	1.0	6,617	1.0
Total, I	1,483	3.8	20,186	3.8	3,031	3.8	516	3.8	626	3.8	25,842	3.8
Part II: Intellectual Property Systems and Global Issues												
05 Development of Industrial Property Law	4,672	12.1	4,125	0.8	473	0.6	79	0.6	-	-	9,349	1.4
06 Patent Cooperation Treaty System	-	-	132,889	25.0	-	-	-	-	-	-	132,889	19.6
07 Madrid, Hague and Lisbon Systems	-	-	-	-	28,351	35.9	4,894	36.1	-	-	33,245	4.9
08 Development of Copyright and Related Rights	7,081	18.3	-	-	-	-	-	-	-	-	7,081	1.0
09 Global Communications	927	2.4	12,588	2.4	1,555	2.0	236	1.7	16	0.1	15,322	2.3
10 Global Intellectual Property Issues	4,981	12.9	5,873	1.1	608	0.8	90	0.7	-	-	11,552	1.7
11 Arbitration and Mediation Center	-	-	-	-	-	-	-	-	9,211	55.9	9,211	1.4
Total, II	17,661	45.7	155,475	29.3	30,987	39.3	5,299	39.0	9,227	56.0	218,649	32.2
Part III: Cooperation for Development												
12 Cooperation with Developing Countries	4,033	10.4	47,322	8.9	6,631	8.4	981	7.2	266	1.6	59,233	8.7
13 Cooperation with Certain Countries in Europe and Asia	343	0.9	4,166	0.8	571	0.7	83	0.6	-	-	5,163	0.8
14 The WIPO Worldwide Academy	1,115	2.9	13,014	2.5	1,783	2.3	272	2.0	64	0.4	16,248	2.4
Total, III	5,491	14.2	64,502	12.2	8,985	11.4	1,336	9.8	330	2.0	80,644	11.9
Part IV: Administration												
15 Information Technology	3,668	9.5	127,546	24.0	13,315	16.9	2,282	16.8	1,845	11.2	148,656	21.9
16 Human Resources Management	1,390	3.6	13,426	2.5	2,434	3.1	405	3.0	692	4.2	18,347	2.7
17 Administrative Services	4,711	12.2	46,449	8.8	8,315	10.5	1,373	10.1	2,405	14.6	63,253	9.3
18 Premises	3,922	10.0	99,237	18.7	11,287	14.3	2,261	16.7	1,229	7.5	117,936	17.4
Total, IV	13,691	35.5	286,658	54.0	35,351	44.8	6,321	46.6	6,171	37.5	348,192	51.3
Miscellaneous and Unforeseen	286	0.7	3,974	0.7	591	0.7	100	0.7	122	0.7	5,073	0.7
TOTAL	38,612	100.0	530,795	100.0	78,945	100.0	13,572	100.0	16,476	100.0	678,400	100.0
2002-2003, Share of Total	5.7		78.2		11.6		2.0		2.4		100	
2000-2001, Share of Total	9.4		74.5		13.4		2.3		0.4		100	

Table 9. Detailed Budget 2002-2003: Budget Allocation by Staff, Non-Staff and Program
(in thousands of Swiss francs)

	Non-Staff												Unallo- cated C	Total A+B+C	
	Official Travel & Fellowships			Contractual Services				Oper. Expenses		Equip. & Supplies		Total			
	Staff Mission	Gov't Officials	Fellow- ships	Confe- rences	Consul- tants	Publi- shing	Other	Premises & Maint.	Comm. & Other	Furniture & Equip	Supplies & Mater.	B			
A												C	A+B+C		
Part I: Policy, Direction and Management															
01 Organs of the Member States	-	3,500	-	1,000	-	-	-	-	-	-	-	-	4,500	-	4,500
02 Direction and Executive Management	7,705	959	720	-	510	422	20	167	-	505	15	10	3,328	-	11,033
03 Legal Counsel	3,074	110	150	-	170	90	36	-	-	62	-	-	618	-	3,692
04 Planning, Budgeting and Control	5,987	155	-	-	15	200	120	30	-	90	20	-	630	-	6,617
Total, I	16,766	1,224	4,370	-	1,695	712	176	197	-	657	35	10	9,076	-	25,842
Part II: Intellectual Property Systems and Global Issues															
05 Development of Industrial Property Law	6,294	735	736	-	792	680	40	8	-	56	8	-	3,055	-	9,349
06 Patent Cooperation Treaty System	104,194	665	-	-	210	572	2,630	7,347	6,143	7,203	1,666	2,259	28,695	-	132,889
07 Madrid, Hague and Lisbon Systems	26,049	314	337	-	176	600	2,377	981	298	1,680	356	77	7,196	-	33,245
08 Development of Copyright and Related Rights	3,358	556	1,229	-	931	847	20	5	-	120	-	15	3,723	-	7,081
09 Global Communications	9,486	665	247	-	-	1,160	990	1,172	-	1,206	80	316	5,836	-	15,322
10 Global Intellectual Property Issues	6,881	831	750	531	507	1,434	90	349	-	156	10	13	4,671	-	11,552
11 Arbitration & Mediation Center	7,746	140	100	70	50	473	150	260	72	150	-	-	1,465	-	9,211
Total, II	164,008	3,906	3,399	601	2,666	5,766	6,297	10,122	6,513	10,571	2,120	2,680	54,641	-	218,649
Part III: Cooperation for Development															
12 Cooperation with Developing Countries	32,651	5,740	9,600	800	830	5,400	150	1,600	10	752	1,000	700	26,582	-	59,233
13 Cooperation with Certain Countries in Europe and Asia	2,286	400	1,146	40	220	500	40	171	-	30	290	40	2,877	-	5,163
14 The WIPO Worldwide Academy	7,098	315	1,520	4,265	382	1,370	254	160	-	89	-	795	9,150	-	16,248
Total, III	42,035	6,455	12,266	5,105	1,432	7,270	444	1,931	10	871	1,290	1,535	38,609	-	80,644
Part IV: Administration															
15 Information Technology	31,149	2,563	680	-	1,023	13,873	70	62,567	19,250	1,235	11,419	4,827	117,507	-	148,656
16 Human Resources Management	13,364	287	-	-	28	240	100	2,875	100	531	644	178	4,983	-	18,347
17 Administrative Services	47,291	296	-	-	-	580	67	815	2,590	5,835	3,627	2,152	15,962	-	63,253
18 Premises	7,454	48	-	-	-	180	-	-	110,227	22	5	-	110,482	-	117,936
Total, IV	99,258	3,194	680	-	1,051	14,873	237	66,257	132,167	7,623	15,695	7,157	248,934	-	348,192
Miscellaneous and Unforeseen	-	-	-	-	-	-	-	-	-	-	-	-	-	5,073	5,073
TOTAL	322,067	14,779	20,715	5,706	6,844	28,621	7,154	78,507	138,690	19,722	19,140	11,382	351,260	5,073	678,400

Table 10. Resource Utilization 2002-2003: Regular Budget, Surplus and Trust Fund Activities by Program
(in thousands of Swiss francs)

	<i>2002-2003 Regular Budget A</i>	<i>Trust Funds B</i>	<i>Total C=A+B</i>
Part I: Policy, Direction and Management			
01 Organs of the Member States	4,500	-	4,500
02 Direction and Executive Management	11,033	-	11,033
03 Legal Counsel	3,692	-	3,692
04 Planning, Budgeting and Control	6,617	-	6,617
Total, I	25,842	-	25,842
Part II: Intellectual Property Systems and Global Issues			
05 Development of Industrial Property Law	9,349	-	9,349
06 Patent Cooperation Treaty System	132,889	-	132,889
07 Madrid, Hague and Lisbon Systems	33,245	-	33,245
08 Development of Copyright and Related Rights	7,081	-	7,081
09 Global Communications	15,322	-	15,322
10 Global Intellectual Property Issues	11,552	-	11,552
11 Arbitration and Mediation Center	9,211	-	9,211
Total, II	218,649	-	218,649
Part III: Cooperation for Development			
12 Cooperation with Developing Countries	59,233	20,200	79,433
13 Cooperation with Certain Countries in Europe and Asia	5,163	-	5,163
14 The WIPO Worldwide Academy	16,248	300	16,548
Total, III	80,644	20,500	101,144
Part IV: Administration			
15 Information Technology	148,656	-	148,656
16 Human Resources Management	18,347	-	18,347
17 Administrative Services	63,253	-	63,253
18 Premises	117,936	-	117,936
Total, IV	348,192	-	348,192
Miscellaneous and Unforeseen	5,073	-	5,073
TOTAL	678,400	20,500	698,900

Program Presentation

Part I : Policy, Direction and Management

41. Part I of the draft Program and Budget for the 2002-2003 biennium reflects the specific measures taken to further strengthen the constituent organs of the Member States as the highest policy-making bodies of the Organization, reinforce overall executive management and the Legal Counsel's functions, and modernize planning, budgeting and financial control. With these underlying objectives, four main programs are grouped together, namely:

- Program 01 – Constituent Organs of the Member States
- Program 02 – Direction and Executive Management
- Program 03 – Legal Counsel
- Program 04 – Planning, Budgeting and Control

42. The new structure, above, reflects not only the independence of policy-making by the organs of the Member States, and the consolidation of all executive management responsibilities of the Director General and his immediate staff, but also the systematic linking and internal coordination between strategic planning, policy implementation and financial management.

43. Main Program 01 focuses on the policy-making responsibilities of the General Assembly and other organs of the Member States, implements the August 2000 agreements of the Working Group on Constitutional Reform, and allocates budgetary resources to the meetings of the various organs for 2002 and 2003. It includes plans for the possible addition of three new assemblies of Member States that are expected to be established upon the entry into force of the WIPO Copyright Treaty (WCT), the WIPO Performances and Phonograms Treaty (WPPT), and the Patent Law Treaty (PLT).

44. Direction and executive management of the Organization are further consolidated under Main Program 02. It consists of the Office of the Director General, the Special Counsel, the Policy Advisory Commission (PAC) and the Industry Advisory Commission (IAC) and Internal Oversight. This is intended to enable the Director General to maximize the advisory functions of the Office of the Special Counsel, the PAC, and the IAC and the evaluation and auditing mechanisms of the internal oversight system, and to improve program execution and day-to-day decision-making.

45. Main Program 03 re-establishes the priorities of the Legal Counsel's office, which will concentrate on legal and constitutional affairs and review of, and advice on, contracts, in the light of the rapidly increasing contractual and legal obligations of the International Bureau and the continuing needs of the Director General for a wide spectrum of legal advice.

46. Main Program 04 is a new program approach to define the scope and reinforce strategic planning and the policy implementation environment, and establish a wider framework for the efficient functioning of the Office of the Controller and the Budget Section in supporting and

facilitating program execution. This is intended to greatly improve coordination between strategic program planning, resource allocation and financial management, which in turn, would further empower program managers in performing their day-to-day program implementation activities. This new approach also reflects the commitment of the International Bureau to utilize information technology systems, not only to improve internal communications but also for strategic planning, budgeting and financial control.

47. The new structure reflected in Part I of the draft Program and Budget is expected to create a modern business environment that would be more conducive to greater devolution of responsibilities and effective empowerment of program managers for program implementation during the 2002-2003 biennium, while strengthening the linkages among strategic planning, resource allocation, internal oversight and financial administration. It is also expected to result in a leaner, more effective policy-making mechanism that is more responsive and supportive of the needs of the Director General at a time of rapid expansion of the Organization's mandates.

MAIN PROGRAM 01

Constituent Organs of the Member States

Summary

48. The number of Member States of WIPO has grown from 125 in 1990 to 176 in 2001, representing an average annual growth of 3.4 per cent over the last 12 years. Membership in all the WIPO-administered Unions has also increased, particularly in the industrial property registration treaties, namely the Patent Cooperation Treaty (PCT), the Madrid System, and the Hague System. Filing of applications for industrial property titles around the world has also risen, as mentioned in the Introductory section.

49. The increasing demand for WIPO's services and activities in the Member States continues unabated, reflecting the growing importance of intellectual property issues and challenges especially in connection with the use of the Internet, the expansion of electronic commerce, and the growth of knowledge-driven businesses. Intellectual property in today's world is so deeply involved in rapidly changing business strategies and daily life styles across the continents that, consequently, the speed at which changes are taking place in the field of intellectual property is accelerating at a high rate, and new global intellectual property issues continue to emerge.

50. As in the past two biennia, and taking account of the increasing complexities and the continuing dynamic evolution and adaptation of knowledge-based activities in the intellectual property domain, it is important to ensure that WIPO continues to improve and rationalize its structure in pursuit of the most adequate, efficient and flexible arrangement to allow the Member States to respond in a timely manner to the speed of changes, needs, and priorities of the intellectual property community and civil society. In this regard, especially through the ongoing organizational reform in WIPO, every opportunity will be taken to rationalize and strengthen the Assemblies of the Member States to provide the Director General on a timely basis with the required policy inputs and political support for the formulation of strategic and effective action plans and to facilitate the decision-making process. As in the preceding biennium, the policies of the Organization and their implementation will be fully in accordance with the principles of transparency, accountability and efficiency, and those principles will permeate the entire spectrum of activity of WIPO.

51. Promoting and facilitating the accession to WIPO and to the treaties administered by it remain the strategic purpose of the Organization, in order to establish effective protection of intellectual property in all its forms and under varying legislative regimes around the world. Wider global accession is also seen as a necessary and sufficient condition to open the way to the beneficial exploitation of all the potentials of the intellectual property system in support of economic and social development. WIPO's policy and program thrusts will thus take into

account the need for the Member States to support the progressive development of relevant international intellectual property law and more effective intellectual property protection services, as well as promote cooperation for development, in the framework of the WIPO Program and Budget.

52. With the above strategic purpose in view, Main Program 01 aims at ensuring the timely consideration by the concerned organs of the Member States of the relevant enabling policies that would facilitate effective program execution and management by the Director General and the International Bureau, and, if necessary, mobilization of political support through consensus-building to enhance the implementation of the WIPO programs. As in the past, Main Program 01 also aims to ensure that the accomplishments of each program are not only positively contributing to Member State needs and requirements, but also responding to the changing needs and priorities at the national and international levels.

53. Main Program 01 is thus designed to specially ensure the timely and systematic holding of all the required meetings of the organs of the Member States in accordance with the WIPO Convention and the WIPO treaties that are currently in force or will enter into force in the course of the 2002-2003 biennium.

Background

54. The WIPO Convention establishes three governing bodies, or organs, namely the General Assembly (all States members of WIPO which are also members of the Paris or Berne Unions), the Conference (all States members of WIPO) and the Coordination Committee (the members of which are elected from among the members of WIPO and the Paris and Berne Unions Executive Committees).

55. Other WIPO-administered treaties currently in force provide for the following additional organs:

- (1) Paris Union Assembly
- (2) Paris Union Executive Committee
- (3) Berne Union Assembly
- (4) Berne Union Executive Committee
- (5) Madrid Union Assembly
- (6) Hague Union Assembly
- (7) Nice Union Assembly
- (8) Lisbon Union Assembly
- (9) Locarno Union Assembly
- (10) PCT Union Assembly
- (11) IPC (International Patent Classification) Union Assembly
- (12) Vienna Union Assembly
- (13) Budapest Union Assembly

56. It is noted that, as indicated in paragraphs 132 and 133 of document A/35/15 (General Report), the Paris Union Conference of Representatives and the Lisbon Union Council each decided not to meet in future, and the Berne Union Conference of Representatives, the Hague Union Conference of Representatives, and the Nice Union Conference of Representatives each resolved to dissolve itself.

57. Moreover, upon entry into force, the WIPO Copyright Treaty (WCT), the WIPO Performances and Phonograms Treaty (WPPT), and the Patent Law Treaty (PLT) may establish Assemblies of their respective Contracting Parties. The meetings of the said assemblies are thus anticipated during the biennium.

58. The Assemblies and Conferences of the Member States meet in ordinary session once every two years, and once every other year in extraordinary session. The Assemblies of the PCT and Madrid Unions agreed to finance the travel and daily subsistence allowances of one government official from each Member State to their meetings in ordinary or extraordinary session. The Coordination Committee and the Executive Committees of the Paris and Berne Unions meet in ordinary session once a year.

59. The Program and Budget Committee is expected to meet four times during the biennium to consider proposals on WIPO program and budget matters.

SUMMARY OF MEETINGS EXPECTED TO BE ORGANIZED IN 2002-2003

Meetings of the Organs of the Member States	Number of meetings	Days per meeting	Languages
* Sessions of the Assemblies of the Member States September 2002	1	10	6
* Sessions of the Assemblies of the Member States September 2003	1	10	6
* Extraordinary Sessions of the Assemblies of the Member States	2	5	6
Ordinary Meetings of the Coordination Committee	2	3	6
Meetings of the Program and Budget Committee	4	3	6
WCT Assembly (may be established upon entry into force of the WCT)	1	3	6
WPPT Assembly (may be established upon entry into force of the WPPT)	1	3	6
PLT Assembly (may be established upon entry into force of the PLT)	1	3	3

* Including meetings of the PCT, Madrid and Hague Assemblies

60. The servicing of the above organs of the Member States in terms of documentation and organizational arrangements is the responsibility of the various programs and support services at WIPO.

**Table 11.1 Detailed Budget 2002-2003
Main Program 01
Organs of the Member States**

A. Budget Variation by Object of Expenditure
(in thousands of Swiss francs)

<i>Object of Expenditure</i>	<i>2000-2001</i>	<i>Variation</i>						<i>2002-2003</i>
	<i>Revised Budget A</i>	<i>Program</i>		<i>Cost</i>		<i>Total</i>		<i>Proposed Budget E=A+D</i>
		<i>Amount</i>	<i>%</i>	<i>Amount</i>	<i>%</i>	<i>Amount</i>	<i>%</i>	
		<i>B</i>	<i>B/A</i>	<i>C</i>	<i>C/A</i>	<i>D=B+C</i>	<i>D/A</i>	
Travel and Fellowships	3,500	(122)	(3.5)	122	3.5	-	-	3,500
Contractual Services	1,000	(35)	(3.5)	35	3.5	-	-	1,000
	4,500	(157)	(3.5)	157	3.5	-	-	4,500

**C. Budget Allocation by Sub-program
and Detailed Object of Expenditure**
(in thousands of Swiss francs)

<i>Object of expenditure</i>	<i>Sub-program</i>	<i>Total</i>
	<i>1</i>	
Travel and Fellowships		
Government Officials	3,500	3,500
Contractual Services		
Conferences	1,000	1,000
Total	4,500	4,500

MAIN PROGRAM 02

Direction and Executive Management

- 02.1 Office of the Director General**
- 02.2 Special Counsel and Advisory Commissions**
- 02.3 Internal Oversight**

Summary

61. The accelerating pace by which intellectual property is evolving in practically all spheres of economic and social activity around the world demands that closer attention be paid to the responsiveness of the WIPO programs and activities to both short and medium-term fluctuations and shifts in needs and priorities. In this dynamic environment, and keeping in view the increasing complexities of intellectual property-related issues, a high degree of flexibility in resource mobilization, immediate access to policy advice, and specific expertise and decision-making have become indispensable for effective management of the International Bureau.

62. In order to facilitate a more flexible and rapid response capability, Main Program 02 has been established to consolidate all of the executive management functions and resources, create systematic linkages and strengthen internal coordination and oversight within the Secretariat. In this regard, every effort will be taken to further promote the mutually responsive and efficient relationship between the Director General and the Member States through strategic policy-making and management, facilitated by the Office of the Special Counsel, enriched by the advice of the Policy Advisory Commission (PAC) and the Industry Advisory Commission (IAC), and supported by the internal oversight activities. Under this Main Program, therefore, three sub-programs have been grouped together, namely 02.1 - Office of the Director General, 02.2 - Special Counsel and Advisory Commissions, and 02.3 - Internal Oversight.

SUB-PROGRAM 02.1 Office of the Director General

Objective:

To provide administrative support to the Director General.

Background

63. The Director General exercises executive decision-making on all matters pertaining to overall direction, management and policy execution in the implementation of all of WIPO's programs and activities.

64. In discharging his executive functions, the Director General will be assisted by the relevant offices and organizational units and, in particular, by the Office of the Director General, the Special Counsel, the Legal Counsel, the Office of Strategic Planning and Policy Development (OSPPD), the Office of the Controller, and the Internal Audit and Oversight Division. Those offices will provide the Director General, on a continuing basis, with information, analysis and policy advice to facilitate relations with Member States as well as with international, national and non-governmental organizations (NGOs) in the implementation of WIPO's program of work. They will also provide him with feedback on program performance, results achieved, and strategic and timely options to enhance the effectiveness of WIPO's programs.

65. The Office of the Director General provides the Director General with administrative support and coordinates with other executive management offices to ensure that the Director General will receive timely and substantive assistance, including:

- ◆ Preparation of substantive correspondence on various issues with governments of Member States, regional organizations, NGOs, other institutions and prominent individuals.
- ◆ Preparation of speeches, briefing material and statements for the Director General, including the consolidation of substantive contributions of program managers for his personal attention.
- ◆ Coordination of the servicing of the Assemblies and Conferences of Member States.
- ◆ Provision of substantive support and follow-up to the Senior Management Team meetings and decisions.
- ◆ Provision of administrative support, protocol, liaison and representation including organization of official ceremonies and similar functions, and making travel arrangements for the Director General and his party on official missions.

SUB-PROGRAM 02.2

Special Counsel and Advisory Commissions

Objectives:

- ◆ To provide policy advice to the Director General to facilitate relations with Member States, international and national organizations in the implementation of WIPO's policies and programs.
- ◆ To provide policy advice to the Director General on internal coordination, human resources, and program-related affairs.
- ◆ To provide the Policy and Industry Advisory Commissions with administrative and substantive support in order to ensure their continued capacity to provide high-quality "think tank" services.

Background

66. WIPO's external relations with Member States and national and international organizations continue to grow in scope, complexity and intensity. The Special Counsel will continue to assist the Director General in this regard, and will undertake a range of activities designed to maintain and enhance existing relationships, cultivate new contacts, enter into cooperation agreements with selected international organizations, and help identify and elaborate areas where cooperation and joint arrangements may be exploited to meet specific demands for intellectual property services.

67. The Special Counsel will manage the day-to-day administration of inter-agency affairs, including sorting, analyzing and distributing in-house the relevant official documents and publications of international organizations including the United Nations Departments and Specialized Agencies, ECOSOC, and the World Trade Organization, and preparing correspondence in response to the requests of other international organizations for input to their reports on matters relating to intellectual property or to WIPO's internal functioning. The Special Counsel will ensure that close contact including attendance at appropriate meetings is maintained with all external organizations whose operations relate to intellectual property or have possible bearing on the future orientation of global intellectual property policies, with a view to articulating and establishing the position of WIPO stakeholders on a broad range of intellectual-property related issues.

68. By maintaining an ongoing and comprehensive exchange of information with program managers, the Special Counsel will also consolidate a global understanding of the internal coordination, cooperation and functioning of WIPO's programs, and will identify any overlap, inefficiency or incongruity in the ongoing operations of the Organization, thus enabling the provision to the Director General of policy advice on internal coordination, human resources and program-related affairs with a view to streamlining, simplifying and standardizing activity across

the WIPO spectrum, as well as contributing to the consolidation of the undifferentiated totality of operational information into workable policy and strategy outputs.

69. Serviced by the Office of the Special Counsel, WIPO will also continue to benefit from the operations of the Policy Advisory Commission and the Industry Advisory Commission, particularly with respect to the policy-making and medium-term planning processes of WIPO, its responsiveness to international trends and technological development, and its capacity to anticipate and meet the needs of the market sector and users of the global intellectual property protection systems. Through the two Commissions, the Director General will continue to receive informed and objective advice from eminent international experts from a broad range of professional fields with bearing on intellectual property cooperation and WIPO's operations.

70. The role of the two Commissions will continue to be strictly advisory, to ensure that the Director General has available timely and informed input in the preparation of policy proposals and enhancement of WIPO's operations. Such advisory input continues to be ancillary only, and does not replace or diminish the role of the Member States in the initiation and monitoring of the programs of the Organization.

71. Administrative and documentation support and coordination of the agenda and related studies for the PAC and the IAC will be provided by the Special Counsel with the assistance of the Legal Counsel, the Office of the Director General and OSPPD and other relevant organizational units of the Secretariat. It is expected that the PAC and the IAC will meet in plenary once a year during the biennium.

72. In facilitating external relations of the Organization, every effort will be made to promote a most cordial and fruitful atmosphere during important events. For this purpose, appropriate arrangements will be made by the Protocol Division and the Office of the Director General or other concerned units of the Secretariat under the direction of the Special Counsel for all high-level and diplomatic events, during the visits of heads of State or government to WIPO, and the official visits of the Director General abroad.

SUB-PROGRAM 02.3

Internal Oversight

Objectives:

- ◆ To reinforce program planning and implementation in the Organization.
- ◆ To enhance the coherence, relevance and effectiveness of the Organization's activities in relation to their objectives.
- ◆ To ensure accountability and efficient use of resources in the Organization's operations, systems and procedures, and to safeguard assets.

Background

73. The Internal Audit and Oversight Division (IAOD) was established in 2000 to unify the two important functions of Internal Audit and Evaluation, which were separately undertaken under Sub-program 04.3 and Sub-program 02.3, respectively, of the Program and Budget 2000-2001 (document A/34/2). The work of IAOD, in performing evaluations and internal audits, will ensure that WIPO's program and activities, as approved by Member States under the 2002-2003 Program and Budget, provide in an efficient manner the attainment of the expected results.

74. Evaluation is an essential management tool to ensure the continuing relevance of WIPO's programs especially to shifting user demands and to promote a result-oriented management culture. In the 2002-2003 biennium, and in parallel with the organizational transformation to the present result-based planning and budgeting structure, WIPO's evaluation process will undergo further development, effectively enhancing accountability to its stakeholders.

75. The audit function is an indispensable part of the system of accountability and oversight. Audit monitors and ensures the compliance of WIPO's operations with its rules and regulations, as well as the efficiency of WIPO's financial and management procedures, and contributes to an economic and efficient use of resources. Auditing financial transactions and undertaking of management audits will be the main priorities during the 2002-2003 biennium, taking into account the decentralized system of financial control, through which program managers are given increased responsibility in the financial area.

Expected Results	Performance Indicators
1. Systematic monitoring and evaluation of program performance.	❑ Wider use of the system in place for the regular and systematic assessment of results.
2. Continued use of performance indicators to measure achievements in relation to objectives.	❑ Periodic feedback from program managers on the use of performance measurement as a management tool and on corrective action taken, as appropriate.
3. Compliance with WIPO's regulations, rules and procedures.	❑ Adequate Reports and opinion by the External Auditors.
4. Improvement of administrative and management procedures.	❑ Number of office instructions aimed at improving procedures.

Activities

- ◆ Continued assistance to program managers with a view to further developing and strengthening the program performance evaluation system of WIPO.
- ◆ Periodic consultations with program managers on program performance evaluation, including self-evaluation, to assess the extent to which the objectives were attained and propose corrective measures.

- ◆ In-depth evaluation of selected programs/activities and dissemination of the results as an input to improved program management and strengthened accountability.
- ◆ Periodic reporting to the Director General and program managers, highlighting positive results and, as necessary, vulnerable areas where corrective action may be needed or where senior management attention may be desirable.
- ◆ Preparation of regular program performance reports of the Director General to the Member States.
- ◆ Planning and conducting financial audits of the accounts and management audits on the adequacy of internal controls, so as to ensure economy, efficiency, regularity of operations and compliance with WIPO's rules, regulations and procedures.
- ◆ Follow-up on findings of previous audits, including preparation of reports on the implementation of related recommendations.
- ◆ Preparation of an annual report on audit activities.
- ◆ Participation in management initiatives on the improvement and streamlining of processes, including further development of audit-related information and tools.
- ◆ Cooperation with the External Auditors, including support in their audit planning, preparation, follow-up and financing.
- ◆ Cooperation with oversight bodies of the United Nations system, including the Joint Inspection Unit (JIU), and other relevant international institutions, as well as participation in related meetings and courses.

Table 11.2 Detailed Budget 2002-2003
Main Program 02
Direction and Executive Management

A. Budget Variation by Object of Expenditure
(in thousands of Swiss francs)

Object of Expenditure	2000-2001 Revised Budget A	Variation						2002-2003 Proposed Budget E=A+D
		Program		Cost		Total		
		Amount B	% B/A	Amount C	% C/A	Amount D=B+C	% D/A	
Staff Expenses	7,379	(300)	(4.1)	626	8.5	326	4.4	7,705
Travel and Fellowships	1,470	151	10.3	58	3.9	209	14.2	1,679
Contractual Services	1,130	(50)	(4.4)	39	3.5	(11)	(1.0)	1,119
Operating Expenses	503	(16)	(3.2)	18	3.6	2	0.4	505
Equipment and Supplies	25	-	-	-	-	-	-	25
	10,507	(215)	(2.0)	741	7.1	526	5.0	11,033

B. Budget Variation by Post Category

Post Category	2000-2001	Variation	2002-2003
	Revised Budget A	B-A	Proposed Budget B
Directors	4	(1)	3
Professionals	7	3	10
General Service	8	(1)	7
TOTAL	19	1	20

C. Budget Allocation by Sub-program and Detailed Object of Expenditure
(in thousands of Swiss francs)

Object of Expenditure	Sub-program			Total
	1	2	3	
Staff Expenses				
Posts	2,300	3,686	1,476	7,462
Short-term Expenses	63	120	60	243
Travel and Fellowships				
Staff Missions	700	150	109	959
Government Officials	-	720	-	720
Contractual Services				
Conferences	-	510	-	510
Consultants	20	220	182	422
Publishing	10	-	10	20
Other	5	45	117	167
Operating Expenses				
Communication and Other	88	285	132	505
Equipment and Supplies				
Furniture and Equipment	10	-	5	15
Supplies and Materials	10	-	-	10
Total	3,206	5,736	2,091	11,033

MAIN PROGRAM 03

Legal Counsel

Objectives:

- ◆ To advise the Director General, the Secretariat and the Member States on the legal aspects of the work of the Organization, including questions of administrative and constitutional law, contracts, and general legal matters.
- ◆ To provide secretariat services in relation to the meetings of the Working Group on Constitutional Reform and the meetings of the Assemblies, Standing Committees, and other bodies of the Member States.
- ◆ To enhance the Director General's effectiveness as depositary of WIPO-administered conventions and agreements.
- ◆ To facilitate relations between the management and the staff through the prevention and resolution of staff grievances..

Summary

76. The number of States party to the treaties administered by WIPO continues to increase at a tremendous pace. This has resulted in a continuing rise in the number of depositary activities. The number and the variety of the legal issues that arise in the work of the Organization have also multiplied as the Organization has become significantly larger and its activities have become much more complex. The Office of Legal and Organization Affairs (OLOA) will continue to respond to the growth of the Organization by providing legal advice to the Director General, to the different divisions and units of the Secretariat, and to the Member States. It is envisaged that the ongoing discussions on constitutional reform of the Organization and the follow-up action will take up a significant portion of the workplan in the biennium.

77. In view of the growing size of the Organization and its significant investments in new premises and facilities, including hardware and software components of its information technology systems, greater emphasis will be given to the relations of the Organization with the enterprise sector from the point of view of its contractual relations with entities that supply goods or services to it. This will involve the legal review of contracts¹ proposed to be entered into by the Organization for the acquisition of goods and services, including land and buildings. Legal advice and support with respect to external legal claims against and by the Organization will also be further strengthened under the Office.

¹ Previously part of the responsibilities of the former NGO and Enterprise Affairs Division.

Expected Results	Performance Indicators
1. Timely quality advice and assistance to Member States, the Secretariat and other entities on a wide range of legal issues relating to the work of the Organization.	<input type="checkbox"/> Number and nature of requests received for advice and number and timeliness of responses prepared. <input type="checkbox"/> Number of notifications of adherence and other treaty actions handled.
2. Simpler and improved governance structure of the Organization.	<input type="checkbox"/> Reduction in number of governing bodies of the Organization. <input type="checkbox"/> Acceptance by Member States of recommendations of the Working Group on Constitutional Reform.
3. More efficient management and ready widespread availability of user-friendly statistical information about WIPO-administered treaties.	<input type="checkbox"/> Number of consultations of the treaty database.
4. Contracts entered into by the Organization are compliant with internal regulations and applicable law.	<input type="checkbox"/> Number and nature of legal problems concerning the interpretation and application of the contracts.
5. Improved legal framework for the implementation of the Organization's activities in the area of information technology.	<input type="checkbox"/> Number and nature of relevant policies to enhance and protect the interest of the Organization in the area of information technology.
6. Adequate response to external legal claims against and by the Organization.	<input type="checkbox"/> Number of legally appropriate responses to claims against the Organization, and number and quality of advice with respect to proposed initiatives by the Organization.

Activities

- ◆ Provision of secretariat services, including preparation of relevant documents, for the meetings of the Working Group on Constitutional Reform.
- ◆ Continuation of providing legal advice related to the administration and work of the Organization, and on questions concerning the legal status of the Organization, its privileges and immunities, and questions concerning its staff.
- ◆ Provision of secretariat services in relation to the legal, administrative and constitutional elements of diplomatic conferences and other meetings of Member States convened by the Organization, and assistance in the preparation of documents submitted to such conferences and meetings and to the Assemblies of Member States of WIPO and other bodies of the Organization and the Unions administered by it.
- ◆ Performance of depositary functions in relation to international treaties and agreements administered by the Organization, including the notification of treaty actions, making available lists of contracting States, and registration of WIPO-administered treaties with the United Nations Secretariat in New York.

- ◆ Finalization of an accessible database containing up-to-date information on the status of accessions to WIPO-administered treaties and making that database available on the Internet in coordination with activities under Main Program 09 (Global Communications).
- ◆ Representation of the Organization before the WIPO Appeal Board and the ILO Administrative Tribunal in all cases affecting the Organization, and preparation of related briefs and other documents. This would be carried out in coordination with activities under Main Program 16 (Human Resources Management).
- ◆ Participation in meetings of and coordination with the Legal Advisors of the Organizations of the United Nations system, and provision of advice to the members of the United Nations system on their policies relating to intellectual property.
- ◆ Provision of legal advice in the course of the preparation of contracts under negotiation by the Organization and review of contracts before they are entered into by the Organization, including contracts relating to the automated system for the Patent Cooperation Treaty, WIPONET and the building construction projects.
- ◆ Development of simplified standard agreements in order to facilitate a harmonized contracting practice in the Organization.
- ◆ Development of a framework through which new and, in particular, complex contractual obligations may be vetted, including, as necessary, in coordination with internal and external entities.
- ◆ Provide legal advice, upon request, regarding external claims by and against the Organization.

The foregoing activities will usually be carried out in cooperation with the other Main Programs, notably Main Programs 15, 17 and 18.

Table 11.3 Detailed Budget 2002-2003
Main Program 03
Legal Counsel

A. Budget Variation by Object of Expenditure
(in thousands of Swiss francs)

Object of Expenditure	2000-2001 Revised Budget A	Variation						2002-2003 Proposed Budget E=A+D
		Program		Cost		Total		
		Amount B	% B/A	Amount C	% C/A	Amount D=B+C	% D/A	
Staff Expenses	2,567	293	11.4	214	8.3	507	19.8	3,074
Travel and Fellowships	260	(9)	(3.5)	9	3.5	-	-	260
Contractual Services	296	(10)	(3.4)	10	3.4	-	-	296
Operating Expenses	62	(2)	(3.2)	2	3.2	-	-	62
	3,185	272	8.5	235	7.4	507	15.9	3,692

B. Budget Variation by Post Category

Post Category	2000-2001	Variation	2002-2003
	Revised Budget A	B-A	Proposed Budget B
Directors	2	(1)	1
Professionals	3	2	5
General Service	2	-	2
TOTAL	7	1	8

**C. Budget Allocation by Sub-program
and Detailed Object of Expenditure**
(in thousands of Swiss francs)

Object of expenditure	Sub-program	Total
	1	
Staff Expenses		
Posts	2,936	2,936
Short-term Expenses	138	138
Travel and Fellowships		
Staff Missions	110	110
Government Officials	150	150
Fellowships	-	-
Contractual Services		
Conferences	170	170
Consultants	90	90
Publishing	36	36
Operating Expenses		
Communication and Other	62	62
Total	3,692	3,692

MAIN PROGRAM 04

Planning, Budgeting and Control

04.1 Strategic Planning and Policy Development

04.2 Program Budget and Financial Control

Summary

78. The Office of Strategic Planning and Policy Development (OSPPD) and the Office of Controller, under the direct supervision of the Director General, will assist him in discharging his executive functions and oversight responsibilities, including the provision of overall strategic direction, planning, management, policy guidance and leadership in the implementation of all program activities.

79. The responsibilities of the OSPPD include the analysis of trends in intellectual property, formulation of plans, monitoring of developments and assessment of their implications on the vision, strategy, policy and programs of WIPO, provision of substantive support to the development of policies and coordination of program activities.

80. In accordance with the WIPO Financial Regulation 10.1 (b), the Office of the Controller is responsible for preparing budget proposals reflecting the vision and strategy of the Director General, and exercising financial control by monitoring the implementation of program activities.

81. The two Offices, together with the Office of Internal Oversight, will collaborate to implement a dynamic cycle of the result-oriented program and budget, consisting of the planning of programs reflecting the Director General's vision and strategy, the preparation of budget proposals for the programs, the coordinated implementation of programmed activities under proper financial control, the assessment of performance, and refining the strategic planning of programs.

SUB-PROGRAM 04.1

Strategic Planning and Policy Development

Objectives:

- ◆ To assist the Director General in management responsibilities and in creating and refining the strategic planning and overall policy.
- ◆ To ensure the coherence and integration of WIPO's programs.

Background

82. With the rapid changes taking place in the world, driven by digital technology, global economic development, and the ever shifting needs and requirements of Member States, OSPPD must remain constantly aware and abreast of WIPO's position, policy and direction at all times. The Organization's dual nature, as a specialized Agency operating within the framework of the United Nations System and as an organization that interacts directly with industry and with the public in the field of intellectual property, requires it to be doubly vigilant and action-oriented towards the rapidly changing landscape.

83. For strategic planning, OSPPD will continue to analyze and evaluate developments and activities in intellectual property involving the Member States of the Organization, market and industry sectors, and civil society. Reflecting the impact of the substantive elements of the foregoing into proposed strategies, policies and activities of WIPO, OSPPD will assist the Director General in ensuring highly-relevant and timely responses to emerging issues.

84. The nature and scope of activities which have been increasingly holistic and cross-cutting, require closer coordination and interaction with all relevant departments and programs across the Secretariat to seek the best means and modalities for WIPO to deliver the highest quality products and services. Through program coordination, OSPPD makes optimal use of internal resources and expertise to effectively address cross-cutting issues and to avoid duplicative or wasteful efforts. Proactive program coordination, maximizing relations with other organizations, maintaining leading edge substantive and technological prowess, and providing timely and state-of-the-art information, are some of the driving forces which will underlie strategic actions under this Main Program.

Expected Result	Performance Indicator
Increased coherence and integration of WIPO's programs.	☐ Number and nature of activities resulting from the policy planning and program coordination.

Activities

- ◆ Refinement and synthesis of the Organization's overall policies, ensuring alignment with the stated goals and objectives of the Director General, as approved by the Member States.
- ◆ Coordination and where necessary, adjustment, of the Organization's programs and activities, with a view to eliminating duplication and redundancy, while ensuring continued relevance, coherence and efficiency and a capability to deal with international policy shifts.
- ◆ Strategic and tactical planning of all actions necessary to achieve maximum results and desired benefits from the Organization's programs and activities, and from relations with external entities.

- ◆ Analysis of emerging issues related to intellectual property.
- ◆ Undertaking special projects and activities at the request of the Director General, to further his program, goals and objectives or to meet heretofore unforeseen needs.
- ◆ Undertaking missions, and attending conferences, symposia and meetings, to realize first hand information and trends, maintain the Organization's visibility and cultivate effective professional contacts in all spheres relevant to the work of the Organization.

SUB-PROGRAM 04.2

Program Budget and Financial Control

Objective:

To facilitate deliberations by the Program and Budget Committee and the General Assembly on program budget and financial issues as well as ensure sound financial management of WIPO.

Background

85. The program budget cycle translates the vision of the Director General into concrete activities and is central to leading, shaping and coordinating the work of the Secretariat. Member States decide on the activities and determine the level of resources to be made available. During the 2002-2003 biennium, the Office's attention will focus on further improving the program budget cycle, in particular through the introduction of an integrated resource management system. Emphasis will be given to strengthen budgetary control and support the new policies on budget surplus and reserves approved by the General Assembly during the thirty-fifth session in 2000. Further attention will be focused on strengthening WIPO's compliance with the Financial Rules and Regulations and other relevant policies and directives to ensure efficient use of the resources. This is done by building on the recent improvements in budgetary control, such as the introduction of an allotment system, the integration of biennial budget and annual workplan process and the introduction of Activity-Based Control (ABC) for monitoring program implementation. Specifically, guidelines will be established to codify standards for internal budgetary and accounting controls in order to assist, in particular, program managers in budgetary control.

Expected Results	Performance Indicators
1. Budgetary documents and financial reports of high quality and available at required dates.	<input type="checkbox"/> Approval by Member States of high quality, result-based budgetary documents.
2. Monitoring reports and tools supporting decision making on program implementation.	<input type="checkbox"/> Number of monitoring reports submitted to the Director General and program managers. <input type="checkbox"/> Increased use by program managers of monitoring tools.
3. Financial control exercised in compliance with Financial Rules and Regulations and other relevant policies and directives.	<input type="checkbox"/> Report and opinion of the External Auditors on the financial statements of WIPO.

Activities

- ◆ Preparation of the draft Program and Budget for the 2004-2005 biennium.
- ◆ Preparation of revised project budget for new constructions.
- ◆ Preparation and servicing of up to four sessions of the Program and Budget Committee.
- ◆ Certify commitment to incur obligations in conformity with, among others, availability of budget authorization, available funding and the principles of economical use of resources.
- ◆ Coordination of the preparation and review of the annual workplans and monitoring of implementation in accordance with Activity-Based Control (ABC).
- ◆ Preparation of quarterly and annual forecasts on income and expenditure of WIPO.
- ◆ Support the development, testing and deployment of new automated finance and budget systems.
- ◆ Develop guidelines for budgetary and accounting control.

Table 11.4. Detailed Budget 2002-2003
Main Program 04
Planning, Budgeting and Control

A. Budget Variation by Object of Expenditure
(in thousands of Swiss francs)

Object of Expenditure	2000-2001	Variation						2002-2003
	Revised Budget A	Program		Cost		Total		Proposed Budget E=A+D
		Amount B	% B/A	Amount C	% C/A	Amount D=B+C	% D/A	
Staff Expenses	5,879	(311)	(5.3)	419	7.1	108	1.8	5,987
Travel and Fellowships	115	35	30.4	5	4.3	40	34.8	155
Contractual Services	555	(202)	(36.4)	12	2.2	(190)	(34.2)	365
Operating Expenses	90	(3)	(3.3)	3	3.3	-	-	90
Equipment and Supplies	20	-	-	-	-	-	-	20
	6,659	(481)	(7.2)	439	6.6	(42)	(0.6)	6,617

B. Budget Variation by Post Category

Post Category	2000-2001	Variation	2002-2003
	Revised Budget A	B-A	Proposed Budget B
Directors	4	1	5
Professionals	8	(2)	6
General Service	4	1	5
TOTAL	16	-	16

**C. Budget Allocation by Sub-program and
Detailed Object of Expenditure**
(in thousands of Swiss francs)

Object of Expenditure	Sub-program		Total
	1	2	
Staff Expenses			
Posts	2,662	3,058	5,720
Short-term Expenses	78	189	267
Travel and Fellowships			
Staff Missions	55	100	155
Contractual Services			
Conferences	15	-	15
Consultants	100	100	200
Publishing	20	100	120
Other	30	-	30
Operating Expenses			
Communication and Other	90	-	90
Equipment and Supplies			
Furniture and Equipment	10	10	20
	3,060	3,557	6,617

Part II: Intellectual Property Systems and Global Issues

86. One important objective of the draft Program and Budget for the 2002-2003 biennium is to ensure that the demands of Member States are fully satisfied in respect of the filing of international patent applications under the Patent Cooperation Treaty (PCT) and registration activities under the Madrid, Hague and Lisbon Systems (for international registration of marks, international deposit of industrial designs, and protection of appellations of origin, respectively). This is a traditional but rapidly-expanding sector that will continue to grow in direct proportion to the increasing use of the intellectual property system in global economic and social development. Consequently, it will demand a significant proportion of staff and non-staff resources during the 2002-2003 biennium and beyond.

87. The PCT, Madrid, Hague, and Lisbon Systems, however, are not the only market-driven programs that must be considered. During the past biennium, the growing importance of electronic commerce issues, and the steep rise in international demand for WIPO's on-line administration of Internet domain name disputes had the effect of putting great pressures on available resources. In addition, these market-led programs have become even more significant, politically speaking, as they concern all Member States and practically the entire array of WIPO's constituents in both the public and private sectors.

88. Apart from the above mentioned registration activities, the impact of the wider use of the intellectual property system globally is also increasing the demand for sustained development of substantive law, notably in the fields of patents, copyright and related rights, but especially in the newly emerging areas of traditional knowledge, genetic resources and folklore. Moreover, these same developments have rekindled the interest of small and medium-sized enterprises (SMEs) in intellectual property as valuable business assets and, along with greater use of intellectual property protection, and greater demand for enforcement measures. These developments acting together have heightened the importance of reaching ever-wider audiences and the intensifying demystification of intellectual property concepts and practices in civil society.

89. In view of the foregoing considerations, plus the need for better mechanisms that streamline and reduce the operating costs of WIPO's activities in the above areas, the main programs concerned have been re-structured and grouped together under Part II of the draft Program and Budget for the 2002-2003 biennium. Part II contains the following main programs:

- Program 05 – Development of Industrial Property Law
- Program 06 – Patent Cooperation Treaty (PCT) System
- Program 07 – Madrid, Hague and Lisbon Systems
- Program 08 – Development of Copyright and Related Rights
- Program 09 – Global Communications
- Program 10 – Global Intellectual Property Issues
- Program 11 – Arbitration and Mediation Center

90. The above program structure consolidates and refocuses the efforts and resources of the International Bureau to provide intellectual property systems and services that are speedy, practical and oriented towards modern business practices, and yet flexible and dynamic such that they can respond to possible shifts in the use of intellectual property in the global marketplace.

91. The grouping together of WIPO's programs as set out above is intended to strengthen the links and complementarity between, on the one hand, WIPO's services for intellectual property registration, dispute resolution, demystification and progressive development of intellectual property law at the international level, and on the other hand, the services of private and public intellectual property organizations (IPOs) of Member States at the national and regional levels. The result of this grouping is effectively a better partnership arrangement on a global scale between WIPO and the (IPOs) of Member States, a partnership that is considered a necessary and sufficient requirement for achieving a truly global and harmonious intellectual property system.

MAIN PROGRAM 05

Development of Industrial Property Law

05.1 Law of Patents

05.2 Law of Trademarks, Industrial Designs and Geographical Indications

Summary

92. This Main Program consists of two Sub-programs. Under Sub-program 05.1, Law of Patents, the primary activity is to provide support for the Standing Committee on the Law of Patents (SCP). As one of four standing committees within WIPO, the SCP deals with clusters of interlocking issues in the area of patent law and gives Member States an effective mechanism for setting priorities, allocating resources, and ensuring the coordination and continuity of inter-related on-going work.

93. Under Sub-program 05.2, Law of Trademarks, Industrial Designs and Geographical Indications, the primary activity is to provide support for the Standing Committee on the Law of Trademarks, Industrial Designs and Geographical Indications (SCT), which deals with clusters of interlocking issues in the areas of trademarks, industrial designs, geographical indications, and unfair competition.

94. The main resources under Main Program 05 will continue to be utilized to provide support for the Standing Committees, in order to further the progressive development of industrial property law. The activities of the International Bureau under this Main Program will continue to provide industrial property legal advice to Member States and to other units within WIPO, participate in relevant seminars and conferences, follow developments in national and regional industrial property law, coordinate with other international intergovernmental organizations (IGOs) involved in industrial property, and administer and promote the industrial property treaties that are administered by WIPO.

SUB-PROGRAM 05.1 Law of Patents

Objectives:

- ◆ To increase the awareness of Member States and other concerned parties of the importance and benefits of harmonizing patent law and to make progress towards the adoption of a legal instrument on further harmonization of patent law.
- ◆ To promote adherence to and appropriate implementation of WIPO-administered patent treaties, in particular, the Patent Law Treaty (PLT) and to provide information on current issues relating to the law of patents. To investigate the desirability and feasibility of establishing rules relating to the industrial property aspects of space law.
- ◆ To investigate the desirability and feasibility of establishing rules relating to the impact on patentability of disclosures on the Internet and infringement of patents on the Internet.
- ◆ To study the desirability and feasibility of establishing a system for the central recording of changes in patents and patent applications.
- ◆ To investigate the desirability and feasibility of further developing the Budapest Treaty on the International Recognition of the Deposit of Microorganisms for the Purposes of Patent Procedure, including in particular consideration of a system for the deposit of DNA sequence listings referred to in patent applications.

Background

95. National and regional patent laws differ from country to country and region to region, causing problems for patent applicants and owners, in particular in terms of complexity and costs of international patent protection. The PLT, which was adopted at a Diplomatic Conference held in Geneva from May 11 to June 2, 2000, has contributed to harmonizing and streamlining patent formalities and procedures, but has not addressed issues of substantive patent law. In this respect, the Member States in the Standing Committee on the Law of Patents have expressed the position that discussions concerning further harmonization of patent law, in particular harmonization of substantive issues of patent law, should be a matter of priority. In addition, specific demands and needs have arisen in relation to the reform of the Budapest Treaty, the recording of DNA sequence listings in patent applications and in respect of studying the industrial property aspects of space law.

Expected Results	Performance Indicators
1. Greater awareness of the importance and benefits of further harmonizing patent law and substantive progress towards the possible adoption of a legal instrument on further harmonization of patent law.	☐ Number of meetings of the Standing Committee on the Law of Patents (SCP), and progress towards the adoption of a legal instrument on the further harmonization of patent law.
2. Greater level of awareness and understanding of current issues in the law of patents	☐ Number and nature of studies and guides published on current issues in the law of patents.

Expected Results	Performance Indicators
3. Increased awareness of the benefits of adherence to the WIPO-administered patent treaties, and, in particular, of the adherence to the PLT.	☐ Number of missions, meetings and workshops to promote the treaties and feedback thereon.
4. Agreement of Member States on the form of further addressing the issue.	☐ Progress in the relevant discussions.

Activities

- ◆ Convening of four meetings of the SCP (and any Working Group set up by this Committee), to consider current issues relating to the law of patents, including:
 - continuation of discussions on further harmonizing patent law;
 - the desirability and feasibility of harmonizing rules concerning the patent law implications of disclosure of information on the Internet, such as its impact on patentability, including whether such information has become state-of-the-art even if it was disclosed on the Internet for only a limited time, and concerning infringement of patents on the Internet;
 - the desirability and feasibility of establishing a central system to record changes in patents and patent applications for participating IPOs;
 - the desirability and feasibility of further development of the Budapest Treaty on the International Recognition of the Deposit of Microorganisms for the purposes of Patent Procedure in order to:
 - clearly regulate and harmonize rules for public access to deposited biological material;
 - consider the possibility of biodeposits regarding traditional knowledge based on biological material and resources;
 - consider the possibility of setting up a system for the single deposit in a data bank of DNA sequence listings referred to in a patent application, with the effect of replacing the whole contents of the listing.
 - consideration of the measures to take and the form to give to any conclusions Member States may draw on the protection of industrial property in outer space.
- ◆ Preparation of studies on important issues relating to the law of patents that might not yet be ready for consideration by the SCP; where appropriate with the help of consultants, including certain practical questions relating to the patentability of biotechnological inventions, and, in cooperation with other sectors of WIPO, a study on possible policy recommendations for the protection, management and commercialization of industrial property rights developed or held, for example, by universities, research institutions, United Nations specialized agencies and other international IGOs, to assist those organizations in their economic-technical activities.

- ◆ Promotion of the PLT, by increasing the understanding of the principles of procedural patent law harmonization, including correspondence, legal advice, missions to speak at and attend seminars as well as advise national governments.
- ◆ Administration and promotion of WIPO-administered treaties in the area of patents (including the Paris Convention for the Protection of Industrial Property and the Budapest Treaty on the International Recognition of the Deposit of Microorganisms for the Purposes of Patent Procedure), by promoting the understanding of the international principles relating to the law of patents, including provision of legal advice, participation in relevant seminars and meetings, consultation with national governments, preparation and provision of advice concerning WIPO documents and publications, publication of an updated version of the *Guide to the Deposit of Microorganisms under the Budapest Treaty*, and following the activities of the World Trade Organization (WTO).
- ◆ Updating of the WIPO guides on the licensing of biotechnology and on the licensing of integrated circuits, to promote licensing as an efficient tool to facilitate the transfer of technology and the commercialization of industrial property rights.
- ◆ Contribution to the preparation of a Guide on International Treaty Provisions concerning Industrial Property Protection as far as the law of patents is concerned.

SUB-PROGRAM 05.2

Law of Trademarks, Industrial Designs and Geographical Indications

Objectives:

- ◆ To increase the awareness and build consensus among Member States and other concerned parties on the necessity for harmonizing certain principles and rules of the law of trademarks, industrial designs and geographical indications.
- ◆ To revise and modernize the Trademark Law Treaty.
- ◆ To provide information on current issues relating to the law of trademarks, industrial designs and geographical indications.
- ◆ To promote adherence to and implementation of the WIPO-administered treaties in the areas of the law of trademarks, industrial designs and geographical indications.

Background

96. The principles and rules of the law of trademarks, industrial designs and geographical indications differ from country to country. This creates uncertainty for right holders and users wishing to market their products and seeking protection for their rights in several countries. In the years since the adoption of the Trademark Law Treaty (TLT), many developments have taken place necessitating the revision and modernization of the treaty, including the growth of electronic commerce and electronic filing, increasing globalization of the world economy requiring further harmonization of trademark law, and developments allowing consideration of creating an Assembly to modify the Regulations to the treaty. In recent years, the WIPO Assembly and the Paris Union Assembly have adopted a number of Joint Recommendations concerning protection of marks and other industrial property rights. Continuing consideration should be given to including these soft law provisions into a future treaty, and to the further development of industrial property law through the adoption of new joint recommendations. In addition, expanding international trade and cooperation necessitate taking a close look at all areas of international protection, including geographical indications, industrial designs and competition law.

Expected Results	Performance Indicators
1. Greater awareness of the necessity for the harmonization of certain principles and rules of the law of trademarks, industrial designs and geographical indications and consensus for action in this regard.	☐ Feedback from the SCT regarding the necessity for the harmonization of certain principles and rules of the law in these areas.
2. Greater level of awareness of current issues in the law of trademarks, industrial designs and geographical indications.	☐ Number of studies and guides published on current issues in the law of trademarks, industrial designs and geographical indications.
3. Increased awareness of the benefits of adherence to the WIPO-administered treaties or implementation of Joint Recommendations in the law of trademarks, industrial designs and geographical indications.	☐ Number of missions, meetings and workshops to promote the treaties and Joint Recommendations and feedback thereon.

Activities

- ◆ Convening of four meetings of the SCT (and any Working Group set up by this Committee), to consider current issues, including:
 - the revision of the TLT to address, *inter alia*, the creation of an Assembly, inclusion of provisions on electronic filing, and the incorporation of the Joint Recommendation on trademark licenses; preparation and convening of a diplomatic conference for the revision of the TLT;
 - the desirability and feasibility of harmonizing substantive trademark law, including the protection for new trademarks (sound, smell, three-dimensional marks, etc.), the requirements for use of a mark prior to registration, substantive grounds for refusal, etc.; facilitation of discussion in the SCT to incorporate in this framework the Joint

Recommendation concerning provisions on the protection of well-known marks and the proposed Joint Recommendation on the protection of marks and other industrial property rights in relation with the use of signs on the Internet;

- the continuation of the work of the SCT on geographical indications that took place during the 2000-2001 biennium, studying the desirability and feasibility of establishing guiding principles on issues concerning the protection of geographical indications, such as the nature of the rights in geographical indications, how to obtain effective protection for geographical indications in different countries, and, where protection is based on registration, the desirable and essential features of the registration procedure.
- ◆ Preparation of studies on important issues relating to the law of trademarks, industrial designs and geographical indications that might not yet be ready for consideration by the SCT, where appropriate with the help of consultants, including the following:
 - exploration of the desirability and feasibility of harmonizing procedures and substantive rules concerning the protection of industrial designs;
 - preparation of studies on globalization of trademarks, and the nature of rights deriving from domain names, and exploration of the practicality of establishing a principle of internationally well-known marks;
 - further developing the work concerning the protection of marks and other industrial property rights on the Internet, in particular, counterfeiting of marks on the Internet;
 - ways to effectively combat acts of unfair competition (with reference to Article 10*bis* of the Paris Convention), in particular on the Internet;
 - issues relating to intellectual property and competition law.
- ◆ Publication of international standards for eventual adoption by the WIPO General Assembly and the Paris Union Assembly concerning the law of trademarks, industrial designs and geographical indications, through the medium of joint recommendations.
- ◆ Administration and promotion of treaties administered by WIPO and joint recommendations in the area of trademarks, industrial designs and geographical indications (including the Paris Convention for the Protection of Industrial Property and the Trademark Law Treaty) by promoting an understanding of the international principles relating to the law of trademarks, industrial designs and geographical indications, including correspondence, legal advice, missions to speak at seminars, and advising national governments; preparation and provision of advice concerning WIPO documents and publications; notifications of emblems of States and intergovernmental organizations under Article 6*ter* of the Convention and in accordance with the 1995 Agreement between WIPO and the WTO; publication of an updated version of the Article 6*ter* CD-ROM. Preparations for publishing on-line all communications made so far under Article 6*ter*. Following the activities of the WTO.

- ◆ Organization of the next in the series of worldwide symposia on the international protection of geographical indications in cooperation with an interested government, and publication of the presentations made at the symposium.
- ◆ Contribution to the preparation of a *Guide on International Treaty Provisions concerning Industrial Property Protection* as far as the law of trademarks, industrial designs and geographical indications is concerned.
- ◆ Updating and publishing the WIPO Guide on Franchising.

Table 11.5 Detailed Budget 2002-2003
Main Program 05
Development of Industrial Property Law

A. Budget Variation by Object of Expenditure
(in thousands of Swiss francs)

Object of Expenditure	2000-2001 Revised Budget A	Variation						2002-2003 Proposed Budget E=A+D
		Program		Cost		Total		
		Amount B	% B/A	Amount C	% C/A	Amount D=B+C	% D/A	
Staff Expenses	5,182	728	14.0	384	7.4	1,112	21.5	6,294
Travel and Fellowships	1,479	(59)	(4.0)	51	3.4	(8)	(0.5)	1,471
Contractual Services	1,513	(47)	(3.1)	54	3.6	7	0.5	1,520
Operating Expenses	55	(1)	(1.8)	2	3.6	1	1.8	56
Equipment and Supplies	8	-	-	-	-	-	-	8
	8,237	621	7.5	491	6.0	1,112	13.5	9,349

B. Budget Variation by Post Category

Post Category	2000-2001	Variation	2002-2003
	Revised Budget A	B-A	Proposed Budget B
Directors	4	-	4
Professionals	4	2	6
General Service	6	-	6
TOTAL	14	2	16

**C. Budget Allocation by Sub-program and
Detailed Object of Expenditure**
(in thousands of Swiss francs)

Object of Expenditure	Sub-program		Total
	1	2	
Staff Expenses			
Posts	4,476	1,692	6,168
Short-term Expenses	63	63	126
Travel and Fellowships			
Staff Missions	387	348	735
Government Officials	368	368	736
Contractual Services			
Conferences	396	396	792
Consultants	340	340	680
Publishing	20	20	40
Other	4	4	8
Operating Expenses			
Communication and Other	28	28	56
Equipment and Supplies			
Furniture and Equipment	4	4	8
Total	6,086	3,263	9,349

MAIN PROGRAM 06

Patent Cooperation Treaty (PCT) System

06.1 Operation of the PCT System

06.2 Legal Framework, Information and Training Activities; PCT Reform

06.3 International Patent Classification (IPC)

Summary

97. The Patent Cooperation Treaty (PCT) provides for rationalization and cooperation in the filing and processing of patent applications and the dissemination of the technical information they contain. The principal objective of the PCT is to simplify and render more effective and more economical—in the interests of both the users of patent systems and patent offices—applications for patents in more than one country by reducing duplication of the work of filing and processing in each country.

98. The PCT establishes an international system enabling the filing of a single “international” patent application “designating” the countries in which a patent is sought. The features of the system include: the formal examination of international applications by PCT receiving Offices; an international search, the report of which is made available to the applicant and published; the centralized international publication of international applications with the related international search reports, as well as their communication to the designated Offices; and an optional international preliminary examination, the report of which is made available to the applicant and the designated Offices concerned and contains an opinion on whether the claimed invention meets the main internationally accepted criteria for patentability. The granting of patents remains a matter for national and regional offices, which are able to make use of the international search report and the international preliminary examination report.

99. In 2000, the International Bureau received approximately 91,000 international applications, an increase of 23 per cent over the number received in 1999. It is expected that the number of applications will continue to increase in 2001 and during the 2002–2003 biennium.

100. Should the actual number of international applications and Chapter II demands be higher or lower than forecasted, the budget of the Union would be increased or decreased as described in Appendix 3.

101. On December 31, 2000, the PCT had 108 Contracting States. Further accessions to the PCT that are expected in 2001 and during the 2002–2003 biennium will place additional demands on the International Bureau for information and training activities for the national and regional Offices concerned, as well as for applicants and potential applicants. Following a decision by the PCT Assembly at its 29th session in October 2000, proposals for reform of the PCT will be submitted at its September 2001 session. The International Bureau will continue, during the 2002-2003 biennium, to prepare and service meetings related to simplifying and reforming the PCT system.

102. During the 2002-2003 biennium, one of the main focuses under Main Program 06 will be to support the development of the information and document automation system IMPACT (Information Management for the Patent Cooperation Treaty - see Main Program 15) for the operation of the PCT system authorized by the Assemblies of Member States of WIPO in March 1998. This is a key factor in helping to meet the challenges of both the continuous increase in the number of international applications processed by the International Bureau and the growing number of PCT Contracting States.

103. The International Patent Classification (IPC) provides for a common classification for patents, including utility models and utility certificates, in order to establish an effective search tool for the retrieval of patent documents by patent offices and other users. Periodical revision of the IPC will continue to be needed in order to further enhance its efficiency and effectiveness for the retrieval of patent information. Due to its use in the electronic environment related to digital libraries interconnected by global information networks, IPC reform is to be carried out, including the elaboration of automated tools supporting maintenance and revision of the IPC and facilitating its promotion worldwide.

SUB-PROGRAM 06.1

Operation of the PCT System

Objectives:

- ◆ To provide in a swift, reliable, and cost-effective manner the services entrusted to the International Bureau under the PCT.
- ◆ To enhance the International Bureau's capacity to process the increasing number of international applications.
- ◆ To improve the dissemination on paper or in electronic format of information on international applications and related information.

Background

104. This sub-program deals with the processing by the International Bureau of international applications under the PCT. The sub-program covers the formal examination of applications, the translation of titles, abstracts and international preliminary examination reports, as well as the publication of international applications. It also covers the activities of the International Bureau acting as Receiving Office.

Expected Results	Performance Indicators
1. Increase in the productivity of PCT operations in the International Bureau.	<input type="checkbox"/> Ratio between the total number of PCT staff and the number of international applications. <input type="checkbox"/> Comparison between the growth in the total PCT expenditures and the growth in the number of international applications.
2. Processing in a swift, reliable and cost-effective manner of up to 114,000 international applications in 2002 and 122,000 in 2003; up to 79,000 demands under Chapter II in 2002 and 84,000 in 2003; up to 2,500 international applications in the International Bureau acting as receiving Office in 2002 and 2,900 in 2003; and publishing up to 106,000 pamphlets in 2002 and 113,000 in 2003.	<input type="checkbox"/> Number of international applications and demands received and processed, and number of pamphlets published. <input type="checkbox"/> Timeliness of processing (including publications and under Chapter II) of the international applications.
3. Improved productivity in translation of abstracts and IPERs.	<input type="checkbox"/> Number of translations in each category.
4. Increase in the percentage of international applications prepared using the PCT/EASY software.	<input type="checkbox"/> Number of international applications filed using the PCT/EASY software.

Activities

- ◆ Formal examination of international applications.
- ◆ Monitoring time limits to be observed by Receiving Offices, International Searching Authorities and International Preliminary Examining Authorities.
- ◆ Contacts, including for the communication of notifications and documents, with Patent Offices, applicants and agents.
- ◆ Maintenance of an information service to respond to questions concerning international applications under the PCT.
- ◆ Translation into English and French of international application titles, abstracts and text in drawings.
- ◆ Translation of international preliminary examination reports into English.

- ◆ Development of translation tools, such as electronic dictionaries and on-line reference sources.
- ◆ Publication of international applications in the form of PCT pamphlets.
- ◆ Publication of data from published international applications in the PCT Gazette in both paper and electronic form.
- ◆ Processing of international applications filed with the International Bureau as receiving Office.
- ◆ Phased implementation of a new automation system (IMPACT) for the Office of the PCT capable of handling files in electronic form and of supporting automated processes.

Where appropriate, the activities will be carried out in coordination with Main Program 15 and other main programs.

SUB-PROGRAM 06.2

Legal Framework, Information and Training Activities; PCT Reform

Objectives:

- ◆ To improve the PCT legal framework, and to simplify and render more economical obtaining patent protection worldwide by use of the PCT.
- ◆ To increase awareness and knowledge of the operation and benefits of the PCT system among its users, potential users, industrial property agents, governments and IGOs.

Background

105. This sub-program deals with the further development of the legal framework and the possible simplification and streamlining of procedures of the PCT system, and with the information and training activities related to it.

Expected Results	Performance Indicators
1. Improved legal framework for obtaining protection for inventions under the PCT that, in particular, facilitates electronic filing of international applications.	<input type="checkbox"/> Adoption of the necessary amendments to the PCT Regulations and Administrative Instructions.
2. Increase in the knowledge of the PCT system.	<input type="checkbox"/> Quality, quantity and accessibility of PCT information.

Activities

- ◆ Provision of information, assistance, advice and training to users, potential users and their representatives.
- ◆ Provision of information, assistance, advice and training to PCT Offices and Authorities, in particular, with the goal of increasing quality, productivity and efficiency in PCT implementation.
- ◆ Preparation and servicing of meetings with PCT Contracting States, Offices and Authorities, and users of the PCT system relating to implementing and coordinating PCT procedures; preparation of proposals for amending the PCT Regulations for consideration by the PCT Assembly and for modifying the Administrative Instructions, including Forms and the various Guidelines under the PCT; participation in meetings of PCT Offices and Authorities.
- ◆ Preparation and servicing of meetings related to simplifying and reforming the PCT system.
- ◆ Publication and dissemination of legal texts and information and promotional material on the PCT, both on paper and in electronic form. Further development and improvement of the legal framework for the filing and processing of international applications by users, Offices and Authorities, in particular to support electronic filing and processes.
- ◆ Use of computer-based tools, such as databases, electronic fora and distance learning techniques, for the provision of legal services and the carrying out of training and information activities.
- ◆ Where appropriate, the activities will be carried out in coordination with other main programs, in particular, 05, 09, 12, 13 and 14.

SUB-PROGRAM 06.3 **International Patent Classification (IPC)**

Objectives:

- ◆ To increase the efficiency and effectiveness of the IPC as a language-independent search tool for retrieval of patent information.
- ◆ To ensure the efficient use of the IPC in an electronic environment by carrying out IPC reform and developing computer-based classification tools.
- ◆ To promote worldwide use of the IPC for classifying and searching of patent documents and patent-related literature.

Background

106. This sub-program deals with the administrative and information services provided by the International Bureau for the maintenance, revision, reform and promotion of the IPC for governments, intergovernmental organizations, research and development bodies, and the general public.

Expected Results	Performance Indicators
1. Increase in the efficiency and use of the IPC for searching patent documentation and patent-associated literature, including further adaptation of the IPC for use in the electronic environment.	<input type="checkbox"/> Number of new entries and other amendments prepared for introduction into the eighth edition of the IPC. <input type="checkbox"/> Preparation of the revised Guide to the IPC.
2. Elaboration of automated tools supporting maintenance and revision of the IPC and creation of classification databases.	<input type="checkbox"/> Implementation of a new IPC management system elaborated under the IPC Information System <i>bis</i> (IBIS) project.

Activities

- ◆ Administration of the revision of the IPC through preparation and servicing of four sessions of the IPC Revision Working Group. Processing and publication of revision documentation.
- ◆ Coordination of IPC reform through preparation and servicing of two sessions of the IPC Committee of Experts and four sessions of the IPC Reform Working Group and administration of the work of the IPC Task Forces. Processing and publication of reform documentation.
- ◆ Providing information and feedback regarding user requirements for the development of the IBIS (IPC Information System*bis*) and the CLAIMS (Classification Automated Information System) Projects (see Main Program 15) with a view to drawing up appropriate user requirements for the developed information systems.
- ◆ Promotion of the worldwide use of the IPC by organizing and participating in IPC training courses and workshops.

Table 11.6 Detailed Budget 2002-2003
Main Program 06
Patent Cooperation Treaty System

A. Budget Variation by Object of Expenditure
(in thousands of Swiss francs)

Object of Expenditure	2000-2001 Revised Budget A	Variation						2002-2003 Proposed Budget E=A+D
		Program		Cost		Total		
		Amount B	% B/A	Amount C	% C/A	Amount D=B+C	% D/A	
Staff Expenses	86,771	9,677	11.2	7,746	8.9	17,423	20.1	104,194
Travel and Fellowships	665	(23)	(3.5)	23	3.5	-	-	665
Contractual Services	10,427	(43)	(0.4)	375	3.6	332	3.2	10,759
Operating Expenses	13,196	(314)	(2.4)	464	3.5	150	1.1	13,346
Equipment and Supplies	3,695	93	2.5	137	3.7	230	6.2	3,925
	114,754	9,390	8.2	8,745	7.6	18,135	15.8	132,889

B. Budget Variation by Post Category

Post Category	2000-2001	Variation	2002-2003
	Revised Budget A	B-A	Proposed Budget B
Directors	6	(2)	4
Professionals	45	26	71
General Service	272	25	297
TOTAL	323	49	372

**C. Budget Allocation by Sub-program and
Detailed Object of Expenditure**
(in thousands of Swiss francs)

Object of Expenditure	Sub-program			Total
	1	2	3	
Staff Expenses				
Posts	87,220	7,920	1,042	96,182
Short-term Expenses	7,652	240	120	8,012
Travel and Fellowships				
Staff Missions	295	370	-	665
Contractual Services				
Conferences	15	119	76	210
Consultants	216	190	166	572
Publishing	2,273	337	20	2,630
Other	7,236	41	70	7,347
Operating Expenses				
Premises and Maintenance	5,483	610	50	6,143
Communication and Other	6,392	711	100	7,203
Equipment and Supplies				
Furniture and Equipment	1,284	182	200	1,666
Supplies and Materials	2,039	190	30	2,259
Total	120,105	10,910	1,874	132,889

MAIN PROGRAM 07

Madrid, Hague and Lisbon Systems

- 07.1 Operation of the Madrid, Hague and Lisbon Systems**
- 07.2 Legal Framework, Information and Training Activities**
- 07.3 International Classifications in the Fields of Trademarks and Industrial Designs**

Summary

Madrid System

107. After a stagnation¹ in 1999, international applications and renewals surged by 19.5 per cent in 2000, to reach the figure of 31,314.

108. The upward trend in the number of applications for registration of trademarks, which is observed also at the national and regional levels, is likely to continue in 2001 and beyond. As far as international applications are concerned, it is certainly due also in good part to the broadening of the membership of the Madrid Union. On December 31, 2000, 67 States were members of the Madrid Union, of which 52 were party to the Madrid Agreement, and 49 were party to the Madrid Protocol (34 were party to both treaties).

109. Uncertainties regarding future accessions to the Madrid Protocol, however, make the level of applications in 2001 and beyond difficult to forecast. For this reason, planned income and expenditure of the Madrid Union for the 2002-2003 biennium are based on a prudent estimate of an average 3.3 per cent increase in the number of international applications and renewals in 2001, 2002 and 2003. Should the actual number of applications and renewals in 2002 or 2003 be higher or lower than forecasted, the budget of the Union would be increased or decreased as described in Appendix 3.

110. In addition to the day-to-day implementation of the international registration procedure, activities of the International Registrations Department will concentrate on the promotion of the wider acceptance of the Madrid Protocol and the provision of information, advice and training to the national and regional Offices concerned, as well as to applicants and potential applicants and their representatives, particularly in new Contracting Parties and with particular attention being paid to SMEs.

¹ 1998: 26,195; 1999: 26,202

111. Besides, the International Bureau will continue its efforts of automation of the international registration procedure, in particular by encouraging Offices of Contracting Parties to exchange communications with the International Bureau by electronic means rather than on paper and by developing internet-based publication as an alternative to paper and CD-ROM publication of data contained in the International Register of Marks (see under Main Program 15).

Hague System

112. The total number of deposits and renewals or prolongations under the Hague Agreement increased in 1999 by 4.5 per cent over 1998 and in 2000 by more than 8 per cent over 1999, i.e., substantially more than the 3 per cent annual increase forecasted in the Program and Budget for the 2000-2001 biennium (document A/34/2).

113. While the increase in the number of international deposits and renewals is not attributable to any increase in the membership of the Hague Agreement (29 States at December 31, 2000), it may, to an extent, reflect new interest for the Hague System prompted by the adoption in July 1999 of the Geneva Act of the Hague Agreement and related promotional activities undertaken by the International Bureau in 1999 and 2000. Besides, although it is too early to predict when the Geneva Act could enter into force, it is not impossible that the required number of instruments of accession to cause the entry into force of the new Act could be received within the next two years. Entry into force of the Geneva Act in 2003 would of course defeat any forecast of registration activity under the Hague Agreement in the next biennium.

114. At this stage, however, planned income and expenditure of the Hague Union for the 2002-2003 biennium are based on an average 4 per cent increase in the number of deposits and renewals/prolongations in each of the years 2001, 2002 and 2003. Should the actual number of deposits and renewals/prolongations in 2002 or 2003 be higher or lower than forecasted, the budget of the Union would be increased or decreased, as described in Appendix 3.

115. In addition to the day-to-day implementation of the international registration procedure, activities of the International Registrations Department will concentrate on the promotion of acceptance of the Geneva Act of the Hague Agreement, preparations for its entry into force, and the provision of information and advice to Offices of Contracting States and potential Contracting Parties of the Hague Agreement, as well as of information, advice and training to applicants, potential applicants and their representatives, with particular attention being paid to SMEs.

116. Preparations for the entry into force of the Geneva Act will involve further development of the computer system that supports the operation of the Hague Agreement, including the development of an electronic filing facility for applicants (see under Main Program 15).²

² It is expected that the Hague IPDL will be completed in 2001.

Lisbon System

117. On December 31, 2000, 19 States were members of the Lisbon Union, and the level of activity of the international register established under the Lisbon Agreement remained very low in 1999 and 2000.

118. Revision of the implementing Regulations under the Lisbon Agreement is expected to be completed in 2001. The new Regulations should allow the move from the current paper-based international register of appellations of origin to an electronic register to be maintained on the same platform as used for the international register of marks and the international register of industrial designs (see under Main Program 15).

119. Besides, the International Bureau will keep under review developments regarding the implementation of Article 23.4 of the TRIPS Agreement with a view to offering its advice and support, if and when requested, in connection with the notification and registration system contemplated therein.

International Classifications

120. On December 31, 2000, the membership of the Nice Agreement Concerning the International Classification of Goods and Services for the Purposes of the Registration of Marks, of the Vienna Agreement Establishing an International Classification of the Figurative Elements of Marks and of the Locarno Agreement Establishing an International Classification for Industrial Designs amounted to 63 States, 17 States and 39 States, respectively. Industrial property offices and other users in many more states, however, apply those classifications for searching purposes. Wider acceptance of the Nice Classification, in particular, brings about considerable simplification of filing procedures for international applicants and its worldwide acceptance should continue to be encouraged.

121. Apart from the maintenance of the classifications and advice and assistance to industrial property offices and other users thereof, the International Bureau will investigate ways and means to take advantage of new technologies to improve the dissemination of the classifications, shorten their updating cycle, and facilitate their use by applicants and searching institutions.

SUB-PROGRAM 07.1
Operation of the Madrid, Hague and Lisbon Systems

Objective:

To provide in a swift, reliable and cost-effective manner the services entrusted to the International Bureau under the Madrid Agreement and the Madrid Protocol, under the Hague Agreement, and under the Lisbon Agreement.

Expected Results	Performance Indicators																																				
<p>Processing in a swift, reliable and cost-effective manner, without any fee increase, of the following numbers of transactions under the Madrid and Hague Systems:</p> <p>– under the Madrid System:</p> <table border="1" data-bbox="279 504 782 784"> <thead> <tr> <th></th> <th>2002</th> <th>2003</th> </tr> </thead> <tbody> <tr> <td>International applications</td> <td>27,000</td> <td>27,600</td> </tr> <tr> <td>Renewals</td> <td>6,500</td> <td>6,900</td> </tr> <tr> <td>Total: registrations and renewals</td> <td>33,500</td> <td>34,500</td> </tr> <tr> <td>Subsequent designations</td> <td>6,500</td> <td>6,500</td> </tr> <tr> <td>Other changes</td> <td>44,000</td> <td>44,000</td> </tr> <tr> <td>Refusals and related-notifications</td> <td>85,000</td> <td>85,000</td> </tr> </tbody> </table> <p>– under the Hague System:</p> <table border="1" data-bbox="279 828 782 1030"> <tbody> <tr> <td>International deposits</td> <td>4,800</td> <td>5,000</td> </tr> <tr> <td>Renewals</td> <td>3,100</td> <td>3,200</td> </tr> <tr> <td>Total: deposits and renewals</td> <td>7,900</td> <td>8,200</td> </tr> <tr> <td>Total number of designs contained in the deposits</td> <td>22,500</td> <td>23,500</td> </tr> <tr> <td>Changes</td> <td>2,700</td> <td>2,700</td> </tr> </tbody> </table> <p>– under the Lisbon System: No estimate can be made of the expected small number of requests for registrations of appellations of origin in 2002 and 2003.</p>		2002	2003	International applications	27,000	27,600	Renewals	6,500	6,900	Total: registrations and renewals	33,500	34,500	Subsequent designations	6,500	6,500	Other changes	44,000	44,000	Refusals and related-notifications	85,000	85,000	International deposits	4,800	5,000	Renewals	3,100	3,200	Total: deposits and renewals	7,900	8,200	Total number of designs contained in the deposits	22,500	23,500	Changes	2,700	2,700	<ul style="list-style-type: none"> ❑ Number of international registrations, renewals and other entries in the International Registers of marks and industrial designs actually effected. ❑ Timeliness of international registrations and other recordals. ❑ Comparison between the growth of registration activity related expenditure and the growth of registration activity.
	2002	2003																																			
International applications	27,000	27,600																																			
Renewals	6,500	6,900																																			
Total: registrations and renewals	33,500	34,500																																			
Subsequent designations	6,500	6,500																																			
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Total: deposits and renewals	7,900	8,200																																			
Total number of designs contained in the deposits	22,500	23,500																																			
Changes	2,700	2,700																																			

Activities

Madrid System

- ◆ Receipt and formal examination, including for the correct classification of the goods and services, of applications for international registration.
- ◆ Translation into English or French of the lists of goods and services and other data.
- ◆ Registration of marks and recordal of renewals of registrations, changes in registrations and refusals by Contracting Parties.
- ◆ Communications with and notifications to the Offices of the Contracting Parties, applicants and owners, and their representatives.
- ◆ Publication of the periodical *WIPO Gazette of International Marks* on paper, as long as sufficient demand exists, and on CD-ROM or other electronic carriers.
- ◆ Maintenance and any required improvement of the ROMARIN CD-ROM containing information on published international registrations.

Hague System

- ◆ Receipt and formal examination of applications for international deposit.
- ◆ Translation into English or French of data of international applications.
- ◆ Registration of deposits and recordal of renewals and prolongations of deposit, changes in deposits and refusals by Member States.
- ◆ Communications with and notifications to the Offices of the Member States, applicants and owners, and their representatives.
- ◆ Publication of the periodical *WIPO International Designs Bulletin* on CD-ROM, and on paper for bibliographic data as long as there is sufficient demand.

Lisbon System

- ◆ Receipt and formal examination of requests for international registration.
- ◆ Registration of appellations of origin and recordal of changes in registrations and of declarations of denial of protection.
- ◆ Communications with and notifications to the Offices of the Contracting Parties.
- ◆ Publication of the periodical *Les appellations d'origine*.

Where appropriate, the activities under this sub-program will be carried out in coordination with other main programs, in particular Main Program 15.

SUB-PROGRAM 07.2 **Legal Framework, Information and Training Activities**

Objectives:

- ◆ To increase awareness and knowledge of the international registration systems, their operation and benefits among users, potential users, industrial property agents, governments and intergovernmental organizations.
- ◆ To make the international registration systems better suited to the needs of their users by expanding their geographical coverage and improving their procedures.

Expected Results	Performance Indicators
1. Increase awareness, knowledge and use of the Madrid and Hague Systems.	<input type="checkbox"/> Number and nature of awareness-building activities. <input type="checkbox"/> Rate of increase of the number of international applications.
2. Increase in the number of Contracting Parties to the Madrid System and accession by a number of States to the Geneva Act of the Hague Agreement.	<input type="checkbox"/> Number of new Contracting Parties in the Madrid Union and number of States having acceded to the Geneva Act of the Hague Agreement.
3. Improved legal framework for obtaining protection for trademarks under the Madrid Agreement and Protocol and under the Hague Agreement.	<input type="checkbox"/> New procedures prepared for the implementation of the Geneva Act of the Hague Agreement.

Activities

Madrid System

- ◆ Promotion of the use of the Madrid System and advice on its use to applicants, potential applicants and their representatives, in particular by:
 - organizing and participating in conferences, training seminars or similar meetings for applicants, potential applicants and their representatives; particular attention will be given to the requirements of SMEs;
 - producing and publishing information and training material, including the *Guide to the International Registration of Marks* under the Madrid Agreement and Madrid Protocol and its updates, on paper and on the Internet.
- ◆ Promotion of the acceptance of the Madrid Protocol and assistance to current and potential Contracting Parties for the effective implementation of the Madrid System by the competent national or regional offices through visits by WIPO officials, participation in seminars, workshops or similar meetings, and during visits of officials of these authorities to the WIPO Headquarters.
- ◆ As required, preparation, with the help of a working group to be convened by the Director General, and submission to the Assembly of the Madrid Union of proposals for amending the Common Regulations under the Madrid Agreement and Madrid Protocol (e.g. regarding the language regime of the Madrid System).
- ◆ As required, convening of an extraordinary session of the Assembly of the Madrid Union to approve any modifications to the Common Regulations that would be necessary as a result of accession by the European Community to the Madrid Protocol. If this extraordinary session were convened, three sessions of the Assembly would take place during the 2002-2003 biennium, including the ordinary session. Three sessions are budgeted for under Main Program 01.

Hague System

- ◆ Promotion of the use of the Hague System and advice on its use to applicants, potential applicants and their representatives, in particular by:
 - organizing or participating in conferences, training seminars or similar meetings on the Hague System and the Geneva Act of the Hague Agreement for applicants, potential applicants and their representatives; particular attention will be given to the requirements of SMEs;
 - producing and publishing, in paper form and on the Internet, information and training material, including the Guide to the International Deposit of Industrial Designs.
- ◆ Promotion of the acceptance of the Geneva Act of the Hague Agreement and assistance to the competent authorities of current and potential Contracting Parties of the Hague Agreement through missions of WIPO officials, participation in seminars, workshops or similar meetings, and during visits of officials of these authorities to the WIPO Headquarters.
- ◆ Analysis of work flows and elaboration of work procedures, of official forms and of a new Applicant's Guide in preparation for the entry into force of the Geneva Act of the Hague Agreement; as required, preparation, with the help of a working group to be convened by the Director General, of proposals for amending or complementing the Regulations adopted by the Diplomatic Conference in July 1999, and proposals for consequential amendments to the Regulations under the 1934 and 1960 Acts of the Agreement.

Lisbon System

- ◆ As required, cooperation with the WTO in the implementation of Article 23.4 of the TRIPS Agreement.

Where appropriate, the activities under this sub-program will be carried out in coordination with other main programs, in particular Main Programs 09, 12, 13, 14 and 15.

SUB-PROGRAM 07.3

International Classifications in the Fields of Trademarks and Industrial Designs

Objectives:

- ◆ Providing industrial property offices and other users with effective tools for the classification of trademarks and industrial designs for the purposes of the administration and searching of trademark and industrial design rights.
- ◆ Promoting the wider acceptance and effective use of the Nice, Vienna and Locarno classifications.

Expected Results	Performance Indicators
1. Improved and updated international classifications.	<input type="checkbox"/> Number of new entries and other amendments introduced or prepared for introduction in the Nice, Vienna and Locarno classifications.
2. Wider acceptance and more effective use of the international classifications.	<input type="checkbox"/> Number of industrial property offices using the international classifications. <input type="checkbox"/> Number of classification advice published by the International Bureau. <input type="checkbox"/> Number of people trained in the use of the international classifications.
3. Elaboration of strategies for the future development of international classifications.	<input type="checkbox"/> Studies of ways and means to improve the efficiency and relevance of international classifications completed.

Activities

- ◆ Preparation of proposals for additions and other amendments to the eighth edition of the Nice Classification, through, in particular, two sessions of the Preparatory Working Group of the Committee of Experts of the Nice Union (one in 2002 and one in 2003), and convening a session of the Committee of Experts itself, in 2003, to consider those proposals.
- ◆ Preparation of proposals for addition and other amendments to the seventh edition of the Locarno Classification and convening a session of the Committee of Experts of the Locarno Union in 2002.
- ◆ Publication on paper, on CD-ROM (NIVILO:CLASS) and on the Internet of the fifth edition of the Vienna Classification and of the eighth edition of the Locarno Classification.
- ◆ Providing advice to industrial property offices and other searching institutions and to the general public on the proper application of the international classifications concerned through correspondence and/or the publication of classification notices on the Internet.

- ◆ Organizing and conducting training courses, seminars or workshops on the application of the Nice, Vienna and Locarno classifications.
- ◆ Studying, with the help of consultants and of three meetings of a Task Force to be convened by the Director General, ways and means to take advantage of new technologies to make the updating of the classifications faster and more effective, improve the dissemination of the classifications and provide tools to facilitate their use by industrial property offices and other institutions performing searches as well as by applicants.

Where appropriate, the activities under this sub-program will be carried out in coordination with other main programs, in particular Main Programs 09, 12, 13, 14 and 15.

**Table 11.7 Detailed Budget 2002-2003
Main Program 07
Madrid, Hague and Lisbon Systems**

A. Budget Variation by Object of Expenditure
(in thousands of Swiss francs)

Object of Expenditure	2000-2001	Variation						2002-2003
	Revised	Program		Cost		Total		Proposed
	Budget A	Amount B	% B/A	Amount C	% C/A	Amount D=B+C	% D/A	Budget E=A+D
Staff Expenses	24,560	194	0.8	1,295	5.3	1,489	6.1	26,049
Travel and Fellowships	611	18	2.9	22	3.6	40	6.5	651
Contractual Services	4,677	(686)	(14.7)	143	3.1	(543)	(11.6)	4,134
Operating Expenses	1,828	80	4.4	70	3.8	150	8.2	1,978
Equipment and Supplies	1,401	(985)	(70.3)	17	1.2	(968)	(69.1)	433
	33,077	(1,379)	(4.2)	1,547	4.7	168	0.5	33,245

B. Budget Variation by Post Category

Post Category	2000-2001	Variation	2002-2003
	Revised Budget A	B-A	Proposed Budget B
Directors	2	(1)	1
Professionals	17	2	19
General Service	69	-	69
TOTAL	88	1	89

**C. Budget Allocation by Sub-program and
Detailed Object of Expenditure**
(in thousands of Swiss francs)

Object of Expenditure	Sub-program			Total
	1	2	3	
Staff Expenses				
Posts	20,557	3,188	700	24,445
Short-term Expenses	1,484	120	-	1,604
Travel and Fellowships				
Staff Missions	65	209	40	314
Government Officials	-	275	62	337
Contractual Services				
Conferences	-	88	88	176
Consultants	120	360	120	600
Publishing	1,840	450	87	2,377
Other	781	100	100	981
Operating Expenses				
Premises and Maintenance	194	54	50	298
Communication and Other	1,600	50	30	1,680
Equipment and Supplies				
Furniture and Equipment	276	50	30	356
Supplies and Materials	45	17	15	77
Total	26,962	4,961	1,322	33,245

MAIN PROGRAM 08

Development of Copyright and Related Rights

Summary

122. The WIPO Copyright Treaty (WCT) and the WIPO Performances and Phonograms Treaty (WPPT) have updated and strengthened the international protection of copyright and related rights, responding to the opportunities and challenges presented by digital technology, in particular by global networks such as the Internet. Promoting adherence to these treaties and achieving their timely and appropriate implementation continues to be a priority.

123. Under the WPPT, the protection of performers does not extend to the use of performances in audiovisual media; to provide such protection, a new treaty supplementing the WPPT is necessary. Subsequently, international acceptance and implementation of such a treaty should be pursued in conjunction with the corresponding activities regarding the WCT and the WPPT.

124. The Standing Committee on Copyright and Related Rights (SCCR) has started work on the updating of international norms for the protection of the rights of broadcasting organizations and distributors of cable-originated programs. The possible legal protection for investments in databases which do not qualify for copyright protection also needs further exploration. The rapid growth in the application of digital technology, particularly in global networks such as the Internet, necessitates continuous attention and monitoring from the viewpoint of protection and management of copyright and related rights. There is also a need to demystify the licensing and management of copyright in both digital and traditional media.

125. The activities under this Main Program are expected to result in further adherence to and implementation of the WCT and the WPPT; in the adoption of new international instruments for which consensus can be reached; and, in providing up-to-date information and guidance to WIPO Member States and the market sector on the implications of digital technology and on the management of rights.

126. The Copyright Law Division will also continue to provide legal advice to Member States and to other units within WIPO, participate in relevant seminars and conferences, follow developments in national and regional copyright and related rights law, coordinate with other IGOs involved in copyright and related rights, and administer and promote the WIPO copyright and related rights treaties.

Objectives:

- ◆ To promote adherence to and appropriate implementation of the WCT and the WPPT.
- ◆ To promote possible adoption of new treaties, including on the use of performances in audiovisual media, and on the protection of the rights of broadcasting organizations and of distributors of cable-originated programs.
- ◆ To make progress towards a possible harmonization of the protection of databases.
- ◆ To increase knowledge and awareness, among WIPO Member States and other interested groups, of the issues raised by digital technology, particularly as they relate to the Internet, as regards the protection, exercise and collective management of copyright and related rights.
- ◆ To provide and disseminate information about licensing of copyright and related rights.

Background

127. The WCT and the WPPT, which were adopted in December 1996, are expected to enter into force around the beginning of the biennium. WIPO is proactive in promoting ratification of and accession to these treaties. There is a need for further input and guidance for governments that are in the process of transforming the treaties into national law.

128. The WPPT does not extend to the protection of performers as regards audiovisual fixations of their performances. This issue was addressed by the Diplomatic Conference on the Protection of Audiovisual Performances in December 2000, which reached an understanding on all substantive clauses for a treaty, except one, and recommended to the WIPO General Assembly that the Conference be reconvened.

129. The 1996 Diplomatic Conference, which adopted the WCT and the WPPT, adopted a recommendation that work should continue on the intellectual property protection of databases that do not qualify for copyright protection. Work on this issue has been carried out by the SCCR. The SCCR has also undertaken discussions on the protection of the rights of broadcasting organizations and the distributors of cable-originated programs.

130. The WCT and the WPPT have introduced obligations concerning technological measures of protection and rights management information systems, but leave it to the interested parties to work out and operate such measures and systems. In view of the ongoing private sector developments in this respect, WIPO needs to continue studying these issues and monitoring the impact of digital technology, particularly the Internet, on copyright and related rights.

131. The increased global acceptance of international protection of copyright and related rights poses new challenges to the private sector as regards the international licensing of copyright and related rights. Such licensing is in itself complicated, inter alia because of different legal traditions and the interaction between individual and collective management of rights. WIPO needs to study international licensing in cooperation with external consultants

and provide guidance in this area to Member States and the private sector by preparing a WIPO Guide on the Licensing of Copyright and Related Rights.

Expected Results	Performance Indicators
1. Improved guidance to Member States about the implications of the WCT and WPPT treaties.	☐ Number and nature of publications and other information activities.
2. Adoption of treaties on audiovisual performances, broadcasters' rights and databases.	☐ Progress towards adoption of each of the treaties and the number of signatories thereof.
3. Greater awareness and knowledge about the practical aspects of licensing of copyright and related rights.	☐ Number and nature of studies, publications and other activities addressing the issue.

Activities

- ◆ Convening the Assemblies of the WCT and WPPT (with the participation of observers from WIPO Member States other than Member States of the Assemblies).
- ◆ Convening three sessions of the SCCR to consider issues relating to the law of copyright and related rights, including:
 - continuation of discussions on the protection of the rights of broadcasting organizations and distributors of cable-originated programs;
 - continuation of discussion on the international protection of databases;
- ◆ Organizing four regional consultation meetings in developing countries and two regional consultation meetings for certain countries in Europe and Asia for discussions of these issues.
- ◆ Organizing a diplomatic conference for the adoption of a treaty on the protection of performances in audiovisual media and, if a sufficiently broad consensus has been reached in the SCCR, a treaty on the protection of broadcasting organizations and of distributors of cable originated programs.
- ◆ Organizing three or four national meetings on the implementation of the WCT and the WPPT in national legislation, according to demand.
- ◆ Regular monitoring of and prompt reaction to developments in digital technology, particularly global networks such as the Internet, from the viewpoint of copyright and related rights.
- ◆ Organization of two or three meetings of a group of consultants on the licensing of copyright and related rights, commissioning of studies to be submitted to the group.

- ◆ Preparation and publication of a *WIPO Guide on the Licensing of Copyright and Related Rights*.
- ◆ Administration and promotion of WIPO-administered treaties in the field of copyright and related rights (including the Berne Convention for the Protection of Literary and Artistic Works, the WCT and the WPPT) by enhancing the understanding of the international principles relating to the law of copyright and related rights, including provision of legal advice, participation in relevant seminars and meetings, consultation with national governments, preparation and provision of advice concerning WIPO documents and publications, preparation and publication of a *Guide to International Treaty Provisions on Copyright and Related Rights* and of the *WIPO Glossary of Terms of the Law of Copyright and Related Rights*.

Table 11.8 Detailed Budget 2002-2003
Main Program 08
Development of Copyright and Related Rights

A. Budget Variation by Object of Expenditure
(in thousands of Swiss francs)

Object of Expenditure	2000-2001 Revised Budget A	Variation						2002-2003 Proposed Budget E=A+D
		Program		Cost		Total		
		Amount	%	Amount	%	Amount	%	
		B	B/A	C	C/A	D=B+C	D/A	
Staff Expenses	4,269	(1,000)	(23.4)	89	2.1	(911)	(21.3)	3,358
Travel and Fellowships	2,111	(388)	(18.4)	62	2.9	(326)	(15.4)	1,785
Contractual Services	1,783	(42)	(2.4)	62	3.5	20	1.1	1,803
Operating Expenses	120	(4)	(3.3)	4	3.3	-	-	120
Equipment and Supplies	-	14	-	1	-	15	-	15
	8,283	(1,420)	(17.1)	218	2.6	(1,202)	(14.5)	7,081

B. Budget Variation by Post Category

Post Category	2000-2001	Variation	2002-2003
	Revised Budget A	B-A	Proposed Budget B
Directors	3	(2)	1
Professionals	3	2	5
General Service	5	(3)	2
TOTAL	11	(3)	8

**C. Budget Allocation by Sub-program
and Detailed Object of Expenditure**
(in thousands of Swiss francs)

Object of expenditure	Sub-program	Total
	1	
Staff Expenses		
Posts	2,788	2,788
Short-term Expenses	570	570
Travel and Fellowships		
Staff Missions	556	556
Government Officials	1,229	1,229
Contractual Services		
Conferences	931	931
Consultants	847	847
Publishing	20	20
Other	5	5
Operating Expenses		
Communication and Other	120	120
Equipment and Supplies		
Supplies and Materials	15	15
Total	7,081	7,081

MAIN PROGRAM 09

Global Communications

09.1 Corporate Image and Product Development

09.2 Media and Public Affairs

09.3 Multimedia Productions

09.4 Non-governmental Affairs

Summary

132. In the 2002-2003 biennium this Main Program will significantly broaden its efforts to demystify and tell the story of intellectual property—and its role and intrinsic value in the betterment of all societies—by reaching out in new ways to an increasing number of specialized, target audiences. For these new audiences—ranging from the grassroots level of schoolchildren, inventors and artists to opinion-makers in the media, business, government and politics—a wide range of more focused, specific messages will be created, innovatively packaged, and disseminated using the most effective and efficient mediums available. In order to better shape and communicate the Organization's message to them, projects carried out in cooperation with public and private sector organizations will be actively pursued and established. Such partnerships will help reach groups less familiar to WIPO than its traditional audience, while also providing valuable experience and resources available outside the Organization.

133. Crucial to the success of the Organization's public outreach campaign is the development of a steadily growing arsenal of accurate, up-to-date, and attractive information materials in all forms, that convey key messages to key target groups, while strongly reflecting WIPO's evolving corporate image. This task is made all the more challenging by constantly evolving issues and controversies in the intellectual property arena. Throughout the 2002-2003 biennium production of new, value-added information products will increase, providing specific information which will explain and clarify issues while further solidifying WIPO's image as a dynamic, forward-looking organization. This image will take a giant step forward with the implementation of the new WIPO logo across the Organization, in all its information products as well as on its stationery, premises, vehicles, and all other articles visible internally as well as externally to the public.

134. Conveying the Organization's image and message to diverse groups is an unending task. In the 2002-2003 biennium this Main Program will build upon a strong foundation laid in the previous biennium, working closely with press and media organizations, selected established partners in Member States, IGOs, certain NGOs, and other interest groups. Working in close coordination with other Programs such as Cooperation with Developing Countries (Main Program 12) and Cooperation with Certain Countries in Europe and Asia (Main Program 13), new partnerships will also be established. In this way, we will not only

reach new audiences but will also open important communications channels for information and feedback. Capitalizing on different experiences in public outreach is key to the success of the Organization's overall communications strategy: WIPO's partners in Member States best know their audiences and can help WIPO shape the best message—and use the best medium—to reach these audiences.

135. The means used to reach these audiences must be as diverse and varied as the target groups themselves. Throughout the 2002-2003 biennium, a variety of tools will be further developed to communicate the Organization's message, ranging from traditional methods such as printed materials and the press to interactive, multimedia products and the Internet. Special emphasis will be placed on producing a complete range of film and multimedia products, accessible instantaneously and on-demand via television as well as the latest digital and telecommunications technologies such as the Internet. These efforts will increase exponentially WIPO's audiences, opening new, previously untapped channels of communication to literally millions of individuals throughout the world.

136. These and other activities foreseen for the coming biennium—such as exploiting interactive technologies to improve the WIPO website, and producing an internal corporate image manual to aid in the full implementation of the WIPO logo—have broad implications that cut across the Organization's work. Many of these new activities require content creators and transformers of that content into various visual and audio-visual formats. Because technology advances so rapidly and a high level of professionalism is demanded, there will also be increasing reliance on outside expertise.

137. Through the close coordination of this Program with other Main Programs, all efforts will be made to achieve economies of scale in disseminating WIPO's message. While further efforts will also be devoted to developing partnerships with private sector organizations to help secure additional assistance to support various projects, the allocation of sufficient resources would be required to consolidate the gains, such as WIPO's new visibility and its good image worldwide, made in the current biennium.

SUB-PROGRAM 09.1

Corporate Image and Product Development

Objectives:

- ◆ To enhance and promote WIPO's corporate image and harmonize the design and presentation of all WIPO's general and specialized information products throughout the Organization.
- ◆ To create a wide range of attractive information products which meet the needs of different target audiences and the general public.
- ◆ To enhance the efficiency of sales and distribution of WIPO's information products.

Background

138. The new WIPO logo—to be selected by an international competition in the 2000-2001 biennium—will be implemented across the Organization in all its information products as well as on its stationery, documentation, letterhead, premises, vehicles and all other articles projecting the Organization's corporate image to the public. This will also cover the logo's use in multimedia products. Such work will be carried out in close cooperation with the other Programs. The Organization's new corporate image will be intensely promoted throughout the world. The logo will also be promoted internally to enhance commitment and understanding of WIPO's mission among staff members.

139. Production of a range of new information products will continue to increase in the 2002-2003 biennium, with an emphasis on creating value-added products that not only provide specific messages on intellectual property and the practical aspects of its protection, but also reinforce the image of the Organization among its different audiences. This image will be further diffused through the creation of custom-made products for different WIPO programs, such as Small and Medium-Sized Enterprises (SMEs) and Intellectual Property (Sub-program 10.2) and for different types of inventors and creators working in different fields who are often not aware of their rights.

140. Furthermore, new information products of a specific nature will be created in the same vein as the widely used "Intellectual Property Reading Material" and "WIPO Guide to Intellectual Property Worldwide". One such new product will be a book commissioned from a respected author on the history of WIPO, providing an impartial examination of the Organization's role in the creation and evolution of the international intellectual property system; this will fill the need for a standard work on WIPO for scholars, the intellectual property community and the general public.

141. Advances in marketing strategy as well as in the automation and streamlining of sales and distribution of WIPO information products made in the last biennium will continue, with the implementation, in cooperation with Main Program 15 (Information Technology), of an updated computerized sales and distribution system resulting in greater efficiency and improved inventory control. Efforts to increase revenue from sales of information products will continue, while the policy of increasing worldwide free or low-cost access to WIPO's information products, particularly by developing countries, will also be pursued. This two-pronged approach to distribution and sales of WIPO's information products will be aided by more efficient operations such as the expansion of the electronic bookshop, as well as efforts to find new markets. Furthermore, increased advertising in certain WIPO publications will be introduced as a service to vendors of intellectual property services in Member States.

Expected Results	Performance Indicators
1. Enhancement of WIPO's image as a dynamic, innovative, open and modern organization through the implementation of a new logo.	<input type="checkbox"/> Number and range of WIPO products bearing the new logo.

Expected Results	Performance Indicators
2. Attractive and user-friendly information products on a greater variety of subjects and formats.	<input type="checkbox"/> Number of new/revised/updated general information products. <input type="checkbox"/> Number of new specialized products.
3. Increase in the number of WIPO products distributed free of charge, and greater use of information technology as a means to achieve this.	<input type="checkbox"/> Number of WIPO products distributed free of charge. <input type="checkbox"/> E-bookshop sales as a percentage of total sales.
4. Increase in marketing activities for WIPO products	<input type="checkbox"/> Number of fairs attended. <input type="checkbox"/> Number and value of WIPO publications sold.

Activities

- ◆ Revamping of the design of all information products to reflect the Organization's new logo and evolving corporate image; intensive use of illustrations and images in such designs. Phase-in of the planned new WIPO logo on all existing information products; close coordination of the new logo implementation with the other main programs.
- ◆ Creation of at least 80 new public information products and publications, and updating of at least 40 existing publications, including production of two annual reports in six languages, the monthly magazine in three languages, and four information products catalogues.
- ◆ Creation of design concepts and advertising materials for WIPO conferences and other events; development of various information stands for WIPO's participation in international fairs, events and seminars.
- ◆ Publication of several books, including revised editions of existing WIPO guides and of "Intellectual Property Reading Material" and the "WIPO Guide to Intellectual Property Worldwide".
- ◆ Processing of orders for and distribution of about 400,000 items of WIPO products worldwide.
- ◆ Coordination and implementation of an updated computerized sales and distribution system for faster, more efficient processing of orders and stock management of some 350,000 items.
- ◆ Creation of new outlets and markets for WIPO products through advertising, participation in fairs, and contracts with sales agents.
- ◆ Development of advertising pages in WIPO periodicals as a service to vendors of intellectual property information in Member States.

SUB-PROGRAM 09.2

Media and Public Affairs

Objectives:

- ◆ To increase the international and local media's interest in and knowledge of intellectual property issues in general and WIPO's role in particular, especially in Member States.
- ◆ To strengthen WIPO's outreach to the general public, special interest groups, influent leaders, and the creative sector.
- ◆ To promote both understanding of WIPO and intellectual property issues through the WIPO offices in New York, Washington D.C. and Brussels.

Background

142. In the 2000-2001 biennium, WIPO's links with the international and local media in Member States were expanded and consolidated, resulting in better coverage of the Organization in the world's press.

143. In the coming biennium the Organization will build on this foundation, further expanding direct contacts with journalists from Member States, particularly from developing countries. Besides continuing to work with professional industries and NGOs, special information campaigns will target young people and opinion-makers in the government and private sectors. Also, WIPO will work closely with industry and institutional partners in Member States in organizing public awareness events, including sponsorship of cultural festivals and special WIPO exhibitions that explain topical issues such as "health and intellectual property." The established program of briefings on the Organization to visiting groups of students, business people, government officials and other general interest groups will be upgraded, expanded and specifically tailored for each audience.

144. During the biennium, WIPO's Coordination Office in New York further strengthened its contact and network with the international intellectual property community, including industry leaders, governments from developing countries that do not have representations in Geneva, and the United Nations. This Office will continue to network with the United Nations, especially in matters having an impact on WIPO, and expand its outreach efforts in the business and media sectors as well as with organizations and interest groups representing civil society. Furthermore, the Organization will expand and optimize its links with intergovernmental, governmental, business, professional and civil society circles through the establishment of offices in Brussels and Washington, D.C. These offices will also be key in establishing good working relations with the economic and mass media.

145. In addition, this Sub-program will actively support Main Programs 12 and 13 in the preparation and implementation of Nationally Focused Action Plans (NFAPs) with a public outreach component, including providing training to nationals of Member States. The infrastructure for WIPO's exhibitions and WIPO's participation in international exhibitions and similar events organized in Member States will be upgraded to professional standards. This will require considerable reliance on external professional support from exhibition specialists.

Expected Results	Performance Indicators
1. Higher media profile for WIPO and intellectual property issues in general.	<input type="checkbox"/> Number of media interviews, press conferences and briefings given by WIPO officials. <input type="checkbox"/> Number of articles and broadcasts relating to WIPO appearing in the world media. <input type="checkbox"/> Number of press releases/updates issued.
2. Great public visibility and increase in public understanding of intellectual property and WIPO.	<input type="checkbox"/> Number of people on the various mailing lists for WIPO information products. <input type="checkbox"/> Number of visitors to WIPO exhibitions and events sponsored by WIPO, including to the WIPO Information Center. <input type="checkbox"/> Number of briefings for special visitors. <input type="checkbox"/> Number of general information requests processed.
3. Better understanding of WIPO and intellectual property issues promoted through the WIPO offices in New York, Washington, D.C. and Brussels.	<input type="checkbox"/> Number of activities carried out. <input type="checkbox"/> Number of communications reflecting a better understanding of WIPO and intellectual property issues.

Activities

- ◆ Expansion and consolidation of links with the media in all regions of the world, through the issuing of about 150 press releases and updates. Organizing at least 150 briefings and other information events for journalists.
- ◆ Monitoring and evaluation of media coverage of intellectual property issues and WIPO (at least 2,000 articles expected); production of 100 weekly press reviews for distribution to Geneva-based missions; preparation of at least 400 press kits.
- ◆ Organization of at least 110 visits, seminars and briefings in New York, Brussels, Washington, D.C. and at WIPO headquarters in Geneva for different groups of people: government officials, students, NGOs, legislators, the public, etc.
- ◆ Support of substantive work of the other main programs by widely promoting their results.
- ◆ Coordination and cooperation with Member States in observing World Intellectual Property Day.
- ◆ Development of cooperative projects with private sector entities in supporting WIPO's public outreach activities.
- ◆ Cooperation with other WIPO main programs, especially Main Programs 12, 13 and 14 in carrying out public outreach activities in Member States.

- ◆ Management of the WIPO Information Center and the organization of at least two exhibitions in the Center and hosting at least 10 other exhibitions at WIPO headquarters.
- ◆ Sponsorship of at least three public cultural events.
- ◆ Organization of travelling exhibitions in cooperation with Member States and the United Nations.
- ◆ Management of the WIPO art collection and artistic gifts from Member States and others.
- ◆ Information exchange and participation in the meetings of the Joint United Nations Information Committee and other international information structures.
- ◆ Organization of briefings to the diplomatic corps and other government representatives, including visits to Geneva for officials of developing countries not represented in Geneva.
- ◆ Provision of information to WIPO headquarters of all events and developments pertaining to the UN, EC, IMF, World Bank and other organizations, that relate to issues of intellectual property.

SUB-PROGRAM 09.3

Multimedia Productions

Objectives:

- ◆ To provide, through the WIPO website, the most up-to-date, useful and comprehensive information to a worldwide audience in an attractive, varied and interesting way.
- ◆ To increase understanding of intellectual property through television broadcasting and netcasting of films and other multimedia products.

Background

146. During the 2000-2001 biennium significant steps were taken to improve the quality and quantity of information on the WIPO website through a complete redesign and restructuring of the site and harmonization of the subsidiary sites. Arabic language content was introduced and steps were taken to develop Russian language content as well. Today the WIPO site is widely regarded as a leader in its field.

147. Information intended for the general public and new target audiences (e.g., SMEs, creators and inventors and NGOs non-governmental organizations) will increase in the next biennium in an effort to further demystify the role and value of intellectual property. Presentation of this information on the WIPO website will take advantage of continuously advancing interactive technologies and increasing bandwidth and accessibility in Member

States. The WIPO website will further expand during the biennium to include more content and more languages. The website activities will be undertaken in close cooperation with Main Program 15. This sub-program is responsible for coordinating the “look and feel” of the WIPO website and all the other subsidiary sites in order to ensure a uniform corporate image as well as consistent, harmonized information.

148. The modest beginning in film and multimedia productions in the 2000-2001 biennium will be dramatically expanded to satisfy the widespread demand for information packaged in a more dynamic interactive form. The visibility of intellectual property and of WIPO should be significantly raised as more video clips of WIPO events, activities, exhibitions, etc., are created and put on-line. Public service announcements will be produced for broadcast on international news channels and many film documentaries treating different aspects of intellectual property will be produced, particularly for young people and the general public. Realizing this ambitious plan will require WIPO to work closely with the private sector, whether with such industries as the entertainment and software fields of the new economy or with the more traditional industrial sectors. Additionally, partnerships must be established with international and national television broadcasters to assure broadcasting time for the films. A key priority related to multimedia and audiovisual production will be securing sponsors for co-production agreements to help defray the high costs of such productions.

149. This sub-program will coordinate all other audio-visual production in the Organization. In doing so this sub-program will also work closely with Main Program 15.

Expected Results	Performance Indicators
1. Increase in the volume and range of information on the WIPO website.	<input type="checkbox"/> Number of documents available in each language version of the website.
2. Increase in the public reached by the website and the subsidiary sites.	<input type="checkbox"/> Number of hits.
3. Dissemination of WIPO's messages through video clips and films.	<input type="checkbox"/> Number of multimedia products created.
4. Fast, reliable and cost-effective delivery of up-to-date information to Member States and interested groups as well as the public.	<input type="checkbox"/> Number of WIPO website pages viewed.

Activities

- ◆ Expansion and enhancement of public information content on the WIPO site, including interactive and video materials.
- ◆ Further improvement and updating of the “look and feel”, structure, and navigability of the WIPO site and ensuring harmony and consistency of format and presentation throughout the site and with other subsidiary sites.
- ◆ In cooperation with the relevant programs, introduction and expansion of materials in more languages in the main WIPO site.

- ◆ Production of about 10 video clips per year of WIPO events, visits, exhibitions, etc., to be webcast via the WIPO site.
- ◆ Production of at least 10 television spots or short films, depending on external support available, on intellectual property and their transmission on international and national channels.
- ◆ Production of several television documentaries, depending on external support available, for the general public on aspects of intellectual property, such as creativity and innovation, in a variety of lengths and formats, to be broadcast on national and international channels.
- ◆ Production of several inter-active CD-ROMs for use by children and young adults as well as for use at WIPO stands at exhibitions and seminars.
- ◆ Contact with and establishment of cooperative projects with private sector groups for co-production and/or sponsorship of WIPO multimedia products.
- ◆ Facilitation of internal corporate communications through more useful information for staff members via the Intranet.

SUB-PROGRAM 09.4

Non-Governmental Affairs

Objectives:

- ◆ To enhance the relevance of WIPO and its work and of intellectual property to industry, professional bodies and civil society interest groups.
- ◆ To improve channels of communication and cooperation between WIPO and NGOs.

Background

150. During the biennium, WIPO will continue to expand and enhance its relations with NGOs, in recognition of their increasing significance to the work of the Organization. Contact will be maintained with WIPO's traditional non-governmental partners interested in the progressive development of global intellectual property laws and standards as well as the global protection systems of WIPO. Furthermore, increased efforts will be made to cultivate relations with business, technology and Internet groups with important stakes in intellectual property issues, as well as with civil society interest groups that have recently become interested in intellectual property, particularly in such questions as folklore, traditional knowledge, biodiversity and protection of the environment. These NGOs will play an important role in determining public opinion on intellectual property questions.

Expected Results	Performance Indicators
1. Improved relations and closer cooperation between WIPO and NGOs.	<input type="checkbox"/> Number of contacts between WIPO and representatives of NGOs. <input type="checkbox"/> Volume of information provided to these organizations.
2. Better understanding and increased interest of NGOs in intellectual property issues and the work carried out by WIPO.	<input type="checkbox"/> Number of NGOs participating in WIPO meetings and activities.

Activities

- ◆ Maintenance of records of NGOs granted both ad hoc and permanent observer statuses with WIPO.
- ◆ Provision of the necessary information to the WIPO Assemblies for their advice on granting permanent observer status in WIPO to specific NGOs.
- ◆ Organization of meetings, visits and other activities with NGOs.
- ◆ Provision of information to those organizations.

Table 11.9 Detailed Budget 2002-2003
Main Program 09
Global Communications

A. Budget Variation by Object of Expenditure
(in thousands of Swiss francs)

Object of Expenditure	2000-2001 Revised Budget A	Variation						2002-2003 Proposed Budget E=A+D
		Program		Cost		Total		
		Amount B	% B/A	Amount C	% C/A	Amount D=B+C	% D/A	
Staff Expenses	8,557	320	3.7	609	7.1	929	10.9	9,486
Travel and Fellowships	790	90	11.4	32	4.1	122	15.4	912
Contractual Services	3,216	(9)	(0.3)	115	3.6	106	3.3	3,322
Operating Expenses	495	670	135.4	41	8.3	711	143.6	1,206
Equipment and Supplies	95	287	302.1	14	14.7	301	316.8	396
	13,153	1,358	10.3	811	6.2	2,169	16.5	15,322

B. Budget Variation by Post Category

Post Category	2000-2001	Variation	2002-2003
	Revised Budget A	B-A	Proposed Budget B
Directors	1	-	1
Professionals	8	4	12
General Service	18	(3)	15
TOTAL	27	1	28

C. Budget Allocation by Sub-program and Detailed Object of Expenditure

(in thousands of Swiss francs)

Object of Expenditure	Sub-program				Total
	1	2	3	4	
Staff Expenses					
Posts	3,584	4,392	754	-	8,730
Short-term Expenses	455	241	-	60	756
Travel and Fellowships					
Staff Missions	40	495	50	80	665
Government Officials	-	247	-	-	247
Contractual Services					
Conferences	-	-	-	-	-
Consultants	50	660	210	240	1,160
Publishing	960	30	-	-	990
Other	518	294	360	-	1,172
Operating Expenses					
Communication and Other	-	1,164	42	-	1,206
Equipment and Supplies					
Furniture and Equipment	-	-	80	-	80
Supplies and Materials	126	190	-	-	316
Total	5,733	7,713	1,496	380	15,322

MAIN PROGRAM 10

Global Intellectual Property Issues

- 10.1 Genetic Resources, Traditional Knowledge and Folklore**
- 10.2 Small and Medium-Sized Enterprises (SMEs) and Intellectual Property**
- 10.3 Electronic Commerce and Intellectual Property**
- 10.4 Intellectual Property Enforcement Issues and Strategies**

Summary

151. Intellectual property issues of global significance were first formally introduced in the WIPO Program and Budget in the 1998-1999 biennium and have been growing in scope and importance ever since. More global issues, especially direct offshoots of the rapidly expanding information and communication sectors continue to raise new policy questions in the field of intellectual property. With the improved international awareness of the potential economic influence of intellectual property policies and practices, the application of contemporary intellectual property protection regimes in business, R&D, financial administration, knowledge management and other new, innovative and creative economic activities has grown significantly.

152. WIPO seeks to address this fast-expanding area under its Program and Budget in the 2002-2003 biennium by consolidating all global intellectual property issues under one framework – a comprehensive special program (Main Program 10) dedicated to the exploration and promotion of new intellectual property concepts, strategies and issues.

153. Main Program 10 will cover four areas, namely: (i) genetic resources, traditional knowledge and folklore; (ii) small and medium-sized enterprises (SMEs) and intellectual property; (iii) electronic commerce and intellectual property; and (iv) intellectual property enforcement issues and strategy. Member States indicated the need for WIPO's special attention and holistic approach to issues in those four areas at the meetings of the General Assembly and during WIPO advisory or consultative meetings. Indeed, the issues involved have a global policy perspective, particularly in respect of the desire for stronger international cooperation and collaboration to protect and enforce intellectual property rights. They have new and far-reaching implications on the existing intellectual property framework and practices of many Member States of WIPO, and they share many common questions of practical value. These questions include, for instance, the need for clear and more precise definition of the concepts involved, identification of what may be considered as "best practice," and understanding the nature of their impact on intellectual property regimes and policies, including its ramifications on economic and other policies such as trade, cultural development, environment, science and technology, employment, and enterprise competitiveness. Moreover, the efforts of the International Bureau towards demystification of

the role of intellectual property in relation to those global issues could benefit from a more coordinated and comprehensive approach under one program framework.

154. Activities in this regard will concentrate on continuing and concluding the work initiated in the 2000-2001 biennium, especially in the area of traditional knowledge and folklore in the framework of the newly-created WIPO Inter-Governmental Committee on Genetic Resources, Traditional Knowledge and Folklore (IGC). The new SME program focus, recently approved by the Assemblies, will seek to promote the modern use of patents, trademarks, designs, copyright and related rights, as well as traditional knowledge, folklore and genetic resources, for enhancing SME competitiveness in developed and developing countries and countries in economic transition. From the global business perspective, a focus on the global policy issues rooted in the fundamental territorial nature of intellectual property vis-à-vis its protection in electronic commerce, and its downstream implications on the wide use of electronic commerce by the business sector, will be undertaken in light of the borderless nature of cyberspace. Similarly, the effective enforcement of intellectual property in this century needs the reinforcement of cooperation between national and regional competent enforcement authorities, as they are faced with common challenges such as the expertise, speed and efficiency to deal with ever-growing infringement of intellectual property rights, more sophisticated and worldwide counterfeiting and piracy, including those in cyber space. In all of the foregoing areas, bearing in mind different types and nature of intellectual property involved (such as patents, copyright, trademarks and designs), effective strategies and more coherent approaches to the issues will be explored in consultation with Member States and, where appropriate, relevant stakeholders.

SUB-PROGRAM 10.1

Genetic Resources, Traditional Knowledge and Folklore

Objectives:

- ◆ To service discussions between Member States concerning intellectual property and genetic resources, traditional knowledge and folklore in the Intergovernmental Committee established for this purpose.
- ◆ To provide technical assistance and information to Member States, custodians of genetic resources, holders of traditional knowledge and folklore, and other stakeholders, on intellectual property and genetic resources, traditional knowledge and folklore.
- ◆ To promote the understanding of the intellectual property system in other for addressing questions concerning intellectual property and genetic resources, traditional knowledge and folklore.
- ◆ To enhance understanding of the role of intellectual property in the preservation, conservation and dissemination of biological diversity and in related questions concerning biotechnological inventions.

Background

155. Recent years have witnessed a resurgent interest in tradition-based innovations and creations, giving rise to complex legal, ethical, economic and social questions concerning the appropriate protection of traditional knowledge and folklore, and any benefits derived therefrom. Genetic resources, traditional knowledge and folklore constitute a set of global issues that were introduced in the 1998-1999 biennium Program and Budget of WIPO.

156. The relationship between intellectual property and economic, social and cultural rights, and human rights in general, attracted increased attention during the 2000-2001 biennium, including within the Human Rights Commission of the United Nations. Further information on and exploration of this relationship is necessary in order for the intellectual property community to participate effectively in discussions concerning intellectual property and human rights.

157. Interfaces between competition law and policy and intellectual property law and policy rise to the fore in a variety of cases, in both copyright and related rights and in industrial property areas. A systematic and cross-cutting exploration of this question is likewise necessary.

158. At the WIPO General Assembly held in September 2000, the Member States of WIPO established an Intergovernmental Committee on Intellectual Property and Genetic Resources, Traditional Knowledge and Folklore (IGC) to facilitate further discussions between Member States on those issues. This sub-program will provide support for the IGC in relation to their deliberations on two areas, namely, intellectual property and traditional knowledge and folklore, and intellectual property and access to and benefit-sharing in respect of biotechnology, biodiversity and genetic resources. In addition to the provision of technical assistance and information to Member States, custodians of genetic resources, holders of traditional knowledge and folklore, other stakeholders, and the concerned units of the Secretariat, certain issues relating to the role of intellectual property in the preservation, conservation and dissemination of biological diversity and in related questions concerning the legal protection of biotechnological inventions not covered by the IGC will be addressed.

Expected Results	Performance Indicators
1. Improved international understanding on the protection of traditional knowledge and folklore through intellectual property.	<ul style="list-style-type: none"> <li data-bbox="807 1552 1353 1608">❑ Number of sessions of the IGC and feedback thereon. <li data-bbox="807 1619 1353 1753">❑ Number of missions, meetings and workshops to promote understanding and use of intellectual property by holders of traditional knowledge and folklore and other stakeholders and feedback thereon.
2. Improved international understanding on the role of intellectual property in relation to biotechnology, biodiversity and genetic resources.	<ul style="list-style-type: none"> <li data-bbox="807 1776 1353 1832">❑ Number of sessions of the IGC and feedback thereon. <li data-bbox="807 1843 1353 2033">❑ Number of missions, meetings and workshops to enhance understanding of the role of intellectual property in the preservation, conservation and dissemination of biological diversity and in related questions concerning biotechnological inventions, and feedback thereon.

Expected Results	Performance Indicators
3. Better understanding of the practical relevance of intellectual property to issues such as economic, social and cultural rights and competition law and policy.	<ul style="list-style-type: none"> <li data-bbox="807 322 1348 376">☐ Number of missions, meetings, and workshops. <li data-bbox="807 389 1348 443">☐ Number of studies and papers published, and feedback thereon.

Activities

- ◆ Convening and supporting four meetings of the IGC (two in each year of the biennium), any Working Groups set up by this Committee, and regional consultation meetings, in Geneva, for developing countries and for certain countries in economic transition, immediately preceding sessions of the IGC, in relation to intellectual property, traditional knowledge and folklore.
- ◆ Upon request, provision of technical assistance and information to Member States, holders of traditional knowledge and folklore, and other stakeholders, in relation to intellectual property, traditional knowledge and folklore, intellectual property and genetic resources including by way of national and sub-regional information and training workshops.
- ◆ Development of practical mechanisms for the integration of traditional knowledge into searchable prior art, including through commissioning and publishing a written study.
- ◆ The provision of technical intellectual property assistance and information to other organizations, United Nations bodies, fora and parties dealing with questions concerning the protection of traditional knowledge and folklore, such as, the Ad Hoc Open-Ended Inter-Sessional Working Group established in respect of Article 8(j) of the Convention on Biological Diversity (the CBD), the World Conservation Union (IUCN), the United Nations Conference on Trade and Development (UNCTAD), the United Nations Environment Program (UNEP), the United Nations Educational, Social and Cultural Organization (UNESCO), the United Nations Human Rights Commission, the Working Group on Indigenous Populations, the WTO, and the World Bank, through the provision of written materials and participation in relevant conferences, meetings and seminars.
- ◆ Undertaking of certain activities proposed by the WIPO Working Group on Biotechnology in November 1999 (see document WIPO/BIO/WG/99/1), to the extent that these issues are not addressed by the IGC.
- ◆ The undertaking of studies on relevant issues concerning intellectual property and biotechnology, biodiversity and genetic resources, particularly on the intellectual property aspects of human genetic resources.
- ◆ Organization of an information meeting on the relationship between intellectual property and economic, social and cultural rights and the publication of the papers presented at the meeting.

- ◆ Convening a meeting of experts on the relationship between intellectual property and competition law and policy; commissioning of a study or studies by external experts, to be discussed at the meeting.

Where appropriate, the activities will be carried out in cooperation with other Main Programs, including 09 and 12.

SUB-PROGRAM 10.2

Small and Medium-Sized Enterprises (SMEs) and Intellectual Property

Objective:

To strengthen the capacity of governmental, private and civil society institutions worldwide to formulate and implement policies and strategies for meeting the intellectual property needs and concerns of SMEs.

Background

159. At the last meeting of the General Assembly, the Member States approved the proposal of the Director General for a substantial new program of activities to be included in the draft Program and Budget for this biennium with a view to focusing on the intellectual property-related needs and concerns of SMEs¹ worldwide with a view to enhancing the competitiveness of SMEs in the marketplace. Taking into account the inputs provided by the Member States and the Plan of Action adopted at the Forum on Intellectual Property and SMEs that was held in February 2001 in Milan, the proposed strategy of this sub-program is as follows:

160. Firstly, WIPO, while aiming to find practical solutions pertaining to intellectual property-related needs and concerns of SMEs worldwide, will especially target research-based, export-oriented and electronic commerce-driven SMEs, as they are likely to benefit the most from active use and effective strategic management of intellectual property assets.

161. Secondly, WIPO will follow a nationally-focused customized approach to encourage the governments of Member States to adopt a holistic approach to the needs and concerns of SMEs. This will be based on knowledge available in WIPO and the Member States that would be made available, *inter alia*, by collection, collation, and dissemination of best practices concerning the integration of intellectual property aspects into other related policies that directly influence SMEs viability. WIPO will also encourage the national SMEs sector

¹ SMEs as used in this sub-program refers to all small and medium-sized enterprises, including micro-enterprises; different definition of SMEs in Member States will be respected in the implementation of program activities.

concerned, through appropriate mechanisms and intermediaries, to rely primarily on local governments and support organizations, and, therefore, will focus its own efforts to support the training of key functionaries of such SMEs financing or support institutions at the local level to enable them to act as intellectual property facilitators/advisors.

162. Thirdly, WIPO will strive for increased and improved networking amongst relevant international, national, and local level institutions and the intellectual property community so as to promote synergy and cooperation amongst SME support institutions, including NGOs, relevant Ministries and other agencies. WIPO will encourage the development of dynamic linkages amongst universities, research and development institutions, financing and venture capital institutions, IPOs and SMEs with a view to:

- promoting local, national and international initiatives, such as business and technology incubators for potential spin-offs from university-based research projects;
- responding to technology and/or marketing problems faced by SMEs; and
- franchising/licensing arrangements for commercialization of new, original, innovative and creative products and services.

163. Fourthly, WIPO will adopt a multi-pronged strategy to address the knowledge and information gaps on intellectual property amongst SMEs worldwide, taking full advantage of the Internet. This strategy will focus on success stories concerning use of the intellectual property system by SMEs. WIPO will develop a Web-based worldwide intellectual property network for SMEs through an interactive Web site that could provide a discussion forum based guidance and support to SMEs concerning acquisition, maintenance, use, and enforcement of intellectual property rights.

164. Finally, WIPO will join hands with other agencies in the United Nations System of organizations and other relevant organizations for the implementation of activities.

Expected Result	Performance Indicators
Strengthened capacity of governments and SMEs support institutions to provide intellectual property-related services to SMEs.	<ul style="list-style-type: none"> ❑ Level and nature of assistance provided in response to requests by governmental, private and civil society institutions worldwide. ❑ Number and nature of publications, including teaching and training modules for distance learning, produced or contributed to.

Activities

- ◆ Contribute to conferences, seminars, meetings, fairs, exhibitions, workshops, *inter alia*, on the role of the intellectual property system in enhancing the competitiveness of SMEs, improving the ability of SMEs to acquire and/or transfer intellectual property assets, using patent information, commercializing research results of publicly funded R&D through spin-offs and startups, and management of intellectual property assets.

- ◆ Provide expert advice through an SME-intellectual property virtual network with an interactive website and, where appropriate, in face-to-face discussions, to assist governmental, private and civil society institutions, including IPOs and chambers of commerce and industry, in relation to awareness building, advocacy, teaching, training, information and advisory services concerning intellectual property needs and concerns of SMEs.
- ◆ Collect, collate, assess and disseminate SME-related best practices on intellectual property policies, strategies, mechanisms, programs and activities implemented worldwide in the form of brochures and information accessible via the Internet.
- ◆ Contribute to the preparation of distance learning programs or modules for use in university degree or certificate programs on innovation, entrepreneurship, small business, technology transfer, engineering and management, for relevant functionaries of SME financing and support institutions and for use of owners, managers and other employees of SMEs worldwide.

Where appropriate, the activities will be carried out in cooperation with other Main Programs, including 09, 12 and 13.

SUB-PROGRAM 10.3

Electronic Commerce and Intellectual Property

Objectives:

- ◆ To define the emerging issues and relevant responses arising out of the impact of electronic commerce and the digital economy on intellectual property and to promote awareness of those issues and responses on the part of the Member States, industry, practitioners and the general public.
- ◆ To enhance the effectiveness of protection of intellectual property on the Internet, in particular, in its role of promoting a stable and trusted environment for electronic commerce
- ◆ To develop and implement projects providing frameworks for the protection of intellectual property rights in the digital environment.
- ◆ To coordinate WIPO's program of work in relation to electronic commerce issues, so that WIPO can continue to play a leading role in the review and modification of existing rules, and the establishment of new rules, governing the use of intellectual property in electronic commerce.

Background

165. Electronic Commerce and Intellectual Property was first introduced as a sub-program of Main Program 03 in the WIPO Program and Budget during the 2000-2001 biennium. While certain issues related to electronic commerce were at that time, and still are, addressed by several other Main Programs (including 09, 10, 11 and 12), a more focused and coordinated treatment of the subject was established, particularly in view of the Internet's impact on the intellectual property system and the nature of the responses that this would require from WIPO.

166. During the period covered by the Program and Budget for the 2000-2001 biennium, several significant developments have occurred affecting the relationship between intellectual property and the digital environment. First, the intellectual property community has increasingly embraced electronic commerce as a commercial channel of prime importance for trade in products and services. This trend continues as new technologies become available for the secure delivery of content on-line and understanding improves concerning the relevant commercial and legal (including intellectual property) dimensions of such commerce. Secondly, there is a growing awareness of the key contribution to be made by intellectual property in promoting a stable and trusted environment for electronic commerce. WIPO, in this respect, has conducted a series of regional seminars around the world to discuss the emerging issues and to address, in particular, the potential and the challenges of electronic commerce for developing countries. Thirdly, new legal infrastructures for the effective protection of intellectual property in the networked environment have begun to emerge, most notably the entry into effect of the Uniform Domain Name Dispute Resolution Policy of the Internet Corporation for Assigned Names and Numbers (see Main Program 11- Arbitration and Mediation Center). By all indications, these trends are expected to expand and strengthen during the 2002-2003 biennium.

167. Over the last several years, WIPO's Member States have taken a number of steps to advance the Organization's activities in respect of electronic commerce, all of which have set the stage for the work program in this area for the 2000-2003 biennium. These measures include the conclusion of the WCT and the WPPT in December 1996, providing the earliest elements of WIPO's work program in the area of electronic commerce and, at the meeting of the General Assembly in September 1999, the approval of the WIPO Digital Agenda, the request for WIPO's provision of training and assistance to developing countries and countries in transition in the area of electronic commerce and intellectual property, and the endorsement of WIPO's Internet Domain Name Process.

168. While these developments permit the identification of activities to be undertaken by WIPO during the 2002-2003 biennium, it remains clear that the rapid commercial and technological advances of electronic commerce and their impact on the intellectual property system over the next years are difficult to foresee. As stated in the previous Program and Budget for the 2000-2001 biennium, the demands on the Organization that may arise in the next several years as a result of the continuing growth, evolution and increasing importance of electronic commerce are difficult to predict, and flexibility in response will, therefore, be required.

Expected Results	Performance Indicators
1. WIPO leadership and coordination with other international and national governmental or non-governmental institutions concerning the protection of intellectual property rights in relation to electronic commerce.	<input type="checkbox"/> Reference to WIPO's work in the programs and reports of such institutions and adoption of any WIPO recommendations.
2. Enhanced intellectual property protection in the generic top-level domains of the domain name system (DNS), including non-roman character domain names, through collaboration with the WIPO Arbitration and Mediation Center.	<input type="checkbox"/> Implementation by domain name registration authorities of the recommendations contained in the Report of the First WIPO Internet Domain Name Process, in relation to new generic top-level domains and non-roman character domain name systems. <input type="checkbox"/> Implementation by authorities of the recommendations contained in the Report of the Second Internet Domain Name Process in relation to generic top-level domains. <input type="checkbox"/> Number and nature of contacts with domain name authorities seeking advice from WIPO.
3. Enhanced intellectual property protection in the country-code top-level domains of the DNS.	<input type="checkbox"/> Number and nature of contacts with country-code domain name authorities seeking advice from WIPO. <input type="checkbox"/> Retention by administrators of country-code top-level domains of the WIPO Mediation and Arbitration Center as dispute resolution service provider.
4. Establishment of cooperation with relevant authorities and participation in projects for the development of rights management structures and systems for the on-line exploitation of cultural heritage materials within the intellectual property framework.	<input type="checkbox"/> Number and nature of contacts with authorities and of contributions to projects developing such rights management systems.
5. Increased understanding of the relevance and role of intellectual property in the global networked environment of electronic commerce.	<input type="checkbox"/> Number of conferences, seminars and meetings, number of participants therein and related feedback. <input type="checkbox"/> Web site visits and downloading, or requests for paper versions, of published reports and papers.

Activities

- ◆ Continuing coordination of the development and implementation of a prioritized work program for WIPO in relation to electronic commerce and intellectual property issues by:
 - cooperating with other international and national governmental or non-governmental institutions concerning the protection of intellectual property rights in electronic commerce;
 - maintaining the WIPO Electronic Commerce web site;
 - publishing the WIPO E-Commerce Updates;

- providing quality and timely advice on matters concerning electronic commerce and intellectual property, including responding to various inquiries for information and assistance.
- ◆ Collaboration with other WIPO units, in particular with the WIPO Arbitration and Mediation Center, on the enhancement of the Internet domain name dispute resolution systems, including the generic top-level domains and the country-code top-level domains, in the context of strengthening the protection of intellectual property in electronic commerce by:
 - continuing the review and development of appropriate policies, rules and procedures for the protection of intellectual property in the Internet domain name system and, in particular for the resolution of related disputes;
 - working with domain name system authorities to implement the recommendations of the First and Second WIPO Internet Domain Name Processes, in particular, for all existing and new generic top-level domains;
 - providing intellectual property advice and assistance to administrators of country-code top-level domains.
- ◆ Continuation of work for the assessment and implementation of projects providing frameworks for protection of intellectual property in the digital environment by:
 - participating in projects aimed at developing interoperable and on-line rights management systems, systems facilitating the secure on-line exploitation of cultural heritage materials, and monitoring, in particular, developments in the area of metadata for intellectual property;
 - cooperating with private sector entities and representatives concerning the above initiatives;
 - participating in meetings and conferences, and drafting relevant analyses and reports concerning the above initiatives.
- ◆ Increasing the understanding of the role of intellectual property in electronic commerce by:
 - organizing international, regional and local conferences, seminars and meetings to increase understanding and facilitate training in respect of issues arising out of the impact of electronic commerce on the intellectual property system – taking into account the particular needs and concerns of developing countries and countries in transition;
 - contributing papers, making presentations and participating in conferences on electronic commerce and intellectual property to discuss WIPO's activities and policy;
 - updating and publishing a second edition of the primer on electronic commerce and intellectual property.

SUB-PROGRAM 10.4 Intellectual Property Enforcement Issues and Strategies

Objectives:

- ◆ To assist Member States in identifying needs and possible solutions concerning the enforcement of all intellectual property rights.
- ◆ To contribute toward increased communication and networking between Member States and between intellectual property agencies and enforcement agencies in each Member State.

Background

169. There has been increased attention on the need to effectively enforce rights obtained for the protection of intellectual property, in order to make those rights have meaningful value. In an increasingly global economy, effective enforcement in each country requires a coordinated international approach. During the 2000-2001 biennium, the Member States, in the context of the former Advisory Committee on Enforcement of Industrial Property Rights, initiated an approach to enforcement that is new and unique. That approach is for the Member States to focus collectively on the real challenges that they all face in implementing practical procedures for enforcing rights, and to investigate best practices and procedures that could be used to effectively enforce intellectual property rights while keeping the time and cost burden on administrative infrastructures to a minimum. The Member States have also, in the same context, initiated a forum for collectively enhancing communication, among Member States and between intellectual property and enforcement agencies within Member States, to increase cooperation for effective enforcement. This cooperation includes the identification, by the Member States, of their existing requirements and needs for training and development of enforcement strategies, as well as their identification of existing resources for meeting those needs, although this sub-program would not itself provide for training and cooperation programs or events. Similar activities were foreseen for the former Advisory Committee on Management and Enforcement of Copyright and Related Rights in Global Information Networks.

Expected Results	Performance Indicators
1. Greater recognition and awareness among Member States and other concerned parties of the importance of appropriate measures to protect and enforce intellectual property rights, and of identifying less burdensome, cost-effective procedures for enforcement.	☐ Number and nature of studies and surveys prepared concerning the enforcement of intellectual property rights, and feedback thereon.
2. Improved communication and cooperation among Member States, and among intellectual property and enforcement agencies within Member States.	☐ Number of missions, meetings and workshops to promote the enforcement of the intellectual property rights, and feedback thereon.

Activities

- ◆ Executing the directives of the former Advisory Committee on Enforcement of Industrial Property Rights in the broader context of all intellectual property rights, including, *inter alia*, assisting the Member States in:
 - identifying the challenges in enforcement of intellectual property in all Member States (industrialized countries, developing countries and countries in economic transition), including questions related to *ex officio* enforcement procedures;
 - identifying best practices for enforcement of intellectual property in Member States, including practices that are effective, while being at the same time less costly and time-consuming;
 - identifying existing requirements and needs for training and development of enforcement strategies for intellectual property in Member States;
 - identifying external resources for training and cooperation in enforcement of intellectual property, such as private sector resources and other multilateral and regional organizations; and
 - identifying additional issues and/or initiating additional activities as the need arises and available resources allow.
- ◆ Preparation of additional studies and surveys on important issues relating to the enforcement of intellectual property rights, where appropriate with the help of consultants.
- ◆ Cooperation and coordination with multilateral and regional organizations in order to share expertise and experiences, as appropriate.
- ◆ Promotion of the understanding of the international principles relating to the enforcement of intellectual property rights, including correspondence, attendance at seminars, advising national governments, preparation and provision of advice concerning WIPO documents and publications, and following the activities of the WTO.
- ◆ Contribution to the preparation of a *Guide on International Treaty Provisions concerning Industrial Property Protection* and a *Guide to International Treaty Provisions on Copyright and Related Rights* as far as the enforcement of intellectual property rights is concerned.

The activities in this sub-program will be carried out in close coordination with activities under other main programs, in particular to avoid duplication of efforts and to draw upon the expertise or other resources available therein, and would be complimentary to those activities.

Table 11.10 Detailed Budget 2002-2003
Main Program 10
Global Intellectual Property Issues

A. Budget Variation by Object of Expenditure
(in thousands of Swiss francs)

Object of Expenditure	2000-2001	Variation						2002-2003
	Revised Budget A	Program		Cost		Total		Proposed Budget E=A+D
		Amount B	% B/A	Amount C	% C/A	Amount D=B+C	% D/A	
Staff Expenses	4,770	1,791	37.5	320	6.7	2,111	44.3	6,881
Travel and Fellowships	2,057	(18)	(0.9)	73	3.5	55	2.7	2,112
Contractual Services	2,472	(175)	(7.1)	83	3.4	(92)	(3.7)	2,380
Operating Expenses	106	44	41.5	6	5.7	50	47.2	156
Equipment and Supplies	23	-	-	-	-	-	-	23
	9,428	1,642	17.4	482	5.1	2,124	22.5	11,552

B. Budget Variation by Post Category

Post Category	2000-2001	Variation	2002-2003
	Revised Budget A	B-A	Proposed Budget B
Directors	1	2	3
Professionals	10	1	11
General Service	2	2	4
TOTAL	13	5	18

C. Budget Allocation by Sub-program and Detailed Object of Expenditure
(in thousands of Swiss francs)

	Sub-program				Total
	1	2	3	4	
Staff Expenses					
Posts	2,348	1,812	1,860	432	6,452
Short-term Expenses	126	60	60	183	429
Travel and Fellowships					
Staff Missions	325	210	220	76	831
Government Officials	-	-	450	300	750
Fellowships	531	-	-	-	531
Contractual Services					
Conferences	77	-	290	140	507
Consultants	706	240	360	128	1,434
Publishing	60	-	25	5	90
Other	22	325	-	2	349
Operating Expenses					
Communication and Other	110	25	-	21	156
Equipment and Supplies					
Furniture and Equipment	8	-	-	2	10
Supplies and Materials	13	-	-	-	13
Total	4,326	2,672	3,265	1,289	11,552

MAIN PROGRAM 11

Arbitration and Mediation Center

11.1 Case Administration

11.2 Legal Framework, Information and Promotion Activities

Summary

170. The introduction of the on-line administration of Internet domain name disputes significantly increased the scope and quantity of work of the WIPO Arbitration and Mediation Center. It also raised the profile of the Center's more conventional services for the resolution of intellectual property disputes.

171. Clauses for the submission of disputes to arbitration and under the WIPO Mediation, Arbitration and Expedited Arbitration Rules are found in commercial contracts involving intellectual property, particularly international licensing agreements. Several developments give rise to an expectation of structural growth of the Center's work as administering authority of these procedures.

172. Spurred on by technological advances and the reduction of trade barriers, intellectual property is increasingly created and commercialized across jurisdictions. Arbitration and other private methods of dispute resolution are particularly well-placed to meet the resulting demand for neutral procedures that are enforceable internationally. The WIPO procedures also mean a growing need for neutrals (independent arbitrators and mediators) who are specialized in the increasingly complex areas of intellectual property concerned. In addition to administering a growing arbitration and mediation caseload, the Center provides referrals of neutrals from the database which it has developed of specialized candidates for appointment.

173. In December 1999, the Center became the first dispute resolution provider to receive a complaint filed under the Uniform Domain Name Dispute Resolution Policy (UDRP). Adopted at WIPO's recommendation, this innovative mechanism provides owners of trademark rights with an administrative remedy against the bad-faith registration and use by third parties of domain names corresponding to those trademark rights. In the first year of the UDRP, the Center administered over 1,850 domain name disputes in the generic top-level domains (.com, .net, and .org) involving parties from 75 countries. The Center also administered the first disputes filed under similar policies adopted by certain country-code top level domains.

174. The delivery of market services in accordance with the applicable domain name dispute rules requires the Center to maintain an adequate legal, administrative and information technology infrastructure. Thanks to facilities such as on-line filing, case communication by e-mail, and a web site offering WIPO model documents, guides and posted decisions, the

Center's domain name dispute services are fast and cost-effective. Even so, they entail a significant need for staff. Because this need could not be quantified when the Program and Budget for the 2000-2001 biennium was adopted, it has been met mostly through ad hoc means, such as the addition of short-term secretaries and case administrators, as well as the re-deployment of two posts.

175. The factors that are expected to drive the Center's domain name activity in the 2002-2003 biennium include the possible widening of the scope of the existing dispute policy, the expected introduction of new generic top-level domains, the increasing adoption by national registration authorities of dispute policies involving the Center, and the opportunities to register domain names in different language scripts. While the dynamic character of these new developments makes it extremely difficult to predict the Center's case load accurately, it appears likely to increase further, possibly to a significant extent.

176. Bearing in mind this longer potential, the 2002-2003 biennium offers the opportunity to put this highly visible WIPO activity on a more stable footing. Should the actual number of internet domain name resolution cases be higher or lower than forecasted, the budget of the Arbitration and Mediation Center and supporting services would be increased or decreased as described in Appendix 3.

SUB-PROGRAM 11.1

Case Administration

Objective:

To enhance the protection of intellectual property through the provision of quality services for the resolution of intellectual property disputes.

Background

177. This sub-program covers the Center's management of intellectual property disputes filed with the Center. Whether under the WIPO Rules, the UDRP, country-code domain policies, or other schemes serviced by the Center, the administration of such cases requires an effective operational infrastructure. The Center meets the demand for conventional arbitration and mediation by maintaining specialized rules, electronic case facilities, and an expert pool of neutrals. Likewise, in order to give effect to the UDRP, the Center provides a model complaint and response, on-line filing, case communication facilities, and web-assisted information, as well as an international roster of domain name specialists. The Center's case managers conduct the proceedings on-line, providing time and cost benefits to parties.

Expected Results	Performance Indicators
1. Increased conventional arbitration and mediation caseload.	<input type="checkbox"/> Number of cases processed under WIPO Rules. <input type="checkbox"/> Number of requests for appointment of WIPO arbitrators and mediators.
2. Expansion of dispute resolution activity in relation to Internet domain name disputes to 3,100 cases in 2002 and 3,600 cases in 2003.	<input type="checkbox"/> Number of cases processed in this area.

Activities

- ◆ Administering disputes under WIPO Rules and providing referrals of neutrals from the WIPO list of neutrals.
- ◆ In collaboration with registration authorities in different domains and languages, administering procedures for on-line resolution of Internet domain name disputes.
- ◆ Operating on-line case administration services tailored to the demands of electronic commerce and information technology transactions.
- ◆ Further developing the Center's infrastructure to make optimal use of technological developments to enhance the Center's case administration services.

SUB-PROGRAM 11.2

Legal Framework, Information and Promotion Activities

Objective:

To achieve increased awareness and application of, and improve the legal framework for, alternative dispute resolution as an effective means of resolving international intellectual property disputes.

Background

178. Alternative dispute resolution procedures complement the options traditionally available to holders of intellectual property rights for the enforcement of those rights. This sub-program aims to increase awareness and use of such alternatives, through activities that include the organization of workshops, the publication of guides, and the collaboration in other enforcement-related WIPO programs. The Sub-program also covers the Center's development of tailor-made dispute resolution systems at the demand of specific intellectual property interests, such as associations of rights owners.

Expected Results	Performance Indicators
1. Strengthening the position of the Center as the leading resource center in the area of intellectual property disputes.	☐ Number of requests for information and collaboration and of participants in WIPO events, including workshops and conferences.
2. Increased role as designer and provider of tailor-made dispute resolution services in an on-line environment.	☐ Number of dispute resolution mechanisms established through cooperation of WIPO.

Activities

- ◆ In collaboration with registration authorities in different domains and languages, implementing mechanisms for on-line resolution of Internet domain name disputes.
- ◆ Designing on-line case administration services tailored to the demands of electronic commerce and information technology transactions.
- ◆ Organizing, annually, one conference, one arbitration and two mediation workshops, and four domain name panelist meetings.
- ◆ Producing, publishing, posting and presenting information in coordination with activities under Main Program 09 (Global Communications), as well as responding to ad hoc information requests.
- ◆ Developing relations with other institutions, in particular in developing countries and countries in transition in coordination with activities under the cooperation for development Main Programs 12 and 13.

Table 11.11 Detailed Budget 2002-2003
Main Program 11
Arbitration and Mediation Center

A. Budget Variation by Object of Expenditure
(in thousands of Swiss francs)

Object of Expenditure	2000-2001 Revised Budget A	Variation						2002-2003 Proposed Budget E=A+D
		Program		Cost		Total		
		Amount B	% B/A	Amount C	% C/A	Amount D=B+C	% D/A	
Staff Expenses	3,699	1,792	48.4	2,255	61.0	4,047	109.4	7,746
Travel and Fellowships	310	(9)	(2.9)	9	2.9	-	-	310
Contractual Services	658	243	36.9	32	4.9	275	41.8	933
Operating Expenses	72	142	197.2	8	11.1	150	208.3	222
	4,739	2,168	45.7	2,304	48.6	4,472	94.4	9,211

B. Budget Variation by Post Category

Post Category	2000-2001 Revised Budget A	Variation B-A	2002-2003 Proposed Budget B
Professionals	2	-	2
General Service	19	9	28
TOTAL	21	9	30

**C. Budget Allocation by Sub-program and
Detailed Object of Expenditure**
(in thousands of Swiss francs)

Object of Expenditure	Sub-program		Total
	1	2	
Staff Expenses			
Posts	7,626	-	7,626
Short-term Expenses	80	40	120
Travel and Fellowships			
Staff Missions	40	100	140
Government Officials	-	100	100
Fellowships	-	70	70
Contractual Services			
Conferences	-	50	50
Consultants	473	-	473
Publishing	150	-	150
Other	260	-	260
Operating Expenses			
Premises and Maintenance	72	-	72
Communication and Other	150	-	150
Total	8,851	360	9,211

Part III : Cooperation for Development

179. WIPO has reviewed its overall strategy for cooperation for development in the light of: (i) the growing significance of intellectual property in support of innovativeness and creativity in a knowledge-intensive environment, (ii) the expanding implications of intellectual property not only on economic growth but also sustainability of social, cultural and environmental development, and (iii) the progress made in many countries in connection with the establishment of the intellectual property legal framework and compliance with the TRIPS Agreement.

180. As a result of that review, four “poles of activity” in the overall strategy for cooperation for development will be re-focused in order to better empower the Member States to support the intellectual property system, as follows:

- (a) assistance in modernization of intellectual property legislation;
- (b) partnership in intellectual property administration and automation;
- (c) knowledge creation; and
- (d) demystification of intellectual property in the context of emerging global issues.

181. Assistance in modernization of intellectual property legislation under item (a), above, will focus on strengthening national and regional capacities for upgrading of intellectual property legislation in the light of new developments locally and abroad.

182. Item (b), above, will emphasize partnership in the administration of intellectual property involving the national IPO, other concerned agencies of the government, and right holders, users and intellectual property professionals from the research and industry sectors, especially in the provision of automation support to maximize the benefits of the intellectual property system. Together, items (a) and (b), above, are expected to help Member States establish a complete set of institutions supporting the use and modernization of the intellectual property system. A special focus will be given to the PCT, Madrid and Hague Systems and the collective management of copyright and related rights, which will be promoted as supplementary “tools” to facilitate the acquisition of intellectual property registration and the fair distribution of its benefits by those who seek global intellectual property protection.

183. The third pole of activity (c), above, will concentrate on the promotion of creative and innovative activities leading to more intellectual property rights that are useful for national development, especially in the knowledge-intensive societies of today. However, its success and effectiveness depend on the availability of a body of well-informed intellectual property professionals, owners and users of intellectual property, a pool of knowledgeable administrators, managers and technical staff of national IPOs, and a good supply of intellectual property-related information. This brings into focus some of the important “deliverables” of the cooperation for development program of WIPO, notably the work of the WIPO Worldwide Academy in maintaining a pool of trained managers and staff for intellectual

property administration, and the assistance of WIPO concerning the provision and use of the Intellectual Property Digital Library (IPDLs) and other intellectual property information and services through the WIPONET to promote inventiveness in business and industry.

184. The fourth pole of activity (d), above, concerns the continuing drive to demystify the issues surrounding intellectual property with a view to empowering the relevant sectors of society. Basic awareness of intellectual property must reach a level in society such that creativity is sustained and encouraged, and novel applications of intellectual property systems are better understood. This brings into focus the importance of undertaking developmental intellectual property-related activities in newly-emerging areas such as electronic commerce, traditional knowledge, biotechnology, biodiversity, genetic resources and folklore, while balancing them against activities addressing current intellectual property needs and concerns of society.

MAIN PROGRAM 12

Cooperation with Developing Countries

- 12.1 Effective Utilization of the Intellectual Property System for Economic, Social and Cultural Development**
- 12.2 Special Focus Areas**
- 12.3 PCT, Madrid and The Hague Systems Cooperation**
- 12.4 Intellectual Property Office Automation**

Summary

185. The development cooperation activities of WIPO are geared to assisting developing countries to effectively utilize the intellectual property system for economic, social and cultural development.

186. In the 2000-2001 biennium, the broad thrusts of this Main Program were: to increase awareness of the salience of intellectual property issues in achieving development objectives; upgrade national legislative frameworks in accordance with international requirements and obligations; and strengthen the institutional infrastructure to address intellectual property issues. The activities undertaken in these areas are producing tangible results, especially in enabling developing countries to revise their legislative frameworks, and, more generally, in assisting them to meet their international obligations in the field of intellectual property.

187. A number of activities initiated in the 2000-2001 biennium remain relevant, and should thus be continued. These include assistance to formulate intellectual property laws and regulations, and to strengthen the capacity to effectively administer and enforce intellectual property legislation. This is of particular importance to the Least Developed Countries (LDCs) which would need to comply with their international obligations in the coming years.

188. The need for developing countries and LDCs to participate and benefit from the rapid expansion of the world economy has become an urgent concern. In this regard, enhancing national and regional capacities to use the intellectual property system for economic development is clearly the overriding objective. This would require a considered strategy that should ensure:

- ◆ concerns for intellectual property protection are fully integrated into economic, social and cultural development policies;

- ◆ the institutional capacity to address intellectual property issues is further strengthened, primarily through widening of partnerships in intellectual property administration and making optimal use of information technology whenever possible;
- ◆ national groups concerned with intellectual property issues, including the private sector, particularly SMEs, the legal community, research institutions, and academia, are systematically empowered through the intellectual property infrastructure to acquire greater understanding of the issues involved, and are able to participate in an informed manner in the formulation of intellectual property policies;
- ◆ that positive links between intellectual property and key areas such as innovation, technology diffusion, competitiveness, and investment promotion are clearly demonstrated, and the mechanisms that would strengthen these links are identified;
- ◆ the ability of developing countries and LDCs to appreciate the intellectual property aspects of emerging issues such as traditional knowledge and folklore, biotechnology, biodiversity and e-commerce is enhanced through effective demystification efforts.

189. The activities that flow from the above strategy should meet the operational criteria of sustainability, specificity and cost effectiveness. Sustainability is a major challenge to ensure that cooperation for development activities are designed and implemented in a manner that ensures continued impact. Specificity implies that the particular needs of individual countries are identified and clearly addressed. In this regard, WIPO's NFAPs has proved to be useful, enabling the identification of priority needs and appropriate activities for individual countries. Cost effectiveness would ensure that activities lead to quality outputs and outcomes at the least possible cost, by focusing on carefully selected priority areas, thereby avoiding diffused and over-extended activities.

190. The overall strategy and the three operational criteria should be complemented by a constant review and evaluation of the most effective modalities for development cooperation. The use of expert missions, specialized seminars and workshops, expert meetings, policy level consultations and assistance directed to modernizing the administration of national and regional intellectual property systems, would continue to be fine-tuned in accordance with the requirements of individual countries.

191. Activities will be identified in consultation with the concerned entities of the government, the relevant cooperating institutions or organizations and the intended beneficiaries. Policy inputs will also be drawn from the WIPO Policy Advisory and Industry Advisory Commissions. Special activities or projects will be identified for sub-regional and regional economic or political groupings. Experts, consultants, lecturers and other resources from the developing regions will continue to be utilized to the maximum extent possible.

192. The Permanent Committee on Cooperation for Development Related to Intellectual Property (PCIPD) shall continue to serve as the main forum for identifying new, and reviewing on-going activities. The Committee is expected to meet once in the 2002-2003 biennium.

193. The development of human resources is a fundamental aspect of the strengthening of national intellectual property systems. Therefore, this Main Program will be implemented in

close coordination with Main Program 14. Activities would also be undertaken in close coordination with other main programs, particularly Main Program 09 (Global Communications). It is expected that the Main Program will continue to attract extrabudgetary resources made available to WIPO including by Member States, international funding agencies and recipient countries through cost-sharing and similar arrangements. Contributions in kind will continue to be sought from organizations with special expertise in certain specialized areas of intellectual property.

SUB-PROGRAM 12.1

Effective Utilization of the Intellectual Property System for Economic, Social and Cultural Development

Objectives:

- ◆ To strengthen the capacity of developing countries to fully utilize the intellectual property system for economic, social and cultural development, including by focussing on the interrelationship between intellectual property and competitiveness, technology, investment, and trade.
- ◆ To support the formulation of policies, by developing countries, on intellectual property issues of emerging concern.
- ◆ To assist developing countries in the establishment and modernization of systems for the administration and enforcement of intellectual property rights, including through automation.

Background

194. Building upon the rich experience in cooperation for development activities in the last few years, and reflecting on the continuing needs and obligations as well as newly emerging demands from developing countries and LDCs for modern and more effective intellectual property systems in the face of the rapidly growing world economy, this sub-program will focus on three areas.

195. The first area is the intellectual property infrastructure, loosely defined to be the national IPO and all of its partner organizations in both the public and private sectors, including the ministries of justice, trade, science and technology and other relevant agencies of the government, private industry, the academe and associations of intellectual property professionals and users. The objective in this regard is to rapidly upgrade institutional capacities to participate in the administration of the intellectual property system. Being often a capital intensive undertaking, WIPO will continue to use its resources as "seed money" and mobilize funding by national and international financial institutions, thus inducing a multiplier effect. WIPO will, thus, leverage its finite resources to obtain greater commitments from

relevant organizations to strengthen the intellectual property infrastructure in developing countries.

196. The second area is the dissemination and transfer of working knowledge and skills relevant for the exploitation of the intellectual property system. In this regard, practical workshops would be organized that are more interactive and structured to fully engage participants. Case studies, success stories and simulation exercises will be developed and used to complement lectures and presentations.

197. The third area concerns practical and more useful documentation. Efforts will be taken to develop more user-centric documentation and literature, tailored to the requirements of specific groups such as business enterprises, lawyers, scientists, authors, and performers would be promoted and used for policy advocacy and training programs.

198. Within the foregoing overall framework, specific activities will be implemented under four Regional Bureaus (for Africa, the Arab States, Asia and the Pacific, and Latin America and the Caribbean).

Expected Results	Performance Indicators
1. Efficient utilization by developing countries users' communities of the benefits of the intellectual property system.	☐ Number of meetings, expert missions and nature of information provided to users' communities to benefit from intellectual property system and feedback thereon.
2. Developing countries' policy-makers are in a position to formulate informed and timely policies, particularly in response to emerging intellectual property issues.	☐ Number of fora for policy-makers at the national, regional and international levels to exchange views and deliberate on policy issues.
3. Developing countries are equipped with modern structures for the administration and enforcement of intellectual property rights.	☐ Number of projects undertaken by WIPO for modernization and automation of IPOs.

Activities

- ◆ Meetings of policy-makers at national, sub-regional and regional levels, for consideration of, and exchange of views on, critical policy issues, and consultations with WIPO on such issues, when requested.
- ◆ Assistance for the establishment, modernization and automation of intellectual property offices including through expert advice, preparation of work manuals, automation projects and human resource development (in collaboration with Sub-program 12.4)
- ◆ Specialized practical workshops for user communities such as industry (particularly SMEs), R&D institutions, artists, university, trade associations, attorneys, associations of intellectual property rights owners and consumer associations, to enable them to effectively use intellectual property systems.

- ◆ Assist in examining the intellectual property implications of electronic commerce, biotechnology, traditional knowledge and role of intellectual property in enhancing SMEs competitiveness in cooperation with other relevant main programs and activities of the International Bureau.
- ◆ Dissemination of background papers and other information and reference material related to policy issues.
- ◆ Dissemination of best practices on relevant issues such as experiences in modernization of intellectual property administration and realization of benefits in the areas of competitiveness, investment, trade and technology through optimal utilization of intellectual property systems.
- ◆ Assistance for the establishment and development of intellectual property institutions that would facilitate commercialization of the results of the research carried out by research institutions and universities.
- ◆ Assistance in developing national capacities to effectively negotiate agreements for the transfer of technology, including through programs for negotiators and provision of model contracts.
- ◆ Promotion of, and support to, sub-regional and regional cooperation activities to strengthen capacity to address intellectual property issues.
- ◆ Assistance in strengthening capacities to enforce intellectual property rules and laws, especially through programs for judges, customs and policy officials, and sharing of best practices on enforcement matters.
- ◆ Assist in the development of national capacities to undertake training of intellectual property officials, lawyers and other practitioners, with a focus on training of trainers.
- ◆ Assistance in the establishment and development of societies for the collective management of copyright and related rights.
- ◆ Advising on advantages of, and accession to, WIPO-administered treaties, and assisting in the post-accession phase, as requested.

Where appropriate, the activities will be carried out in cooperation with activities in other Main Programs, including 05, 06, 07, 08, 09 and 10.

SUB-PROGRAM 12.2 Special Focus Areas

Objectives :

- ✦ To assist LDCs in elaborating policies, for effectively utilizing intellectual property for meeting their developmental needs.
- ✦ To assist developing countries to strengthen their intellectual property legislative framework.
- ✦ Analyze emerging trends, and identify possible programs and policy responses in the areas of innovation and collective management of copyright and related rights.

Background

199. Sub-program 12.2 will cover four special areas of focus, namely, assistance on intellectual property legislation, Least Developed Countries requirements, copyright collective management, and infrastructure services and innovation promotion. Separate units will take responsibility for implementation of activities in each area, and undertake as necessary the relevant analysis of emerging trends, assessment of policy options, development of case studies and identification of best practices, while operational activities in these areas will be carried out in cooperation with the four cooperation for development Bureaus.

Expected Results	Performance Indicators
1. Enhanced awareness of LDCs policy-makers and users' groups of importance of intellectual property issues and strengthened capacity of LDCs to benefit from the intellectual property system.	<ul style="list-style-type: none"> ❑ Number of guidelines, policy papers, country profiles and other reference material issued on intellectual property issues and LDCs. ❑ Inclusion of intellectual property considerations in programs of relevant regional and international organizations.
2. Developing countries legislation is in consonance with international standards	<ul style="list-style-type: none"> ❑ Number of drafts laws and regulations, comments, advice on compatibility and other ad hoc legal advice provided by WIPO to requesting developing countries. ❑ Rate of utilization of WIPO-serviced collections of intellectual property law.
3. Sustainable structures and programs in an increasing number of developing countries for promoting innovation and creativity through intellectual property.	❑ Number and nature of projects, guidelines, services, reference and nature of information material developed by WIPO to promote the development of innovative and creative capacity in developing countries, and feedback thereon.
4. Industrial property information is accessible and effectively utilized.	❑ Number of new services for accessing technological information contained in patents and other intellectual property information, relevant to business enterprises and R&D institutions.

Expected Results	Performance Indicators
<p>5. Collective management of copyright and related rights in developing countries is strengthened and makes a fuller contribution to the social, economic and cultural developments of these countries.</p>	<ul style="list-style-type: none"> <li data-bbox="804 322 1350 432">❑ Number of programs developed for facilitating compatibility of rights management systems with international technical standards, databases and data distribution networks. <li data-bbox="804 450 1350 555">❑ Number and impact of analysis and policy papers on emerging issues in the area of collective management of copyright and related rights, and feedback thereon.

Activities

Least Developed Countries

- ◆ Development of material for policy-makers and users' groups aimed at awareness building in the LDCs on the benefits of effective intellectual property systems for attaining development goals.
- ◆ Designing programs and developing guidelines to achieve cost-effective solutions for the administration and enforcement of intellectual property rights.
- ◆ Liaising with relevant regional and international organizations particularly to promote the contribution of intellectual property in the socio-economic development of LDCs.
- ◆ Development of intellectual property profiles of LDCs.

Infrastructure Services and Innovation Promotion

- ◆ Preparation of case-studies and guidelines pertaining to the effective use of intellectual property in the promotion of innovation.
- ◆ Development of information and training material on utilizing industrial property information services for promoting innovation.
- ◆ Development of database of associations of inventors, R&D centers and other innovation support centers in developing countries.
- ◆ Development of guidelines on the organization of exhibitions of inventions and new technologies.

Intellectual Property Law

- ◆ Advice on compatibility of existing legislation with relevant international treaties, including the TRIPS Agreement; advice on the preparation of new legislation and preparation of draft legislation.
- ◆ Translation of national laws and regulations into WTO working languages to facilitate the notification of national laws and regulations under Article 63.2 of the TRIPS Agreement,

and provision of other services provided for under the WIPO-WTO Cooperation Agreement.

- ◆ Maintenance and development of the WIPO Collection of Laws for Electronic Access (CLEA), and publication of legislative texts.
- ◆ Assist developing countries on issues emerging from the review of national intellectual property legislation including responses in relation to their international obligations in consonance with their developmental goals.

Collective Management of Copyright and Related Rights

- ◆ Analysis of emerging trends and issues, at the international level, in the field of collective management of copyright and related rights, and identification of policy options to address those issues.
- ◆ Cooperation with relevant collective management organizations or federations of organizations at the national, regional and international level, to strengthen collective management systems in developing countries, particularly in light of the fast-evolving digital environment.
- ◆ Development of appropriate programs to: (i) facilitate compatibility of rights management systems in developing countries with international technical standards and systems; (ii) effectively integrate digital technologies in collective management operations in developing countries; and (iii) facilitate access to international databases and data distribution networks.
- ◆ Assess the need for effective mediation mechanisms to address issues arising in the context of collective management.
- ◆ Development of curricula for training in collective management and mechanisms for appropriate follow-up of training activities.

Where appropriate, the activities will be carried out in cooperation with activities in other main programs, including 05, 06, 07, 08, 09 and 10.

SUB-PROGRAM 12.3 PCT, Madrid and The Hague Systems Cooperation

Objectives:

- ◆ To increase the number of developing countries and countries in economic transition that become Contracting States to the PCT, Madrid and Hague, and to enlarge their participation in these systems.
- ◆ To enhance cooperation with developing countries and countries in economic transition on PCT, Madrid and Hague matters, with a view to increasing the efficiency of their systems.

Background

200. This sub-program deals with the legal and information services provided by the International Bureau for the PCT, Madrid and Hague systems in developing countries and countries in economic transition, including the promotion of these systems and training of the present and potential users.

Expected Results	Performance Indicators
1. Increase in the number of developing countries and countries in transition that become Contracting States of PCT, Madrid and Hague systems.	<input type="checkbox"/> Number of new Contracting States among developing countries and countries in transition.
2. Greater reliance among developing countries and countries in economic transition on the PCT, Madrid and Hague, for their legal framework and in the processing of respective applications.	<input type="checkbox"/> Number of staff trained in Offices of developing countries and countries in economic transition. <input type="checkbox"/> Extent of integration of these systems into national and regional systems in developing countries and countries in transition. <input type="checkbox"/> Number of international applications originating in developing countries and countries in transition.

Activities

- ◆ Discussions with and training of officials of present and potential Contracting States through missions by staff members and consultants or experts, as well as at the WIPO headquarters.
- ◆ Assisting new Contracting States in implementing their systems and obligations.

- ◆ Inclusion in NFAPs for interested governments of developing countries and countries in transition of a component on how to make best use of the PCT, Madrid and Hague systems, based on the collection of data on the actual use of these systems in such countries and on studies of the specific circumstances in particular countries and regions.
- ◆ Training of officials from developing countries and countries in economic transition that become Contracting States in procedures at the time of adherence and by periodic refresher courses thereafter.
- ◆ Training of users, potential users and their representatives on the value of use of the PCT, Madrid and Hague systems.

SUB-PROGRAM 12.4

Intellectual Property Office Automation

Objective:

To advise on and provide technical support to the information technology related projects in developing countries, Least Developing Countries (LDC) and countries in economic transition in the framework of the cooperation for development policies of WIPO.

Background

201. Intellectual property office automation has been handled in WIPO across several main programs, in particular under the Cooperation for Development Sector, the Information Technology Sector, and the PCT and Madrid Main Programs.

202. Through these different programs and following direct requests from developing country authorities, the International Bureau is carrying out tailor-made technical assistance projects for the design, development and implementation of automated information systems for national and regional IPOs. Such assistance is provided in order to satisfy the automation requirements in the framework of the modernization of the intellectual property system in the developing countries.

203. In the developing countries these projects are mostly carried out through local (national and/or regional) consultants, local sub-contracting of software development and local procurement of equipment for better cost-effectiveness and easier maintenance and servicing.

204. With the increasing demand for cooperation in this regard, there is now an urgent need for WIPO to strengthen the assistance being provided to IPOs in developing countries. In response, an Intellectual Property Office Automation Division (IPOAD) will be established within the International Bureau, aiming at providing, upon request, state-of-the-art technical advice and support. The value-added role of the newly-formed IPOAD will be to assist and

facilitate the sharing of best practices among IPOs and other government agencies and user organizations at national and regional levels, with a view to improving the performance of services and the assistance provided by WIPO in terms of cost and efficiency. This Division will work in close coordination and collaboration with other sections in the International Bureau which are concerned and those responsible for the implementation of the projects and other IT projects teams.

Expected Results	Performance Indicators
1. Demonstrable holistic approach taken in providing technical advice and expertise for the enhancement of automation systems in the relevant sectors of Member States.	<input type="checkbox"/> Feedback on user satisfaction with the advice provided and approaches taken. <input type="checkbox"/> Number of recommendations provided and implemented in the automation strategies of IPOs. <input type="checkbox"/> Number of automation solutions exchanged.
2. Establishment of a database and a web site to serve as a knowledge repository for IPO automation related activities.	<input type="checkbox"/> Number of hardware, software and applications inventoried and included in the database. <input type="checkbox"/> Level of accuracy and reliability of data.
3. Production of a policy paper on WIPO's objectives regarding IPO automation.	<input type="checkbox"/> Approval of the policy by the WIPO Member States.

Activities

- ◆ Provision of technical advice and expertise arising from the analysis of defined user requirements for the implementation of automation projects.
- ◆ Creation of a database of hardware, software and applications.
- ◆ Monitoring of information technology state-of-the-art developments and provision of advice on best practices and strategies to the Sectors concerned.

**Table 11.12 Detailed Budget 2002-2003
Main Program 12
Cooperation with Developing Countries**

A. Budget Variation by Object of Expenditure
(in thousands of Swiss francs)

Object of Expenditure	2000-2001	Variation						2002-2003
	Revised Budget A	Program		Cost		Total		Proposed Budget E=A+D
		Amount	%	Amount	%	Amount	%	
		B	B/A	C	C/A	D=B+C	D/A	
Staff Expenses	27,623	2,730	9.9	2,298	8.3	5,028	18.2	32,651
Travel and Fellowships	14,740	840	5.7	560	3.8	1,400	9.5	16,140
Contractual Services	8,030	(328)	(4.1)	278	3.5	(50)	(0.6)	7,980
Operating Expenses	662	74	11.2	26	3.9	100	15.1	762
Equipment and Supplies	1,200	442	36.8	58	4.8	500	41.7	1,700
	52,255	3,758	7.2	3,220	6.2	6,978	13.4	59,233

B. Budget Variation by Post Category

Post Category	2000-2001	Variation	2002-2003
	Revised Budget A	B-A	Proposed Budget B
	Directors	11	2
Professionals	34	6	40
General Service	35	(1)	34
TOTAL	80	7	87

C. Budget Allocation by Sub-program and Detailed Object of Expenditure
(in thousands of Swiss francs)

Object of Expenditure	Sub-program				Total
	1	2	3	4	
Staff Expenses					
Posts	24,797	1,012	4,562	-	30,371
Short-term Expenses	1,440	360	240	240	2,280
Travel and Fellowships					
Staff Missions	4,130	770	640	200	5,740
Government Officials	7,150	1,250	1,200	-	9,600
Fellowships	704	96	-	-	800
Contractual Services					
Conferences	692	88	-	50	830
Consultants	3,810	590	-	1,000	5,400
Publishing	57	93	-	-	150
Other	640	360	-	600	1,600
Operating Expenses					
Premises and Maintenance	-	10	-	-	10
Communication and Other	630	122	-	-	752
Equipment and Supplies					
Furniture and Equipment	720	180	-	100	1,000
Supplies and Materials	200	300	-	200	700
Total	44,970	5,231	6,642	2,390	59,233

MAIN PROGRAM 13

Cooperation with Certain Countries in Europe and Asia

Summary

205. Globalization and liberalization of markets and rapid developments in technology have increased the value of intellectual capital as an efficient and strategic source of growth and wealth. This has, in turn, significantly increased the importance of intellectual property protection and highlighted the need for the adoption of policies that closely link it to economic development. This need is expected to accelerate.

206. This Main Program aims to strengthen intellectual property systems in cooperating countries and to encourage their effective use, taking into account the overall objective of the development of the national intellectual property systems of the cooperating countries concerned and, in particular, a number of factors. Firstly, cooperating countries have different levels of development and vastly different needs and policy orientations. Therefore, demand-based, individually-tailored activities will be encouraged, in the form of WIPO's NFAPs or other cooperation agreements. Secondly, special attention should be paid to the needs of countries with relatively new intellectual property systems. Thirdly, awareness-raising should focus primarily on important emerging issues (biotechnology, electronic commerce, traditional knowledge, SMEs, etc.) that are highly relevant to the cooperating countries and their regions.

Objectives:

- ◆ To strengthen national intellectual property laws taking into account relevant international standards.
- ◆ To promote the accession to various treaties administered by WIPO.
- ◆ To strengthen intellectual property administrations, including the framework for collective management of copyright and related rights, enforcement and promotion of creativity and innovation development.
- ◆ To assist SMEs in using the intellectual property system.

Background

207. The Main Program will concentrate on the modernization of relevant laws by providing legislative advice, taking into account the overall objective of the development of the national intellectual property systems of the cooperating countries concerned and, in particular, the TRIPS Agreement, the Trademark Law Treaty, the Patent Law Treaty, the WIPO Joint Recommendations Concerning Provisions on the Protection of Well-Known Marks and Concerning Trademark Licenses and the relevant provisions of other new international agreements.

208. The Main Program will also focus on the promotion of accession to the various treaties administered by WIPO. Cooperation with industrial property administrations will include training of management and staff, modernization of management systems, simplification and streamlining of administrative procedures, as well as assistance in providing effective administrative, legal and information services.

209. In the field of copyright and related rights, cooperation will be directed to copyright offices, but will also be extended to assistance in the establishment or strengthening of organizations for collective management of copyright and related rights, through the adoption of best practices.

210. The enhancing of systems for the enforcement of intellectual property rights will be continued, in particular, through the provision of advice and training support and increasing public awareness.

211. This Main Program will also focus on promoting a practical and working knowledge of the various aspects of intellectual property and of its economic and social importance, in particular regarding the emerging new technologies. In this regard, assistance will be provided for effective participation of cooperating countries in market-oriented economies in relation to intellectual property, and for the streamlining of policies and dissemination of information related to the use of the intellectual property system by SMEs.

212. Taking into account the specific needs of cooperating countries, every opportunity will be taken to promote the use of distance learning in cooperation with the WIPO Worldwide Academy (WWA), and WIPO publications in various languages, to establish regular intellectual property fora for professionals, as well as conferences for researchers, representatives of SMEs, policy-makers, academics, and staff of collective management societies.

213. Assistance will be offered to intellectual property administrations by provision of equipment and expert advice regarding the use of the WIPO Global Information Network (WIPOnet) and the enhancing of intellectual property information services through the Intellectual Property Digital Libraries (IPDLs) in the cooperating countries and their regional organizations. The same applies to the on-going WIPO projects for the development of innovation infrastructure and services, as well as assistance to SMEs.

214. The implementation of activities under this Main Program will be coordinated with those of other relevant international organizations to enhance the program's effectiveness and efficiency and eliminate possible overlaps.

Expected Results	Performance Indicators
1. Conformity of national laws of the countries concerned with relevant international standards and trends.	<input type="checkbox"/> Number of comments provided and consultations held with the respective governments.
2. Greater adherence to WIPO-administered treaties.	<input type="checkbox"/> Number of instruments of accession or ratification to treaties.
3. More efficient intellectual property administrations.	<input type="checkbox"/> Number of institutional development projects implemented. <input type="checkbox"/> Number of officials trained and feedback.
4. Establishment of, and legal or technical support to, societies for collective management of copyright and related rights.	<input type="checkbox"/> Number of collective management organizations assisted. <input type="checkbox"/> Number of officials advised and trained and feedback.
5. Strengthening of administrative and judicial mechanisms for the enforcement of intellectual property rights.	<input type="checkbox"/> Number of officials advised and trained and feedback.
6. Increased awareness and improved knowledge and skills in the use of the intellectual property system for market competitiveness, economic and social development.	<input type="checkbox"/> Number of persons in government and market sectors informed and trained and feedback. <input type="checkbox"/> Number of public information material prepared.
7. Greater efficiency of the information and innovation infrastructure and services and in assisting SMEs.	<input type="checkbox"/> Increase in the number of IPOs participating in events relating to the development of innovation infrastructure and assistance to the SMEs. <input type="checkbox"/> Number of advisory missions.
8. Enhanced regional cooperation.	<input type="checkbox"/> Number of cooperation activities.

Activities

- ◆ Formulation and implementation, in consultation with government authorities, of NFAPs and other cooperation programs for the strengthening of intellectual property administrations and collective management organizations.
- ◆ Provision of advice on compatibility of existing legislation with relevant international treaties and, if so requested, preparation of comments and recommendations for this purpose, as well as model provisions for regional organizations.
- ◆ Consultations with governments and legislators concerning the ratification of, or accession to, WIPO-administered treaties, capacity building, increasing public awareness of intellectual property issues and promoting innovation infrastructure and services development.

- ◆ Expert advisory missions on the various aspects of intellectual property and its uses in economic and social development.
- ◆ Assistance in the preparation of public information materials in various languages.

Where appropriate, the activities under this Main Program will be carried out in coordination with other Main Programs, particularly 05, 08, 09, 10, 12 and 14.

Table 11.13 Detailed Budget 2002-2003
Main Program 13
Cooperation with Certain Countries in Europe and Asia

A. Budget Variation by Object of Expenditure
(in thousands of Swiss francs)

Object of Expenditure	2000-2001	Variation						2002-2003
	Revised Budget A	Program		Cost		Total		Proposed Budget E=A+D
		Amount B	% B/A	Amount C	% C/A	Amount D=B+C	% D/A	
Staff Expenses	1,460	671	46.0	155	10.6	826	56.6	2,286
Travel and Fellowships	1,626	(95)	(5.8)	55	3.4	(40)	(2.5)	1,586
Contractual Services	960	(61)	(6.4)	32	3.3	(29)	(3.0)	931
Operating Expenses	30	(1)	(3.3)	1	3.3	-	-	30
Equipment and Supplies	330	(11)	(3.3)	11	3.3	-	-	330
	4,406	503	11.4	254	5.8	757	17.2	5,163

B. Budget Variation by Post Category

Post Category	2000-2001	Variation	2002-2003
	Revised Budget A	B-A	Proposed Budget B
Professionals	3	1	4
General Service	2	-	2
TOTAL	5	1	6

**C. Budget Allocation by Sub-program and
Detailed Object of Expenditure**
(in thousands of Swiss francs)

Object of expenditure	Sub- program	Total
	1	
Staff Expenses		
Posts	2,154	2,154
Short-term Expenses	132	132
Travel and Fellowships		
Staff Missions	400	400
Government Officials	1,146	1,146
Fellowships	40	40
Contractual Services		
Conferences	220	220
Consultants	500	500
Publishing	40	40
Other	171	171
Operating Expenses		
Communication and Other	30	30
Equipment and Supplies		
Furniture and Equipment	290	290
Supplies and Materials	40	40
Total	5,163	5,163

MAIN PROGRAM 14

The WIPO Worldwide Academy (WWA)

14.1 Distance Learning and Outreach

14.2 Professional Training

14.3 Policy Development

Summary

215. The WIPO Worldwide Academy (WWA) was created in March 1998 as a direct response to requests from Member States for assistance in acquiring specialized knowledge and skills to enable them to benefit fully from the intellectual property system. It is in that framework that the overall objective and mandate of the Academy was established: to serve as an educational institution of excellence in teaching, training, and research in intellectual property.

216. Due to the continuing growth of activities related to the protection of intellectual property in Member States, requests for tailor-made training programs have increased steadily. In response to this demand, the Academy expanded the scope and coverage of its training, teaching and research activities in the 2000-2001 biennium, and will continue to intensify and focus those activities in the 2002-2003 biennium.

217. The definition of intellectual property set out in Article 2 (viii) of the Convention Establishing the WPO includes "inventions in all fields of human endeavor." Therefore, in developing its curriculum of courses and training programs, the Academy takes care that it is not limited to the traditional and conventional areas of intellectual property, but extends to new and emerging areas of concern to Member States. In all its endeavors, the Academy places great emphasis on achieving excellence in the content and quality of the training activities delivered. Care is also taken to ensure that the Academy's focus includes the provision of specialized but practical knowledge not only to policy-makers and professionals working in the field of intellectual property, but also civil society and other stakeholders in the intellectual property system.

218. The Academy's distance learning and outreach program, launched in June 1999, is quickly being developed into an effective training tool. Using the Internet as a platform for course delivery allows registration, student-teacher interaction, student tests, and course monitoring and evaluation systems to take place on-line, which is both cost-effective and greatly extends the possibilities for participation. The courses will also be made available on CD-ROM for those who may not have Internet connectivity or for whom the cost of such Internet connectivity is too high. Distance learning has become the Academy's flagship

activity and is increasingly used as a platform for traditional training programs, with new and advanced courses on various intellectual property topics being launched in 2001.

219. The successful completion of the distance learning introductory modules on intellectual property will be considered as a prerequisite for participation in other Academy training programs. The link thus established will ensure that the conventional face-to-face courses of the Academy can take place at intermediate and advanced levels rather than at an introductory level, rendering all training activities more efficient and possibly saving time and other resources for all concerned.

220. The Academy's strategies include the strengthening of its professional training programs, putting greater emphasis on the development of skills for those engaged in the management and administration of national and regional intellectual property systems.

221. As part of its culture of encouraging students and young professionals to develop a sustained interest in the field of intellectual property, the Academy will continue to organize the WWA Summer School program. The Academy's policy development program organizes academy sessions and symposia for diverse groups, such as decision makers, diplomats, enforcement officials, industry representatives, members of civil society including NGO's, and journalists to exchange views, particularly on new and emerging issues and to share experiences on topical issues of intellectual property.

222. The program will also concentrate on building links and cooperation with educational institutions of excellence with a view to offering courses jointly, developing educational materials and curricula, and conducting research activities.

223. In the 2002-2003 biennium, emphasis will be placed on teaching and research activities to meet the ever-increasing needs in this area as well as to explore new and emerging intellectual property issues. In order to keep pace with the dynamics of change in the field of intellectual property, it is imperative to develop such scholarship and research capabilities. A more intensive program concentrating on the training of trainers and researchers will also be launched.

WIPO Library

224. To support the ever-increasing research needs of the WWA, WIPO staff, representatives of Member States and other scholars, the WIPO Library will continue to expand and improve its services during the 2002-2003 biennium. In the previous biennium, greatly increased use of digital technology enabled it to provide fast, efficient and extensive research and reference assistance to users who could not physically visit the Library. These electronic services such as the provision of "Tables of Contents," full-text articles, and research bibliographies, will be further enhanced.

225. In line with the wider program activities at WIPO, new library acquisitions will focus on traditional knowledge and SMEs, while continuing to cover trade, economic, technological and cultural aspects of intellectual property.

226. To support the research needs of WIPO staff, students and other researchers, the Library will continue to build up access to searchable electronic databases and participate actively in the United Nations System Electronic Information Acquisition Consortium (UNSEIAC) for the purchase of electronic journals and online services on favorable terms.

SUB-PROGRAM 14.1

Distance Learning and Outreach

Objectives:

- ◆ To increase the educational opportunities in the field of intellectual property for a broad spectrum of target groups, through the use of information-supported learning tools.
- ◆ To promote the role of WIPO Worldwide Academy and its programs through information and outreach activities.

Background

227. Having established a sound basis and gained worldwide recognition as an efficient educational tool for teaching and training during the previous biennium, the Distance Learning program will further expand its outreach in the 2002-2003 biennium, counting on its consolidated pedagogical experience and range of promotional activities.

228. The introductory course on intellectual property has received wide acclaim from a broad range of users and has continued to attract an increasing number of participants from the private sector and university students worldwide. At the same time, a series of advanced distance learning courses continue to be developed based on identified needs.

229. The delivery of the WWA distance learning courses will require strong organizational, administrative, pedagogical and technical support. These efforts will be accompanied by an appropriate marketing strategy, including the development and testing of an adequate fee structure for the private sector. The courses would, however, continue to be provided free for participants from Member States and at reduced rates for academic institutions.

230. In order to expand the delivery of distance learning courses, especially in countries with low or expensive Internet connectivity, the use of CD-ROMs for course content will be increased.

231. The success of the distance learning program and other programs of the WWA will ultimately rest on the scope of their outreach. While the WWA Internet homepage will continue to convey updated and relevant information, a range of other promotional materials, e.g. publications and multimedia presentations, will also be produced, to offer a vibrant image

of the WWA within the intellectual property community, and consolidate its presence among wide and diverse groups of program beneficiaries.

Expected Results	Performance Indicators
1. Availability of an officially recognized distance learning curriculum of intellectual property studies, leading to academic qualification.	<input type="checkbox"/> Number and nature of special agreements concluded with select institutions.
2. Adaptability of course fees to well-defined criteria.	<input type="checkbox"/> Number of registered participants for each category of fees applied. <input type="checkbox"/> Amount of money raised from the application of the agreed fee structure.
3. On-line/residential teaching and tutorial services by a core faculty of renowned academics.	<input type="checkbox"/> Number of faculty members.
4. Availability of course content in diversified formats and delivered through appropriate technical solutions.	<input type="checkbox"/> Number of courses and number of formats and languages in which they are offered. <input type="checkbox"/> Number of participants completing each course offered and feedback.
5. Facilitated access and support services to distance learning students, through improved on-line management and delivery systems.	<input type="checkbox"/> Increase in the ability of the system database to track progress of distance learning participants, from registration through graduation.
6. Creation of new course content based on actual demand.	<input type="checkbox"/> Number and nature of new distance learning courses developed.
7. Expanded visibility and outreach of the WWA programs and activities.	<input type="checkbox"/> Number and nature of publications and promotional materials produced.

Activities

- ◆ Institutional networking leading to the increased outreach of the distance learning program.
- ◆ Creation of a full and recognized intellectual property curriculum, offering a range of distance learning courses.
- ◆ Establishment of a core faculty of leading international intellectual property academics, to serve as tutors, both on-line and at residential sessions, as required by the nature of the courses.
- ◆ Design and implementation of an outreach strategy, through the production and distribution of information and promotional materials aimed at increasing the visibility of the WWA within the intellectual property community and among university students, and expanding target audiences worldwide.

Where appropriate, activities will be carried out in cooperation with other Main Programs, including 09, 10, 12 and 13.

SUB-PROGRAM 14.2

Professional Training

Objectives:

- ◆ To enhance professional and practical training at the intermediate and advanced levels and to strengthen links with the distance learning program.
- ◆ To develop specialized skills of professionals through cooperation with national and regional industrial property and copyright offices, government agencies and other sectors.
- ◆ To organize the Summer School program on intellectual property.

Background

232. During the 2002-2003 biennium, the WWA will continue to respond to the ever-increasing number of requests for training courses on various aspects of intellectual property and its administration.

233. The courses offered will include patent information, search and examination; legal, administrative and economic aspects of industrial property; management of intellectual property rights related to industrial designs; assessment and valuation of inventions and research results; innovation support services and their management; trademarks and appellations of origin; copyrights and related rights and collective management of these rights. Completion of the distance learning introductory courses will be a prerequisite for participation in the various courses offered under this and other programs of the WWA.

234. As part of WIPO's program of cooperation with developing countries and countries in economic transition, the WWA will address the needs of the management and technical staff of intellectual property offices and also of users and potential beneficiaries of the intellectual property system, such as R&D institutions SMEs. Cooperation with IGOs, national IPOs, government agencies and other related institutions will be further strengthened. Increased cooperation with NGOs in developing training activities will be sought.

235. The WWA will undertake the development of educational and teaching materials as well as the organization of the Summer School Program, aimed at exposing young people to the fundamentals of intellectual property with a view to encouraging them to pursue careers in this field.

Expected Results	Performance Indicators
1. Upgrade and enhance skills of nationals from developing countries and certain countries in Europe and Asia trained by WIPO in intermediate, advanced and specialized aspects of intellectual property.	☐ Number of trained nationals from developing countries and certain countries in Europe and Asia and feedback.
2. Strengthen linkages with distance learning programs.	☐ Number of courses in which linkage is established.
3. Increased opportunities for participation in the Summer School.	☐ Number of students admitted to the Summer School.

Activities

- ◆ Organization of interregional, intermediate, advanced and specialized face-to-face courses and practical training, as needed, in cooperation with regional agencies and the IPOs of certain Member States. The topics covered will range from industrial property and copyright and related rights in general, to specific training in the fields of patent documentation, search and examination techniques, patent and trademark procedures, etc.
- ◆ Organization of the Summer School Program.

SUB-PROGRAM 14.3 Policy Development

Objectives:

- ✦ To focus on intellectual property information-sharing, orientation and training for decision-makers, policy-advisers and other senior officials involved in the protection, administration and enforcement of intellectual property rights.
- ✦ To build scholarships and research in the field of intellectual property.
- ✦ To develop educational materials and curricula for the teaching of intellectual property.

Background

236. In the 2002-2003 biennium, the WWA will continue to organize general Academy sessions for senior government officials involved in formulating policies for the protection of intellectual property. These Academy sessions will serve as a forum for debate and the exchange of experience as well as deepening knowledge of the intellectual property system as a tool for social, economic, cultural and technological development.

237. In addition, special Academy sessions will be organized on emerging and global issues in the field of intellectual property.

238. In the current biennium, as in the 2000-2001 biennium, special Academy sessions will also be organized for specific target groups such as diplomats, journalists and law enforcement officials. The sessions will be extended to cover new target groups, such as chief executives of R&D institutions, SMEs and NGOs.

239. In line with its objective, the WWA will conduct intensive diploma or degree courses and programs in the field of intellectual property, in cooperation with educational institutions of excellence. In this connection, the distance learning program will also be used as a complement to face-to-face instruction, where appropriate.

240. In order to attain its stated mission of becoming an educational institution of excellence in teaching, training and research, the WWA will initiate the necessary steps to obtain accreditation for award of diplomas and degrees. It will continue to offer long-term fellowships to participants from developing countries to pursue graduate and post-graduate studies in intellectual property in selected institutions.

Expected Results	Performance Indicators
1. Broader understanding of the importance of intellectual property and its role in social, economic, cultural and technological development.	☐ Increase in the number of decision-makers and policy advisers attending Academy sessions.
2. Strengthened capacity of decision-makers and policy advisers to make and implement new policies regarding intellectual property.	☐ Feedback from participants.
3. Extension of cooperation arrangements with high-standard educational institutions in the field of intellectual property.	☐ Number of cooperation arrangements concluded and number of fellowships granted.
4. Development of educational materials and curricula for the teaching of intellectual property.	☐ Number of educational materials and curricula made available.

Activities

- ◆ Organization of general Academy sessions.
- ◆ Organization of special Academy sessions on topical issues and for special target groups.
- ◆ Grant of scholarships to support graduate and post graduate programs in intellectual property, in cooperation with universities and other academic institutions in both industrialized and developing countries.
- ◆ Organization of the joint diploma program with selected universities, including the University of Turin (Italy) and the Lund University (Sweden).
- ◆ Organization of programs to promote research activities in the field of intellectual property.

Table 11.14 Detailed Budget 2002-2003
Main Program 14
The WIPO Worldwide Academy

A. Budget Variation by Object of Expenditure
(in thousands of Swiss francs)

Object of Expenditure	2000-2001 Revised Budget A	Variation						2002-2003 Proposed Budget E=A+D
		Program		Cost		Total		
		Amount B	% B/A	Amount C	% C/A	Amount D=B+C	% D/A	
Staff Expenses	4,619	2,097	45.4	382	8.3	2,479	53.7	7,098
Travel and Fellowships	6,737	(850)	(12.6)	213	3.2	(637)	(9.5)	6,100
Contractual Services	1,810	280	15.5	76	4.2	356	19.7	2,166
Operating Expenses	90	(4)	(4.4)	3	3.3	(1)	(1.1)	89
Equipment and Supplies	795	(28)	(3.5)	28	3.5	-	-	795
	14,051	1,495	10.6	702	5.0	2,197	15.6	16,248

B. Budget Variation by Post Category

Post Category	2000-2001	Variation	2002-2003
	Revised Budget A	B-A	Proposed Budget B
Directors	-	1	1
Professionals	7	2	9
General Service	7	2	9
TOTAL	14	5	19

**C. Budget Allocation by Sub-program and
Detailed Object of Expenditure**
(in thousands of Swiss francs)

Object of Expenditure	Sub-program			Total
	1	2	3	
Staff Expenses				
Posts	4,936	802	580	6,318
Short-term Expenses	300	240	240	780
Travel and Fellowships				
Staff Missions	175	80	60	315
Government Officials	120	-	1,400	1,520
Fellowships	-	2,865	1,400	4,265
Contractual Services				
Conferences	2	155	225	382
Consultants	380	390	600	1,370
Publishing	204	-	50	254
Other	-	-	160	160
Operating Expenses				
Communication and Other	84	-	5	89
Equipment and Supplies				
Supplies and Materials	745	-	50	795
Total	6,946	4,532	4,770	16,248

Part IV : Administration

241. Part IV of the draft Program and Budget for the 2002-2003 biennium is the result of the consolidation of all the essential and underlying infrastructure to support the modern operations of the International Bureau. It groups together all the relevant main programs, and maps out a broad strategy for sustaining its growth and development.

242. Part IV of the draft Program and Budget consists of the following main programs:

- Program 15 – Information Technology
- Program 16 – Human Resources Management
- Program 17 – Administrative Services
- Program 18 – Premises

243. The objective of Part IV of the draft Program and Budget is to provide the International Bureau with an essential value-added and cost-effective infrastructure and basic services and, at the same time, modernize the external image of the Organization. Indeed, WIPO's expanding financial base, modern physical facilities, reliance on internal and external information technology and network services and its proactive human resources management and broad-spectrum administrative operations have given the Organization a distinct modern-looking service-oriented corporate image.

244. Part IV consolidates and effectively inter-links the critical main programs that represent the four foundations of the knowledge organization that WIPO is endeavoring to become. This approach reflects the desire and the strategy to bring about two fundamental changes in WIPO. The first is to re-engineer the way expert intellectual property services and specialized intellectual property information are provided to Member States. The second is to equip the International Bureau with highly-trained managers and staff, supported by modern human resources management and full-service administration and housed in adequately furnished working premises.

245. Information Technology — as a basic infrastructure and the subject of massive investments of staff and non-staff resources over the last two biennia — will continue to be given special importance under Main Program 15. Automation Projects such as IMPACT and WIPONET and the internal network services will be facilitated whenever possible, as these are forward-looking investments intended to further enhance the services to Member States while reducing operating costs over the long term. Information Technology input will be extended to human resources management, administrative support services and premises development, as all three require new information technology tools, particularly in the areas of financial management and control, communications, documentation, staff learning systems, and streamlining of administrative processes.

246. The human resources management component is indispensable in a knowledge organization. With the rapid evolution of intellectual property systems encompassing new areas and subject matters with increasing complexities, the supply of highly trained managers and technical staff is of paramount importance. The past two biennia witnessed the difficult struggle to maintain the necessary skill sets in the various departments of the International

Bureau, especially at the senior professional staff levels, and this continuing need, which is expected to intensify in the 2002-2003 biennium, will be addressed under Main Program 16.

247. Administrative support services and the management of WIPO's existing buildings and facilities, and its new premises projects, are undoubtedly among critical and mainstream programs that will keep the Organization running smoothly from day to day. Continuing investments will be made, therefore, in the 2002-2003 biennium, to modernize facilities, systems and various user-oriented administrative services and buildings management in order to ensure the future of the Organization.

248. Clearly, without an adequate human resources management framework, Information Technology, modern administrative services and safe and efficient working environment, WIPO would be seriously handicapped in delivering high-quality and timely services to Member States and to its most important clients – the owners and users of intellectual property worldwide.

MAIN PROGRAM 15

Information Technology

15.1 Information Technology Support

15.2 Information Technology Services

15.3 WIPONET

15.4 IMPACT

15.5 PCT Electronic-filing

15.6 CLAIMS

15.7 AIMS

Summary

249. The strategic integration of information technology (IT) into WIPO's activities is designed to maximize productivity, improve efficiency and optimize resources across the Organization. Investments made in IT, whether they be in support of WIPO's Registration Unions (PCT, Madrid and Hague), its administrative systems, or to improve staff productivity, will also bring significant benefits to WIPO's Member States and its other constituencies by improving and supporting more efficient business processes, providing access to, and the dissemination of, intellectual property data and by establishing a global network infrastructure to support intellectual property services. Thus, IT in WIPO is managed as a service-oriented activity that responds to the Organization's requirements and priorities.

250. In order to ensure the delivery of expected results, WIPO has implemented a disciplined approach to the way its IT activities are carried out. Industry standard methodologies and "best practices" have been implemented to support IT activities, with an emphasis on quality, accountability and delivery. Underpinning this is a staffing structure that supports the IT development life cycle, starting from the initiation and development of individual projects/activities through to their deployment, support and further enhancement. The approach is also designed to ensure that all automation systems are of a high quality, perform optimally and are sustainable in the longer term. The use of WIPO staff in project teams, complemented by external technical resources, is an important factor in facilitating the transfer of knowledge to the Secretariat and hence ensuring the sustainability of the IT systems that are developed.

251. Following the adoption by WIPO of project management practices and methodologies, the structure for IT has been divided into three main areas - business and program management, projects, and services - that map onto the activities life cycle of initiation, deployment and operation. Each area has its own clearly defined roles and responsibilities in the delivery of the main objectives.

252. Main Program 15 consists of seven sub-programs. Sub-program 15.1, Information Technology Support, will manage the development of major systems, such as PCT IMPACT and WIPONET, that will bring productivity gains and new efficiencies to WIPO's business processes and lay the foundations for global electronic communication with intellectual property Offices (IPOs). Within Sub-program 15.1, the Information Technology Program Support Section will act as a focal point for all automation matters, ensuring that program objectives are met, that activities are deployed using proven methodologies, and that IT is cost-effective and efficient in serving the Organization needs. Sub-program 15.2, Information Technology Services, will manage the infrastructure, systems, and services that support WIPO's business, administrative, and office processes. Services will be upgraded and enhanced, as necessary, to reflect the Organization's changing needs. The success of the IT program depends, to a large extent, on the maintenance of a highly trained and dynamic staff within the area and, therefore, multi-disciplinary staff training will continue to remain a priority.

253. Sub-programs 15.1 and 15.2 were already presented in document WO/PBC/3/2. In accordance with the decision of the third session of the Program and Budget Committee to integrate the budget presentation, five additional Sub-programs are introduced which cover activities previously presented in document WO/PBC/3/3. This includes Sub-program 15.3 (WIPONET), Sub-program 15.4 (IMPACT), Sub-program 15.5 (PCT Electronic-filing), Sub-program 15.6 (CLAIMS) and Sub-program 15.7 (AIMS). The biennial estimates indicated in the new Sub-programs 15.3 to 15.7 are fully compatible with the financial presentation previously shown in the said document. This also applies for the presentation of Annex 1, which presents the timelines, milestones and long-term implications of major information technology activities.

254. The two on-going activities, IMPACT and WIPONET, will continue to deliver against high-priority, business-driven objectives which will be complemented by three new activities: PCT electronic-filing, CLAIMS (Classification Automated Information System), and AIMS (Administration Integrated Management System). Taken together, the proposed activities represent an integrated package of IT solutions designed to provide a holistic approach to the provision of WIPO Services, which will optimize the use of hardware and software solutions deployed within the Organization, in order to minimize future maintenance and support costs, and take advantage of Internet-based technologies to the maximum possible extent.

SUB-PROGRAM 15.1 Information Technology Support

Objectives:

- ✦ To successfully develop and deploy IT activities that meet their stated objectives within the allocated budgets and time scales.
- ✦ To ensure that all IT activities are integrated into WIPO business processes.
- ✦ To support WIPO's IT activities in terms of relevance to the Organization's vision, alignment with the business needs of other Programs and coordination with Member States.
- ✦ To provide Secretariat support to the Standing Committee on Information Technologies (SCIT).

Background

255. The Information Technology Projects Division has the responsibility for implementing and delivering all major automation activities within WIPO, that is, WIPONET, PCT IMPACT, PCT electronic-filing and CLAIMS, and providing support to AIMS . Additional activity and budget information on these activities is given in Annex 1 of this document.

256. The Information Technology Program Support Section (PSS) acts as a focal point and coordinates WIPO's IT activities. Providing an interface between IT and WIPO's other Programs, the PSS plays an important role in evaluating proposals and assisting other business areas within WIPO in identifying requirements or possible improvements in productivity that may result from the deployment of IT in the respective areas. The optimization of IT resources is one of the roles of this Section.

257. Requests for new initiatives can arise directly from Member States via bodies such as the Standing Committee on Information Technologies (SCIT) or as a result of the identification of business needs by the Secretariat. In applying the IT project life cycle methodology, the PSS is mandated to ensure a consistent approach during the initiation and management stages and that approved activities are sufficiently funded, staffed and meet other certain criteria, prior to being handed over to the IT Projects Division for development and implementation. The PSS also serves as the Secretariat to the SCIT.

258. Under the flexible matrix style staffing structure within IT, where each staff member is allocated a "home team" according to their area of expertise, the PSS is also the home for staff with support and business-oriented IT skills. These include business analysts, change management specialists, technical writers and quality assurance experts. The combined management of the IT area recognizes the value of such skills to the Organization and will continually assess the staffing needs of the Organization as the major activities are implemented, thus ensuring that sufficient resources and knowledge are retained and that the maintenance and support levels are optimized and sustainable.

Expected Results	Performance Indicators
1. IT activities delivered within agreed budget and time scale.	☐ Actual expenditure compared to budget and timeliness in the delivery of activities.
2. IT activities meet their stated objectives and support the overall vision of WIPO and its Member States.	☐ Feed back from users and Member States via written surveys.
3. Optimization of resources within area of IT.	☐ Quantifiable cost benefits derived from the coordination of equipment purchase or resource sharing. ☐ Increase in the number of IT staff able to work on different IT systems.
4. Documented analysis of all WIPO business areas with relation to current levels of automation and future requirements, resulting in improved business processes.	☐ Number of draft plans issued to address system development and/or replacement requirements based on business needs.
5. Efficient support to Member State organs dealing with IT matters.	☐ Feedback from delegates.

Activities

- ◆ Monitoring and reporting on IT activities progress, as necessary, to WIPO senior management and Member States (SCIT).
- ◆ Provision of support services to the IT Projects and Services Divisions.
- ◆ Liaison with all WIPO program areas, including the review of existing systems and the feasibility of new automation initiatives.
- ◆ Secretariat support to the SCIT.

SUB-PROGRAM 15.2 Information Technology Services

Objectives:

- ◆ To support WIPO's growing use of IT.
- ◆ To ensure an efficient, stable and secure IT environment for WIPO.
- ◆ To ensure that systems and services stay updated and relevant to the Organization's needs.

Background

259. The Information Technology Services Division is responsible for the management of WIPO's IT infrastructure, systems and services that are used by all areas of the Organization. It ensures the effective deployment of Internet and Intranet technologies to improve the communication and information flow both within the Secretariat and outside, and is responsible for the development and implementation of WIPO's IT security policy.

260. The Division is responsible for the establishment of IT standards and guidelines and the introduction of industry best practices in the areas of operation, user support, software development and maintenance. Developments to existing systems, that are requested, approved and prioritized by users of the Organization, are carried out by the Division applying the same criteria as established for new activities.

261. Internal service level agreements will be established with the users of IT Services taking into account the service requirements, expected benefits, and the resources available. This will be critical in providing adequate service levels to ensure the efficient operation of WIPO's systems. Finally, technical coordination and support will continue to be provided to the IT Projects Division to ensure that newly developed systems are successfully integrated into a production environment.

Expected Results	Performance Indicators
1. Modern IT infrastructure and improved user support to increase staff productivity.	<ul style="list-style-type: none"> <input type="checkbox"/> Number of network, hardware and software components upgraded to industry standards. <input type="checkbox"/> Usage statistics for network services. <input type="checkbox"/> Number of staff trained on standard and advanced applications.
2. Reliable and stable operation of WIPO's IT systems and services.	<ul style="list-style-type: none"> <input type="checkbox"/> Establishment of service level agreements with user areas. <input type="checkbox"/> Percentage of up-time for systems. <input type="checkbox"/> Timeliness in the resolution of user support calls. <input type="checkbox"/> Availability of system and user documentation.
3. Existing systems stay updated and relevant to the Organization's changing requirements.	<ul style="list-style-type: none"> <input type="checkbox"/> Number of established work plans and change control procedures for system modifications. <input type="checkbox"/> Number of new user requirements implemented.

Activities

- ◆ Coordination, planning and management of the IT Services Division.
- ◆ Development and implementation of policies, procedures and guidelines for IT Security across WIPO including control and monitoring activities.

- ◆ Provision, development and administration of the network infrastructure and services for WIPO staff including database administration activities and support of mainframe systems.
- ◆ Development, maintenance and integration of WIPO's business and administrative systems.
- ◆ Development, maintenance and administration of WIPO's Internet/intranet systems and services.
- ◆ Provision of IT equipment and technical support to staff and WIPO meetings and conferences. Coordination and organization of IT training for staff.
- ◆ Provision and development of electronic publishing tools to WIPO business sectors.

SUB-PROGRAM 15.3

WIPONET

Objective:

To provide the necessary network infrastructure and services for improved information exchange among the global intellectual property community.

Background

262. The WIPONET has two basic components. First, the establishment of a central facility called the WIPONET CENTER will provide a wide range of electronic information services. These services will be available to the IPOs that are connected to the Internet. The second component is to provide basic computer hardware, Internet connectivity and training, referred to as the WIPONET KIT, to those IPOs where Internet connectivity does not exist. Timelines, milestones, budget estimates and long-term implications of WIPONET activities are outlined in Annex 1.

263. Activities related to deployment to IPOs are coordinated by existing staff. The day-to-day operation of the WIPONET CENTER, network connectivity, and the delivery of WIPONET services to the Member States are managed by existing staff during the 2002-2003 biennium to support and further develop the WIPONET.

Expected Results	Performance Indicators
1. The provision of a full set of WIPONET CENTRAL SERVICES to all Member State IPOs that are connected to the Internet.	<input type="checkbox"/> Number of IPOs that are accessing WIPONET CENTRAL SERVICES, and feedback on the relevance of the services to their business requirements. <input type="checkbox"/> Number of registered WIPONET users using the services.
2. Completion of Phase II deployment at approximately 98 IPOs, including training, and increased use of Internet by IPOs.	<input type="checkbox"/> Number of IPOs that have received the WIPONET KIT. <input type="checkbox"/> Number of IPO staff trained. <input type="checkbox"/> Number of hours of Internet connectivity provided to IPOs.
3. Enabling enhanced dissemination of intellectual property information, through increased access to Distance Learning programs, thereby improving collaboration within the intellectual property community.	<input type="checkbox"/> Number of hits on WIPONET-hosted Web sites. <input type="checkbox"/> Number of pages of information posted on the WIPONET Web servers. <input type="checkbox"/> Number of WIPONET-based audio/video conferences. <input type="checkbox"/> Number of on-line courses accessed through Internet connections provided by WIPONET and number of participants thereof.
4. Integration of WIPONET services with Core IT, eliminating redundancy, improving efficiency, and enhancing the effective use of financial resources.	<input type="checkbox"/> Number of IB staff and systems using WIPONET services. <input type="checkbox"/> Number of integrated WIPONET and Core IT services.
5. Effective system and end-user support, including establishment of the WIPONET disaster recovery site.	<input type="checkbox"/> Statistics on helpdesk calls and timeliness of response. <input type="checkbox"/> Operations of the WIPONET disaster recovery site started within the expected deadlines.

Activities

- ◆ Management and operation of WIPONET, including deployment at approximately 98 IPOs.
- ◆ Organization of training, symposia, workshops to keep IPO and IB staff up-to-date with WIPONET services.
- ◆ Monitoring global network security trends and issues, and taking appropriate measures against threats, including the development of the WIPONET Public Key Infrastructure.
- ◆ Maintenance and upgrade of the WIPONET infrastructure, enhancing end-to-end network performance and service quality.
- ◆ Integration of WIPONET into the IT Services Division.
- ◆ Enhance WIPONET support in the delivery of WIPO programs to end-users, e.g., Distance Learning, etc.

- ◆ Establishment of the WIPONET disaster recovery site.
- ◆ Interface of WIPONET with other intellectual property-specific regional and private networks, e.g., the Trilateral Secure Virtual Private Network (TSVPN) and the European Patent Office's (EPO) Patent Network (PATnet).
- ◆ Continuous skill development of the IT staff supporting the WIPONET infrastructure and services.

SUB-PROGRAM 15.4 IMPACT

Objective:

To meet the business requirements of the Office of the PCT in the processing of PCT applications, whether in paper or electronic format.

Background

264. Deployment of IMPACT has made considerable progress during the year 2000 and certain modules will start to become operational during 2001, with the first deliverables being a scanning office and the Communications on Request module. Timelines, milestones, budget estimates and long-term implications of IMPACT activities are outlined in Annex 1. The latter indicates the initially approved project budget of Sfr40 million and the identification of start up costs as of 2002-2003. The program and budget for the 2002-2003 biennium are elaborated below includes activities covered under the initial IMPACT project as well as newly introduced start-up costs.

265. IMPACT had to accommodate the costs of catering for a higher than expected growth in the number and size of PCT applications, from a budgeted expected growth of 9 per cent per annum to an actual growth average exceeding 20 per cent per annum, over the four years since the project was initially budgeted. In real terms, this represents an increase of approximately 45 per cent in the system capacity requirements in terms of the number of PCT applications filed. This is without consideration for the increase in the physical size of PCT applications, due to increase in the number of so-called "JUMBO" applications (applications containing thousands of pages) in areas such as biotechnology. These factors have resulted in the hardware and networking infrastructure capacity being increased substantially over what was planned in 1997 to make the system viable. Accommodating those changes requires continuous adaptation of the IMPACT activities. As a result, the budgetary estimates indicated for the 2002-2003 biennium and subsequent costs outlined in Annex 1 may need to be updated accordingly.

Expected Results	Performance Indicators
1. Increase in the use of Communication On Request (COR) (phase 1) services.	<ul style="list-style-type: none"> <input type="checkbox"/> Number of PCT pamphlets and other PCT-related documents transmitted via this service. <input type="checkbox"/> Percentage of PCT pamphlets issued on paper. <input type="checkbox"/> Number of Offices no longer receiving the paper copies of pamphlets, and automated documents.
2. International Bureau System (phase 2) operational.	<ul style="list-style-type: none"> <input type="checkbox"/> Reduction in the amount of paper moving within the Office of the PCT. <input type="checkbox"/> Reduction in the amount of International Computing Center (ICC) usage.
3. RO/IB system (phase 3) operational.	<ul style="list-style-type: none"> <input type="checkbox"/> Number of international applications transacted through IMPACT RO/IB system in electronic form.

Activities

- ◆ System operation and maintenance of Phase I, Communication on request (COR), consisting of three components: the Scanning Office, the specific COR and the Systematic COR. This system was designed, built and tested during 2001, and the Scanning Office became operational in 2001.
- ◆ Population of the COR system with data.
- ◆ Progressive extension of the COR Scanning Office to all forms of documents handled by the PCT.
- ◆ Move into production of the Specific COR and the Systematic COR, to be completed in the first quarter of 2002.
- ◆ Deployment of the IB system (Phase II) and of the RO/IB system (Phase III) by 31.12.2002. In particular, this deployment involves:
 - The construction of basic building blocks for an electronic dossier based on generic requirements
 - Adjustment of the building blocks in accordance with the system specifications defined during the design stage of Phases II and III.
 - Component and integration testing for Phases II and III.
 - Migration of PCT data into the IB system
 - Move into production of the IB system

- ◆ Manage the transition within PCT to the new working methods required for the IMPACT System
- ◆ Operate and maintain the IB and RO/IB systems beyond 31.12.2002, including the hand-over of operations to the IT Services Division
- ◆ Post-implementation review of both IB and RO/IB systems with a view to capturing requirements for future releases of either system.
- ◆ Maintain active dialogue with stakeholders, including Member States of the PCT and involve them in decisions that might entail any significant departure from the project plan.
- ◆ Conduct a lessons learned exercise with the project team, with a view to passing on the experience gained to other WIPO projects.

SUB-PROGRAM 15.5 PCT Electronic-filing

Objectives:

- ◆ To adopt a standard for the electronic-filing and processing of international applications.
- ◆ To develop a system for the electronic-filing of international applications based on the present software PCT-EASY (Electronic Application System).

Background

266. The requirements for PCT electronic-filing originated as part of IMPACT development. Considerable progress was made in drafting a standard for the electronic-filing and processing of international applications, in close consultation with PCT Offices and Authorities and other interested parties, with a view to identifying the system requirements for PCT electronic-filing. In addition, a high level plan (see document PCT/A/29/2 Add., Annex III) was prepared and noted by the PCT Assembly (see document PCT/A/29/4, paragraph 12).

267. In recognition by the International Bureau of the importance of PCT electronic-filing to Contracting States, as well as the complexity of the identified requirements, a separate team has been created within the IT Projects Division to urgently undertake the development of the system. Deployment has been estimated over four years and is due for completion at the end of 2004.

268. Consultations have shown that a number of offices are already committed towards developing their own systems for the exchange and processing of electronic patent applications. On the other hand, others are continuing to deal with the burden of an increasing paper-based workload, noting that the International Bureau is developing a

standard (and to a certain extent the necessary software) to enable the implementation of electronic-filing and processing international applications. Bearing in mind the expectations of many Member States, and the risk that unnecessary diversity of systems will lead to interoperability deficiencies for both applicants and Offices, the International Bureau has started preliminary work on the PCT electronic filing activities using existing resources. Timelines, milestones, budget estimates and long-term implications of PCT electronic filing activities are outlined in Annex 1.

Expected Results	Performance Indicators
1. International applications filed with minimal formal defects, having been prepared by officially designed software.	<input type="checkbox"/> Number of international applications filed electronically. <input type="checkbox"/> Number of defects <i>per</i> international application.
2. Avoidance of the manual process of entering data (typing or scanning) into computer systems.	<input type="checkbox"/> Reduction in the number of staff used for data entry.
3. Applications processed faster and at less cost.	<input type="checkbox"/> Number of international applications processed per examiner.
4. Documents and data available in an agreed format for exchange with other Offices.	<input type="checkbox"/> Level of activity in the area of data exchange between Offices.

Activities

- ◆ Development of extended PCT-EASY software capable of preparing and submitting international applications electronically.
- ◆ Development of RO/IB server software that can receive international applications filed electronically by applicants.
- ◆ Implementation of a Public Key Infrastructure (PKI) for the International Bureau that can administer the assignment and validation of low-level digital certificates for applicants who use the PCT electronic-filing system.
- ◆ Implementation of a secure pilot database that allows for simple storage, retrieval and printing of the electronic version of international applications received by the RO/IB during the pilot.
- ◆ Finalization of a system requirements document and a scope definition document for the extended PCT-EASY software and for the development and implementation of PCT electronic-filing in general.
- ◆ Production of a Document Type Definition (DTD) in eXtensible Mark-up Language (XML) for the international application, which will form the basis of an inventory of tags.
- ◆ Implementation of a Help desk infrastructure.

SUB-PROGRAM 15.6 CLAIMS

Objectives:

- ✦ To support the IPOs of the Member States in the re-classification of their patent collections.
- ✦ To provide tools for sharing the results of classification done by the trilateral and big offices using the advanced layer of the reformed international patent classification (IPC) with the small and medium-sized patent offices and with the offices of the developing countries using a Master Classification Database containing the classification (and application/publication/priority number) data of all the patent documents published anywhere in the world.

Background

269. IPC is the unique international classification that is used by a number of IPOs to classify and search patent documents and information. With the advent of the Internet, engineers and the general public have realized the value of international patent classification (IPC), as it is more powerful than the full text search engine, which is often of little use to patent information search, due to the technical complexity and terminology contained in patent documents. The increase in patent information put additional workload to IPOs to classify patent documents. The rapid technical advances make it difficult to keep updating and revising IPC to be established in English and French, two authentic languages according to the Strasbourg Agreement of the IPC. The IPC reform will introduce the Master Classification Database consisting of a core level and an advanced level of classification symbols with a view to overcoming the above-mentioned difficulties.

270. Deployment of CLAIMS is essential to the completion of the IPC reform and the establishment of Master Classification Database. It will provide a computer-assisted and the Internet-based system for allotting a classification symbol (automated classification) and translating the text from English into French (automated translation). Timelines, milestones, budget estimates and long-term implications of CLAIMS activities are outlined in Annex 1.

Expected Results	Performance Indicators
1. Improved access to the patent documentation of the small/medium-sized and developing countries.	☐ Level of usage of the Master Classification Database.
2. Decrease in the workload related to the classification of patent documents.	☐ Number of documents classified using the advanced level symbols allotted by the big offices.
3. The making available of the IPC in other languages of the Strasbourg Union.	☐ Number of language versions created using computer aided translation.
4. Improved access to the patent collections of the small/medium-sized and developing country patent offices not publishing their documents in English.	☐ Number of databases connected to special language versions of IPC.

Activities

- ◆ Setting-up the Master Classification Database in cooperation with EPO (or providing links from the web-based version of IPC (generated from BIS) to the Master Classification Database).
- ◆ Developing tools to use patent family information in the Master Classification Database to push classification symbols of documents having national equivalents to IPOs (or providing tools for IPOs to pull this classification information from the Master Classification Database).
- ◆ Testing of tools for automatic categorization, classification and re-classification of patent documents (based upon analyzing full-text/abstract/claims of patent documents).
- ◆ Elaboration of a self-learning system.
- ◆ Implementation of a server-based translation support system.

SUB-PROGRAM 15.7 AIMS

Objectives:

To replace the 16 year-old financial system (FINAUT) and the BETS reporting system with a modern integrated financial accounting and budgetary control system which will be able to support the way the Organization manages and presents its financial information.

Background

271. The Finance Division's legacy system (FINAUT) has, for several years, been one of WIPO's three main computerized systems, the others being PCT and Madrid. Since its implementation in the mid-1980s, its core has remained largely unchanged with only minor peripheral improvements being able to be made. However, over this period, there have been major increases in areas that directly impact the numbers of financial transactions being performed by the Secretariat.

272. In November 2000, the Swiss Federal Audit Office conducted an IT audit in WIPO and made, inter alia, the following statement and recommendation concerning the need for AIMS :

“...the financial data of FINAUT is no longer able to deliver sufficient management information for a modern Organization as large as WIPO. Users are often forced to manually record data that is held in mainframe systems and then process it with the limited spreadsheet and database tools available. The lack of system integration, requiring redundant data capture, results in wasted resources... AIMS has to be

developed as a matter of high priority. An adequate budget has to be approved for AIMS. User support must be strengthened by additional human resources.”

273. Under AIMS, the existing finance system (FINAUT) and the BETS (Budget Expenditure Tracking System) reporting system will be replaced, budget monitoring facilities will be integrated and all existing manual or computer-assisted interfaces will be assured. Business processes within the area defined by the scope will be analyzed and, where required or desirable, modified. No attempt will be made to analyze and improve out-of-scope processes.

274. In July 2000, the Secretariat received estimates from suppliers in response to an AIMS Request for Quotation (RFP). Thus, the financial information presented has a conservative basis, which does not prejudice the selection of any one technical solution at this stage. It should be noted that the provisional financial estimate given in document SCIT/5/6 for a four-year AIMS Project was 15 million Swiss francs. The difference is reflected in the reduced scope and time-scale for AIMS, which is now estimated at three years to complete. Timelines, milestones, budget estimates and long-term implications of AIMS activities are outlined in Annex 1.

Expected Results	Performance Indicators
1. Phasing out of the legacy FINAUT system within the next 2-3 years.	<input type="checkbox"/> Number of areas within finance and budget dependent on the legacy system by the end of 2003. <input type="checkbox"/> Reduction in the amount of International Computing Center (ICC) usage.
2. Implementation of a financial system with the desired controls to satisfy internal and external audit requirements thereby minimizing financial risks.	<input type="checkbox"/> Feedback from internal auditors. <input type="checkbox"/> Feedback from external auditors.
3. Provision of a stable core financial and budgetary control system, enabling integration of future operational systems.	<input type="checkbox"/> Number of automated interfaces working with systems outside finance and budget..
4. Provision of appropriate financial management information to service management.	<input type="checkbox"/> Feedback from users.

Activities

- ◆ Hardware and Software Acquisition: the most suitable software solution will be identified. The proposals would be evaluated using a structured evaluation methodology and software contracts finalized with the selected vendor(s). The activity would also identify a detailed inventory of hardware to be purchased and would finalize contracts for the same, ensuring that deliveries and installation of the said hardware would be aligned carefully with the plan.
- ◆ Process and systems design using target software solution: all the target business processes to be carried out using the new solution will be documented. The AIMS team, along with users, will decide the manner in which the target system will be used to complete all transactions within the scope. The activity will also identify essential

customization requirements, bearing in mind that the best-practice business models must be adopted to the extent possible.

- ◆ Implementation and training: to include minimum customization as appropriate based on the design decisions taken, data clean-up, migration and preparation, documentation of user procedures, training of all users and system and user acceptance testing.
- ◆ System deployment, including the change over from the old systems to the target system in the designated phases.
- ◆ Post conversion (go-live) support: to include all user-support, trouble shooting and related activities to be performed by the AIMS team and users to ensure the smooth running of the target systems after go-live.

**Main Program 15
Information Technology**

A. Budget Variation by Object of Expenditure
(in thousands of Swiss francs)

<i>Object of Expenditure</i>	<i>2000-2001 Revised Budget A</i>	<i>Project Variation</i>		<i>Resource Variation</i>						<i>Budget Variation</i>		<i>2002-2003 Proposed Budget G=A+F</i>
				<i>Program</i>		<i>Cost</i>		<i>Total</i>				
		<i>Amount B</i>	<i>% B/A</i>	<i>Amount C</i>	<i>% C/A</i>	<i>Amount D</i>	<i>% D/A</i>	<i>Amount E</i>	<i>% E/A</i>	<i>Amount F=B+E</i>	<i>% F/A</i>	
Staff Expenses	26,592	-	-	2,815	10.6	1,742	6.6	4,557	17.1	4,557	17.1	31,149
Travel and Fellowships	2,245	(2,070)	(92.2)	2,955	131.6	113	5.0	3,068	136.7	998	44.5	3,243
Contractual Services	48,123	(25,205)	(52.4)	51,920	107.9	2,695	5.6	54,615	113.5	29,410	61.1	77,533
Operating Expenses	7,602	(4,117)	(54.2)	16,289	214.3	711	9.4	17,000	223.6	12,883	169.5	20,485
Equipment and Supplies	18,864	(17,389)	(92.2)	14,207	75.3	564	3.0	14,771	78.3	(2,618)	(13.9)	16,246
	103,426	(48,781)	(47.2)	88,186	85.3	5,825	5.6	94,011	90.9	45,230	43.7	148,656

B. Budget Variation by Post Category

<i>Post Category</i>	<i>2000-2001</i>	<i>Variation</i>	<i>2002-2003</i>
	<i>Revised Budget A</i>	<i>B-A</i>	<i>Proposed Budget B</i>
Directors	2	-	2
Professionals	50	12	62
General Service	33	(2)	31
TOTAL	85	10	95

**C. Budget Allocation by Sub-program and
Detailed Object of Expenditure**
(in thousands of Swiss francs)

<i>Object of Expenditure</i>	<i>Sub-program</i>							<i>Total</i>
	<i>1</i>	<i>2</i>	<i>3</i>	<i>4</i>	<i>5</i>	<i>6</i>	<i>7</i>	
Staff Expenses								
Posts	1,432	17,957	2,742	5,628	1,760	734	362	30,615
Short-term Expenses	150	384	-	-	-	-	-	534
Travel and Fellowships								
Staff Missions	190	400	500	500	413	60	500	2,563
Government Officials	550	-	130	-	-	-	-	680
Contractual Services								
Conferences	360	120	-	50	473	20	-	1,023
Consultants	40	2,300	1,139	2,660	-	1,734	6,000	13,873
Publishing	-	50	20	-	-	-	-	70
Other	60	13,519	23,607	12,909	11,472	-	1,000	62,567
Operating Expenses								
Premises and Maintenance	-	2,600	622	15,000	616	112	300	19,250
Communication and Other	40	580	315	100	-	-	200	1,235
Equipment and Supplies								
Furniture and Equipment	-	5,200	75	1,000	3,566	140	1,438	11,419
Supplies and Materials	-	3,177	150	1,000	-	400	100	4,827
Total	2,822	46,287	29,300	38,847	18,300	3,200	9,900	148,656

MAIN PROGRAM 16

Human Resources Management

16.1 Engagements

16.2 Staff Benefits and Welfare

16.3 Staff Management Policy and Development

16.4 Healthcare Services

Summary

275. The management of human resources within WIPO has traditionally focused on personnel recruitment and staff administration. During the last biennium, however, emphasis was given to the modernization of human resources management tools and management practices to make the Organization more responsive to the changing environment. This process will continue in the 2002-2003 biennium.

276. The full implementation of a modern and efficient Personnel Management Information System will have far-reaching implications on the work and achievements of the Human Resource Management Division (HRMD). Firstly, it will provide the different Sections of HRMD with indispensable tools to perform their functions with efficiency and precision, enabling them to respond rapidly in areas such as the issuance of contracts, the application of entitlements, and the classification of posts. Secondly, it will allow cross-referencing between the different sections to ensure synergies in their functions and information systems, thus improving, for example, the current Performance Appraisal Management System and the placement of staff. Thirdly, it will forecast human resources developments and trends on the basis of reliable statistics, help formulate human resources policies and procedures and facilitate other tasks of the Classification and Procedures Section of HRMD.

277. The Engagements Section of HRMD ensures that rigorous standards are applied in the selection of staff and short-term employees of the highest competence, efficiency and integrity. In this context, gender equity and geographical balance in the recruitment process will continue to be taken into account.

278. WIPO attaches great importance to its responsibilities as an employer. The Organization services its staff through a reinforced Benefits and Entitlements Section, applying, improving and administering the various benefits and entitlements deriving from the Staff Regulations and Rules in keeping with the best human resources practices within and beyond the Common system.

279. The Social Security Section will continue to improve social security coverage for staff and their families, containing the cost of social security whilst improving the quality of services. Existing insurance schemes will be improved, and new schemes will be introduced. Support extended by the Staff Welfare Unit will ensure the dual objective of meeting staff

social needs while strongly contributing to quality performance by staff. The same commitment is manifested in the WIPO Medical Unit (WMU), which provides healthcare services to WIPO employees, retirees and delegates of Member States, and will improve the health-related aspects of the working environment at WIPO, as well as containing the costs of medical care incurred by WIPO and its employees.

280. The staff members of the Organization are its most important resource, and therefore WIPO is committed to continued investment in their development. The Staff Management Policy Development Service, made up of the Staff Management Policy and the Staff Development Sections, plays a pivotal role in the overall strategy of personnel policy, standards of service, staff training and in career development. This service will initiate programs aimed at enhancing staff skills and knowledge in several areas, such as management techniques, information technologies, communication, and languages.

SUB-PROGRAM 16.1

Engagements

Objectives:

- ◆ To recruit staff of the highest level of competence, efficiency and integrity.
- ◆ To further promote gender equitable recruitment.
- ◆ To enhance the geographical distribution of staff and employees within the Organization.
- ◆ To strengthen recruitment and personnel administration of employees in order to support program activities.

Background

281. The continuing growth of the Organization in response to the increasing activities related to the protection of intellectual property around the world, and the growing demand for WIPO's services, highlight the need to recruit and retain staff of the highest competence, efficiency, and integrity. Thus, under this sub-program, policies and procedures concerning recruitment of staff and engagement of temporary employees will be improved and made more efficient to provide the human resources necessary for effective and timely implementation of WIPO's programs and activities.

282. This sub-program will be carried out by the Engagements Section.

Expected Results	Performance Indicators
1. Timely and efficient recruitment of high-caliber staff, reflecting gender equity and geographical distribution, through the use of the Personnel Management Information System.	<input type="checkbox"/> Number of staff recruited to meet the needs of the Organization within established time frames. <input type="checkbox"/> Compliance with United Nations system-wide targets and policy goals of gender equity. <input type="checkbox"/> Level of improvement in geographical distribution of staff.
2. Streamlined policies and procedures for the recruitment and administration of short-term personnel.	<input type="checkbox"/> Number of policies and procedures developed and implemented.

Activities

- ◆ Recruitment, selection and personnel administration of fixed-term staff and other employees (including consultants, translators, holders of Special Labor Contracts and Special Service Agreements).
- ◆ Development of recruitment policies and activities to continue to improve gender equity within the Organization.
- ◆ Evaluation of and responses to ad hoc applications.
- ◆ Provision of support to the Appointments Advisory Board.
- ◆ Consultation with program managers to facilitate selection of the most suitable staff.
- ◆ Enhancement of recruitment procedures through increased development and use of the Human Resources Access Management Information System.
- ◆ Maintenance of contact with the United Nations Common System, other specialized agencies and external human resources associations to keep abreast of developments in the field of human resources, particularly recruitment and selection.

SUB-PROGRAM 16.2

Staff Benefits and Welfare

Objectives:

- ◆ To administer the benefits and entitlements of the various categories of staff in accordance with WIPO Regulations and Staff Rules.
- ◆ To develop new, and enhance existing, computer-based tools to improve the administration of benefits and entitlements.
- ◆ To inform and advise staff members of their rights and obligations vis-à-vis the Organization and the authorities of the host country.
- ◆ To improve conditions of service for staff and to administer, improve and render more cost-effective social security coverage and social services for staff and their families.
- ◆ To provide appropriate social welfare services for staff (including retirees) and their families to help resolve both work-related and family problems.

Background

283. This sub-program deals with the activities of the Benefits and Entitlements Section, the Social Security Section and the Staff Welfare Unit.

Benefits and Entitlements Section

284. The work of the Section includes the processing of nominations, promotions, separations from service, dependency allowances, education grants, rental subsidies, step increases, annual and sick leave requests, use of the Flexitime system, preparation of staff travel documents and attestations, Swiss and French residency documents, payroll administration, the monthly staff list and office instructions.

285. From January to December 2000, the Section dealt with 69 appointments, 133 promotions, 34 separations from service, 500 dependency allowances, 200 education grant requests, 200 home leave applications, 55 education travel grants, 50 rental subsidy grants, 724 annual in-grade step increases, in addition to 624,000 registrations on the computerized flexible working hours system.

286. The further enhancement of a modern Personnel Management Information System will enable the different functions within the Section to be carried out with greater efficiency, precision and speed, and will facilitate cross-referencing between them. A new and more efficient Flexitime system (allowing for variable staff working hours) will also be developed and implemented under this sub-program.

Social Security Section

287. The Section administers the participation of some 1,200 staff members in the United Nations Joint Staff Pension Fund. This entails registration, validation of prior contributory service, restoration, preparation of estimates of entitlements, processing of disability cases, preparation of separation and retirement benefits, and participation in meetings of the United Nations Joint Staff Pension Board (UNJSPB). The Section also administers the closed WIPO Pension Fund, which still covers about 120 persons. Medical insurance is provided for some 2,300 staff, dependants, retirees, short-term employees and consultants, as well as accident insurance for staff, dependants and retirees, and loss-of-earnings insurance for short-term employees. The Insurance Management Committee (which was established in 1998 and includes representatives of the administration, the staff and retirees) draws up proposals regarding improvements to the various insurance plans.

Staff Welfare Unit

288. The Unit provides various forms of social welfare assistance to staff and employees and their families. It is committed to maintain and ensure strict confidentiality in its work.

Expected Results	Performance Indicators
1. Timely and efficient administration of the benefits and entitlements of all staff through the use of the Personnel Management Information System.	<input type="checkbox"/> Number and nature of benefits and entitlements administered, and feedback from staff.
2. Introduction of a new clocking device using Ethernet Technology, resulting in a more efficient flexitime System.	<input type="checkbox"/> Feedback from staff on the use of flexitime.
3. Timely and accurate information and advice to staff members on their rights and obligations <i>vis-à-vis</i> the Organization and the authorities of the host country.	<input type="checkbox"/> Number of information circulars published.
4. New insurance schemes and improvements in the existing schemes.	<input type="checkbox"/> Number and quality of new insurance schemes and number of existing schemes improved. <input type="checkbox"/> Feedback from staff.

Activities

Benefits and Entitlements

- ◆ Administration of staff benefits and entitlements.
- ◆ Participation in the AIMS Project involved with the designing and implementation of a new integrated management information system in WIPO. Particular emphasis will be placed on the HR component.

- ◆ Study and implementation of a new and more efficient clocking device to manage the Flexitime system, using Ethernet technology.
- ◆ Provision of advice and information to staff on their rights and obligations *vis-à-vis* the Organization and the authorities of the host country.
- ◆ Improving and consolidating the functioning of the Personnel Management Information System for payroll and staff benefits and entitlements.

Social Security

- ◆ Administering and monitoring the cost of social security coverage and social services for staff and their families.
- ◆ Improvement of coverage of existing insurance schemes and negotiation of new insurance schemes, such as life insurance and loss-of-earning insurance, through the Insurance Management Committee.
- ◆ Administration of participation by staff and others in the United Nations Joint Staff Pension Fund and the closed WIPO Pension Fund.
- ◆ Development of competitive prices for various healthcare services, in coordination with the WMU.
- ◆ Improving and consolidating the functioning of the Personnel Management Information System in relation to the management of pensions and insurance files.

Staff Welfare

- ◆ Assistance to new staff members and their accompanying families in adapting to the living and working conditions in the Geneva area.
- ◆ Liaison with establishments in the Geneva area, such as the Geneva Welcome Center, hospitals and clinics, nursing homes and educational institutions, as well as with spouses, family members, lawyers, local authorities such as police and other entities. Study on the participation of WIPO to the establishment of a day care center for the children of WIPO staff, or any other alternative arrangement.
- ◆ Counseling of staff faced with financial, legal, socio-medical, work-related, nationality, personal and family problems in order to resolve individual and group issues.

SUB-PROGRAM 16.3

Staff Management Policy and Development

Objectives:

- ✦ To increase the compatibility of the WIPO Staff Regulations and Rules with the United Nations Common System taking account organizational changes in WIPO.
- ✦ To introduce an improved Organization-wide Performance Management System.
- ✦ To improve standards of service (recruitment, placement and career) of staff and temporary employees.
- ✦ To strengthen the competency and efficiency of WIPO staff in management techniques, information technologies and languages, in line with the objectives of the Organization.
- ✦ To enhance communication and dissemination of information among staff members.

Background

289. This sub-program deals with the activities of the Staff Management Policy Section and the Staff Development Section.

Staff Management Policy Section

290. The Section, established in mid-1998, is responsible for the formulation and/or revision of human resources management policies and procedures within the framework of the United Nations Common System and the preparation of amendments to the WIPO Staff Regulations and Rules for the decision of the Assemblies of the Member States.

291. The Section serves the Classification Committee established under Chapter II of the WIPO Staff Regulations and Rules, and ensures that all posts are classified in accordance with the standards of the United Nations Common System in order to optimize the use of staff resources. It also serves the Promotion Advisory Board (PAB) established under Chapter IV of the WIPO Staff Regulations and Rules and is responsible for the on-going projects aimed at the introduction of an improved Performance Management System.

Staff Development Section

292. The last biennium confirmed the need for training activities in various fields, particularly management, information technology and communication. The Section continued to provide training in response to the needs identified and/or expressed. New activities were proposed, such as on-line training on intellectual property.

Expected Results	Performance Indicators
1. Improved compatibility of the WIPO Staff Regulations and Rules with the United Nations Common System.	☐ Number of amendments made to the WIPO Staff Regulation and Rules.
2. Posts classified in accordance with the standards used within the United Nations Common System.	☐ Number of posts classified.
3. Improved Performance Management System.	☐ Feedback from program managers and other staff.
4. Enhanced staff performance and communication skills through training in information technologies, working languages recognized by WIPO and other specific training.	☐ Number of staff trained and feedback. ☐ Number of staff mastering two or more working languages recognized by WIPO.
5. Training activities and dissemination of information on the objectives and activities of the Organization.	☐ Number of events organized, such as induction programs, lunchtime learning presentations, etc., and feedback from staff.

Activities

- ◆ Formulation of general human resources management policies in keeping with trends and developments within the United Nations Common System.
- ◆ Continuous evaluation and, where necessary, revision of the WIPO Staff Regulations and Rules to reflect changes in the organizational structure of WIPO and to conform to the United Nations Common System.
- ◆ Updating, classification and revision of job descriptions (in French and English) to conform to the changing responsibilities of the incumbents and the requirements of the post.
- ◆ Provision of support to the Classification Committee, including the evaluation of all requests received by the Division for individual reclassifications and for reclassification of groups of posts in the Organization.
- ◆ Preparation of job descriptions for vacancy advertisements (new and vacant posts).
- ◆ Preparation of guidelines for the introduction of an improved Performance Appraisal (Management) System (PAS), implementation of the system and the establishment of a monitoring process to ensure its effective and consistent application throughout the Organization.
- ◆ Scanning of “post history” files (providing background documentation on former and present job descriptions) into a computerized system resulting in a substitution of archives.
- ◆ Training of supervisors and individual staff members on the application of the PAS.

- ◆ Provision of support to the PAB.
- ◆ Liaison with Member States on matters relating to staffing statistics and information.
- ◆ Development, implementation and monitoring of management courses for WIPO managers and other staff, when necessary.
- ◆ Organization, in cooperation with the Information Technology Division, of training on information technology to keep pace with the rapid changes and improvements in technology.
- ◆ Promotion and development of communication skills and dissemination of information through various means. Provision of courses to staff members on the working languages recognized by WIPO, in cooperation with appropriate institutions.
- ◆ Development of technical skills through specific programs.
- ◆ Reinforcement of training activities through the Self-Learning Center and the development of on-line training activities.

SUB-PROGRAM 16.4

Healthcare Services

Objectives:

- ◆ To provide healthcare services to WIPO staff, retirees and foreign delegates.
- ◆ To improve the health-related aspects of the physical working conditions of staff.
- ◆ To contain the costs of medical care incurred by WIPO and its staff.

Background

293. The healthcare services available to staff, retirees and foreign delegates of WIPO are provided through the WMU, established in July 1998. In 2000, the WMU carried out 4,800 consultations (including 50 emergency interventions and the administration of 250 flu and other vaccinations). Furthermore, it became clear that the scope of the services offered by the WMU could be widened in response to growing interest among staff members in receiving information and training on, for example, general healthcare, first aid and emergency procedures.

294. In collaboration with the Social Security Section, the WMU will continue to develop measures designed to contain the costs of healthcare and to maximize savings for the staff and the Organization. Negotiations have taken place within the framework of the Insurance Management Committees, with J. Van Breda SA and a number of healthcare service

providers (such as X-ray institutes, laboratories, pharmacies, physical therapists and hospital services) to provide services to staff at competitive prices. Many initiatives were launched during 2000 in order to improve the health and well-being of staff, such as stress management seminars, anti-smoking policy and courses, cancer prevention screening, ergonomic assistance and food and air quality control.

Expected Results	Performance Indicators
1. Prompt and adequate healthcare for staff, retirees and delegates.	<input type="checkbox"/> Number of staff, retirees and delegates making use of the WMU.
2. Increase access to and awareness of the benefits of health management techniques and a healthy working environment.	<input type="checkbox"/> Decline in complaints regarding illness related to the working environment.
3. Savings for the Organization and its staff by containing the costs of medical care.	<input type="checkbox"/> Reduction of medical care costs to the Organization and staff.

Activities

- ◆ Provision of healthcare services to WIPO staff, retirees, dependents and foreign delegates.
- ◆ Development and implementation of measures designed to contain the cost of healthcare and maximize savings for the staff and the Organization, in collaboration with the Social Security Section.
- ◆ Provision of healthcare information packages, vaccines and medical travel kits to staff.
- ◆ Pre-travel briefing and travel debriefing.
- ◆ Development and conducting of first aid and emergency training procedures, stress management techniques and other health promotion programs for staff.
- ◆ Organization of health surveys among staff.
- ◆ Diagnosis of work-related ailments and, where necessary, referral to specialists.
- ◆ Provision of advice on health-related policies and procedures for the Organization.

Table 11.16 Detailed Budget 2002-2003
Main Program 16
Human Resources Management

A. Budget Variation by Object of Expenditure
(in thousands of Swiss francs)

Object of Expenditure	2000-2001 Revised Budget A	Variation						2002-2003 Proposed Budget E=A+D
		Program		Cost		Total		
		Amount B	% B/A	Amount C	% C/A	Amount D=B+C	% D/A	
Staff Expenses	10,661	1,892	17.7	811	7.6	2,703	25.4	13,364
Travel and Fellowships	287	(10)	(3.5)	10	3.5	-	-	287
Contractual Services	3,363	(232)	(6.9)	112	3.3	(120)	(3.6)	3,243
Operating Expenses	531	78	14.7	22	4.1	100	18.8	631
Equipment and Supplies	602	192	31.9	28	4.7	220	36.5	822
	15,444	1,920	12.4	983	6.4	2,903	18.8	18,347

B. Budget Variation by Post Category

Post Category	2000-2001 Revised Budget A	Variation B-A	2002-2003 Proposed Budget B
Directors	1	1	2
Professionals	13	3	16
General Service	24	3	27
TOTAL	38	7	45

C. Budget Allocation by Sub-program and Detailed Object of Expenditure
(in thousands of Swiss francs)

Object of Expenditure	Sub-program				Total
	1	2	3	4	
Staff Expenses					
Posts	4,946	4,834	2,584	748	13,112
Short-term Expenses	72	60	60	60	252
Travel and Fellowships					
Staff Missions	50	90	127	20	287
Contractual Services					
Conferences	4	4	5	15	28
Consultants	120	-	120	-	240
Publishing	100	-	-	-	100
Other	-	400	2,285	190	2,875
Operating Expenses					
Premises and Maintenance	-	100	-	-	100
Communication and Other	169	190	115	57	531
Equipment and Supplies					
Furniture and Equipment	5	175	94	370	644
Supplies and Materials	9	-	89	80	178
Total	5,475	5,853	5,479	1,540	18,347

MAIN PROGRAM 17

Administrative Services

17.1 Financial Operations

17.2 Language Service

17.3 Conference, Communications, Records and Publications Production Services

17.4 Procurement, Contracts and Travel Services

Summary

295. The Administrative Services will continue to provide efficient services to Member States, the Secretariat, and the public at large. The development of information technology-enabled systems in the various sub-programs is particularly important in providing support for the modern management approaches and procedures used in the Secretariat of what is effectively a knowledge-based Organization. Information will increasingly be provided electronically, with less paper flow. Services will thereby be improved, and resources will be used in an optimal manner to ensure that the program continues to be responsive, cost-effective and efficient.

296. Financial Operations will undertake new information technology initiatives during the 2002-2003 biennium. A new Finance and Budget Information System (being undertaken as part of the AIMS Project) will be implemented to replace the existing computer systems which were developed years ago. The impact of this new automated environment will be to ensure smooth and reliable operations within the Finance area as well as providing more modern methods of working with other non-financial systems and relevant information to Program Managers to assist them in the operations of their main programs.

297. The Language Service will translate WIPO publications, documents and other material into the working languages of WIPO. Information technology in support of the translation process will continue to be used, and new technologies will be monitored closely and applied where appropriate.

298. Within the Conference, Communications, Records, and Publications Production Services, information technology will help to streamline processes. The electronic distribution of meeting documents, digital archiving and more use of Intranet and Internet technologies, will result in even more efficient services. The introduction of new technologies will change the way publications and documents are delivered, disseminated and stored, as print-on-demand and electronic publishing become more widely used, resulting in a more efficient and cost-effective operation and higher quality and competitive services. Cost-effective outsourcing of printing will continue. If funds permit, preliminary work will be

undertaken, including a pilot project, for the introduction of an Electronic Document Management System to provide the infrastructure and procedures necessary for introducing modern workflow facilities within the Organization.

299. Procurement, contracts and travel services will continue the provision of effective and transparent procurement of goods and services, and safe, efficient and cost-effective travel services as required by the Organization. During the 2002-2003 biennium, procurement policies and procedures will be further strengthened and supported to ensure that these policies are applied in a consistent manner and in accordance with WIPO financial rules and regulations. Part of the effort in the biennium will be to strengthen the capacity of the Procurement and Contracts Services Unit in order to improve the quantity and timeliness of the services within its responsibilities (e.g. entry visas for official travel, certifications, diplomatic privileges, removal, document legalization, etc.), and to continue the administration of the Facilities Management and Assets Control system. Travel services in particular will be further improved to ensure that travel needs and security of staff, delegates and others are adequately addressed, and the most cost-effective travel arrangements are obtained while enhancing travel safety measures.

SUB-PROGRAM 17.1

Financial Operations

Objectives:

- ◆ To develop a new integrated Finance and Budget Information System and, pending its development, to undertake necessary upgrades of the current financial information system.
- ◆ To ensure that all income due to WIPO is properly received and all expenditures are paid in a correct and timely manner.
- ◆ To ensure that the accounting conforms with applicable regulations, rules and standards, and that the accounts are correctly maintained.
- ◆ To ensure that the Secretariat has the appropriate capability for the investment of its funds and to obtain the maximum return consistent with the need to safeguard WIPO's financial resources.
- ◆ To provide clear and relevant financial information to Member States and to Program Managers in the Secretariat.

Expected Results	Performance Indicators
1. Redesign of current business processes and implementation of new finance modules during 2002-2003 leading to greater efficiency, productivity and flexibility in 2004-2005.	<input type="checkbox"/> Number and nature of modules developed and implemented for the new Finance and Budget Information System.
2. All financial operations will continue to be executed with accuracy, integrity and probity.	<input type="checkbox"/> Report and opinion by the External Auditors.
3. Funds available for investment will be safeguarded and maximum return will be achieved, based on expert investment advice.	<input type="checkbox"/> Return obtained on invested funds (recognizing that this depends largely on the situation of the market).
4. Satisfactory and timely financial reporting will be provided to Member States and to Program Managers within the Secretariat, thereby promoting transparency, accountability and effective use of resources.	<input type="checkbox"/> Production of financial reports and delivery of financial information to internal and external users within the expected deadlines. <input type="checkbox"/> Distribution to Member States of fees collected under the Madrid and Hague Systems within the expected deadlines.

Activities

- ◆ Undertaking all financial operations (as listed below) concerning WIPO and the Unions administered by WIPO, UPOV, cooperation for development activities financed by the United Nations Development Programme and by trust funds provided by Member States, and the WIPO (Closed) Pension Fund. Financial operations conform with the provisions of the applicable conventions and treaties, WIPO Financial Regulations and Financial Rules, and the United Nations Accounting Standards.
- ◆ In conjunction with information technology staff under Main Program 15, development and implementation of modules of the new, modern integrated Finance and Budget Information System as part of the AIMS Project; maintenance and running of the old current finance information system, to be replaced step by step by those new modules.
- ◆ Receipt of contributions of Member States, fees (under the PCT, Madrid, Hague and Lisbon Systems, and the WIPO Arbitration and Mediation Center), income from sales of publications, rental of premises and miscellaneous income, and follow-up on debtors. Management of current accounts and funds on deposit belonging to users of WIPO's registration systems; development of on-line access by the owners of those funds.
- ◆ Making all payments, including the payroll, payments to staff, payments to suppliers of goods and services, and distribution to Member States of fees collected for them under the Madrid Agreement and Protocol and under the Hague Agreement.
- ◆ Investment of the available reserves, working capital funds and treasury operating balances* in accordance with the approved investment guidelines and the advice of the

* As of December 31, 2000, the funds available for investments amounted to about 395 million Swiss francs.

Investment Advisory Committee. Negotiations of special conditions with banks concerning investments, exchange rates and services offered to the Secretariat.

- ◆ Keeping accounts and preparation of financial reports, including the Financial Management Report, in a user-friendly format. Provision of full financial information to the Office of the Controller, the Internal Audit and Oversight Division, the External Auditor, the Program and Budget Committee, and the Assemblies. Provision of timely on-line information to senior management on actual income and expenditure, and to Program Managers on the status of expenditure and commitments by main programs and sub-programs.
- ◆ Participation in meetings of Finance Directors and of Treasurers of the United Nations Organizations, under the aegis of the High Level Committee on Management of the United Nations system. Participation in other UN or non-UN meetings of the same nature.

SUB-PROGRAM 17.2

Language Service

Objectives:

- ◆ To facilitate understanding among Member States and with the Secretariat, and to make information widely available, by translating publications, documents and other material into as many languages as possible, with high quality standards in the translation process, aiming for a goal of zero defects.
- ◆ To establish linguistic policy and terminology.
- ◆ To increase the use of information technology, including more comprehensive terminology databases and the possible use of computer-assisted translation and voice recognition systems.

Expected Result	Performance Indicators
High quality translations of documents in more working languages will make meetings and discussions more effective as documents and other material will be made available in more languages.	<ul style="list-style-type: none"> ❑ Feedback from delegates on the quality and timeliness of translations. ❑ Volume of translations produced consistent with productivity norms.

Activities

- ◆ The Language Service, including eight translators working into French, five working into Spanish, three translators working into Arabic, and two translators working into each of Chinese, Russian and English, along with their corresponding audio-typists, and with

certain translation work undertaken using both freelance translators and outsourcing, is responsible for the following services:

- Translation of treaties and other international or bilateral instruments, national laws and WIPO model laws, documents for the Assemblies of the Member States of WIPO, publications, conference reports, working papers for committees of experts and working groups, and other material into Arabic, Chinese, English, French, Russian and Spanish, as required. Translations will also be made into Portuguese for certain publications, promotional material regarding WIPO-administered treaties and for some material for meetings in development cooperation activities, as appropriate. In addition, translations will be made into German, as part of the administrative support given to UPOV, as well as into other languages in relation to certain specific activities undertaken for Member States;
- editing, revision and correction of texts produced by or for the Secretariat;
- review and development of the linguistic policy and terminology of the Secretariat, related preparation of glossaries, lists of terms and acronyms, etc., and response to queries from staff related to drafting, language or style. Use and development of on-line terminology databases;
- studies and user trials will evaluate the possibility of further integration of information technology in the translation process, including computer-assisted translation and voice recognition systems; pilot projects will be undertaken as appropriate;
- participation in Inter-Agency Meetings on Language Arrangements, Documentation and Publications of the United Nations system of Organizations.

SUB-PROGRAM 17.3

Conference, Communications, Records, and Publications Production Services

Objectives:

- ✦ To provide delegates and the Secretariat with efficient services for the smooth functioning of conferences and other meetings.
- ✦ To provide reliable and cost-effective telecommunications, mail, and messenger-driver services.
- ✦ To provide effective central records management for official correspondence in paper and electronic formats and an integrated archives service.
- ✦ To provide the Organization with all its printing and publishing requirements in paper and electronic form.
- ✦ To improve and make more cost-effective the printing services, through the introduction of new technologies.

Expected Results	Performance Indicators
1. Provision of efficient conference and other meetings services to delegates and the Secretariat.	<input type="checkbox"/> Feedback from delegates on the conference services provided.
2. Efficient and timely distribution of meeting documents and availability thereof on the WIPO web site. Use of print-on-demand and electronic digital archiving systems for documents, and using Intranet for in-house material will result in faster access, printing of less documents, less storage of documents, and savings of postage.	<input type="checkbox"/> Feedback from users on the timeliness and accuracy for the distribution of, and access to, documents.
3. Cost-effective and improved telecommunication services.	<input type="checkbox"/> Modern telecommunications links between all buildings occupied by WIPO. <input type="checkbox"/> No growth in telecommunication charges compared to the 2000-2001 biennium, despite greater usage. <input type="checkbox"/> Wider use of portable phones.
4. Effective and efficient records management, archives, mail and messenger-driver services.	<input type="checkbox"/> Timeliness and responsiveness in the operation of records management and archives systems, allied with timeliness in the distribution of mail and internal correspondence. <input type="checkbox"/> Reduction of costs relating to the use of mail and other delivery services.
5. Production of increased volume of printed matter in-house including PCT pamphlets, publications and documents, with printing by destination of printed matter.	<input type="checkbox"/> Increased output of the internal printing plant, including color printing, and including production of material for dispatch by destination.
6. Cost-effective production of high quality publications in paper and electronic form.	<input type="checkbox"/> Number of publications, documents and other material (whether in paper or electronic form) delivered within the expected deadlines. <input type="checkbox"/> Increased amount of publications produced in various electronic forms. <input type="checkbox"/> Reduction of costs through outsourcing (and insourcing as appropriate) of published material.

Activities

- ◆ These Services are undertaken by the Conference, Communications, and Records Management and Archives Division (CCRMD) and the Publications Production Service. CCRMD—which comprises the Conference Service, the Communications Service (including Units dealing with Telecommunications and Mail Expedition), the Records Management and Archives Service, and the Messenger-Driver Unit—is responsible for the following range of administrative services:
 - making arrangements for conferences and meetings, including preparation of cost estimates, scheduling and reservation of facilities (both at WIPO Headquarters and

elsewhere), engagement of interpreters and sound recording operators, logistical operations, organization of official receptions;

- sending invitations and documents for conferences and meetings (both in electronic and in paper form, in the official languages), and external and internal distribution and archiving of documents;
 - servicing of conferences and meetings, including electronic provision of information on timing and location of meeting sessions, assignment of conference staff, assistance to delegates, production of lists of participants, support for multi-media presentations and netcasting;
 - in conjunction with information technology staff under Main Program 15, continued development of the computerized document management and mailing systems for meetings documents, and their availability on the WIPO web site, and of the on-line conference service facility through the Internet to enable delegates to register for meetings;
 - receipt and sorting of incoming mail. In conjunction with information technology staff under Main Program 15, and, if funds permit, continued development of the Electronic Document Management System (EDMS), building on the work undertaken during the 2000-2001 biennium, for the scanning, classification, routing, filing, tracking and searching for of all official correspondence, in paper and electronic form (the distribution of facsimiles and e-mails in particular will be processed more efficiently through the technical facilities provided by EDMS), and of the archives management system;
 - distribution of mail throughout the buildings occupied by the Secretariat, with distribution of internal circulars, administrative instructions, notifications and information of a general nature made increasingly via the WIPO Intranet; provision of messenger-driver service for internal needs and for errands within the Geneva area;
 - dispatch, via post office and other delivery services, as well as Diplomatic Pouch, of outgoing mail, including PCT pamphlets (under tight deadlines), documents, letters and other material; ensuring most cost-efficient and timely means of dispatch including tracking and tracing;
 - in conjunction with information technology staff under Main Program 15 and buildings staff under Main Program 18, assessment of telecommunications needs and provision of services and equipment (notably, telephones, voice-mail, modems, facsimiles, leased lines and the WIPO electronic telephone directory); operation of central telephone service uniting all buildings occupied by the Secretariat; negotiation of optimal conditions for telecommunications services in the deregulated Swiss market; development and maintenance of the computerized accounting system for automatic allocation of costs by program for long-distance telephone calls.
- ◆ The Publications Production Service is responsible for the following services:
- use of high speed state-of-the-art equipment in the two locations of the Internal Printing Plant, printing of WIPO publications and documents, including the printing of

PCT pamphlets, by destination, all under tight deadlines, and production of PCT pamphlets and other material in electronic form;

- investigation and introduction of new technologies as appropriate and cost-effective, including storage and archiving of printed material, in-house production of CD-ROMs and other storage systems, high speed printers, improved desktop publishing, and improved color printing;
- development of network print-on-demand system interfaced with the Intranet;
- managing the outsourcing of periodicals and other publications, including sending the texts electronically;
- maintenance of floor photocopiers located throughout the Secretariat.

Where appropriate, activities will be carried out with other Main Programs, including 09.

SUB-PROGRAM 17.4

Procurement, Contracts and Travel Services

Objectives:

- ✦ To ensure effective and transparent procurement and contracts of goods and services.
- ✦ To ensure that the travel policies of the Organization are applied in an efficient, consistent, and cost-effective manner and that travel services provided by external contractors are in conformity with the rules and regulations of the Organization.
- ✦ To ensure that the travel activities of the Organization are carried out in accordance with accepted standards of security.

Background

300. In the 2002-2003 biennium, WIPO procurement, contracts and travel policies will be reviewed in light of the overall significant expansion of demand for services, and will be modernized and enhanced using available information technology systems and tools whenever possible, consistent with the modernization of the other administrative services of the Organization.

301. In the area of procurement and contracts services, WIPO will continue to outsource to contractors, in particular, in the area of the construction of the new premises and information technology, to benefit from state-of-the-art materials, products and services in the market. Further improvements in the capacity of the Secretariat are needed to cope with not only increasing procurement activities, but also in terms of the expertise needed for procurement of goods and services involving technical features. Expeditious and streamlined tendering

and acquisition procedures will be developed, and supported including through the Internet. Procurement and contracts-related databases will also be developed under this Sub-program.

302. In the area of travel, the continuing increase in activities of WIPO has heightened travel activities by WIPO staff, delegates and other persons participating in the activities of the Organization. This has led to a need for a focused program to address travel needs and security for everyone, and to ensure that the most cost-effective and highest quality travel arrangements are obtained within the allowable resources. Significant travel cost savings of some 1.5 million Swiss francs were achieved in the previous biennium. This effort will continue in the 2002-2003 biennium through the use of special airline fares, group rates and airline return incentives. Automation of the travel authorization process will be pursued, which is expected to result in a quicker and more efficient procedure and a reduction in paper flow. Maintaining close contact with the appropriate United Nations agencies will also be undertaken to further ensure the safety and security of all persons traveling on behalf of the Organization.

Expected Results	Performance Indicators
1. Delivery of the highest possible quality material, equipment and services at the lowest possible cost in a timely manner.	☐ Number, quality and timeliness of procurements.
2. The best prices and conditions from the maximum possible number of foreign suppliers through international procurement with a diversified source of suppliers to ensure the widest competition.	☐ Level of prices and conditions obtained.
3. Timely processing of all travel orders, and simplification of procedures for faster processing of travel authorizations.	☐ Number of travel authorizations processed. ☐ Implementation of the electronic travel authorization system.
4. Lower travel costs.	☐ Amount of savings resulting from special fares and airline agreements. ☐ Number of airline return incentives received.

Activities

Procurement and Contracts Services

- ◆ Development of modernized and streamlined rules and procedures for procurement, acquisition, review and evaluation of the performance of WIPO's suppliers.
- ◆ Development of internal databases and continuation of support to the WIPO Internet home pages on improved procurement procedures.

- ◆ Procurement for goods and services including coordinating and issuing tender documents, publication of notices to ensure the highest possible transparency and accountability, participation in evaluation of bids and contract negotiation in consultation with the Legal Counsel's Office, and preparation of contract documents and monitoring of procedures in conjunction with user units.
- ◆ Awarding and administering a wide variety of contracts and simplified purchasing for the acquisition of goods and services required for WIPO's activities.
- ◆ Streamlining of procedures and administration in close collaboration with program and IT project managers, the Legal Counsel's Office and the internal and external auditors.
- ◆ Continuation of the development of an internal database and modernized mechanism for WIPO's asset management allowing for sound management, evaluation and inventory of equipment and material resources, in cooperation with the Office of the Controller.
- ◆ Procurement of standard office equipment, supplies, furniture and stationary.
- ◆ Control and monitoring of the catering services including the related purchase of equipment and utensils.

Travel Services

- ◆ Coordination and support of travel arrangements for some 3,300 missions of staff members, government representatives and others attending WIPO meetings in Geneva and abroad.
- ◆ Coordination and implementation of an electronic travel authorization system to streamline approval process and reduce paper flow, in close cooperation with Main Program 15.
- ◆ Coordination with Finance Division all activities regarding reimbursement of travel expenses and calculation of DSAs.
- ◆ Coordination of logistics for all missions undertaken by the Director General.
- ◆ Attendance at travel industry fora and seminars to improve travel services, as well as to increase contacts within the travel industry to secure better and more economical travel arrangements for the Organization.
- ◆ Coordination with relevant United Nations agencies to ensure the safety and security of all staff members and third parties that undertake missions on behalf of the Organization.

Table 11.17 Detailed Budget 2002-2003
Main Program 17
Administrative Services

A. Budget Variation by Object of Expenditure
(in thousands of Swiss francs)

Object of Expenditure	2000-2001 Revised Budget A	Variation						2002-2003 Proposed Budget E=A+D
		Program		Cost		Total		
		Amount B	% B/A	Amount C	% C/A	Amount D=B+C	% D/A	
Staff Expenses	44,413	(276)	(0.6)	3,154	7.1	2,878	6.5	47,291
Travel and Fellowships	296	(10)	(3.4)	10	3.4	-	-	296
Contractual Services	1,812	(401)	(22.1)	51	2.8	(350)	(19.3)	1,462
Operating Expenses	7,525	607	8.1	293	3.9	900	12.0	8,425
Equipment and Supplies	5,129	449	8.8	201	3.9	650	12.7	5,779
	59,175	369	0.6	3,709	6.3	4,078	6.9	63,253

B. Budget Variation by Post Category

Post Category	2000-2001	Variation	2002-2003
	Revised Budget A	B-A	Proposed Budget B
Directors	4	-	4
Professionals	41	1	42
General Service	104	(1)	103
TOTAL	149	-	149

C. Budget Allocation by Sub-program and Detailed Object of Expenditure
(in thousands of Swiss francs)

Object of Expenditure	Sub-program				Total
	1	2	3	4	
Staff Expenses					
Posts	12,501	11,157	14,438	4,670	42,766
Short-term Expenses	396	2,294	1,655	180	4,525
Travel and Fellowships					
Staff Missions	94	20	55	127	296
Contractual Services					
Consultants	148	80	72	280	580
Publishing	7	-	60	-	67
Other	-	500	160	155	815
Operating Expenses					
Premises and Maintenance	-	-	2,590	-	2,590
Communication and Other	50	-	5,685	100	5,835
Equipment and Supplies					
Furniture and Equipment	30	7	630	2,960	3,627
Supplies and Materials	-	-	50	2,102	2,152
Total	13,226	14,058	25,395	10,574	63,253

MAIN PROGRAM 18

Premises

- 18.1 Premises Management**
- 18.2 Office Space, Maintenance and Security**
- 18.3 Ex-WMO building**
- 18.4 New Construction**

Summary

303. The purpose of Main Program 18 is to meet the present demand, as well as plan for future requirements, for adequate premises, suitable office, meeting or conference, parking and storage spaces, including all the requisite supporting facilities and services for all WIPO staff, Member State delegates and other users of the WIPO premises. The underlying goal is to ensure that WIPO staff and Member State delegates can carry out their tasks and exercise their functions with security, efficiency and comfort. The presentation of Main Program 18 is further supported by an update of the WIPO premises plan as presented in Annex 2.

304. Main Program 18 consists of four sub-programs. Sub-program 18.1 (Premises Management) is concerned with overall strategic planning for premises, oversight and administration. Sub-program 18.2 (Office Space, Maintenance and Security) covers day-to-day administration of WIPO premises and office space allocation, including the provision of office space by renting various buildings, and the operation and improvement of buildings security.

305. Sub-programs 18.1 and 18.2 were already presented in document WO/PBC/3/2. In accordance with the decision of the third session of the Program and Budget Committee to integrate the budget presentation, two additional Sub-program are introduced to cover activities as previously presented. This includes Sub-program 18.3 (Ex-WMO building) for the renovation, modernization, extension, linking of the ex-WMO building to the existing premises and Sub-program 18.4 (New Construction) for planning and execution of the construction of a new office building, a new conference room, and additional parking spaces. The budgetary estimates indicated in the new Sub-program 18.3 and 18.4 are fully compatible with the financial presentation previously shown in document WO/PBC/3/2.

SUB-PROGRAM 18.1 Premises Management

Objective:

To provide overall management of WIPO premises and oversee the formulation and implementation of the premises plan.

Background

306. In September 2000, the General Assembly noted the premises plan 2000 to 2007 (see WIPO/GA/26/8). An update of the premises plan is presented in Annex 2. The increase in requirements for office space will be met by (a) WIPO-owned premises, (b) the ex-WMO building which will be made available in early 2003 after its renovation, modernization, extension and linking to the existing premises, (c) the new office building which will be completed towards the end of 2004, and (d) other commercially rented premises. The completion of the two building projects will allow for the gradual phase-out of rented premises and a corresponding reduction in rental costs. The premises plan also includes the requirements of UPOV.

307. Premises management will require sophistication in planning and oversight by conducting a constant review of various factors which will be affected by activities under Sub-program 18.2 and the two building projects (under Sub-programs 18.3 and 18.4) to be financed with surplus resources. The 2002-2003 biennium will be a critical period, as the two large projects will be undertaken in parallel and the provision of the office space will continue to be undertaken and adjusted in accordance with the progress of the projects and the growth of WIPO's activities.

Expected Result	Performance Indicator
Effective management of premises.	<input type="checkbox"/> Progress in the implementation of the building projects.

Activities

- ◆ Management of all premises projects including those of ex-WMO renovation and the new building.
- ◆ Management of contractual services regarding the improvement and modernizing of the existing premises, facilities and equipment.
- ◆ Oversight of administrative work required for the approval of the new building project.
- ◆ Organizing of, and participating in, meetings with the local authorities, contractors, engineering firms, and other organizations for the implementation of the building projects.

SUB-PROGRAM 18.2 Office Space, Maintenance and Security

Objectives:

- ◆ To provide office space, parking spaces and storage at the most reasonable cost, taking into account the actual growth of the Organization and the necessary flexibility.
- ◆ To maintain and modernize the existing premises, facilities and equipment.
- ◆ To enhance security at the existing premises.

Background

308. WIPO owns four buildings: A. Bogsch, G. Bodenhausen I, G. Bodenhausen II and the ex-WMO building (under renovation). WIPO rents office space in the following buildings: Centre Administratif des Morillons (CAM), Haut Commissariat pour les réfugiés (UC/UNHCR), International Business Machines (IBM), Levit (formerly Procter & Gamble), Sogival, Chambésy, Fondation du Centre International de Genève, the depots in Meyrin and Collex, the parking spaces in each of the rented buildings, as well as in the Parking des Nations. Space is also rented for the WIPO Offices in New York and Washington, D.C. (see sub-program 09.2). Most of those buildings will continue to be rented for the 2002-2003 biennium, and an office space in Brussels will be rented for a new WIPO Office. Details on current and future requirements are outlined in the WIPO premises plan as presented in Annex 2.

309. WIPO recently experienced an unprecedented increase in market-driven demands and a sharp increase in its needs for office space for additional employees. In fact, at the end of 2000, WIPO had 1,250 employees. As the most cost-effective solution, the ex-WMO building renovation is following the strategy of the one-time full renovation as the Secretariat informed at the Program and Budget Committee in April 1999. The reduction of rental costs is not expected until WIPO's staff moves into the renovated building (providing office space for 450 staff) in 2003.

310. WIPO's owned premises and their technical installations — which are over 20 years old — will be maintained and improved in response to emerging needs for "intelligent functions" such as information technology projects, conference facilities and other staff services.

Expected Results	Performance Indicators
1. Timely and cost-effective provision of office space, parking, storage and meeting rooms.	<input type="checkbox"/> Occupancy rate and number of reserve, frequency of relocation of the staff, number and proximity of renting premises, cost of renting space.
2. Further improvement of the existing premises, facilities and equipment.	<input type="checkbox"/> Feedback from staff, participants in WIPO meetings and other users of the premises. <input type="checkbox"/> Operational cost of premises, facilities and equipment.

Expected Results	Performance Indicators
3. Enhanced security at premises owned or rented by WIPO.	☐ Number of incidents and cost for security measures.

Activities

- ◆ Continuing to rent office space, parking, and storage space as required by the growth in activities and of staff, and to organize the relocation of WIPO staff and consultants where necessary.
- ◆ Maintenance and operation of the existing premises, including work places, conference facilities, storage and parking, and improvement of the conditions of the working environment for staff and delegates.
- ◆ Enhancement of the existing premises and technical installations by the provision of modern equipment and modern techniques for their management.
- ◆ Enhancement of the security of the existing premises using state-of-the-art technology and techniques.

SUB-PROGRAM 18.3

Ex-WMO building

Objective:

To provide additional WIPO-owned office and parking spaces by 2004 as integral part of the WIPO premises plan.

Background

311. In October 2000, the General Assembly approved the revised plan and budget for the renovation, modernization and extension of the former World Meteorological Organization building (the "ex-WMO") amounting to Sfr59.0 million (see document A/35/11). It was decided to use the building for PCT operations due to their considerable growth, a high degree of security demands and other benefits derived from confining the entire sector within an integrated building complex. Meeting future workspace and parking space through the ex-WMO building is illustrated in Annex 2 (WIPO premises plan).

312. The revised plan and budget were based on additional studies conducted in the second half of 1999 and the evaluation of bids received from construction companies in July 2000 through a tender process. WIPO had invited more than 30 firms to participate in a tender and selected a consortium made of three companies based in Geneva: Béric Réalisations SA, Constructions Perret SA and Seydoux-DMB (referred to as "BPS") as a general contractor. The total contract amounted to Sfr51 million and was concluded in November 13, 2000. A summary of project expenditure by biennium is shown below:

Summary of estimated expenditure by year
(In thousand Swiss francs)

Activity	1998-1999	2000-2001	2002-2003	Total expenditure
<i>Renovation of ex-WMO building</i>	4,919	40,166	13,915	59,000

313. The specifications of the ex-WMO building remain as outlined in the revised plan and budget and presented in paragraphs 15 and 16 of document A/35/11. The ex-WMO building consisted of a main building and a tower building. In order to perform the work in a cost effective manner, it was agreed with the general contractor to demolish the part of the main building which was built in 1960 according to old technical standards to support up to 200 kilograms per square meter on each floor. As the building would include two additional floors and all floors should be strong enough to support 500 kilograms per square meter for PCT operation and automation, replacing rather than reinforcing the old and weak framework of the main building was considered the cost effective solution. The second part of the main building and the tower were built in 1970 according to relatively new technical standards, which proved to be strong enough to meet the criteria of 300 kilograms per square meter. These parts were not demolished but retained for renovation.

314. As indicated in the budget table above, the main activities are implemented during the 2000-2001 biennium at a cost of Sfr40,166,000. This includes the partial demolition of the building during September 2000 to April 2001 and excavation work during January 2000 to June 2001. This will be followed by the creation of the underground gallery and two underground levels in the first half of 2001.

315. The construction of the main concrete structure of the building, including pillars, floors, walls and core parts containing elevators and stairs will commence in the second half of 2001, followed by the creation of metallic structure for the roof of the entire building by the end of 2001. The construction of the covered footbridge linking two floors in both ex-WMO building and Bodenhausen II building will be largely completed in the second half of 2001.

316. Whereas the major part of the ex-WMO project is implemented during 2000 to 2001, remaining activities in the amount of Sfr13,915,000 are planned for the 2002-2003 biennium as outlined below. It is anticipated that the project will be completed within the approved revised budget of Sfr59.0 million. According to the latest analysis, it is possible to introduce further enhancements in the functionality of the building such as replacing manual blinds with

motorized blinds to save costs in energy and electricity and the replacement of fixed wall partitions with movable partitions to cater for frequent modifications of office configuration. The cost of any supplementary or unforeseen activities related to the work on the ex-WMO will be covered under sub-program 18.2.

Expected Results	Performance Indicators
1. Timely completion of renovation, extension and modernization work of the ex-WMO building.	☐ Meeting established timelines and moving of staff in the renovated building in accordance with approved schedules.
2. Cost-effective completion of work.	☐ Final cost for the renovation work compared with budgeted costs.

Activities

- ◆ Completion of main internal installations, including electrical, sanitary, air conditioning and ventilation equipment and elevators, January-December 2002
- ◆ Creation of external glass facades and walls, June-December 2002
- ◆ Completion of works related to interior finishing, including paintings, installations of office partitions, carpeting and decorations, November 2002-February 2003
- ◆ Completion of works related to exterior finishing, including exterior stairs, terraces, plantation and landscaping, November 2002-February 2003
- ◆ Handling over the premises, including initial reception and review, subsequent improvements if required and final reception, January-March 2003
- ◆ Occupation of the premises and related movement of staff, March-April 2003

SUB-PROGRAM 18.4 New Construction

Objectives:

To enable the provision of additional WIPO-owned office space, conference facilities and parking spaces by 2005 as integral part of the WIPO premises plan.

Background

317. In September 1998, the General Assembly approved the allocation of the maximum amount of Sfr82.5 million for new construction. The amount of Sfr82.5 million consists of the preliminary estimated costs for the construction of the three elements amounting to Sfr74 million, and the costs for organizing the international architectural competition, the development of detailed building specifications and the expenses for furniture and equipment for new office building, amounting to Sfr8.5 million. The building specifications included 500 working places, 600-seat new conference room and 280 parking spaces.

318. WIPO organized an international architectural competition and selected the Behnisch, Behnisch & Partner (referred to as the "BB&P") in March 2000 (see paragraphs 18 to 25 of document WO/GA/26/8). Negotiations with the BB&P were undertaken from March 2000 through August 2000. This resulted in the signing of an agreement, which determined the main features of the contractual arrangement. Together with the BB&P, through tenders in March 2001. WIPO organized a team of several engineering companies. They will assist WIPO and the BB&P in preparing project specifications in the areas of electricity, sanitary, ventilation, air conditioning and civil engineering necessary to obtain the authorization of the Geneva authorities.

319. Examining the budgetary implications of the winning concept and taking into account increases in recent building costs in Geneva, it became apparent that the indicative budget decided in July 1998 was grossly under-estimated and totally unrealistic. In particular the requirement of a building volume of 220,000 cubic meter of the winning design concept were major considerations that would need to be reflected in a revised cost estimate. The required budget increase to realize the winning design concept was of such a magnitude that justified a reconsideration of the project and budget concept. Prior to launching the tender process for the general contractor, the Assembly is requested to express preference on how to proceed on the basis of four options identified in document WO/PBC/4/3. These options range from the initial project specifications (option A) to developing a new building concept in accordance with the approved budget (option D).

320. The presentation of the new construction in the integrated budget under subprogram 18.4 reflects the approved budget (option D). Should an alternative option be selected, a revised budget of subprogram 18.4 will be selected to the Program and Budget Committee in April 2001 and to the Assembly in September 2001. Meeting future workspace and parking space through the new construction under option D is illustrated in Annex 2 (WIPO premises plan). Moreover, a summary of expenditure for option D by biennium is shown below.

Summary of estimated expenditure by year (In thousands of Swiss francs)

Activity	1998-1999	2000-2001	2002-2003	2004-2005	Total expenditure
<i>New construction</i>	659	9,299	52,338	20,204	82,500

321. Should the Assembly endorse option D in September 2001, detailed project specifications will be prepared by the architect and engineering companies for submission to the Geneva authorities by the end of 2001. In parallel, detailed tender document will be prepared for subsequent issuance to potential bidders internationally.

322. The detailed activities for 2002-2003 are listed below. The project will be concluded in the subsequent biennium 2004-2005 at a estimated cost of Sfr20,204,000 and include: (i) construction of the covered footbridge linking the new construction and the main building of WIPO, June to September 2004; (ii) completion of main internal installations, including elevators and electrical, sanitary, air conditioning and ventilation equipment, June to December 2004, (iii) completion of works related to interior finishing, including painting, installations of movable office partitions, carpeting, decorations and other works, June 2004 to January 2005, (iv) completion of works related to exterior finishing, including exterior stairs, terraces, plantation and other elements of landscaping, June 2004 to March 2005; (v) completion of the construction work and handing over of the premises, including initial reception and review, subsequent improvements if required and final reception, March to May 2005, (vi) occupation of the premises and related movement of staff by June 2005.

Expected Results	Performance Indicators
1. Timely implementation of new construction project.	<input type="checkbox"/> Meeting established timelines.
2. Cost-effective implementation of work.	<input type="checkbox"/> Cost for new construction compared with budgeted costs.

Activities

- ◆ Organization of a tender process and the selection of the general contractor based on the evaluation of different factors, including the quality of offers, management skills and experience for the similar type of construction work, February 2002
- ◆ Elaboration of final costs of the construction work by general contractor, February 2002
- ◆ Finalization of costs for items not covered by the construction work, including furniture, equipment and installation, April 2002
- ◆ Commencement of the main construction work, May 2002
- ◆ Demolition of existing installations on the Steiner parcel and clearance work to prepare the ground for the construction work, June-September 2002
- ◆ Works related to the excavation of the basement levels and installation of primary infrastructure for water, electricity and canalization, September-December 2002

- ◆ Adaptation of the existing buildings and infrastructure according to project plans, June 2002-June 2003
- ◆ Creation of underground levels and the basement, including the link to the existing main building of WIPO, December 2002-May 2003
- ◆ Construction of the main structure, walls, floors, facades and core parts containing elevators and stairs, May-December 2003
- ◆ Creation of the main roofing structure for the new construction, September-December 2003

**Main Program 18
Premises**

A. Budget Variation by Object of Expenditure
(in thousands of Swiss francs)

Object of Expenditure	2000-2001	Project		Resource Variaton						Budget		2002-2003
	Revised	Variation		Program		Cost		Total		Variation		Proposed
	Budget	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Budget
	A	B	B/A	C	C/A	D	D/A	E	E/A	F=B+E	F/A	G=A+F
Staff Expenses	5,793	-	-	1,134	19.6	527	9.1	1,661	28.7	1,661	28.7	7,454
Travel and Fellowships	48	-	-	(2)	(4.2)	2	4.2	-	-	-	-	48
Contractual Services	180	-	-	(6)	(3.3)	6	3.3	-	-	-	-	180
Operating Expenses	90,454	16,181	17.9	(217)	(0.2)	3,831	4.2	3,614	4.0	19,795	21.9	110,249
Equipment and Supplies	5	-	-	-	-	-	-	-	-	-	-	5
	96,480	16,181	16.8	909	0.9	4,366	4.5	5,275	5.5	21,456	22.2	117,936

B. Budget Variation by Post Category

<i>Post Category</i>	<i>2000-2001</i>	<i>Variation</i>	<i>2002-2003</i>
	<i>Revised Budget A</i>	<i>B-A</i>	<i>Proposed Budget B</i>
Directors	1	-	1
Professionals	1	4	5
General Service	20	-	20
TOTAL	22	4	26

**C. Budget Allocation by Sub-program and
Detailed Object of Expenditure**
(in thousands of Swiss francs)

<i>Object of Expenditure</i>	<i>Sub-program</i>				<i>Total</i>
	<i>1</i>	<i>2</i>	<i>3</i>	<i>4</i>	
Staff Expenses					
Posts	2,382	4,820	-	-	7,202
Short-term Expenses	72	180	-	-	252
Travel and Fellowships					
Staff Missions	-	48	-	-	48
Contractual Services					
Consultants	-	180	-	-	180
Other	-	-	-	-	-
Operating Expenses					
Premises and Maintenance	-	43,974	13,915	52,338	110,227
Communication and Other	-	22	-	-	22
Equipment and Supplies					
Furniture and Equipment	-	5	-	-	5
Total	2,454	49,229	13,915	52,338	117,936

C. INTEGRATED INITIAL AND REVISED BUDGET FOR 2000-2001

323. As outlined in paragraphs 76 and 77 of document WO/PBC/3/5, the Program and Budget Committee agreed at its third session that the budget proposals should be presented in a single document. As a first step, a point of reference is established against which the consolidated budget proposals can be compared. An integrated initial budget for 2000-2001 is indicated below to consolidate the approved regular budget and other approved project allocations. Moreover, a revised budget for 2000-2001 is presented for the first time. As noted in budget document WO/PBC/3/2, the presentation of a revised budget is not a change from previous budget practice, rather than an enhancement of budget transparency. Details on the budget policy covering the integrated initial budget 2000-2001 and the revised budget 2000-2001 are presented in Section A and B of Appendix 1.

Integrated initial budget 2000-2001

324. The integrated initial budget 2000-2001 of Sfr525,205,000 is presented in Table 12 by main program, Union and object of expenditure. The amount includes the approved regular budget for 2000-2001 of Sfr409,705,000 and the approved off-budget allocations for projects of Sfr115,500,000. The latter amount includes Sfr65,428,000 for information technology projects and Sfr50,072,000 for premises projects. The establishment of an integrated initial budget results in a budget increase of Sfr105,845,000 for the PCT Union, Sfr7,762,000 for the Madrid Union and Sfr1,893,000 for the Hague Union. This represents an increase in contractual services of Sfr39,402,000, equipment and supplies of Sfr17,389,000, operating expenses of Sfr55,597,000, official travel and fellowship of Sfr2,070,000 and staff expenses of Sfr1,042,000.

325. Table 13 indicates project integration for posts. The integration covers 3 professional posts previously covered under information technology projects. Details provided for project integration are fully compatible with the financial presentation previously provided in documents WO/PBC/3/2 and WO/PBC/3/3.

Table 12. Revised Budget 2000-2001: Budget Adjustment By Union, Object of Expenditure and Program
(in thousands of Swiss francs)

	2000-2001			Variation						2000-2001	
	Initial Budget	Project Integration	Integrated Initial Budget C=A+B	Flexibility		Other Changes		Total		Revised Budget	
				Amount	%	Amount	%	Amount	%		
	A	B	C=A+B	D	D/C	E	E/C	F=D+E	F/C	C+F	
Part I: Policy Direction and Management											
01	Constituent Organs of the Member States and Office of the Director General	8,388	-	8,388	-	-	-	-	-	-	8,388
02	Strategic Planning and Policy Development	11,516	-	11,516	67	0.6	-	-	67	0.6	11,583
03	Legal and Organizational Affairs	8,429	-	8,429	2,680	31.8	-	-	2,680	31.8	11,109
04	Program Planning and Budgeting, Financial Control and Audit	4,175	-	4,175	68	6.4	-	-	268	6.4	4,443
05	Global Communications and Public Diplomacy	12,216	-	12,216	335	2.7	-	-	335	2.7	12,551
Part II: Cooperation for Development & WIPO Worldwide Academy											
06	Cooperation with Developing Countries	46,972	-	46,972	67	0.1	-	-	67	0.1	47,039
07	Cooperation with Certain Countries in Europe and Asia	4,515	-	4,515	-	-	-	-	-	-	4,515
08	The WIPO Worldwide Academy and Human Resources Development	13,263	-	13,263	-	-	-	-	-	-	13,263
Part III: Progressive Development of International IP Law and Standing Committees											
09	Development of Industrial Property Law	9,267	-	9,267	-	-	-	-	-	-	9,267
10	Development of Copyright and Related Rights	8,283	-	8,283	-	-	-	-	-	-	8,283
11	Global Intellectual Property Issues	4,077	-	4,077	-	-	-	-	-	-	4,077
Part IV: Global Information Network and IP Information Services											
12	Information Technology and Intellectual Property Information Services	17,135	65,428	82,563	670	0.8	-	-	670	0.8	83,233
Part V: Global Protection Systems and Services											
13	Patent Cooperation Treaty (PCT) System	121,849	-	121,849	12,596	10.3	-	-	12,596	10.3	134,445
14	Madrid System, Hague System and Lisbon System	34,091	-	34,091	3,484	10.2	-	-	3,484	10.2	37,575
Part VI: General Support Services											
15	Human Resources Management	15,003	-	15,003	402	2.7	-	-	402	2.7	15,405
16	Administrative Support Services	49,638	-	49,638	1,072	2.2	-	-	1,072	2.2	50,710
17	Premises	28,289	50,072	78,361	5,592	7.1	12,884	16.4	18,476	23.6	96,837
18	Procurement, Contracts and Travel Services	8,500	-	8,500	536	6.3	-	-	536	6.3	9,036
19	Miscellaneous and Unforeseen Activities	4,099	-	4,099	-	-	-	-	-	-	4,099
TOTAL											
		409,705	115,500	525,205	27,769	5.3	12,884	2.5	40,653	7.7	565,858

Table 12. Revised Budget 2000-2001: Budget Adjustment By Union, Object of Expenditure and Program (continuation)
(in thousands of Swiss francs)

	2000-2001			Variation						2000-2001
	Initial Budget	Project Integration	Integrated Initial Budget C=A+B	Flexibility		Other Changes		Total		Revised Budget
				Amount	%	Amount	%	Amount	%	
A	B	C=A+B	D	D/C	E	E/C	F=D+E	F/C	C+F	
By Union										
Contribution-financed Unions	38,612	-	38,612	-	-	-	-	-	-	38,612
PCT Union	305,305	105,845	411,150	20,002	4.9	10,450	2.5	30,452	7.4	441,602
Madrid Union	54,628	7,762	62,390	3,664	5.9	2,074	3.3	5,738	9.2	68,128
Hague Union	9,546	1,893	11,439	543	4.7	360	3.1	903	7.9	12,342
Arbitration/Others	1,614	-	1,614	3,560	220.6	-	-	3,560	220.6	5,174
TOTAL	409,705	115,500	525,205	27,769	5.3	12,884	2.5	40,653	7.7	565,858
By Object of Expenditure										
Staff Expenses	250,770	1,042	251,812	22,982	9.1	-	-	22,982	9.1	274,794
Official Travel and Fellowships	37,277	2,070	39,347	-	-	-	-	-	-	39,347
Contractual Services	52,603	39,402	92,005	-	-	-	-	-	-	92,005
Operating Expenses	50,153	55,597	105,750	4,787	4.5	12,884	12.2	17,671	16.7	123,421
Equipment and Supplies	14,803	17,389	32,192	-	-	-	-	-	-	32,192
Unallocated	4,099	-	4,099	-	-	-	-	-	-	4,099
TOTAL	409,705	115,500	525,205	27,769	5.3	12,884	2.5	40,653	7.7	565,858

Table 13. Revised budget 2000-2001: Post Adjustment by Post Category and Program

	2001 Initial Budget				Integration	Flexibility	2001 Revised Budget			
	D	P	G	Total	P	G	D	P	G	Total
Part I: Policy Direction and Management										
01 Constituent Organs of the Member States and Office of the Director-General	1.0	-	3.0	4.0	-	-	1.0	-	3.0	4.0
02 Strategic Planning and Policy Development	6.0	12.0	4.5	22.5	-	0.5	6.0	12.0	5.0	23.0
03 Legal and Organizational Affairs	2.0	8.0	4.0	14.0	-	18.0	2.0	8.0	22.0	32.0
04 Program Planning and Budgeting, Financial Control and Audit	1.0	6.0	3.0	10.0	-	1.0	1.0	6.0	4.0	11.0
05 Global Communications and Public Diplomacy	1.0	8.0	16.5	25.5	-	1.5	1.0	8.0	18.0	27.0
Part II: Cooperation for Development & WIPO Worldwide Academy										
06 Cooperation with Developing Countries	10.0	29.0	30.5	69.5	-	0.5	10.0	29.0	31.0	70.0
07 Cooperation with Certain Countries in Europe and Asia	-	3.0	2.0	5.0	-	-	-	3.0	2.0	5.0
08 The WIPO Worldwide Academy and Human Resources Development	-	7.0	7.0	14.0	-	-	-	7.0	7.0	14.0
Part III: Progressive Development of International IP Law and Standing Committees										
09 Development of Industrial Property Law	4.0	5.0	6.0	15.0	-	-	4.0	5.0	6.0	15.0
10 Development of Copyright and Related Rights	3.0	3.0	5.0	11.0	-	-	3.0	3.0	5.0	11.0
11 Global Intellectual Property Issues	1.0	4.0	1.0	6.0	-	-	1.0	4.0	1.0	6.0
Part IV: Global Information Network and IP Information Services										
12 Information Technology and Intellectual Property Information Services	2.0	31.0	19.0	52.0	3.0	3.0	2.0	34.0	22.0	58.0
Part V: Global Protection Systems and Services										
13 Patent Cooperation Treaty (PCT) System	7.0	62.0	227.0	296.0	-	60.0	7.0	62.0	287.0	356.0
14 Madrid System, Hague System and Lisbon System	2.0	20.0	53.5	75.5	-	15.5	2.0	20.0	69.0	91.0
Part VI: General Support Services										
15 Human Resources Management	1.0	13.0	22.0	36.0	-	2.0	1.0	13.0	24.0	38.0
16 Administrative Support Services	4.0	35.0	90.0	129.0	-	6.0	4.0	35.0	96.0	135.0
17 Premises	1.0	2.0	16.0	19.0	-	4.0	1.0	2.0	20.0	23.0
18 Procurement, Contracts and Travel Services	-	5.0	6.0	11.0	-	2.0	-	5.0	8.0	13.0
TOTAL	46.0	253.0	516.0	815.0	3.0	114.0	46.0	256.0	630.0	932.0

D- level posts include posts for DG, DDG's, ADG's and Directors.

Revised budget for 2000-2001 presented in accordance with the program structure of the biennium

326. Table 12 and 13 also indicated the revised budget for 2000-2001 in accordance with the program structure of the biennium. As shown in Table 12, the revised budget 2000-2001 amounts to Sfr565,858,000, an increase of Sfr40,653,000 or 7.7 per cent as compared to the integrated initial budget. This increase includes Sfr27,769,000 under the flexibility formulas and an increase of Sfr12,884,000 under other changes, namely additional rental charges.

327. As part of budget flexibility, Member States authorized the Director General to adjust the biennial budget of the global protection systems. The formulas provide for a justifiable increase in the number of posts in case of unforeseen increases in workload. They also require corresponding decreases in case of lower than anticipated levels of workload. Appendix 3 provides a description of the flexibility formula, including proposals for adjustments and the introduction of a new formula for the WIPO Internet domain name dispute resolution process. The budget implications of applying the flexibility formulas were previously not shown as part of the revised budget, but were presented following the conclusion of the budget period in the context of the Financial Management Report.

328. The budget increase for flexibility of Sfr27,769,000 is calculated on the basis of the flexibility formula presented in Appendix 3, including the proposed adjustments and the new formula for WIPO Internet domain name dispute resolution process. This is the result of a higher than anticipated workload for the PCT, Madrid, and Hague systems and on-line dispute resolution. As shown in Chapter A, Table 2, the estimated number of PCT international applications in 2000-2001 has been revised from 172,000 indicated in the initial budget to 197,000 projected for the revised budget, reflecting an increase of 25,000 or 14.5 per cent. Increases for Madrid include 10,800 registrations and renewals or 20.4 per cent, for Hague 900 deposits and renewals or 6.4 per cent and for on-line dispute resolution 3,300 filings or 275 per cent.

329. As indicated in Table 12, the application of the flexibility formulas result in a budget increase of Sfr20,002,000 for the PCT Union, Sfr3,664,000 for the Madrid Union, Sfr543,000 for the Hague Union and Sfr3,560,000 for Arbitration/Others. Following the details presented in the flexibility formula in Appendix 3, this represents an increase in staff expenses of Sfr22,982,000 and in operating expenses for rental and maintenance of premises totaling Sfr4,787,000. Table 12 also indicates the distribution of the flexibility adjustment by program. This follows the details provided in the flexibility clause on the sharing of budget allocation between main program and supporting offices.

330. As part of the budget revision, a budget increase is indicated under Other Changes in the amount of Sfr12,884,000. This corresponds to the budgetary implication resulting from a change in the renovation strategy for the ex-WMO building. In March 1998, the General Assembly approved the one-time full renovation of the ex-WMO building. Due to the pressing need for office space and anticipated savings, a two-step renovation approach was presented in Main Program 17 (Premises) of the draft program and budget for 2000-2001. Accordingly, it was proposed that the building be occupied already by the end of 1999, following a light makeover. This would be followed by a second, and full renovation in 2003, after alternative

space was available with the completion of the new building. It was further anticipated that most facilities installed during the light makeover would be reused for the final renovation. On the basis of further studies, it was concluded, however, that those cost savings were unlikely to materialize and that the one-time full renovation as initially approved by the General Assembly was indeed the most cost-effective solution. During its first session in April 1999, the Program and Budget Committee was informed that the Secretariat intended to proceed along the lines of this decision. The Committee was also informed that this approach did not entail changes in the budget estimates nor the approved allocation under the Special Reserve Fund.

331. The proposed budget for 2000-2001 was based on the assumption that the ex-WMO building would be available and provide office space for 300 staff members. With the immediate launch of full renovation, this was not the case, and equivalent office space had to be rented in the Procter and Gamble building, as indicated in the premises plan for 2000 to 2007, presented to the General Assembly in September 2000 (WO/GA/26/8). This resulted in a considerable increase in rental charges. The budgetary implications are estimated at Sfr12,884,000 on the basis of 300 workspaces at an average annual rental cost per workspace of Sfr21,473. Initially, it was anticipated that part of the additional rental cost could be charged to the renovation budget of the ex-WMO building. This was considered possible due to the anticipated savings in the renovation strategy with the remaining balance to be absorbed under the regular budget. As outlined in WO/PBC/2/4 and noted by the Program and Budget Committee in September 2000, the initial budget for the renovation of the ex-WMO building was considerably underestimated, leaving no flexibility to assume the additional rental charges. Moreover, the additional demands put on WIPO in the area of global protection systems did not allow for the absorption of the rental cost under the initial regular budget for 2000-2001.

332. The rental costs of Sfr12,884,000 represent an increase in the budget for 2000-2001 as a result of the change in the renovation strategy for the ex-WMO building. However, such an additional budget allocation would have been required in future years under the previously proposed two-step renovation strategy. Completion of the new premises is anticipated for early 2005. Staff would have vacated the ex-WMO building in 2005 to allow for full renovation. At that time, the WIPO-owned facilities would not have been sufficient to accommodate all staff and additional rental facilities would have been required to bridge the renovation period of two years. This is not the case under the full renovation strategy. The budget increase for the 2000-2001 biennium will, therefore, be offset by lower budget requirements in the coming biennia.

333. Table 13 presents the revised budget by indicating post adjustments by post category and program. As indicated, the application of the flexibility clause resulted in the establishment of 114 posts in the General Service category. The distribution by program follows the details provided in the flexibility clause on the sharing of budget allocation between main program and supporting offices as indicated in Table 12 above.

Revised budget for 2000-2001 in accordance with the program structure for the 2002-2003 biennium

334. The new program structure for the 2002-2003 biennium is described in the introduction to the draft Program and Budget. In order to provide for a comparison between the 2000-2001 and 2002-2003 biennia, the revised budget for 2000-2001 needs to be realigned in accordance with the program structure for the new biennium. This is done without altering the program priorities and activities approved by Member States as described in Section B of Appendix 1.

335. The realignment of the revised budget for 2000-2001, in accordance with the program structure for 2002-2003 is shown in Table 14.

336. New Main Program 01 (Constituent Organs of the Member States) of the program structure for 2002-2003 is established by separating the related budget provisions from the previous program which also included the Office of the Director General. New Main Program 02 (Direction and Executive Management) reflects the reassignment of activities and resources relating to the Special Counsel and Internal Oversight to this Main Program. New Main Program 10 (Global Intellectual Property Issues) reflects a consolidation of new and emerging issues under one program, including new activities related to Small and Medium-Sized Enterprises. New Main Program 11 (Arbitration and Mediation Center) reflects the separation of these activities from Main Program 03 (Legal and Organization Affairs) under the program structure 2000-2001. New Main Program 12 (Cooperation with Developing Countries) covers technical cooperation activities previously carried out under the main programs relating to the PCT and Madrid systems. This is also the case for new Main Program 15 (Information Technology) which covers the information technology activities previously presented under the main programs relating to the PCT and Madrid systems. Finally, Main Program 17 (Administrative services) reflects a simplification of the program presentation by consolidating three main programs identified separately under the program structure for 2000-2001 into one.

337. The program structure 2002-2003 also covers the project activities introduced at the level of the integrated initial budget. Specifically, the previous information technology projects form part of Main Program 15 (Information Technology) and the premises projects form part of Main Program 18 (Premises).

Table 14. Revised Budget 2000-2001 According to Program Structure 2002-2003: Budget Allocation
(in thousands of Swiss Francs)

<i>Revised Budget 2000-2001</i>		<i>Revised Budget 2000-2001</i>	
<i>Program Structure 2002-2003</i>	<i>Amount</i>	<i>Program Structure 2000-2001</i>	<i>Amount</i>
01 Organs of the Member States	4,500	01 Constituent Organs of the Member States and Office of the Director General	4,500
02 Direction and Executive Management	10,507	01 Constituent Organs of the Member States and Office of the Director General	3,888
		02 Strategic Planning and Policy Development	6,076
		04 Program Planning and Budgeting, Financial Control and Audit	388
		16 Administrative Support Services	155
03 Legal Counsel	3,185	03 Legal and Organizational Affairs	3,185
04 Planning, Budgeting and Control	6,659	02 Strategic Planning and Policy Development	2,604
		04 Program Planning and Budgeting, Financial Control and Audit	4,055
05 Development of Industrial Property Law	8,237	09 Development of Industrial Property Law	8,237
06 Patent Cooperation Treaty System	114,754	12 Information Technology and Intellectual Property Information Services	666
		13 Patent Cooperation Treaty (PCT) System	114,088
07 Madrid, Hague and Lisbon Systems	33,077	05 Global Communications and Public Diplomacy	178
		12 Information Technology and Intellectual Property Information Services	1,101
		14 Madrid System, Hague System and Lisbon System	31,798
08 Development of Copyright and Related Rights	8,283	10 Development of Copyright and Related Rights	8,283
09 Global Communications	13,153	03 Legal and Organizational Affairs	1,767
		05 Global Communications and Public Diplomacy	11,277
		07 Cooperation with Certain Countries in Europe and Asia	109
10 Global Intellectual Property Issues	9,428	02 Strategic Planning and Policy Development	2,903
		03 Legal and Organizational Affairs	1,418
		09 Development of Industrial Property Law	1,030
		11 Global Intellectual Property Issues	4,077
11 Arbitration and Mediation Center	4,739	03 Legal and Organizational Affairs	4,739
12 Cooperation with Developing Countries	52,255	06 Cooperation with Developing Countries	46,972
		08 The WIPO Worldwide Academy and Human Resources Development	109
		13 Patent Cooperation Treaty (PCT) System	4,467
		14 Madrid System, Hague System and Lisbon System	707
13 Cooperation with Certain Countries in Europe and Asia	4,406	07 Cooperation with Certain Countries in Europe and Asia	4,406

Table 14. Revised Budget 2000-2001 According to Program Structure 2002-2003: Budget Allocation (continuation)
(in thousands of Swiss Francs)

<i>Revised Budget 2000-2001</i>		<i>Revised Budget 2000-2001</i>	
<i>Program Structure 2002-2003</i>	<i>Amount</i>	<i>Program Structure 2000-2001</i>	<i>Amount</i>
14 The WIPO Worldwide Academy	14,051	05 Global Communications and Public Diplomacy	830
		06 Cooperation with Developing Countries	67
		08 The WIPO Worldwide Academy and Human Resources Development	13,154
15 Information Technology	103,426	12 Information Technology and Intellectual Property Information Services	81,466
		13 Patent Cooperation Treaty (PCT) System	15,890
		14 Madrid System, Hague System and Lisbon System	5,070
		16 Administrative Support Services	1,000
16 Human Resources Management	15,444	15 Human Resources Management	15,405
		18 Procurement, Contracts and Travel Services	39
17 Administrative Services	59,175	05 Global Communications and Public Diplomacy	266
		16 Administrative Support Services	49,555
		17 Premises	357
		18 Procurement, Contracts and Travel Services	8,997
18 Premises	96,480	17 Premises	96,480
Miscellaneous and Unforeseen	4,099	19 Miscellaneous and Unforeseen Activities	4,099
TOTAL	565,858	TOTAL	565,858

Table 15. Revised Budget 2000-2001 According to Program Structure 2002-2003: Post Allocation by Post Category

<i>Revised Budget 2000-2001</i>					<i>Revised Budget 2000-2001</i>				
<i>Program Structure 2002-2003</i>	<i>D</i>	<i>P</i>	<i>G</i>	<i>Total</i>	<i>Program Structure 2000-2001</i>	<i>D</i>	<i>P</i>	<i>G</i>	<i>Total</i>
02 Direction and Executive Management	4.0	7.0	8.0	19.0	01 Constituent Organs of the Member States and Office of the Director-General	1.0	-	3.0	4.0
					02 Strategic Planning and Policy Development	3.0	7.0	4.0	14.0
					04 Program Planning and Budgeting, Financial Control and Audit	-	-	1.0	1.0
03 Legal Counsel	2.0	3.0	2.0	7.0	03 Legal and Organizational Affairs	2.0	3.0	2.0	7.0
04 Planning, Budgeting and Control	4.0	8.0	4.0	16.0	02 Strategic Planning and Policy Development	3.0	2.0	1.0	6.0
					04 Program Planning and Budgeting, Financial Control and Audit	1.0	6.0	3.0	10.0
05 Development of Industrial Property Law	4.0	4.0	6.0	14.0	09 Development of Industrial Property Law	4.0	4.0	6.0	14.0
06 Patent Cooperation Treaty System	6.0	45.0	272.0	323.0	12 Information Technology and Intellectual Property Information Services	-	2.0	1.0	3.0
					13 Patent Cooperation Treaty (PCT) System	6.0	43.0	271.0	320.0
07 Madrid, Hague and Lisbon Systems	2.0	17.0	69.0	88.0	05 Global Communications and Public Diplomacy	-	0.5	-	0.5
					07 Cooperation with Certain Countries in Europe and Asia	-	0.5	-	0.5
					12 Information Technology and Intellectual Property Information Services	-	1.0	1.0	2.0
					14 Madrid System, Hague System and Lisbon System	2.0	15.0	68.0	85.0
08 Development of Copyright and Related Rights	3.0	3.0	5.0	11.0	10 Development of Copyright and Related Rights	3.0	3.0	5.0	11.0
09 Global Communications	1.0	8.0	18.0	27.0	03 Legal and Organizational Affairs	-	1.0	-	1.0
					05 Global Communications and Public Diplomacy	1.0	7.5	17.5	26.0
					07 Cooperation with Certain Countries in Europe and Asia	-	-	0.5	0.5
					09 Development of Industrial Property Law	-	(0.5)	-	(0.5)
10 Global Intellectual Property Issues	1.0	10.0	2.0	13.0	02 Strategic Planning and Policy Development	-	3.0	-	3.0
					03 Legal and Organizational Affairs	-	2.0	1.0	3.0
					09 Development of Industrial Property Law	-	1.0	-	1.0
					11 Global Intellectual Property Issues	1.0	4.0	1.0	6.0

Table 15. Revised Budget 2000-2001 According to Program Structure 2002-2003: Post Allocation by Post Category (continuation)

Revised Budget 2000-2001					Revised Budget 2000-2001				
Program Structure 2002-2003	D	P	G	Total	Program Structure 2000-2001	D	P	G	Total
11 Arbitration and Mediation Center	-	2.0	19.0	21.0	03 Legal and Organizational Affairs	-	2.0	19.0	21.0
12 Cooperation with Developing Countries	11.0	34.0	35.0	80.0	06 Cooperation with Developing Countries	10.0	29.0	30.5	69.5
					08 The WIPO Worldwide Academy and Human Resources Development	-	-	0.5	0.5
					13 Patent Cooperation Treaty (PCT) System	1.0	5.0	4.0	10.0
13 Cooperation with Certain Countries in Europe and Asia	-	3.0	2.0	5.0	07 Cooperation with Certain Countries in Europe and Asia	-	3.0	1.5	4.5
					13 Patent Cooperation Treaty (PCT) System	-	-	0.5	0.5
14 The WIPO Worldwide Academy	-	7.0	7.0	14.0	06 Cooperation with Developing Countries	-	-	0.5	0.5
					08 The WIPO Worldwide Academy and Human Resources Development	-	7.0	6.5	13.5
15 Information Technology	2.0	50.0	33.0	85.0	12 Information Technology and Intellectual Property Information Services	2.0	31.0	20.0	53.0
					13 Patent Cooperation Treaty (PCT) System	-	14.0	12.0	26.0
					14 Madrid System, Hague System and Lisbon System	-	5.0	1.0	6.0
16 Human Resources Management	1.0	13.0	24.0	38.0	15 Human Resources Management	1.0	13.0	24.0	38.0
17 Administrative Services	4.0	41.0	104.0	149.0	05 Global Communications and Public Diplomacy	-	-	0.5	0.5
					16 Administrative Support Services	4.0	35.0	96.0	135.0
					17 Premises	-	1.0	(0.5)	0.5
					18 Procurement, Contracts and Travel Services	-	5.0	8.0	13.0
18 Premises	1.0	1.0	20.0	22.0	17 Premises	1.0	1.0	20.0	22.0
TOTAL	46.0	256.0	630.0	932.0	TOTAL	46.0	256.0	630.0	932.0

D. INCOME FOR 2000-2001 AND 2002-2003

General

338. Income estimates for 2000-2001 and 2002-2003 are presented in Table 16 by source of income and Union. The total income for 2002-2003 is estimated at Sfr531,782,000, reflecting an increase of Sfr5,737,000 or 1.1 per cent as compared to the revised income target for 2000-2001 of Sfr526,045,000. The revised income presents an increase of Sfr97,461,000 or 22.7 percent as compared to the integrated initial income of Sfr428,584,000. The income estimates for the biennium 2002-2003 reflect the proposed reduction in PCT average fee by 16.5 per cent and the Hague average fee by 10 per cent as well as the proposed increase in the fee for on-line dispute resolution cases payable to the International Bureau in order to ensure full cost-recovery.

Table 16. Income 2000-2001 and 2002-2003: Variation by Source of Income and Union
(in thousands of Swiss francs)

	2000-2001		Variation		2000-2001 Revised	Variation		2002-2003
	Initial	Integrated	C	C/B (%)		E	E/D (%)	
	A	B			D=B+C			F=D+E
A. By Source of Income								
Contributions	35,053	35,053	-	-	35,053	(470)	(1.3)	34,583
Fees	355,112	355,112	88,756	25.0	443,868	11,535	2.6	455,403
Publications	11,221	11,221	(183)	(1.6)	11,038	(900)	(8.2)	10,138
Interest	3,606	22,306	6,394	28.7	28,700	(5,600)	(19.5)	23,100
Rental	1,356	1,356	279	20.6	1,635	(177)	(10.8)	1,458
UPOV	1,600	1,600	-	-	1,600	-	-	1,600
Reimbursement								
Other	1,936	1,936	2,215	114.4	4,151	1,349	32.5	5,500
Total, A	409,884	428,584	97,461	22.7	526,045	5,737	1.1	531,782
B. By Union								
Contri-fin. Unions	38,718	38,718	268	0.7	38,986	(556)	(1.4)	38,430
PCT Union	307,879	323,458	82,809	25.6	406,267	(6,873)	(1.7)	399,394
Madrid Union	51,946	54,575	8,601	15.8	63,176	3,288	5.2	66,464
Hague Union	9,727	10,219	1,689	16.5	11,908	(422)	(3.5)	11,486
Arbitration/Others	1,614	1,614	4,094	253.7	5,708	10,300	180.4	16,008
Total, B	409,884	428,584	97,461	22.7	526,045	5,737	1.1	531,782

339. The presentation of an integrated initial income 2000-2001 of Sfr428,584,000 is required as a result of joint budget presentation, including the previously approved regular budget and project activities. This amount includes initial income under regular budget of Sfr409,884,000 as previously presented in document WO/PBC/3/2 and interest on surplus resources of Sfr18,700,000 as detailed in Section A of Appendix 1. The presentation of an integrated initial income complements the presentation of the integrated initial budget 2000-2001 as outlined above in Chapter C. The adjustment does not impact on the total level of revised income 2000-2001, however, a failure to introduce the adjustment would overstate

income variations between initial and revised income. In addition and in response to recommendations put forward during the third session of the Program and Budget Committee, the income presentation provided in Chapter D of document WO/PBC/3/2 has been reviewed and improved with the introduction of two new tables. Whereas the review confirmed the income estimates for the biennia 2000-2001 and 2002-2003, the indicative income estimates for the biennium 2004-2005 have been increased as outlined in Appendix 2.

340. The revised income target for 2000-2001 is estimated at Sfr526,045,000 as indicated in Table 16. By source of income, major increases are anticipated for fees amounting to Sfr88,756,000 or 25.0 per cent and interest amounting to Sfr6,394,000 or 28.7 per cent. By Union, the increase for PCT Union amounts to Sfr82,809,000 or 25.6 per cent whereas Arbitration services experience an increase of 25.7 percent or Sfr4,094,000.

341. The income target of 2002-2003 amounts to Sfr531,782,000. By source of income, fee income is anticipated to increase by Sfr11,535,000 or 2.6 per cent. The modest increase is mainly due to the fee reduction implemented as of 2001 and further reductions proposed for 2002-2003. Interest income is anticipated to decrease by Sfr5,600,000 or 19.5 per cent as a result of the decreasing reserves associated with the progressive implementation of major information technology and premises activities. The presentation by Union indicates a decrease for PCT of Sfr6,873,000 or 1.7 per cent due to fee reductions indicated above. Additional income of Sfr10,300,000 or 180.4 per cent is expected from arbitration activities and Sfr3,288,000 or 5.2 per cent under the Madrid Union. The estimated income 2002-2003 is further elaborated in Table 17 by Union and source of income. In the following table detailed income estimates are presented by Union, including the proposed adjustment of fees for 2002-2003.

Table 17. Income 2002-2003: Summary by Union and Source of Income
(in thousands of Swiss francs)

	<i>Contri.-fin. Unions</i>		<i>PCT Union</i>		<i>Madrid Union</i>		<i>Hague Union</i>		<i>Arbitration/Others</i>		<i>Total</i>	
	<i>Amount A</i>	<i>% of total</i>	<i>Amount B</i>	<i>% of total</i>	<i>Amount C</i>	<i>% of total</i>	<i>Amount D</i>	<i>% of total</i>	<i>Amount E</i>	<i>% of total</i>	<i>Amount A+...E</i>	<i>% of total</i>
Contributions	34,583	90.0	-	-	-	-	-	-	-	-	34,583	6.5
Fees	-	-	378,690	94.8	55,142	83.0	10,180	88.6	11,391	71.2	455,403	85.6
Publications	3,060	8.0	3,620	0.9	3,202	4.8	256	2.2	-	-	10,138	1.9
Interest	450	1.2	14,394	3.6	7,394	11.1	662	5.8	200	1.2	23,100	4.3
Rental	135	0.4	1,088	0.3	192	0.3	36	0.3	7	0.0	1,458	0.3
UPOV Reimbursement	-	-	-	-	-	-	-	-	1,600	10.0	1,600	0.3
Other	202	0.5	1,602	0.4	534	0.8	352	3.1	2,810	17.6	5,500	1.0
TOTAL, 2002-2003	38,430	100.0	399,394	100.0	66,464	100.0	11,486	100.0	16,008	100.0	531,782	100.0
2003-2003, Share of Total	7.2		75.1		12.5		2.2		3.0		100	
2000-2001, Share of Total	9.4		75.1		12.7		2.4		0.4		100	

Contribution-financed Unions: Member States' Contributions

342. Contributions provided by Member States are expected to amount to Sfr34,583,000 for the 2002-2003 biennium (see Appendix 4). This figure compares with a budgeted amount of Sfr35,053,000 for the 2000-2001 biennium (see Annex 4, A/34/2). The value of the contribution unit for 2002-2003 remains at Sfr45,579 following recent decreases in 1998, 1999 and 2000 (see Annex 11, A/34/2). It should also be noted that within certain groups, Member States have the flexibility to choose their contribution class and therefore the amount of contributions they wish to make to WIPO. The slight decrease that can be observed in the contribution amount for 2002-2003 is the result of some changes in contribution groups. Contribution classes range from 25 units (class I) to 0.03125 units (class Ster). The annual values of the contribution unit since 1996 were:

Year	1996	1997	1998	1999	2000	2001	2002	2003
Value	56,311	56,321	56,270	50,643	45,579	45,579	45,579	45,579

PCT System: International Applications, Fees and Fee Income

343. Income from PCT fees is expected to be Sfr378,691,000 in the 2002-2003 biennium, with 236,000 international applications anticipated during the next biennium and an average fee of Sfr1,605 (1,676 in 2002 and 1,538 in 2003). This figure compares with an expected income of Sfr378,808,000 for the 2000-2001 biennium. This figure takes into account a new target of 197,000 international applications (initial target of 172,000) and an average fee of Sfr1,923 (budgeted fee of Sfr1,736, see paragraph 321 below).

International Applications

344. The estimated number of international applications for 2003 (122,000) is 34 per cent higher than the actual amount for 2000. Projections up to 2003 have taken into account PCT growth experienced by the International Bureau in recent years, patent registration trends in the trilateral offices (USPTO, JPO, EPO), as well as a possible deceleration of the world economy, following the expansive phase of the last several years. The growth in international applications since 1996 is shown below. Figures for 2000 and 2001 have been revised from the initial projections of 82,000 and 90,000, respectively. Amounts for 2002 and 2003 are estimates.

Year	1996	1997	1998	1999	2000	2001	2002	2003
Int. Appl.	47,291	54,422	67,007	74,023	90,948	106,000	114,000	122,000
% Change	n/a	15%	23%	10%	23%	17%	8%	7%

Fees

345. Budgeted fee payable to the International Bureau for the 2000-2001 biennium was Sfr1,736. This figure was based on the reduction of the maximum number of payable designations from 10 to 8 (see Annex 4, A/34/2). Actual fee in 2000 turned to be Sfr2,084. The main reasons for the discrepancy were: (i) unanticipated exchange rate gains because of the strong position of the US dollar with respect to the Swiss franc (as in the recent case of 1997 with respect to 1996), and (ii) the increase in the proportion of applicants making use of the maximum number of payable designations beyond the prior proportion of applicants designating 8 or more countries.

346. The average fee for 2001 is expected to be Sfr1,785. This decrease in the fee by some 14 per cent is partly due to the proposal made by the International Bureau and approved by the General Assemblies in 2000 to further reduce the number of payable designations from 8 to 6 (see PCT/A/29/4), and the realignment of the PCT fees to a higher US dollar exchange rate.

347. It is proposed that a further 10 per cent decrease be foreseen in average PCT fees for 2002-2003 with respect to the 2001 level. This will be achieved by reducing the maximum number of payable designations to 5 as of January 1, 2002 and to 4 as of January 1, 2003. These combined reductions are expected to reduce the average fee 2002-2003 by some 17 per cent with respect the estimated average fee for 2000-2001. The evolution of PCT fees payable to the International Bureau since 1996, based on the average fee per application, is shown below:

Year	1996	1997	1998	1999	2000	2001	2002	2003
Average	2,613	2,799	2,194	2,149	2,084	1,785	1,676	1,538
% Change	n/a	7%	-22%	-2%	-3%	-14%	-6%	-8%

348. The anticipated fee for 2003 is 59 per cent of the average fee in 1996. If PCT fees had remained at the level of the 1996-1997 biennium, projected PCT fee income for 2002-2003 would have been 279 million Swiss francs higher. This amount could be seen as savings to users of the PCT system for the 2002-2003 biennium.

Fee Income

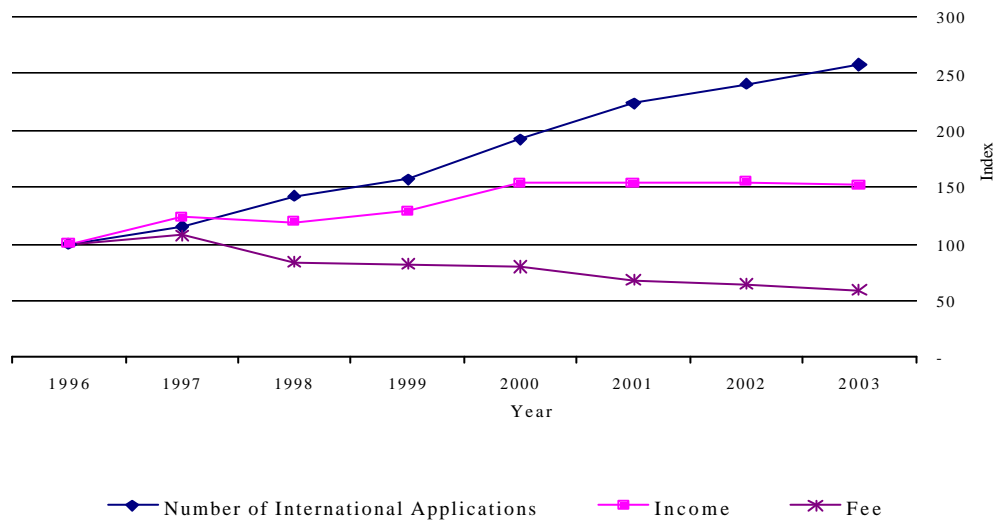
349. Fee income for the 2000-2001 biennium was budgeted at Sfr298,510,000. Actual income in 2000 was Sfr189,556,000, which is significantly higher than the corresponding initial target for 2000, because of: (i) a higher than anticipated number of international applications and (ii) a higher than anticipated average fee (see paragraph 344 above). Further to the revision of targets for international applications and the approved additional reduction in fees for 2001, it is anticipated that fee income in 2001 will be Sfr189,252,000.

350. For the 2002-2003 biennium, it is anticipated that subsequent fee reductions will offset the anticipated growth in applications, with fee income for 2002-2003 being similar to the 2000-2001 revised level. The evolution of fee income (figures in thousands of Swiss francs) is shown below:

Year	1996	1997	1998	1999	2000	2001	2002	2003
Fee Income	123,578	152,302	147,015	159,056	189,556	189,252	191,116	187,575
% Change	n/a	23%	-3%	8%	19%	0%	1%	-2%

351. The graph below shows the evolution of PCT International Applications, fees, and total income (as an index, 1996=100).

Table 18. PCT System: Index Comparison of Number of International Applications, Income and Fees



Madrid System: Registrations and Renewals, Fees and Fee Income

352. Income from Madrid fees is expected to be Sfr55,143,000 in the 2002-2003 biennium resulting from an anticipated 68,000 applications for registrations and renewals. It is noted that the number of registrations and renewals actually recorded could be some 66,000 for the given number of applications. The average fee (computed on applications effectively recorded) is anticipated at Sfr836. These figures compare with an expected income of Sfr51,307,000 for the 2000-2001 biennium. This income takes into account a new estimate of 61,400 registrations and renewals recorded for the biennium (some 63,800 applications for registrations and renewals) and an average fee of Sfr836 (initial target of Sfr883) for applications effectively recorded.

Registrations and Renewals

353. The number of applications for registrations and renewals projected for 2003 (34,500) is 10 per cent higher than the number of applications for registrations and renewals in 2000 and more than 15 per cent higher than the number of registrations and renewals recorded in 2000. This projection represents 150 per cent of registrations and renewals actually recorded in 1996. Projections for the next biennium have taken into account growth of the Madrid system in recent years, although no impact has been forecasted for possible future accessions to the system. The number of applications for registration and renewals for the 1996-2003 period is shown below:

Year	1996	1997	1998	1999	2000	2001	2002	2003
Reg. and Ren.	23,179	23,934	26,195	26,202	31,314	32,500	33,500	34,500
% Change	n/a	3%	9%	0%	20%	4%	3%	3%

Fees

354. No changes are proposed in the current schedule of fees for the Madrid system in the next biennium. The average fee payable to the International Bureau for the 2000-2001 biennium was estimated at Sfr883, equal to the actual average fee in 1998. The actual fee in 2000 turned out to be Sfr843, the main reason for the discrepancy being the lower number of transfers and territorial extensions requested, on average, for each registration processed. The average fee payable to the International Bureau per registration or renewal recorded is expected to be Sfr836 in both 2000-2001 and 2002-2003. It should be noted that the Assembly of the Madrid Union in 1996 (see MM/A/XXVII/4, paragraph 65 and Annex II) adopted a major revision of the fee schedule of the Madrid system, as a result of the reduction of the length of the registration period from 20 to 10 years, with the basic fee being reduced to 75 per cent of its previous value, the surcharge for figurative marks in black and white being eliminated and the surcharge for color marks being reduced to 57 per cent of its previous value. The evolution of average fees under the Madrid System is shown below:

Year	1996	1997	1998	1999	2000	2001	2002	2003
Average	1,065	900	883	877	843	830	836	836
% Change	n/a	-15%	-2%	-1%	-4%	-1%	1%	0%

Fee Income

355. Fee income for the 2000-2001 biennium was budgeted at Sfr46,862,000. Actual fee income in 2000 was Sfr25,141,000, with part of the unanticipated growth in registrations offset by lower unit income. It is now anticipated that fee income in 2001 will be Sfr26,166,000, resulting from a revised level of 32,500 applications for registrations and renewals.

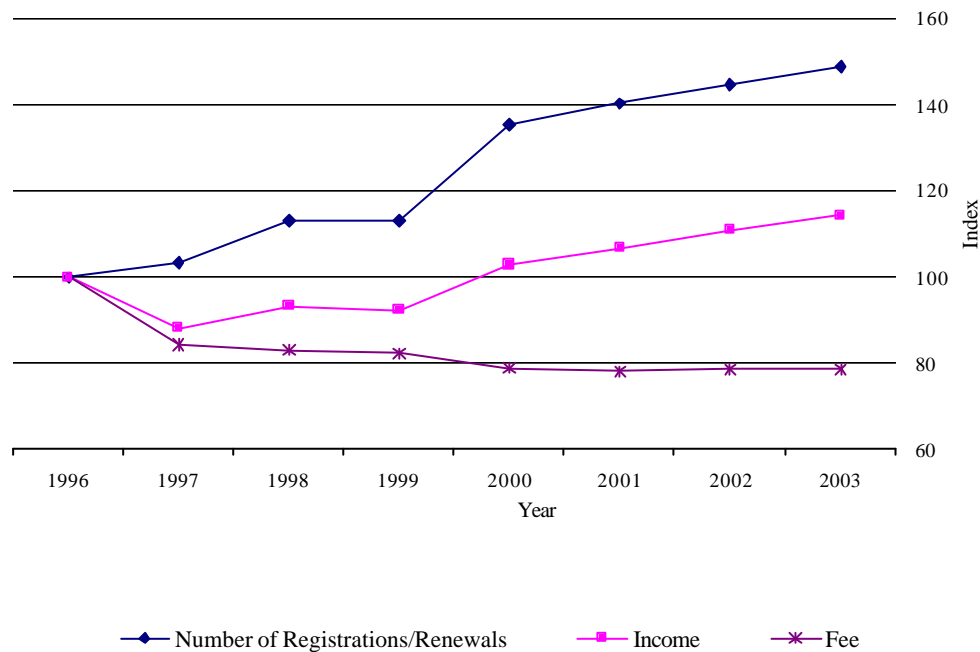
356. For the 2002-2003 biennium, it is anticipated that the average fee payable to the International Bureau would remain as in 2000-2001, translating additional registrations into

income growth. Fee income beyond the next biennium could be adjusted as a result of new developments in the Madrid system, in particular the accession of new Member States to the treaty, the growth in renewals after the completion of a 10-year cycle, and a review of the schedule of fees in accordance with the impact of the factors signaled above. The evolution of fee income (figures in thousands of Swiss francs) is shown below:

Year	1996	1997	1998	1999	2000	2001	2002	2003
Fee Income	24,491	21,596	22,805	22,622	25,141	26,166	27,166	27,977
% Change	n/a	-12%	6%	-1%	11%	4%	4%	3%

357. The graph below shows the evolution of registrations and renewals, recorded fees, and total income (as an index, 1996=100).

Table 19. Madrid System: Index Comparison of Number of Registrations/Renewals, Income and Fees



Hague System: Deposits and Renewals, Fees and Fee Income

358. Income from Hague system fees is expected to be Sfr10,179,000 in the 2002-2003 biennium, resulting from an anticipated 16,100 applications for deposits and renewals, with an average fee of Sfr632. These figures compare with an expected income of Sfr10,467,000 for the 2000-2001 biennium. This income takes into account a new target of 14,900 deposits and

renewals recorded for the biennium (initial target of 14,000) and an average fee of Sfr702 (initial target of Sfr660) per deposit.

Deposits and Renewals

359. The number of applications for deposits and renewals projected for 2003 (8,200) is 12 per cent higher than the number of applications for deposits and renewals in 2000. This projection represents 141 per cent of deposits and renewals recorded in 1996. Projections for the next biennium have taken into account growth of the Hague system in recent years although no forecast has been made on future accessions to the Hague Agreement. The evolution of deposits and renewals for the period 1996-2003 is shown below:

Year	1996	1997	1998	1999	2000	2001	2002	2003
Dep. and Ren.	5,828	6,223	6,466	6,752	7,300	7,600	7,900	8,200
% Change	n/a	7%	4%	4%	8%	4%	4%	4%

Fees

360. It is proposed that publication fees in the Hague system be revised, resulting in an estimated 10 per cent reduction in the average fee. A detailed proposal on a new method for calculating the publication fee (which will result in substantial fee reductions) will be presented to the next Assembly of the Hague Union in September 2001. The average fee payable to the International Bureau for the 2000-2001 biennium was estimated at Sfr660, calculated on the basis of the actual fee in 1998 (Sfr732) less 10 per cent taking into account an approved reduction in publication fees, effective January 1, 1999. The actual average fee in 2000 turned out to be Sfr705, the main reason for the discrepancy being a higher use by applicants of color publications. The average fee payable to the International Bureau is now anticipated at Sfr702 in 2000-2001 and Sfr632 in 2002-2003. The evolution of the average fee payable to the International Bureau under the Hague System is shown below:

Year	1996	1997	1998	1999	2000	2001	2002	2003
Average	744	747	732	690	705	700	632	632
% Change	n/a	0%	-2%	-6%	2%	-1%	-10%	0%

Fee Income

361. Fee income for the 2000-2001 biennium was budgeted as Sfr9,240,000. Actual fee income in 2000 was Sfr5,147,000 due to a higher than anticipated number of applications and level of unit income. It is now projected that fee income in 2001 will be Sfr5,320,000 at a revised level of 7,600 applications for deposits and renewals.

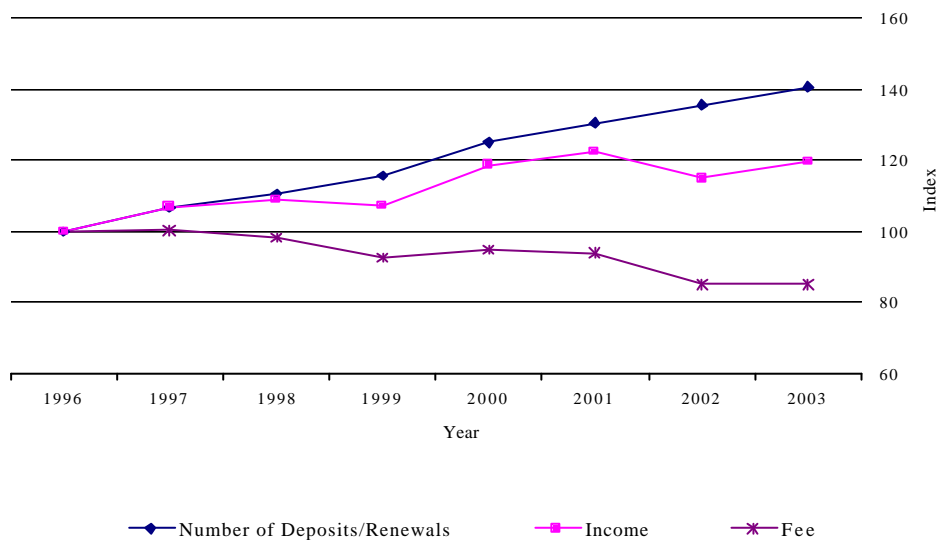
362. For the 2002-2003 biennium, it is anticipated that the average fee payable to the International Bureau would decrease by some 10 per cent, income reduction being partly

offset by growth in the number of deposits. Fee income beyond the next biennium could be adjusted as a result of new developments in the Hague system, in particular the accession of new Member States to the Agreement. The evolution of fee income (figures in thousands of Swiss francs) is shown below:

Year	1996	1997	1998	1999	2000	2001	2002	2003
Fee Income	4,334	4,647	4,733	4,661	5,147	5,320	4,995	5,184
% Change	N/a	7%	2%	-2%	10%	3%	-6%	4%

363. The graph below shows the evolution of registrations and renewals recorded, fees, and total income (as an index, 1996=100).

Table 20. Hague System: Index Comparison of Number of Deposits/Renewals, Income and Fees



Arbitration and Mediation System: Filings, Fees and Fee Income

364. Income from Arbitration and Mediation filings is expected to be Sfr11,390,000 in the 2002-2003 biennium, with 6,700 filings of on-line domain name disputes anticipated for the next biennium, at an average fee of Sfr1,700. These figures compare with an expected income of Sfr3,286,000 for the 2000-2001 biennium. This income takes into account a revised target of 4,500 filings during the present biennium (initial target of 1,200) and an average fee of Sfr737 (initial target of Sfr417) per filing.

Filings

365. The number of filings of on-line dispute resolution cases projected for 2003 (3,600) is 94 per cent higher than the number of filings in 2000. No prior experience on filings existed as the new system has recently been established. Projections for the next biennium have been made on the basis of current monthly growth, but they are considered as highly volatile since the system has been operating only for a short period. The table below shows the evolution of filings for the period 1996-2003.

Year	1996	1997	1998	1999	2000	2001	2002	2003
Filings	n/a	n/a	n/a	1	1,857	2,600	3,100	3,600
% Change	n/a	n/a	n/a	n/a	n/a	40%	19%	16%

Fees

366. It is proposed that the filing fee payable to the International Bureau during next biennium is US dollars 1,000 (approximately Sfr1,700). The budgeted fee payable to the International Bureau for the 2000-2001 biennium was at US dollars 250 (some Sfr417). The actual fee in 2000 turned out to be at Sfr579, as a result of the increase from US dollars 250 to US dollars 500 in August 2000. Average fee payable to the International Bureau per filing is expected to be at Sfr850 in 2001, yielding an average of Sfr737 for the biennium and Sfr1,700 for the period 2002-2003. These fee adjustments are required to bring revenues into line with operating costs, so that the on-line dispute resolution system can function on a cost-recovery basis after its start-up phase. The evolution of the average fee payable to the International Bureau for on-line dispute resolutions services is shown below:

Year	1996	1997	1998	1999	2000	2001	2002	2003
Average	n/a	N/a	n/a	398	579	850	1,700	1,700
% Change	n/a	N/a	n/a	n/a	46%	47%	100%	0%

Fee Income

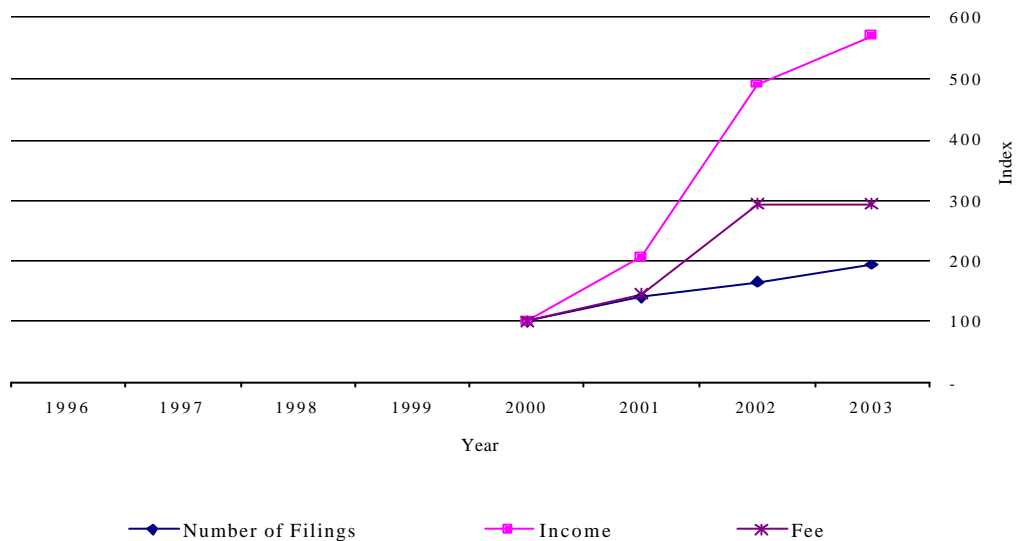
367. Fee income for the 2000-2001 biennium was estimated at Sfr500,000. Actual fee income in 2000 was Sfr1,076,000 due to a higher than anticipated number of filings and level of unit income. Fee income in 2001 is now estimated at Sfr2,210,000 with a revised number of 2,600 filings for on-line dispute resolution cases.

368. For the 2002-2003 biennium, it is anticipated that fee income would increase to Sfr11,390,000 following the proposed increase in fees and the anticipated growth in filings. Fee income beyond next biennium would have to be reviewed in light of the experience during this and the next biennium, and developments in top-level domains. The evolution of fee income (figures in thousands of Swiss francs) is shown below:

Year	1996	1997	1998	1999	2000	2001	2002	2003
Fee income	n/a	N/a	n/a	0	1,076	2,210	5,270	6,120
% Change	n/a	N/a	n/a	n/a	n/a	105%	138%	16%

369. The graph below shows the evolution of filings, fees, and fee income (as an index, 1996=100).

Table 21. On-line Dispute Resolution System: Index Comparison of Number of Filings, Income and Fees



Publications Income

370. Publications income is anticipated at Sfr10,138,000 for the 2002-2003 biennium. This figure is lower than the revised target for 2000-2001 (Sfr11,038,000), further to an actual publications income of Sfr4,605,000 in 2000. These figures compare to a budgeted income for 2000-2001 of Sfr11,221,000.

371. It is anticipated that this biennium actual income will be lower than budgeted, mainly because of lower sales of PCT published products (PCT Guides, Newsletter, Espace). Furthermore, with the expansion of WIPO's Internet web site and the reduction in the use of traditional paper publications, it is assumed that the decrease will continue in 2002-2003.

372. Concerning pricing of publications, it is essentially stable as WIPO publication products are priced such that sales revenue is sufficient to recover the direct cost of producing the publication, while wide dissemination of WIPO's published material can be achieved in order to help in the demystification of intellectual property.

Interest Income

373. Interest income is anticipated at Sfr23,100,000 for the 2002-2003 biennium. This figure compares with a revised target of Sfr28,700,000 for 2000-2001, with actual income in 2000 amounting to Sfr13,536,058.

Interest Income in the 2000-2001 biennium

374. Interest income in 2000-2001 was budgeted at Sfr3,606,000. This budget was prepared on the hypothesis that the interest rate would be 2.5 per cent during the period, and that interest earned by Special Reserve Funds would be credited to the Special Reserve Fund (SRF). The anticipated sources of interest income to the regular budget were consequently the reserves and working capital funds of the unions, after adjusting for transfers from the Unions to the Special Reserve Fund. With the discontinuation of the SRF, interest income to be earned by it in the amount of Sfr18,700,000 is integrated into the initial budget, raising the integrated initial budget to Sfr22,306,000 (see Table 16, above).

375. These changes in policy had the effect of increasing the base on which interest is earned in the regular budget. Additional surpluses generated by higher levels of registrations increase interest earnings further. Finally, actual interest rates for 2000 have been in the range of 3.75 per cent, higher than the 2.5 per cent rate initially anticipated. All in all, revised interest income for the 2000-2001 period is now anticipated at Sfr28,700,000 or Sfr6,394,000 higher than the integrated initial income for that biennium. Actual interest income for 2000 amounted to Sfr13,536,058. The proportion of this income which would have been attributed to the Special Reserve Fund will be credited to the reserve of the respective Union in accordance with its share of funding of the Special Reserve Fund (see paragraphs 67 and 71 of document A/35/6). The rest of interest income will be distributed to the Unions in proportion of their average level of reserves, working capital funds and other cash balances (either positive or negative) during the period.

Interest Income in the 2002-2003 biennium

376. Interest income for the 2002-2003 biennium is estimated at Sfr23,100,000 on the basis of an interest rate of 3.75 per cent. The decrease is justified because of additional withdrawals for SRF/Surplus financed projects, beyond the anticipated surplus for next biennium. Interest income will be distributed to the Unions as described in the preceding paragraph.

Rental income

377. Rental income is anticipated at Sfr1,458,000 for the 2002-2003 biennium. This figure compares to Sfr1,634,000 as revised target for 2000-2001, further to an actual rental income of Sfr1,095,000 in 2000. This figures compare to a budgeted income for 2000-2001 of Sfr1,356,000.

378. It is anticipated that actual income this biennium will be higher than budgeted, mainly because of regularization of rental earnings from previous periods and higher revenues from rental of parking spaces to staff. For the 2002-2003 biennium, rental income is expected to be lower than the current biennium's estimate, with no exceptional income anticipated, and UPOV rental expenses being included in the UPOV contribution to WIPO.

UPOV Reimbursement

379. UPOV reimbursement to WIPO is anticipated at Sfr1,600,000. No changes are expected with respect to the 2000-2001 budgeted amount.

Other Income

380. Other income is anticipated at Sfr5,500,000 for the 2002-2003 biennium. This figure compares to Sfr4,151,000 as revised target for 2000-2001, further to an actual income of Sfr2,111,000 in 2000. This figures compare to a budgeted income for 2000-2001 of Sfr1,936,000.

381. Estimated income for 2000-2001 exceeds the budget projection mainly because of higher income from symposia organized by the Arbitration and Mediation Center, income gains due to exchange rate variations and higher reimbursements from airlines. For 2002-2003 some more increases are expected, particularly on fees from Symposia.

ANNEX 1 MAJOR INFORMATION TECHNOLOGY ACTIVITIES (TIMELINES, MILESTONES AND LONG-TERM IMPLICATIONS)

382. Main Program 15 includes proposals for five major information technology (IT) activities in the biennium. (see subprograms 15.3 through 15.7). This Annex provides additional information on those activities, including timelines, major milestones and long-term budgetary implications.

WIPONET

383. In March 1998, the WIPO General Assembly approved the establishment of a Global Information Network for intellectual property Offices (IPOs), which gave the foundation for the creation of WIPONET. The objective of WIPONet is to provide the necessary network infrastructure and services for improved information exchange among the global intellectual property community. To enable the International Bureau to implement this sub-program, the Program and Budget Committee approved an amount of Sfr28,220,000 to be spent from the Special Reserve Fund.

384. The quotations submitted by bidders against the WIPONet Request for Proposal (RFP), issued in February 1999, revealed that the installation and recurring costs of the system were substantially higher than anticipated and exceeded the approved budget. Accordingly, the International Bureau revised the scope of this initiative and issued an amendment to the RFP. The revised scope comprised certain modifications to the technical specifications, a revised deployment strategy; and a phased implementation plan to reduce the implementation and operational costs. These changes were approved by the Standing Committee on Information Technologies (SCIT) at its fourth Plenary session in December 1999.

385. The rescoping of the technical specifications of WIPONet eliminated the Virtual Private Network (VPN) component and reduced bandwidth and time allocation of IPO connectivity. The WIPONET Project was conceptually split in to two components. The first, the establishment of a central facility, called the WIPONet Center, which will provide a wide range of electronic information services to all intellectual property Offices via the Internet. The second, to provide basic computer hardware, software, Internet connectivity and training, referred to as the WIPONET Kit, to those IPOs where the necessary infrastructure to access the WIPONet Center does not exist.

386. The WIPONET Center is being established at the headquarters of WIPO in Geneva. All intellectual property Offices (IPOs), already connected to the Internet or to be connected as part of the WIPONET Project will have access to the online information exchange services provided by the WIPONET Center.

387. In providing the WIPONET Kit to IPOs, the revised implementation plan takes into account whether or not an Intellectual Property Office has Internet connectivity. Out of a total of 320 IPOs 166 already have Internet connectivity. The remaining 154 IPOs will be provided Internet connectivity through WIPONET.

388. In accordance with the phased implementation plan the establishment of WIPONET will primarily be achieved in two phases. In Phase I the WIPONET Center will be established and equipment deployment, training, and Internet connectivity (the WIPOnet Kit) will be provided to approximately 66 IPOs. The remaining 88 IPOs will be provided the WIPONET Kit during Phase II.

389. Concerning budgetary appropriations for the project, the 2002-2003 program and budget proposes Sfr29,300,000 (both staff and non-staff). The allocation initially approved for 2000-2001 for the WIPONET sub-program 12.1 under the Special Reserve Fund was Sfr28,220,000 for non-staff costs. This amount was increased by a reappropriated amount for non-staff costs also from the Special Reserve Fund of Sfr15,326,000. Staff costs in 2000-2001 were included in the regular budget allocation for Information Technology. WIPONET expenditures in 1998-1999 reached Sfr9,622,000 and were financed by the Special Reserve Fund. The estimated WIPONET operational expenditure for 2004-2005 is placed under the regular budget according to the new consolidated presentation, amounting to Sfr24,600,000.

390. In the 2004-2005 biennium, WIPONET is expected to be fully operational. A breakdown of the financial resources needed to complete the project, as well as the projected financial implications of running the network in the 2004-2005 biennium is given below:

WIPONET Costs
(in thousands of Swiss francs)

Project	2000-2001 Revised Budget			2002-2003 Proposed Budget			2004-2005 Estimate		
	Staff	Non-Staff	Total	Staff	Non-Staff	Total	Staff	Non-Staff	Total
WIPONET	--	43,546	43,546	402	4,766	5,168	--	--	--
WIPONET start-up	--	--	--	2,340	21,792	24,132	2,340	22,260	24,600
Total	--	43,546	43,546	2,742	26,558	29,300	2,340	22,260	24,600

391. Once WIPONET becomes operational as a system, it will provide online information exchange services such as secure electronic mail, secure exchange of intellectual property data, hosting of IPOs' web sites, secure conferencing services and directory services (e.g., directory of WIPOnet Registered Users). In addition, intellectual property information will be accessible through it. This IP information will include the WIPO site, IPOs sites and distance learning programs from the World Wide Academy.

IMPACT

392. IMPACT is required for two reasons. One, it will allow the OPCT to use modern document management methods in its efforts to cope with the ever-increasing volume of applications. Two, it will allow PCT to keep up with changes in its environment which are making it possible to exchange documents in electronic form and have thus created a demand from the OPCT's users and counterparts to be able to use this technology in the dealings with PCT. IMPACT is expected to streamline and automate significantly PCT operations, in particular current tasks related to data entry and publication of applications, leading to a reduction in staffing needs by 20 percent for the same volume of applications. Once work practices under the automated system will be better defined it will be possible to improve on the estimated impact of IMPACT.

393. Recognizing the need to tackle the growing complexity of manual procedures, the General Assemblies in 1998 authorized the expenditure of 40 million Swiss francs to establish a computerized document management and workflow system for the PCT to be financed from the Special Reserve Fund. This system will be designed to meet the business requirements of the Office of the PCT in the processing of PCT applications, whether in paper or electronic format. Under this budget authority, Sfr1,471,000 were spent during 1998-1999. An amount of Sfr21,882,000 is anticipated to be spent during 2000-2001 from the Special Reserve Fund, leaving Sfr16,647,000 to be spent in 2002-2003. Because of the consolidated presentation, this amount for 2002-2003 will be part of the regular budget proposal for the IMPACT subprogram 15.4. Additional Sfr22,200,000 are requested in 2002-2003 for the deployment of the new system, including the costs of training and reorganization, as well as its operations during the lifetime of the project. Planned expenditures for 2004-2005 in the amount of Sfr13,000,000 are also placed under the regular budget.

394. A breakdown of the financial resources needed to complete the development of IMPACT, as distinct from those funds needed to support the start-up components of the system during the 2002-2003 and subsequent biennia is given below. These costs include sufficient funds for the staff required to support and further develop the IMPACT system. This approach will assist WIPO in substantially reducing the long-term operational costs, whilst offering an opportunity to retain the knowledge and skills acquired during IMPACT development by WIPO.

IMPACT Costs (in thousands of Swiss francs)

<i>Project</i>	<i>2000-2001 Revised Budget</i>			<i>2002-2003 Proposed Budget</i>			<i>2004-2005 Estimate</i>		
	<i>Staff</i>	<i>Non-Staff</i>	<i>Total</i>	<i>Staff</i>	<i>Non-Staff</i>	<i>Total</i>	<i>Staff</i>	<i>Non-Staff</i>	<i>Total</i>
IMPACT	1,042	20,840	21,882	3,496	15,605	19,101	--	--	--
IMPACT start-up	--	--	--	2,132	17,614	19,746	3,000	10,000	13,000
Total	1,042	20,840	21,882	5,628	33,219	38,847	3,000	10,000	13,000

395. After an international RFP in 1999, the International Bureau selected a consortium to develop such a system under the overall direction of a dedicated team established for this purpose at WIPO. Work on IMPACT began in January 2000 and the first deliverable being the communication on request subsystem the first component of which will be deployed August 2001 and which will be fully operational by the end of the first quarter of 2002. Phase II and III, i.e. the International Bureau system and the Receiving Office/ IB, are expected to start being deployed in December 2002, and become fully operational during 2003 with limited post-implementation activity planned for the second half of 2003. The operational system will be taken over and maintained by the IT Services Division.

396. The architecture of the system includes a main computer and workstations for each PCT employee. The main tasks to be conducted would include the examination, translation and publication of the application. At a later stage the system should be linked to the financial system to control payments and externally will be linked to IPOs through WIPONET for data exchange, including communications on request and other data on applications.

PCT Electronic-filing

397. The objectives of this activity are to adopt a standard for the electronic-filing and processing of international applications, and to develop a system for the electronic-filing of international applications based on the present software PCT-EASY (Electronic Application SYstem). PCT-EASY is a software designed to facilitate the preparation of international applications in electronic form. There has already been significant work towards making electronic-filing possible with the implementation of the PCT-EASY software. In its current capacity to assist in the preparation of international applications on paper with an accompanying floppy diskette, the software has proved highly successful, with over 27 per cent of PCT filings during 2000 being prepared using PCT-EASY (a total of 24,882 international applications). This suggests that further development into a fully electronic-filing solution will be an acceptable and attractive option for PCT users.

398. In addition to PCT-EASY, several Offices have created pilot and production systems designed to exchange and process electronic patent application documents and data. The International Bureau is also developing such a system under IMPACT. As such, the standard for the electronic-filing and processing of international applications is an important step to assure future interoperability and data conformance among Offices, applicants and the International Bureau.

399. The PCT electronic-filing activities are divided into Step 1 (PCT E-filing Pilot) and Step 2 (PCT E-filing Implementation). Step 1 (PCT E-filing Pilot) will progress through three build cycles—prototype, beta and pilot—for each of the following four components:

- ◆ Extended PCT-EASY software capable of preparing and submitting international applications electronically. This and all subsequent components will conform with the

standard for the electronic-filing and processing of international applications, including the principles of electronic records management contained in that standard;

- ◆ The International Bureau as receiving Office (RO/IB) server software that can receive international applications filed electronically by applicants;
- ◆ A Public Key Infrastructure (PKI)¹ for the International Bureau that can administer the assignment and validation of low-level digital certificates for applicants who use the PCT electronic-filing system;
- ◆ A secure pilot database that allows for simple storage, retrieval and printing of the electronic version of international applications received by the RO/IB during the pilot.

400. In addition, Step 1 will include the finalization of a system requirements document and a scope definition document, and the preparation of a Document Type Definition (DTD) in eXtensible Mark-up Language (XML) for the international application, which will form the basis of an inventory of tags.

401. Step 2 (PCT E-filing Implementation) will similarly progress through three build cycles—prototype, beta and pilot—for the following two components, based on the components previously developed in Step 1:

- ◆ The RO/IB server software will be further developed to make it available, as RO server software, to other receiving Offices for deployment in their IT environments;
- ◆ PCT-EASY for enterprises (the PCT-EASY software will be developed into a product which can be deployed and integrated into an enterprise's IT environment).

402. Step 2 will also include the implementation of additional functionality into the pilot versions of the components produced in Step 1, such as PKI's extension to limited interoperability of digital certificates, depending on the results of further consultations with Contracting States and PCT users. DTDs in XML for other documents than those covered by Step 1 will be developed, depending on the requirements of IMPACT, of Contracting States and of PCT users.

403. In addition to the two steps summarized above, the PCT electronic-filing service will include the implementation of a Help desk infrastructure at the International Bureau, as well as the integration of customized services for the PCT electronic-filing system into the International Bureau's Help desk services. Since complex software for both applicants and Offices will be delivered, and there is a strong requirement for reliably and consistently upholding applicants' rights, Help desk services to PCT applicants and Offices will be critical to the success of the system. There is currently no Help desk infrastructure at the International Bureau, thus it is envisaged that this requirement will initiate the implementation of such an infrastructure with a view to it being expandable to other areas in the International Bureau, such as IMPACT.

¹ PKI provides a suite of services integral to information systems for processing sensitive information. Through digital signatures and encryption, PKI provides authentication, data integrity, non-repudiation, and confidentiality.

404. The enterprise version of PCT-EASY will be offered to applicants, providing them with the possibility of integrating PCT-EASY software into their own IT environment. Likewise, software for the reception of electronically-filed international applications will be made available to receiving Offices, thus enabling even small Offices to participate in electronic-filing. This initiative is in accordance with the agreement made during the Diplomatic Conference for the Adoption of the Patent Law Treaty, May 11 to June 2, 2000, for:

“...the General Assembly of the World Intellectual Property Organization (WIPO) and the Contracting Parties to provide the developing and least developed countries and countries in transition with additional technical assistance to meet their obligations under this Treaty, even before the entry into force of the Treaty” (see document PT/DC/47, Agreed statements, paragraph 4).

405. Since one of the major benefits of electronic-filing is a reduction in costs for the offices involved, applicants may also benefit from reductions in fees.

406. The development of the system is expected to take three to four years. On the basis of the analysis made by the International Bureau in consultation with other Offices which already implemented similar systems, the resources required for the activity are presented below.

PCT E-filing Project Costs
(in thousands of Swiss francs)

<i>Project</i>	<i>2000-2001 Revised Budget</i>			<i>2002-2003 Proposed Budget</i>			<i>2004-2005 Estimate</i>		
	<i>Staff</i>	<i>Non-Staff</i>	<i>Total</i>	<i>Staff</i>	<i>Non-Staff</i>	<i>Total</i>	<i>Staff</i>	<i>Non-Staff</i>	<i>Total</i>
PCT E-Filing	--	--	--	1,760	16,540	18,300	--	1,000	1,000

407. The budget estimate is in line with similar electronic-filing initiatives in other IPOs which are known to the International Bureau. When funding for IMPACT was initiated in March 1998, the estimates for the electronic-filing component of that initiative were based on a study carried out in 1997 by the consultants Deloitte & Touche Consulting/Praxis plc (see document A/32/5). In that study, the estimate for the cost of the electronic-filing component was 2,845,809 Swiss francs. That figure has already been allocated under the IMPACT Project into activities associated with the PCT electronic-filing, including the development of the Quality Procedures to be used the integration of the IMPACT receiving Office database with the electronic-filing server software, dependency management, resource sharing (secretarial staff, Documentum experts, XML experts), quality assurance of the conformance to the standard for electronic-filing and processing of international applications, shared security policy formulation and various business analysis and change management activities for RO/IB (Receiving Office/International Bureau) under electronic-filing.

408. Following consultations with PCT Contracting States and other interested parties over the course of the year 2000, it has become apparent that the solutions required for electronic-filing are far more complex than those proposed in the Deloitte & Touche Consulting/Praxis study. For example, there is now a requirement for substantial investment in the area of security including PKI developments and services. In addition, the reduction in services provided by WIPONET (see document SCIT/WG/2/2, paragraph 13) has led to an increase in the costs involved in developing the server software to be made available to PCT receiving Offices.

409. It is intended to build a core team made up of a mixture of International Bureau staff members and internal and external consultants. This team will be responsible for developing the standard for the electronic-filing and processing of international applications, and for activities including project management, specification of system requirements, contract management, verification and validation of third party deliverables (such as software) and the deployment of the various software products. The enhancement of PCT-EASY and other software developments such as the construction of server software will be outsourced to third party developers. Provision has also been made to support and further develop PCT E-filing in the longer term.

410. Towards the conclusion of the deployment, the deliverables coming out of the PCT electronic-filing system will be in operation and stable. Costs associated with operational electronic-filing activities (including items such as hardware leases and upgrades, software and support licenses and operations staff) are included in the table above, for the 2004-2005 biennium.

CLAIMS

411. CLAIMS (Classification Automated Information System) was first presented to Member States in chapter 12 of WIPO's IT Strategic Implementation Plan (document SCIT/4/2), which was adopted by the SCIT Plenary at its fourth session in December 1999. Since that date, some adjustments have been made to the scope to take account of the progress of international patent classification (IPC) reform and technical and software developments.

412. Carrying out the proposal is necessary for elaboration of automated tools supporting IPC reform. This work is scheduled for completion in the 2002-2003 biennium. The IPC reform program, approved by the Committee of Experts of the IPC Union, includes two tasks to be covered by CLAIMS:

- ◆ Task No. 12 Study automated classification and indexing tools and conduct pilot projects on their use, in particular for the reclassification of backlog files; and
- ◆ Task No. 16 Study ways and means for the establishment of the French version of the advanced level of the IPC.

413. The CLAIMS Project has a number of benefits, particularly for small IPOs and users of patent information made available on the Internet. Assisted by the most recent IT classification tools, those users will receive improved and cost-efficient access to the patent documentation. The reformed IPC will facilitate the use and search of the minimum documentation, which is defined under PCT as the essential patent documents to search for the patent examination of PCT applications.

414. The proposal will be undertaken by taking steps as follows:

(a) Automated Classification

- ◆ Setting-up the Master Classification Database in cooperation with the Trilateral Offices (EPO, JPO and USPTO).
- ◆ Providing links from the web-based version of IPC generated from the management system within the International Bureau to the new database.
- ◆ Linking the core and advanced levels of the reformed IPC to the database.
- ◆ Developing tools to use patent family information in the database.
- ◆ Testing of tools for automatic categorization, classification and re-classification of patent documents.

(b) Automated Translation

- ◆ Off-line local tests with selected machine translation software.
- ◆ Overview of translation-related problems of IPC.
- ◆ Computer-aided checking and analysis of the evolution of the IPC vocabulary.
- ◆ Build-up of a special IPC vocabulary.
- ◆ Implementation of a server-based translation support system.
- ◆ Automatic translation of entries in cases of re-use of terminology from the IPC vocabulary.
- ◆ Automatic translation of entries and submission for human checking.

415. On the basis of the analysis made by the International Bureau, in consultation with other Offices which already implemented similar systems, the resources required for this activity are presented below. These include the necessary staffing to support and further develop CLAIMS in the longer term.

CLAIMS Costs
(in thousands of Swiss francs)

<i>Project</i>	<i>2000-2001 Revised Budget</i>			<i>2002-2003 Proposed Budget</i>			<i>2004-2005 Estimate</i>		
	<i>Staff</i>	<i>Non-Staff</i>	<i>Total</i>	<i>Staff</i>	<i>Non-Staff</i>	<i>Total</i>	<i>Staff</i>	<i>Non-Staff</i>	<i>Total</i>
CLAIMS	--	--	--	734	2,466	3,200	--	--	--

AIMS

416. At its fifth Plenary session in July 2000, the SCIT approved in principle a proposal contained in document SCIT/5/6 for the need for an up-to-date IT infrastructure to support the changes underway in WIPO to increase transparency and accountability. The document highlighted the need for a rapid replacement of the existing finance system, FINAUT, with a new central financial accounting and budgetary control system able to support the way the Organization wished to manage and present its financial and management data, and to accommodate the tremendous growth in financial transactions which has taken place during the sixteen years that FINAUT has existed.

417. With regard to the area of Finance, the new system will support the accounting structures of the different legal entities for which the Finance Division has responsibility: WIPO, UPOV, Funds-in-Trust (FIT), UNDP, and the Closed Pension Fund. For each of these areas the system functionality will cover: expenditure (staff and non-staff, including automatic comparison of payables with commitments and subsequent liquidation of commitments), income, profit and loss, trial balances (being roughly the combination of expenditure, income, and profit and loss), balance sheet (assets and liabilities accounting), bank and supplier and other automatic reconciliations, Treasury, audit requirements and the production of financial reports and statistics.

418. In addition to the Finance Division, other users require access to financial management reporting. Two main functions performed by the Office of the Controller need IT support. These are formulation of the staff/manpower and non-staff expenditure budget, and the monitoring of the staff/manpower and non-staff expenditure budget. At this stage, only the monitoring function is included in the scope of the AIMS Project. Individual Program Managers require an on-line facility for the monitoring of committed and actual expenditure (staff and non-staff) against the budget and the ability to drill down to individual transactions, as appropriate; the availability of drill down facility to individual transactions for staff costs will depend on the software solution selected.

419. Finally, the existing interfaces with the current FINAUT system will need to be maintained. Automated interfaces which currently exist to the FINAUT system will be upgraded for the new system, for example, the PCT System, the Madrid and The Hague systems (MAPS/DMAPS), and payroll. Existing manual interfaces will continue for Procurement and Contracts Services (PCS), the Cooperation for Development Project

Planning and Monitoring system, the WIPO Arbitration and Mediation Center, Travel and Human Resources.

420. A number of benefits would be realized with the delivery of AIMS. In terms of improvements to current business functions, the processes within the Finance and Budget areas will be streamlined to improve work productivity. Data input will be easier, faster and non-duplicative and data retrieval will benefit from modern data querying tools and the integration of the system with existing WIPO Office software. Requirements from internal and external auditors for transparency in, and security of, financial operations will be addressed, and there will be a huge improvement in the quality and quantity of financial management information available to Program Managers throughout the Organization, thus making it easier for them to monitor their budgets for the projects and activities under their responsibility.

421. Once a reliable finance and budget core system is established, with robust interfaces to existing systems, future system modules may be developed on the same software platform for other administrative services, and for the Cooperation for Development Sector. The high degree of system integration which will result will further improve the Organization's management information and control. The new system will also provide the necessary flexibility to accommodate the changes in Organizational budgetary and accountancy procedures which are impeded by the existing system. Finally, annual maintenance costs for the new system may be expected to diminish, when compared to those for FINAUT.

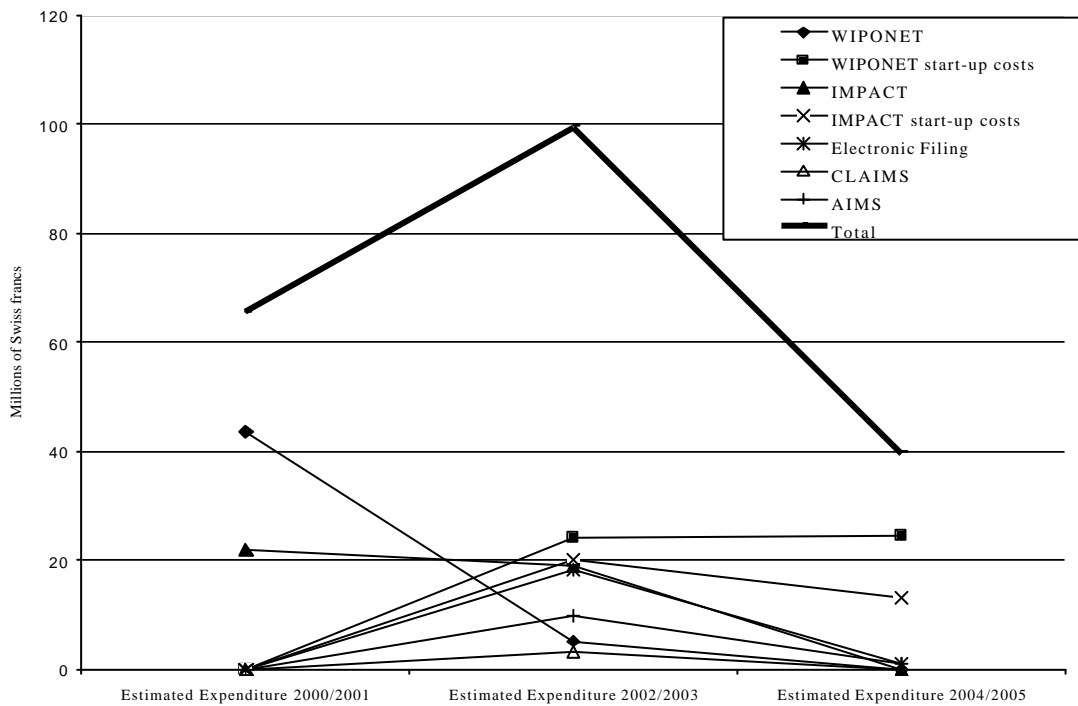
AIMS Costs
(in thousands of Swiss francs)

<i>Project</i>	<i>2000-2001 Revised Budget</i>			<i>2002-2003 Proposed Budget</i>			<i>2004-2005 Estimate</i>		
	<i>Staff</i>	<i>Non-Staff</i>	<i>Total</i>	<i>Staff</i>	<i>Non-Staff</i>	<i>Total</i>	<i>Staff</i>	<i>Non-Staff</i>	<i>Total</i>
AIMS	--	--	--	362	9,538	9,900	--	1,000	1,000

Summary of Information Technology Activities 2000-2005
(in thousands of Swiss francs)

Project	2000-2001 Revised Budget			2002-2003 Proposed Budget			2004-2005 Estimate		
	Staff	Non-Staff	Total	Staff	Non-Staff	Total	Staff	Non-Staff	Total
1. WIPOnet	--	43,546	43,546	402	4,766	5,168	--	--	--
WIPOnet start-up	--	--	--	2,340	21,792	24,132	2,340	22,260	24,600
2. IMPACT	1,042	20,840	21,882	3,496	15,605	19,101	--	--	--
IMPACT start-up	--	--	--	2,132	17,614	19,746	3,000	10,000	13,000
3. PCT E-Filing	--	--	--	1,760	16,540	18,300	--	1,000	1,000
4. CLAIMS	--	--	--	734	2,466	3,200	--	--	--
5. AIMS	--	--	--	362	9,538	9,900	--	1,000	1,000
Total	1,042	64,386	65,428	11,226	88,321	99,547	5,340	34,260	39,600

IT projects six-year expenditure



[Annex 2 follows]

ANNEX 2 WIPO PREMISES PLAN

422. In September 2000, the General Assembly took note of the Premises Plan as presented in document WO/GA/26/8. On the basis of the most recent projections, including trends since 1998, WIPO's requirements for working places and parking spaces for the period 2002 to 2007 have been revised and are presented hereunder as an updated Premises Plan.

423. Revised working place requirements and availability for WIPO are given in Table 22. The requirements include working places for the regular staff, consultants, short-term employees and translators. In addition to the growth in the number of posts proposed in the initial budget, 114 posts were added during the biennium 2000-2001 as a result of applying the flexibility formula. It is noted that certain working places will continue to be reserved for employees of WIPO's contractors (some 30 places), particularly for IT projects, for the duration of the implementation of their respective projects. The updated Premises Plan also took into account office space needs for WIPO offices in Washington D.C. and in Brussels, which are proposed under Sub-program 09.2.

424. The earlier estimates were based on the assumption that working places will grow at an annual rate of 5 per cent. It is felt that this assumption now appears to be too conservative. In fact, the actual growth rate of working places in WIPO has been 11.3 per cent annually for the last five years, and 9.9 per cent annually for the last 10 years (see paragraph 8 of document WO/GA/26/8). There was a significant shortfall in the estimated number of working places for the year 2000 (paragraph 6 of document WO/GA/26/8) compared to the actual number of working places as of August 2000, which reached 1,266 working places. That figure far exceeded the projected 1,017 working places presented in the 1998 premises plan that was estimated on the basis of an annual growth rate of 5 per cent. Obviously, the difference was due to the greater than expected expansion of demand for intellectual property protection. This trend will most likely continue, since the growth in PCT international applications alone, for instance, is already estimated to be 8 per cent and 7 per cent for the year 2002 and 2003, respectively (see Section D). The most recent numbers of budgeted posts in the 2000-2001 initial budget, the 2000-2001 revised budget and the proposed budget for the biennium 2002-2003 are 818, 932 and 1032, respectively (see Tables 7 and 13). Taking this growth into account, as well as the impact of automation projects in 2004 and beyond, working places are projected to increase by 10 per cent annually during 2002 and 2003, no growth in 2004, with growth due to increase in activities being offset by savings due to automation projects, and 3 per cent annually from 2005 and beyond, also taking into account less labor-intensive work processes due to automation.

425. Actual working space requirements in April 2001 amounted to 1,340 places. This figure, which does not include any provisions for reserves, exceeds the forecast for January 2001 of 1,287 places with reserves made in September 2000. On the basis of new growth assumptions, the working place requirements without reserves and provisions for external parties are estimated to increase from 1,474 places in 2002 to 1,621 in 2003. This figure remains stable in 2004. By 2007, the need for 1772 working places is projected. Of the total 1,386 working places available in April 2001, 545 or 39.3 per cent were located in three WIPO-owned buildings and 841 or 60.7 per cent were provided through rented facilities in six

buildings in Geneva and in New York. In 2001, projected rental costs for working places will reach Sfr12.3 million.

426. According to Table 22, a shortage of 103 working places will be experienced in 2002, due partly to a temporary reduction of working places at three WIPO-owned buildings to facilitate works related to the renovation of the ex-WMO building. The situation is projected to improve in 2003 with the completion of the ex-WMO building. This should allow a discontinuation of rentals at Sogival and IBM buildings and a reduction of rented working places at UC building from 175 to 75 places, or a total reduction of rental costs by around Sfr1.7 million. The new construction, slated for completion in 2005, will create 350 more working places (option D). At this time, the rental of the remaining places at UC building could be discontinued resulting in the reduction of rental costs by another Sfr1 million. However, if assumed forecasts materialize, WIPO would face significant shortages in working places starting in 2006-2007. Efforts will be made to accommodate new requirements through either the rationalization of existing space arrangements or rental of additional working places.

427. The parking space requirements and availability for the period from 2000 to 2007 are provided in Table 23. The actual requirements as of April 2001 were estimated at 964 parking spaces, or around 72 per cent of the actual number of working places. Projected rental costs in 2001 for parking spaces are estimated at Sfr1.3 million. Projections of parking space requirements for 2002-2007 are based on the same assumption as the working place requirements, i.e. an increase by 10 per cent annually during 2002-2003, no increase in 2004 and 3 per cent annually from 2005 thereafter. According to Table 23, there is an excess of 82 spaces in April 2001. However, shortages will be experienced up to 2004, partly because of a decrease in the number of parking spaces available in the main building of WIPO due to works on the new construction. In 2005, 450 additional parking spaces will be created as part of the new building complex.

Table 22. Working Place Requirements and Availability

Date	Requirements A	Working place availability																Balance E=D-A	
		B. WIPO-owned facilities						C. Rented facilities											TOTAL D=B+C
		AB	GB I	GB II	xWMO	NB	Total B	P&G	UC	CAM	C	S	IBM	NY	W	B	Total C		
Apr 2001	1,340	270	170	105	--	--	545	426	175	124	55	30	18	11	2		841	1,386	46
Apr 2002	1,474	270	158	100	--	--	528	426	175	124	55	30	18	11	2	2	843	1,371	(103)
Apr 2003	1,621	240	158	100	450	--	948	426	75	124	55	--	--	11	2	2	695	1,643	22
Apr 2004	1,621	270	170	105	450	--	995	426	75	124	55	--	--	11	2	2	695	1,690	69
Apr 2005	1,670	270	170	105	450	350	1,345	426	--	124	55	--	--	11	2	2	620	1,965	295
Apr 2006	1,720	270	170	105	450	350	1,345	--	--	124	55	--	--	11	2	2	194	1,539	(181)
Apr 2007	1,772	270	170	105	450	350	1,345	--	--	124	55	--	--	11	2	2	194	1,689	(233)

AB: Arpad Bogsch, GB I: George Bodenhausen I, GB II: George Bodenhausen II, xWMO: Former WMO Building, NB: New Building under Construction, P&G: Procter and Gamble Building, UC: Union Carbide Building, CAM: CAM Building, C: WIPO Building at the Chambesy, S: WIPO Building at Sogival, IBM: IBM Building, NY: New York Field Office, W: Washington Field Office, B: Brussels Field Office

Table 23. Parking Space Requirements and Availability

Date	Requirements A	Parking place availability															Balance E=D-A	
		B. WIPO-owned facilities						C. Rented facilities										TOTAL D=B+C
		AB	GB I	xWMO	NB	Add	Total B	P&G	UN	UC	CAM	C	S	IBM	Total C			
Apr 2001	964	217	24	--	--	--	241	274	245	79	107	60	37	3	805	1,046	82	
Apr 2002	1,060	217	24	--	--	--	241	274	245	79	107	60	37	3	805	1,046	(14)	
Apr 2003	1,166	150	24	144	--	--	318	274	245	50	107	60	--	--	736	1,054	(112)	
Apr 2004	1,166	150	24	144	--	--	318	274	245	50	107	60	--	--	736	1,054	(112)	
Apr 2005	1,201	150	24	144	250	200	768	274	245	--	107	60	--	--	686	1,454	253	
Apr 2006	1,237	217	24	144	250	200	835	--	245	--	107	60	--	--	412	1,247	10	
Apr 2007	1,275	217	24	144	250	200	835	--	245	--	107	60	--	--	412	1,247	(28)	

AB: Arpad Bogsch, GB I: George Bodenhausen I, GB II: George Bodenhausen II, xWMO: Former WMO Building, NB: New Building under Construction, Add: Additional Parking to be Constructed, P&G: Procter and Gamble Building, UN: Parking de la Place des Nations, UC: Union Carbide Building, CAM: CAM Building, C: WIPO Building at the Chambesy, S: WIPO Building at Sogival, IBM: IBM Building

APPENDIX 1 BUDGET POLICY AND PRESENTATION

428. The description of the budget policy and presentation provides for the codification and clarification of recent budget practice. This is linked to the new and expanded presentation of budgetary information to enhance transparency and support the budget review and approval process by Member States. The following issues are addressed below: A. Single document for budget presentation; B. Calculation of budget stages 2000-2001 and 2002-2003; C. Resource plan 2000-2001 and 2002-2003; D. New arrangement for determining budget allocation by Union; and E. Additional modification of budget presentation.

A. Single document for budget presentation

429. As outlined in paragraphs 76 and 77 of document WO/PBC/3/5, the Program and Budget Committee agreed at its third session that the budget proposals should be presented in a single document, reflecting the structure of the programs and subprograms and distribution of expenditures by Unions and programs proposed in document WO/PBC/3/2 and WO/PBC/3/3, including information technology and premises projects. Agreement was reached following a discussion of the issue and taking into account the explanations provided by the Secretariat on the implications of the change in presentation as recorded in document WO/PBC/3/5. Essentially, the presentation of a single document integrates the project activities previously submitted off-budget into the biennial, results-based budget presentation utilized for the regular budget of WIPO. The single biennial presentation is supplemented and supported by presenting the long-term implications of major budget proposals. This is done in annex 1 (Major information technology activities) and Annex 2 (WIPO premises plan up to 2007).

430. The budget methodology is elaborated in detail in Section B below which describes the calculation of budget stages for 2000-2001 and 2002-2003. Specific reference is made to the integration of project activities previously submitted off-budget in accordance to following steps:

- ◆ Section B, item (ii) *Project integration 2000-2001*: describes integration of approved projects;
- ◆ Section B, item (v) *Revised budget 2000-2001/Revised budget in accordance with program structure 2002-2003*: describes introduction of new sub-programs for project activities;
- ◆ Section B, item (vi) *Project variation 2002-2003*: describes changes in budget allocation of approved projects;
- ◆ Section B, item (vii) *Resource variation 2002-2003*: describes new activities, including those previously submitted as new information technology projects.

431. The presentation of a single budget document is implemented by introducing a number of additional adjustments. This includes the discontinuation of surplus accounts and the presentation of an integrated initial income 2000-2001. These issues are elaborated below. Finally, a summary comparison of key indicators is presented between the previous (separate budget) presentation and the new (single budget) presentation.

(i) Discontinuation of surplus accounts

432. As outlined in paragraphs 60 to 71 of document WO/PBC/2/2, a mechanism has been developed by which surplus is linked with the biennial budget process for each Union. Total biennial resource requirements are funded through estimated biennial income and, if applicable, resources available in the reserves and working capital funds (RWC funds) of the Unions. The changes in the RWC fund are indicated as a percentage of estimated biennial expenditure (PBE factor) which allows for an assessment of the reserve and working capital fund situation.

433. The new policy had been reflected in the proposed program and budget contained in document WO/PBC/3/2. Uncommitted resources contained in the Special Reserve Fund as well as the estimated surplus funds for 2000-2001 and 2002-2003 were allocated to the RWC funds of the Unions. Excess resources in the RWC funds of the Unions were available for the funding of the regular budget, together with the biennial income, and for the funding of new project activities proposed off-budget. Resources already earmarked for approved off-budget projects were retained in the surplus account and expected to be drawn down with the implementation of those projects.

434. The decision of the Program and Budget Committee to consolidate the regular budget and off-budget project activities into a single document allows for the full implementation of the new policy on surplus and reserves. Specifically, the earmarked resources contained in the surplus account are now redistributed to the RWC funds of the Unions as elaborated below in Section C (Resource plan 2000-2001 and 2002-2003). The total budget, including project activities previously approved and proposed off-budget, is funded from the biennial income and the RWC funds. The long-term implications of this funding and budget arrangement are elaborated in the context of a financial plan presented in Appendix 2.

435. The discontinuation of the surplus account and the resulting adjustment of the funding arrangement are fully compatible with the financial presentation previously provided in documents WO/PBC/3/2 and WO/PBC/3/3. The amount of total resources of Sfr236,863,000 of surplus resources indicated in Table 3, line 13 and 14 and redistributed to the reserve funds of the Unions is equivalent to the sum of reserve funds indicated in document WO/PBC/3/2, Table 3, in line 13/14, column E (Sfr62,185,000) and line 15, column G (Sfr174,678,000).

(ii) Integrated initial income 2000-2001

436. With the presentation of a single budget, including the previous regular budget and off-budget projects activities; the financial information on income needs to be adjusted to

complement the budget consolidation. This is introduced through the presentation of an integrated initial income 2000-2001, in parallel to the integrated initial budget 2000-2001 as described below in item (iii) of Section B. The income adjustment is limited to the treatment of interest generated under surplus resources. Previously, interest income of Sfr18,700,000 from surplus resources for 2000-2001 was credited to the revised income for the regular budget as outlined in Part D of document WO/PBC/3/2. In addition, the funding of project activities continued to be maintained off-budget. With a single income and budget presentation at the initial stage for 2000-2001, the anticipated interest income from surplus resources is integrated with the anticipated regular income at the initial budget stage. As a result, the integrated initial income 2000-2001 amounts to Sfr428,584,000, an increase of Sfr18,700,000 as compared to the initial income for the regular budget presented in document WO/PBC/3/2. This increase is fully offset by a corresponding decrease in the income variation 2000-2001, amounting to Sfr97,461,000 as compared to Sfr116,161,000 indicated in document WO/PBC/3/2. This adjustment does not impact on the total level of revised income 2000-2001; however, the failure to introduce the adjustment would overstate income variations between initial and revised income 2000-2001.

(iii) Comparison between and previous (separate budget) and new (single budget) presentation

437. Table 24 presents a comparison of key indicators between the previous (separate budget), including regular budget and off-budget project activities, and new (single budget) presentation. When comparing the previous with the new presentation, the regular budget corresponds with the Prior Regular Programs, the information technology projects with new sub-programs 15.3 to 15.7 and the premises projects with new sub-programs 18.3 and 18.4. The corresponding calculations are elaborated below in Section B.

438. For the initial estimates 2000-2001, some changes are indicated in Table 24. For the previous (separate budget) presentation, the initial project budget estimates total Sfr80,000,000, including Sfr50,102,000 for information technology and Sfr29,898,000 for premises projects. This represents expenditure estimated prior to the approval of the regular budget 2000-2001. This amount was updated in the context of the revised budget 2000-2001 totalling Sfr115,500,000, including Sfr65,428,000 for information technology projects and Sfr50,072,000 for premises projects. The increase reflected additional expenditure anticipated as a result of the WIPOnet reappropriation of Sfr15,326,000 and the increase in the ex-WMO renovation of Sfr28,600,000 approved in September 2000. Under the new (single budget) presentation, the integrated initial budget 2000-2001 reflects all project expenditure approved prior to submission of the proposed budget 2002-2003, described under item (ii), Section B below. As a result, budget allocation for new sub-programs 15.3 to 15.7, 18.3 and 18.4 total of Sfr115,500,000 and not Sfr80,000,000 as indicated for the previous (separate budget) presentation. Moreover, the new (single budget) presentation reflects an income of Sfr428,584,000, which exceeds the income estimates for the previous (separate budget) presentation by Sfr18,700,000. As outlined above under item (ii), this reflects the integration of interest income from surplus resources.

**Table 24. Comparison Between Previous (Separate Budget Presentation)
and New (Single Budget Presentation)
2000-2001, 2002-2003 and 2004-2005**
(in thousands of Swiss francs)

<i>Previous: Separate Budget Presentation</i>	<i>Initial 2000-2001</i>	<i>Revised 2000-2001</i>	<i>Proposed 2002-2003</i>	<i>Indicated 2004-2005</i>
A. Budget Allocation				
1. Regular budget	409,705	450,358	512,600	536,500
2. Information technology projects				
Approved	50,102	65,428	16,647	--
Proposed	--	--	82,900	--
<i>Total, A.2</i>	<u>50,102</u>	<u>65,428</u>	<u>99,547</u>	<u>--</u>
3. Premises projects				
Approved	29,898	50,072	66,253	20,204
Total, A	489,705	565,858	678,400	556,704
B. Posts				
1. Regular budget	815	929	998	n/a
2. Information technology projects	3	3	34	n/a
3. Premises projects	--	--	--	n/a
Total, B	<u>818</u>	<u>932</u>	<u>1,032</u>	<u>n/a</u>
C. Income	409,884	526,045	531,782	539,500
D. Reserves ^b				
Unions	127,512	76,194	95,376	98,375
Surplus	94,678	186,004	20,204	--
Total, D	<u>222,190</u>	<u>262,198</u>	<u>115,580</u>	<u>98,375</u>

^b End 1999: Unions: Sfr 127,333,000, Surplus: Sfr 174,678,000, Total: Sfr 302,011,000

<i>New: Single Budget Presentation</i>	<i>Integrated Initial 2000-2001</i>	<i>Revised 2000-2001</i>	<i>Proposed 2002-2003</i>	<i>Indicated 2004-2005</i>
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A. Budget Allocation				
Prior regular budget programs	409,705	450,358	512,600	536,500
New sub-programs 15.3 to 15.7	65,428	65,428	99,547	39,600
New sub-programs 18.3 and 18.4	50,072	50,072	66,253	20,204
Total, A	<u>525,205</u>	<u>565,858</u>	<u>678,400</u>	<u>596,304</u>
B. Posts				
Prior regular budget programs	815	929	998	n/a
New sub-programs 15.3 to 15.7	3	3	34	n/a
New sub-programs 18.3 and 18.4	--	--	--	n/a
Total, B	<u>818</u>	<u>932</u>	<u>1,032</u>	<u>n/a</u>
C. Income	428,584	526,045	531,782	539,500
D. Reserves ^a	205,390	262,198	115,580	110,576

^a End 1999: Sfr 302,011,000

439. For the revised estimates 2000-2001 and the proposed estimates 2002-2003, the comparison reflects no changes between the main key indicators.

440. For the indicated estimates 2004-2005, the new (single budget) presentation reflects a budget allocation of Sfr39,600,000 under new sub-programs 15.3 to 15.7. This represents the operating costs for information technology activities previously indicated in Annex I of document WO/PBC/3/3. In addition, the income projects for the new (single budget) presentation has been increased by Sfr51,800,000 to Sfr591,300,000. The detailed estimates are elaborated in detail in Section D above. As a result of these adjustments, the level of reserve is estimated at Sfr110,576,000 at the end of 2005, as compared to Sfr98,375,000 under the previous (separate budget) presentation.

B. Calculation of budget stages 2000-2001 and 2002-2003

441. The budget formulation process is developed through a number of stages starting with the approved initial budget 2000-2001 and concluding with the proposed budget 2002-2003. The process includes the following steps which are elaborated below in details: (i) initial budget 2000-2001, (ii) project integration 2000-2001, (iii) integrated initial budget 2000-2001, (iv) budget variation 2000-2001, (v) revised budget 2000-2001, (vi) project variation 2002-2003, (vii) resource variation 2002-2003, (viii) budget variation 2002-2003, and (ix) proposed budget 2002-2003.

(i) Initial budget 2000-2001

442. The starting point is the budget 2000-2001 as approved by Member States and presented in document A/34/2 in 1999.

(ii) Project integration 2000-2001

443. The single budget document for 2002-2003 presents all activities implemented by WIPO, including those previously classified as regular program budget and off-budget project activities. In order to provide for a realistic comparison between 2002-2003 and 2000-2001, the initial budget 2000-2001 is adjusted by integrating the project activities already approved for and under implementation during the biennium. The total amount is fully compatible with the budget estimates previously presented for the regular budget in document WO/PBC/3/2 and for project activities in document WO/PBC/3/3.

444. Project integration 2000-2001 amounts to Sfr115,500,000 as illustrated in Table 12 by program, object of expenditure and Union and in Table 13 by posts. This includes an amount of Sfr65,428,000 for information technology projects presented under Main Program 12 (Information Technology and Intellectual Property Information Services) and Sfr50,072,000 for premises projects presented under Main Program 17 (Premises). The amount of Sfr65,428,000 for information technology projects includes Sfr43,546,000 for WIPONET and

Sfr21,882,000 for IMPACT. The total amount of Sfr50,072,000 for premises projects includes Sfr40,166,000 for the renovation of the ex-WMO building and Sfr9,299,000 for the New Construction and Sfr607,000 for the conversion of the WIPO mezzanine. Of the amount of Sfr115,500,000 for project integration, biennial allocations of Sfr80,000,000 were approved prior to 2000 and Sfr35,500,000 in September 2000, the latter including Sfr15,326,000 for the reappropriation of the unspent balance 1998-1999 under Main Program 12 (Information Technology) and a part of the Sfr28,600,000 budget increase for the ex-WMO building.

445. The details provided for project integration are fully compatible with the financial presentation previously provided in documents WO/PBC/3/2 and WO/PBC/3/3. The total project integration of Sfr115,500,000 is equivalent to the information provided in document WO/PBC/3/2, line 9, column G of Table 3 as well as column B of Table 10 and details shown for line expenditure/surplus and columns 2000 and 2001 in Table 23. The amount of Sfr65,428,000 for information technology is equivalent to the information provided in document WO/PBC/3/3, Table B, column 2000-2001.

(iii) Integrated initial budget 2000-2001

446. The integrated initial budget 2000-2001 is the sum of initial budget 2000-2001 and project integration 2000-2001. This provides the reference for the comparison with budget variation and revised budget 2000-2001.

(iv) Budget variation 2000-2001

447. As outlined in document WO/PBC/3/2, a revised budget for the ongoing 2000-2001 is presented for the first time. Changes between the revised budget and the integrated initial budget 2000-2001 are identified as budget variation 2000-2001, amounting to Sfr40,653,000.

448. The presentation of budget variations to the integrated initial budget 2000-2001 is not considered a change from previous budget practice, but as an enhancement of budget transparency and addressing shortcomings of previous budget methodology. In the past, the budget allocation was also revised in accordance with budget flexibility formulas, which are described in Appendix 3. The presentation of those revisions was limited to indicating changes in the number of posts only. The budget implications were presented later, following the conclusion of the budget period, in the context of the Financial Management Report. Moreover, in the following biennium, the previous budget revision was introduced and recognized as a new budget variation. This represented a delayed recognition of resource implications and is seen to create a distortion in the budget presentation. Recognizing the full budget implications of a revision already during the biennium in question establishes an accurate basis for comparison: the new budget 2002-2003 is compared with the up-to-date budget 2000-2001 prevailing at the time of budget presentation.

449. The total budget variation of Sfr40,653,000 is fully compatible with the financial presentation previously provided and equivalent to the amount indicated in Tables 12 and 13 of document WO/PBC/3/2.

(v) Revised budget 2000-2001

450. *Revised budget in accordance with program structure 2000-2001:* The revised budget 2000-2001 is the sum of integrated initial budget 2000-2001 and budget variations 2000-2001. The revised budget is presented in Tables 12 and 13 in accordance with the program structure 2000-2001.

451. *Revised budget in accordance with program structure 2002-2003:* The proposed program structure 2002-2003 differs from 2000-2001. In order to provide for a realistic comparison between both biennia, the revised budget 2000-2001 is realigned in accordance with the program and subprogram structure proposed for the new biennium. This is done in Chapter C and illustrated in Tables 14 and 15. Realignment ensures that new program and resource proposals are compared with the corresponding program budget approved by Member States for the previous biennium. A failure to realign the budget would distort this comparison. The new program structure for 2002-2003 was presented in document WO/PBC/3/2. This new structure is adjusted at the subprogram level for the integration of project activities previously presented off-budget. Specifically, the information technology projects previously presented in document WO/PBC/3/3 are integrated within Main Program 15 (Information technology) as new sub-programs 15.3 (WIPONET), 15.4 (IMPACT), 15.5 (PCT Electronic-filing), 15.6 (CLAIMS), and 15.7 (AIMS). With regard to premises project previously approved off-budget, activities are integrated within Main Program 18 (Premises) as new sub-programs 18.3 (Ex-WMO building) and 18.4 (New Construction).

(vi) Project variation 2002-2003

452. As described above, the integrated initial budget 2000-2001 reflects project allocations of Sfr115,500,000 previously approved off-budget. This amount decreases to Sfr82,900,000 for 2002-2003, the difference being indicated as negative project variation of Sfr32,600,000. The project variation of Sfr32,600,000 reflects a decrease in approved allocation for information technology projects from Sfr65,428,000 in 2000-2001 to Sfr16,647,000 in 2002-2003, partly offset by an increase in approved allocation for premises projects from Sfr50,072,000 in 2000-2001 to Sfr66,253,000 in 2002-2003. This amount is indicated separately from the resource variation described under item (vii) below, which represent the budgetary implications of new program proposals and changes in the cost structure. Separating project and resource variations does not impact on the total level of budget growth. A failure to identify project variation, however, would result in an understatement of the increase in resource variation for 2002-2003.

453. The details provided for project variation are fully compatible with the financial presentation previously provided in document WO/PBC/3/2. The approved budget allocation 2002-2003 for information technology projects (Sfr16,647,000) and premises projects (Sfr66,253,000), together with newly proposed information technology projects (Sfr82,900,000) is equivalent with the total project expenditure of Sfr165,800,000 provided in document WO/PBC/3/2, line 9, column G, table 3, the total of column B of Table 10 and the total of line expenditure/surplus, column 2002 and 2003 of Table 23.

(vii) Resource variation 2002-2003

454. Resource variation 2002-2003, includes program and cost variations. Program variation 2002-2003 represents the budgetary implications of new program proposals. Cost variations 2002-2003 indicate the budgetary implications of changes in the cost structure, including, for example, adjustments for inflation or salary costs.

455. Total resource variation amount to Sfr145,142,000 for 2002-2003. This amount is fully compatible with the financial presentation previously provided in document WO/PBC/3/2 and WO/PBC/3/3. The resource variation of Sfr145,142,000 include the budget increase of Sfr62,242,000 proposed for the regular budget in document WO/PBC/3/2 and the new budget allocation of Sfr82,900,000 for information technology projects equivalent to the information provided in document WO/PBC/3/2, total of column C, Table A. Details on program and cost variations are elaborated below.

456. *Program variation 2002-2003:* Program variations in 2002-2003 represent the budgetary implications of new program proposals. This includes program modifications as compared with the regular budget 2000-2001 and the integration of project activities previously presented off-budget. Program modifications cover the introduction of new activities and the strengthening, scaling down or termination of existing activities. Program modifications already introduced in 2000-2001 within the budget flexibility of the Director General are fully reflected as program variations for 2002-2003. This includes, for example, the redeployment of posts between programs, involving new assignments to the position in question, or reclassifications of posts between the General Service and the Professional categories.

457. *Cost variation 2002-2003:* Cost variations in 2002-2003 represent the budgetary implications of changes in the cost structure as compared to 2000-2001. Cost variations are calculated for non-staff and staff costs. For non-staff costs, the recosting reflects an adjustment for anticipated inflation of 1.8 per cent annually. For staff costs, three adjustments can be distinguished. First, the recosting includes changes approved or anticipated to be approved by the General Assembly of the United Nations with regard to post adjustment index and multiplier for professional and higher categories, salary levels of the General Service categories, contributions to the United Nations Joint Staff Pension Fund and other common staff costs, such as language allowances to General Service category and education grant. Second, the recosting includes changes in the staff costs associated with changes in the level of post within each post category. Such changes may result from the reclassification of the post or, for example, by the promotion of a staff. For 2000-2001, the average staff level within each post category was estimated for D category (Grade 1 and 2) at 1.2, for P category (Grade 2 to 5) at 3.8 and for General Service category (Grade 4 to 7) at 5.2. For 2002-2003, the average staff level within each post category is estimated for D category (Grade 1 and 2) at 1.2, for P category (Grade 2 to 5) at 3.7 and for General Service category (Grade 4 to 7) at 5.4. Third, the recosting includes the delayed impact arising from the continuation of posts established during the second year of the biennium 2000-2001 only and continuing for the full duration of 2002-2003. This includes 12.0 posts approved in the context of the initial budget 2000-2001 and 56.5 posts introduced based on the flexibility in the context of the revised budget 2000-2001.

(viii) Budget variation 2002-2003

458. The budget variation of Sfr112,542,000 represents the sum of project variations and resource variation.

(ix) Proposed budget 2002-2003

459. The proposed budget of Sfr678,400,000 represents the sum of revised budget 2000-2001 and budget variation 2002-2003.

460. This amount of Sfr678,400,000 is fully compatible with the financial presentation previously provided in document WO/PBC/3/2 and WO/PBC/3/3. The amount includes Sfr512,600,000 proposed for the regular budget in document WO/PBC/3/2 and Sfr165,800,000 for surplus projects indicated in line 12, column G, Table 3 of document WO/PBC/3/2. The amount of Sfr165,800,000 includes Sfr99,547,000 for information technology activities as previously presented in document WO/PBC/3/3 and Sfr66,253,000 for premises activities. In the current presentation, the total of Sfr99,547,000 for information technology activities are presented in sub-program 15.3 (WIPONET) with Sfr29,300,000, sub-program 15.4 (IMPACT) with Sfr38,847,000, subprogram 15.5 (Electronic filing) with Sfr18,300,000, sub-program 15.6 (CLAIMS) with Sfr3,200,000 and sub-program 15.7 (AIMS) with Sfr9,900,000. Finally, in the current presentation, the total of Sfr66,253,000 for premises activities are presented in sub-program 18.3 (Ex-WMO building) of Sfr13,915,000 and sub-program 18.4 (New construction) of Sfr52,338,000.

C. Resource plan 2000-2001 and 2002-2003, including project integration

461. A resource plan is presented in Table 3 for the first time covering 2000-2001 and 2002-2003. The resource plan provides an integrated financial overview, including budget estimates and resource availability by Union, trust funds and movements of reserves. Also illustrated is the application of the new surplus policy as approved by the Assembly in September 2000. In the following, the resource plan is elaborated by referring to the details provided in Table 3.

462. The revised budget 2000-2001 of Sfr565,858,000 (line 1) is elaborated in Chapter C of the current document. The resource availability 2000-2001 of Sfr565,858,000 (line 4) include the revised income estimate of Sfr526,045,000 (line 2) as elaborated in Chapter D of the current document and the transfer of Sfr39,813,000 from the reserve and working capital (RWC) funds of the respective Union (lines 3 and 12).

463. For 2002-2003, the initial budget estimate which amounts to Sfr678,400,000 (line 5) is elaborated in Chapter B of the current document. The resource availability 2002-2003 of Sfr678,400,000 (line 8) includes the initial income of Sfr531,782,000 (line 6) as elaborated in

Chapter D of the current document and the transfer of Sfr146,618,000 from the RWC funds (lines 7 and 14).

464. The implications of resource utilization and availability for the movement in the fund balances are indicated in line 9 to 15. As part of a new financial policy, the level of RWC funds is expressed as a percentage of estimated biennial expenditures (PBE factor). Approved were PBE factors (line 16) for the contribution-financed Unions (50 per cent), PCT Union (15 per cent), Madrid Union (25 per cent) and Hague Union (15 per cent).

465. The level of the reserve funds as of December 31, 1999, by Union amounts to Sfr302,011,000 (line 9). This includes working capital funds of Sfr8,342,000 as shown in Table 13 of the Financial Management Report 1998-1999, the reserve funds of the Unions of Sfr56,806,000 and the Special Reserve Fund of Sfr236,863,000 as shown in Table 16. Of the Sfr236,863,000 for the Special Reserve Fund, an amount of Sfr174,678,000 is earmarked for approved projects. In accordance with the new surplus policy, the Special Reserve Fund is abolished and the resources are redistributed to the RWC funds of each Union in accordance with its initial share of funding (line 10). Following this redistribution, the adjusted level of RWC funds as of December 31, 1999, is indicated (line 11). As a result of transfers (lines 12 and 14) to fund the budget 2000-2001 and 2002-2003, the level of RWC funds is expected to decrease from Sfr302,011,000 (line 11) in December 31, 1999 to Sfr262,196,000 by December 31, 2001 (line 13) and Sfr115,580,000 by December 31, 2003 (line 15). In particular, this reflects a marked decrease in the PBE factor for the PCT Union from 73 to 14 per cent as compared to the approved target of 15 per cent. It is anticipated that the reserve funds of all Unions will reach Sfr98,400,000 by end of 2004-2005 as indicated in Table 25 and reach the target levels as indicated in line 16.

466. The financial situation of trust funds is illustrated in column G of Table 3. For 2000-2001, expenditure are estimated to reach Sfr21,000,000 (line 1) and income Sfr17,500,000 (line 2). For 2002-2003, expenditure is estimated at Sfr20,500,000 (line 5) and income at Sfr18,500,000 (line 6). As a result, the fund balance of trust fund resources is expected to decrease from Sfr8,569,000 (line 11) by December 31, 1999, to Sfr5,069,000 (line 13) by December 31, 2001, followed by a subsequent decrease to Sfr3,069,000 (line 15) by December 31, 2003.

D. New arrangement for determining budget allocation by Union

467. A new arrangement is presented for determining the budget allocation by Union. Previously, the program budget was divided into percentage shares, each of which was allocated to the various Unions as indicated in Annex 6 of document WO/PBC/1/2 for 2000-2001. The basis on which these percentages were calculated was outlined in Annex 12 of the same document and included the following: (a) amount of work carried out for each Union concerned, (b) size of the budget of the different main programs, (c) financial responsibility of each Union. The budget of each Union corresponded to the total of all program budget shares allocated to the Union. Whereas this arrangement was based on comprehensive calculations, it did not provide for a detailed presentation of the key decisions involved.

468. The new arrangement for 2002-2003 elicits the key decisions, which determine the size of the Union budget and the funding of the program budget by Union. Towards this end, a presentation is provided in Table 8 according to which the budget of each Union is allocated as a percentage share to the various program budgets. The key decisions are elaborated in explanation of the various percentages applied, falling within the following three categories.

Category A: Overhead and support activities

469. Category A identifies programs, which are considered overhead or support activities, shared equally between the Unions in accordance with the size of the respective Union budget. This includes programs contained in Part I (Policy, Direction and Management) shared at a rate of 3.8 per cent as indicated in Table 8. This also includes programs contained in Part IV (Administration). The uniform charges previously indicated in document WO/PBC/3/2 have been adjusted, however, to account for the integration of project activities into the biennial budget process. This has been done in accordance with the financial information outlined in Table 3 of document WO/PBC/3/2 and Table C of document WO/PBC/3/3. Specifically, the allocation for the PCT Union increased by Sfr152,133,000, for the Madrid Union by Sfr11,345,000 and for the Hague Union by Sfr2,322,000.

Category B: Union specific activities

470. Category B identifies programs which cover activities fully or mainly attributed to a specific Union. This includes Main Program 06 (Patent Cooperation Treaty System) under the PCT Union, Main Program 07 (Madrid, Hague and Lisbon System) which is covered under the Madrid and Hague Unions, Main Program 08 (Development of Copyright and Related Rights) under the Contribution-financed Unions and Main Program 11 (Arbitration and Mediation Center) under Arbitration and Others. Half of the cost of Main Program 05 (Development of Industrial Property Law) and Main Program 10 (Global Intellectual Property Issues) is covered by the Contribution-financed Unions.

Category C: Cross-cutting activities

471. Category C identifies programs, which cover cross-cutting issues and are shared between all Unions. This include Main Program 09 (Global Communications) and Part III (Cooperation for Development) and the balance of Main Programs 05 and 10 not covered under Category B. The budget allocation for Category C activities under each Union is determined by taking into account the total resources available. This is done after providing for the funding of Categories A and B activities as well as reserve requirements for each Union. Following this balancing exercise, the total amount determined under each Union is subsequently allocated to the various Category C programs in accordance with size of the program. The allocation of Union budgets by program is therefore an integral part of the decision which determines the overall financial scenario, including decision effecting budget, resource availability and reserves as illustrated in Table 3 (Resource plan 2000-2001 and 2002-2003).

E. Additional modifications of budget presentation

472. *Detailed discussion and presentation of income estimates:* Chapter D provides a detailed presentation of income estimates for 2000-2001 and 2002-2003 in order to facilitate the review of budget proposals. Limited information was previously provided as part of the proposed program and budget.

473. *Flexibility formulas:* Appendix 3 provides a description of the flexibility formulas for PCT, Madrid and Hague and recommends a number of adjustments. Also proposed is the introduction of a flexibility formula for the WIPO Internet domain name dispute resolution process. The Director General is authorized to adjust the biennial budget of global protection systems in case of unforeseen changes in workload. The presentation codifies the existing arrangement, provides additional transparency and facilitates the review of its application.

474. *Financial indicators 1996 to 2005:* Appendix 2 presents the financial scenario for a 10-year period from 1996 to 2005 to support the review of biennial budget proposals. This includes a four-year financial plan for demonstrating the longer-term implications of biennial budget proposals. The introduction of such a plan has already been indicated in paragraph 65 of document WO/PBC/2/6 (Adjustment of Budget Process, Policy on Reserve and Work Capital Funds and Policy on Budget Surplus).

475. *Trust funds:* Table 3 (Resource plan 2000-2001 and 2002-2003) and Table 10 (Resource utilization 2002-2003: Regular budget and trust fund activities by program) provides information on the use of trust fund resources. Such information is included for the first time in the program and budget document to enhance budgetary transparency.

476. *Enhanced financial presentation:* A number of adjustments have been introduced to enhance budget transparency. With regard to the budget presentation by Unions, the Arbitration and Mediation Center previously covered under the Unions is now shown separately under a new category entitled Arbitration and Others. This category also includes the budget and funding of the administrative services provided by WIPO to UPOV. The budgetary information shown in Table 11 for each program has been expanded, now indicating non-staff as well as staff resources by sub-program. The budget allocation for miscellaneous and unforeseen is identified in Tables 6, 9 and 12 as an unallocated provision in accordance with previous budget practice. For 2000-2001, this allocation was subsumed under operating expenses.

[Appendix 2 follows]

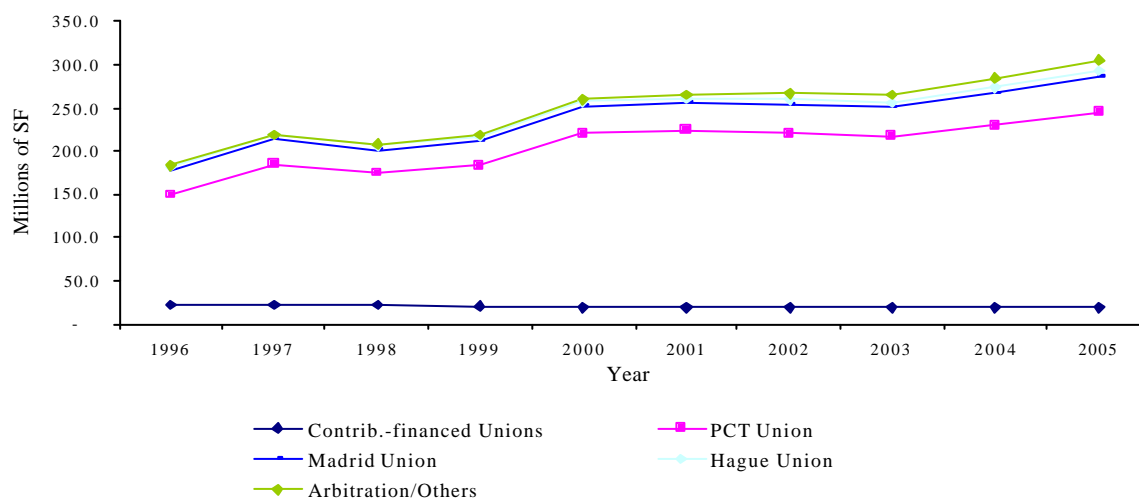
APPENDIX 2 FINANCIAL INDICATORS 1996-2005

477. The program and budget 2002-2003 includes for the first time a presentation of financial indicators covering a 10-year period, including two years beyond the new biennium and information from the recent past. The induction of such a presentation had already been indicated in paragraph 65 of document WO/PBC/2/6 (Adjustment of Budget Process, Policy on Reserve and Working Capital Funds and Policy on Budget Surplus). The presentation of the financial indicators is intended to put the proposed budget 2002-2003 into context: indicating trends and demonstrating that decision such as long-term commitments or fee reductions can be sustained in the future. This information is to facilitate Member States' review and decision on the proposed program and budget. The presentation previously presented in Appendix 2 of document WO/PC/3/2 has been adjusted to reflect the integration of regular budget and off-budget project activities as approved by the third session of the Program and Budget Committee. Three tables are presented, which are elaborated below.

478. Annual income by union for the period 1996-2005 is shown in Table 25.

Table 25. Income by Union for 1996-2005
(in millions of Swiss francs)

	<i>Actual</i>					<i>Estimate</i>				
	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005
Contrib.-fin. Unions	23.5	23.5	23.5	21.6	19.5	19.5	19.2	19.2	19.3	19.3
PCT Union	127.3	162.0	152.1	162.5	202.1	204.2	201.9	197.5	210.4	226.3
Madrid Union	26.9	28.0	26.7	28.5	31.0	32.1	32.8	33.7	37.8	41.6
Hague Union	4.9	5.1	5.0	5.3	5.8	6.1	5.5	6.0	6.3	6.7
Arbitration/Others	0.6	0.7	0.7	0.8	2.1	3.6	7.6	8.4	10.9	12.7
TOTAL	183.2	219.3	208.0	218.7	260.5	265.5	267.0	264.8	284.7	306.6



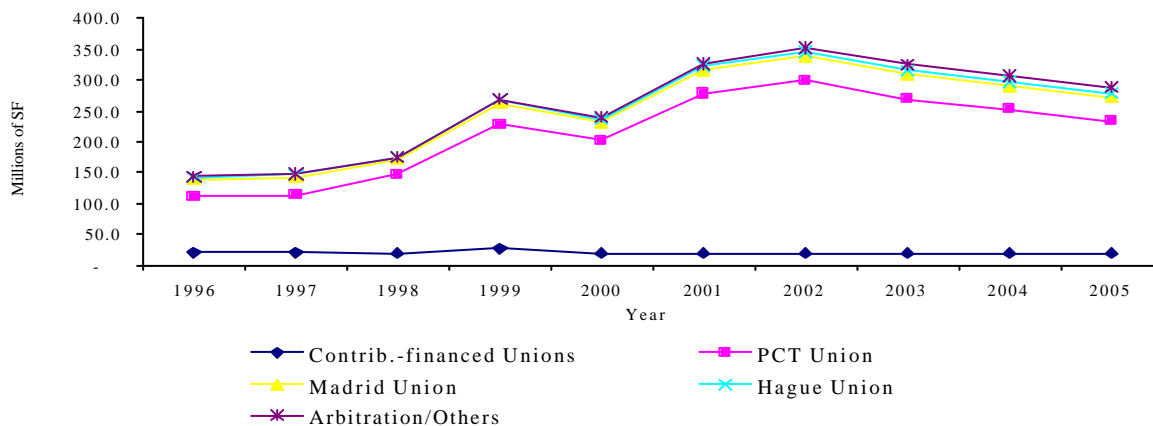
479. Table 25 indicates for the Contribution-financed Unions a decline from 1998 to 2000, reflecting corresponding reductions in the contributions of Member States and the anticipated stabilization of the income for the coming years.

480. The substantial increase of income under the PCT Union is illustrated for the years 1996-2000. Whereas the number of international applications is expected to increase in the coming years, the total amount of income will increase at a lower rate. This is the result of successive fee reductions as illustrated in Chapter D of the budget document. Indeed, the average fee is decreasing from Sfr2,799 in 1997 by 45 per cent to 1,538 in 2003. The income under the Madrid and Hague Union shows a gradual increase for the 10-year period, reflecting corresponding increases in the number of registrations, deposits and renewals. Income increase as of 2000 under Arbitration/Others shows the rapid expansion of demands and corresponding payments for online-dispute resolution services. As compared to the previous projections for 2004 and 2005 contained in Appendix 2 of document WO/PBC/3/2, the current estimates have been revised, taking into account higher demands for global protection systems and services. It is anticipated that total income continues to increase, although at a somewhat lower rate as compared to the previous year due to the successive fee reductions.

481. Annual expenditure by Union for the period 1996-2005 is shown in Table 26, consolidating expenditure under the regular budget and off-budget project activities.

Table 26. Expenditure by Union for 1996-2005
(in millions of Swiss francs)

	<i>Actual</i>					<i>Estimate</i>				
	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005
Contrib.-fin. Unions	20.6	20.6	18.7	26.4	18.9	19.7	19.3	19.3	19.3	19.3
PCT Union	90.2	92.6	128.7	202.3	183.4	258.2	280.4	250.4	233.4	214.0
Madrid Union	27.8	29.0	23.8	34.6	29.7	38.4	39.0	39.9	38.6	39.2
Hague Union	4.4	4.7	3.7	5.5	5.0	7.3	7.1	6.5	6.3	6.2
Arbitration/Others	0.7	0.7	0.6	0.9	2.5	2.7	6.6	9.9	10.0	10.0
TOTAL	143.7	147.6	175.5	269.7	239.5	326.3	352.4	326.0	307.6	288.7



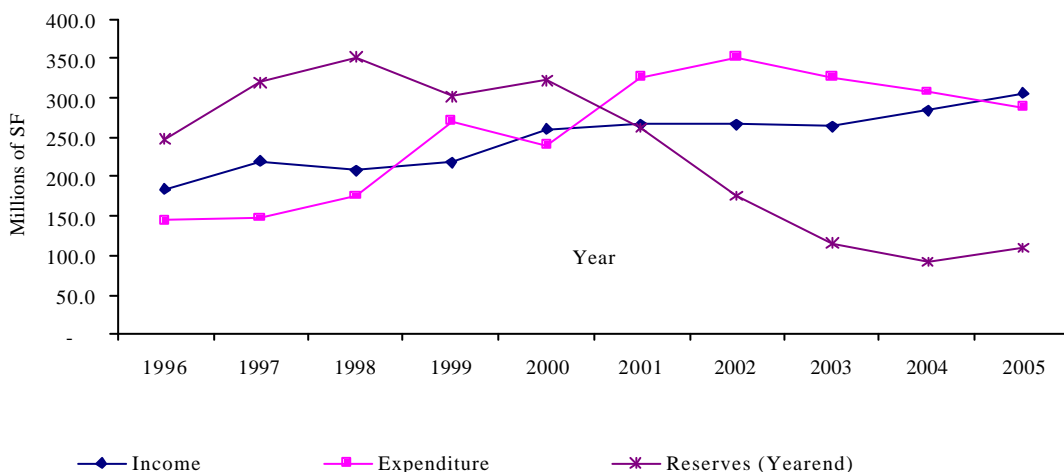
482. Table 26 indicates that the budget for Contribution-financed Union remains stable during the 10-year period. The budget for the PCT Union has increased substantially from Sfr90.2 million in 1996 to Sfr280.4 million in 2002, reflecting budget increases associated with growth in the number of international applications and the implementation of major information technology and premises projects. With the conclusion of those projects, it is anticipated that expenditure under the PCT Union will decrease during the period 2003 to 2005.

483. For the Madrid and Hague Unions, the gradual increases in expenditure match the gradual increases in income and level of registrations, deposits and renewals as indicated above. This is also the case for Arbitration/Others, whereby the budget increase during 2000 to 2003 reflect the increases level of filings and income under the on-line dispute resolution service. In total, WIPO has experienced considerable increases in expenditure during the second half of the 1990s. Whereas it is anticipated that increases will continue, the rate of growth is expected to be considerable lower.

484. Income, expenditure and reserves are shown in Table 27 for 1996-2005.

Table 27. Income, Expenditure and Reserves for 1996-2005
(in millions of Swiss francs)

	<i>Actual</i>					<i>Estimate</i>				
	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005
Income	183.2	219.3	208.0	218.7	260.5	265.5	267.0	264.8	284.7	306.6
Expenditure	143.7	147.6	175.5	269.7	239.5	326.3	352.4	326.0	307.6	288.7
Reserves (Yearend)	248.8	320.5	353.0	302.0	323.0	262.2	176.8	115.6	92.7	110.6



485. Table 27 shows that the level of income exceeded the level of expenditure during the period 1996-1998. This resulted in increases of the reserves from Sfr248.8 million in 1996 to 353.0 million in 1998. As of 2001, income is exceeded by expenditure, the latter covering regular budget and off-budget project activities. Expenditure is expected to peak at Sfr352.4 million in 2002, followed by a decrease to Sfr288.7 million in 2005. This overall expenditure pattern reflect major reductions due to the gradual completion of the information technology and premises projects and modest increases in expenditure related to other activities.

486. The volume of applications, registrations, deposits, filings and renewals increased during the 10-year period at an average annual rate of 12 per cent. This is also anticipated for the period 2002-2005. Income and expenditure associated with these activities will grow at a lower rate. The slow growth in income is due to the substantial fee reductions implemented and proposed. Accommodating the additional workload within lower growth in expenditure will be possible based on major efficiency gains expected to result from the implementation of the PCT automation projects and reduced rental cost through the availability of additional WIPO-owned premises.

487. With declining expenditure and slowly increasing income, the gap between income and expenditure is anticipated to close gradually as of 2003. Moreover, decline and subsequent stabilization of the reserve level during 2004 and 2005 in accordance with the targets approved by the Assembly in September 2000 will ensure a solid and balanced financial scenario in the future years.

[Appendix 3 follows]

APPENDIX 3

FLEXIBILITY FORMULAS: ADJUSTING BUDGET TO WORKLOAD IN GLOBAL PROTECTION SYSTEMS AND SERVICES

General

488. This appendix describes the flexibility formulas for adjusting the budget of global protection systems and services to actual workload. In addition, adjustments are proposed for the flexibility formulas applicable to the Madrid Union and the Hague Union. Finally, it is proposed to introduce a flexibility formula for the WIPO Internet domain name dispute resolution service.

489. The flexibility formulas recognize that there exists a direct link between fluctuations in the overall workload and requirements for staff support in the global protection systems and services. These formulas provide for a justifiable increase in the number of posts in case of higher than anticipated increases in the workload, as they also require corresponding decreases in posts in case of lower than anticipated levels of workload. Workload fluctuations change the requirements for staff support primarily in the units concerned with the processing of applications, and also in units providing related services. The units concerned with global protection systems and services perform tasks such as inputting data in computer systems; examining the applications as to form, preparing the necessary notifications to Contracting Parties and communications to applicants and holders; preparing the necessary translation of applications and reports; preparing and publishing pamphlets and gazettes (for a more detailed description of activities, see Main Programs 06, 07 and 11). Other WIPO units provide several other services in support of the units in charge of global protection systems and services. In particular, the Human Resources Management Division provides related staff management services, the Division of Finance processes related financial transactions, the IT Services Division supports the computer systems used to operate the registration systems, the Buildings Division provides office space and related maintenance services to staff, the Printing Services produces printed material to be disseminated to applicants and to patent and trademark offices, the Corporate Image and Product Development Section sells and distributes gazettes and other printed material to the public, and other administrative and managerial services of WIPO also contribute to the support of global protection systems and services (for a more detailed description of activities, see the description of each program). The budgetary implications of the flexibility formulas are determined by identifying the staff expenses at the G6 level (average examiner's grade) and by apportioning related costs for the maintenance and, if applicable, the renting of office space. Total staff and related costs for each post amount to Sfr324,000 per biennium in each of the 2000-2001 and 2002-2003 biennia.

International Patent Cooperation Union (PCT Union)

490. The General Assembly and the PCT Union approved in 1989 the flexibility formulas for PCT as described in paragraph 7 to 14 of document PCT/A/XVI/1. As noted in paragraph 10 of that document, variations of 242 international applications or 1,440 Chapter II demands lead to an adjustment of one post in the PCT Union budget. Moreover, further interpretation were provided in paragraph 9 (a) of document AB/XXVI/4 issued on May 29, 1995, providing for the introduction of a provision for supervision of variable posts.

491. Within the PCT Union budget, the number of posts determined according to the approved flexibility formulas are allocated between the Office of the PCT and other offices according to a 75:25 ratio. The additional income generated by the number of international applications and Chapter II demands which justify one additional post amounts to Sfr429,000 in 2000-2001 and Sfr347,000 in 2002-2003, exceeding the direct and related annual cost of Sfr162,000 for each flexibility post by Sfr267,000 in 2000-2001 and by Sfr185,000 in 2002-2003.

492. It is anticipated that the IMPACT Project will result in major efficiency gains for the PCT operation starting 2004. As a result, the current flexibility formula will be revised to reflect that less posts will need to be created in case of increasing workload and more posts can be abolished in case of decreasing workload. Furthermore, on account of expected future productivity gains the 2000-2001 program and budget took into account productivity to be gained through automation (see A/34/2, page 119). These gains were quantified at 106 posts which were not created, and whose jobs are currently covered through short-term employees until such gains will materialize.

Special Union for the International Registration of Marks (Madrid Union)

493. In 1989, the Assembly of the Madrid Union noted (see document MM/A/XXI/3, paragraph 18(i)) and, by adopting the budget for the 1990-1991 biennium, approved the application of the flexibility formula for the Madrid Union described in paragraphs 8 to 15 of document MM/A/XXI/1. According to that formula (see paragraph 11 of document MM/A/XXI/1), variations of 731 international registrations and renewals led to an adjustment of one post in the budget of the Madrid Union. That formula was first revised in 1993 to take account of the increasing workload generated by the increase in the number of modifications entered in the International Register (consequent upon the growth in the International Register) and in the number of notifications of refusal to be processed (consequent upon the growth in the membership of the Madrid Union and in the number of designations). The 1993 revised formula provided for a correction factor equal to half of the percentage increase in the ratio of modifications and renewals to registrations and renewals observed the preceding year *vis-à-vis* the ratio observed in 1988 (see document MM/A/XXV/1, paragraph 46). At the time, this resulted in lowering the number of registrations and renewals necessary to trigger an adjustment of one post from 731 to 678. The formula was again revised in 1995 by introducing a further correction factor of 10 per cent for the supervision of additional posts generated by increasing registration activity (see document AB/XXVI/4, paragraph 9). At the

time, this resulted in lowering the number of registrations and renewals necessary to trigger an adjustment of one post to 588.

494. Applying the 1989 formula, as revised in 1993 and 1995, to the number of registrations and renewals, modifications and notifications of refusal processed in 2000 would result in an adjustment of one post for each 546 registrations and renewals. However, it is believed that the efficiency gains resulting from the automation of the international procedure should allow the International Trademark Registry to operate with an adjustment of one post for a variation of 600 international applications and renewals. It is argued that the gain in productivity because of automation of the registry is much higher, because the new productivity ratio takes in addition three new factors not accounted for in the earlier ratio: (i) the additional complexity in the international registration procedure resulting from the entry into force of the Madrid Protocol in 1996, (ii) the new tasks devolving on the International Trademark Registry, such as the translation from English into French or *vice versa* of, currently, some two thirds of international applications, and (iii) the workload derived from the expanding membership of the Madrid Union (that went from 42 members on January 1, 1995, to 67 on December 31, 2000). It is proposed that the new productivity ratio be applied starting in the current 2000-2001 biennium.

495. It is to be noted here that the proposed new formula refers to international applications rather than registrations insofar as it is the number of applications that determines the required staff resources whereas registrations depend on available staff resources. It is also to be noted that, within the Madrid Union budget, the number of posts determined according to the flexibility formula are allocated in full to the International Registrations Department. Related support posts, particularly in the Information Technology and the Finance Divisions are accommodated within their regular budget submissions. The additional income generated by the number of registrations and renewals which justify one additional post amounts to Sfr502,000 in 2000-2001 and 2002-2003, exceeding the direct and related annual cost of Sfr162,000 for each flexibility post by Sfr340,000 in both biennia.

Special Union for the International Deposit of Industrial Designs (Hague Union)

496. In 1989, the Assembly of the Hague Union noted (see document H/A/X/2, paragraph 14(i)) and, by adopting the budget for the 1990-1991 biennium, approved the application of the flexibility formula for the Hague Union described in paragraphs 11 to 18 of document H/A/X/1. According to that formula (see document H/A/X/1, paragraphs 13 and 14), the number of international deposits and renewals that led to an adjustment of one post in the budget of the Hague Union was expected to increase from 640 in 1989 to 757 in 1991 on account of productivity gains that were expected to result from the computerization of Hague operations—productivity gains, however, did not start to materialize until 1995 when the first (interim) computerization system of Hague operations, introduced in 1994, was stabilized. That formula was revised in 1993 to take account of the increase in the number of industrial designs contained in international deposits made under the 1960 Act of the Hague Agreement. The 1993 revised formula, still based on an adjustment of one post for 640

deposits and renewals (see document MM/A/XXV/1, paragraph 43), provided for a correction factor equal to half of the percentage increase in the average number of industrial designs per "1960 Act" deposits observed in the preceding year *vis-à-vis* the average number observed in 1988 (see document MM/A/XXV/1, paragraph 47). At the time, this resulted in lowering the number of deposits and renewals necessary to trigger an adjustment of one post to 588. Applying the 1989 formula, as revised in 1993, to the number of deposits and renewals processed in 2000, it would result in an adjustment of one post for each 562 deposits and renewals.

497. Computerization of the Hague operations, however, which has now been completed on the same platform as the Madrid operations, has allowed significant productivity gains in the International Designs Registry. On the other hand, the replacement in 1999 of the paper publication of reproductions of industrial designs by a publication on CD-ROM, which has allowed considerable savings on the publication cost of the *International Designs Bulletin* (in the range of Sfr. 750,000 per year) and a 20 per cent reduction in the publication fee as of January 1, 1999, entails (as mentioned in document H/A/17/1) additional staff resources for the work involved in the digitization and processing of the said reproductions. For the current level of 1960 Act deposits, two full-time clerks are necessary.

498. Taking the above into consideration, the International Designs Registry should be able to operate with an adjustment of one post for a variation of 600 deposits and renewals. It is proposed that the new productivity ratio be applied starting in the current 2000-2001 biennium.

499. Within the Hague Union budget, the number of posts determined according to the flexibility formula are allocated in full to the International Registrations Department. Related support posts, particularly in the Information Technology and the Finance Divisions are accommodated within their regular budget submissions. The additional income generated by the number of deposits and renewals which justify one additional post amounts to Sfr421,000 in 2000-2001 and 2002-2003, exceeding the direct and related cost of Sfr162,000 for each flexibility post by Sfr259,000 in both biennia.

WIPO Internet domain name dispute resolution process

500. It is proposed to apply a new flexibility formula arrangement for the Internet domain name dispute resolution service which was approved by Member States in September 1998. As noted in the sub-program 03.4 of the draft program and budget 2000-2001 (A/34/2), it was considered exceptionally difficult to predict the demands for this service and to determine the associated costs and required level of fee income for the initial period of the new dispute resolution process. Indeed, initial assumptions have proven inadequate. Whereas a number of 1,200 dispute cases had been projected for the biennium 2000-2001, it is anticipated that the actual number will be close to 4,500.

501. With the increase in operation, experience has been accumulated on the cost of providing the dispute resolution service. Following an in-house review, it has been concluded

that resources equivalent to one post is required to administer a workload of 100 dispute resolution cases per year. The work involved includes in particular in-house case management, registrar contracts, liaison with panelists, and decision index support among others. The on-line dispute resolution system distributes the posts between the arbitration center and services from other departments according to a ratio of 83:17. In order to provide for cost recovery, the fee payable to WIPO by the recipients of the service (excluding those fees that WIPO forwards to the panelists) was increased from US\$250 in 2000 to US\$500 in 2001. It is further proposed it becomes US\$1,000 as of 2002.

502. As in the case of PCT, Madrid and The Hague Union, the workload for the dispute resolution process fluctuates in accordance with the demands for services addressed to WIPO. The resulting workload is subject to fluctuations and it is difficult to project. Moreover, it is expected that the application of the dispute resolution process to new top-level domains and to new registrations in non-Roman script will introduce additional difficulties in anticipating the workload level with sufficient accuracy in the coming years. It is therefore recommended to introduce a flexibility formula for the WIPO Internet domain name dispute resolution process. As in the case of the existing arrangement for PCT, Madrid and The Hague, the new formula provides for justifiable increases in the resources to process additional filings in case of increases in the workload, while providing for corresponding decreases in posts in case of lower than anticipated level of workload. To refer the adjustment of resources with actual workload levels to the biennial program and budget process would render the on-line dispute resolution service inflexible to cope with changes in market forces.

503. It is therefore proposed to determine that the flexibility formula provides for the adjustment of one post for the administration of 100 dispute resolution cases in the biennium 2000-2001. The total adjustment in the number of posts is to be allocated between the Arbitration and Mediation Services and other offices of WIPO according to an 83:17 ratio for the biennium 2000-2001 and 2002-2003. The additional income generated by the number of filings, which justify one additional post amounts to Sfr85,000 in 2001, not yet sufficient to cover the annual cost of the flexibility post (Sfr162,000). With the proposed fee at US\$1,000, full cost-recovery is expected in 2002-2003. Finally, based on the experienced gained during the 2002-2003 biennium, it is proposed to review the flexibility formula for the WIPO Internet domain name dispute resolution service in the context of the proposed program and budget for the 2004-2005 biennium.

[Appendix 4 follows]

APPENDIX 4
PROPOSED MEMBER STATES CONTRIBUTIONS

States Members of One or More Contribution-financed Unions	Contribution Class	Contribution units (2002-03)	Contribution ¹ 2002	Contribution ¹ 2003	Contributions 2002-03
A lbania	IX	0.25	11,395	11,395	22,790
Algeria	S	0.125	5,697	5,697	11,394
Andorra ²	IX	0.25	11,395	11,395	22,790
Angola ²	<i>Ster</i>	0.03125	1,424	1,424	2,848
Antigua and Barbuda	<i>Sbis</i>	0.0625	2,849	2,849	5,698
Argentina	<i>Vbis</i>	2	91,158	91,158	182,316
Armenia	IX	0.25	11,395	11,395	22,790
Australia	III	15	683,685	683,685	1,367,370
Austria	<i>IVbis</i>	7.5	341,842	341,842	683,684
Azerbaijan	IX	0.25	11,395	11,395	22,790
B ahamas	<i>Sbis</i>	0.0625	2,849	2,849	5,698
Bahrain	<i>Sbis</i>	0.0625	2,849	2,849	5,698
Bangladesh	<i>Ster</i>	0.03125	1,424	1,424	2,848
Barbados	<i>Sbis</i>	0.0625	2,849	2,849	5,698
Belarus	IX	0.25	11,395	11,395	22,790
Belgium	III	15	683,685	683,685	1,367,370
Belize	<i>Sbis</i>	0.0625	2,849	2,849	5,698
Benin	<i>Ster</i>	0.03125	1,424	1,424	2,848
Bhutan	<i>Ster</i>	0.03125	1,424	1,424	2,848
Bolivia	<i>Sbis</i>	0.0625	2,849	2,849	5,698
Bosnia and Herzegovina	<i>Sbis</i>	0.0625	2,849	2,849	5,698
Botswana	<i>Sbis</i>	0.0625	2,849	2,849	5,698
Brazil	<i>Vbis</i>	2	91,158	91,158	182,316
Brunei Darussalam ²	S	0.125	5,697	5,697	11,394
Bulgaria	<i>Vbis</i>	2	91,158	91,158	182,316
Burkina Faso	<i>Ster</i>	0.03125	1,424	1,424	2,848
Burundi	<i>Ster</i>	0.03125	1,424	1,424	2,848
C ambodia	<i>Ster</i>	0.03125	1,424	1,424	2,848
Cameroon	<i>Sbis</i>	0.0625	2,849	2,849	5,698
Canada	IV	10	455,790	455,790	911,580
Cape Verde	<i>Ster</i>	0.03125	1,424	1,424	2,848
Central African Republic	<i>Ster</i>	0.03125	1,424	1,424	2,848
Chad	<i>Ster</i>	0.03125	1,424	1,424	2,848
Chile	IX	0.25	11,395	11,395	22,790
China	<i>IVbis</i>	7.5	341,842	341,842	683,684
Colombia	IX	0.25	11,395	11,395	22,790
Congo	<i>Sbis</i>	0.0625	2,849	2,849	5,698
Costa Rica	S	0.125	5,697	5,697	11,394
Côte d'Ivoire	<i>Sbis</i>	0.0625	2,849	2,849	5,698
Croatia	VIII	0.5	22,789	22,789	45,578
Cuba	S	0.125	5,697	5,697	11,394
Cyprus	S	0.125	5,697	5,697	11,394
Czech Republic	VI	3	136,737	136,737	273,474
D emocratic People's Republic of Korea	<i>Sbis</i>	0.0625	2,849	2,849	5,698
Democratic Republic of the Congo	<i>Ster</i>	0.03125	1,424	1,424	2,848

States Members of One or More Contribution-financed Unions	Contribution Class	Contribution units (2002-03)	Contribution ¹ 2002	Contribution ¹ 2003	Contributions 2002-03
Denmark	IV	10	455,790	455,790	911,580
Dominica	<i>Sbis</i>	0.0625	2,849	2,849	5,698
Dominican Republic	S	0.125	5,697	5,697	11,394
E cuador	S	0.125	5,697	5,697	11,394
Egypt	S	0.125	5,697	5,697	11,394
El Salvador	<i>Sbis</i>	0.0625	2,849	2,849	5,698
Equatorial Guinea	<i>Ster</i>	0.03125	1,424	1,424	2,848
Eritrea ²	<i>Ster</i>	0.03125	1,424	1,424	2,848
Estonia ²	IX	0.25	11,395	11,395	22,790
Ethiopia ²	<i>Ster</i>	0.03125	1,424	1,424	2,848
F iji	<i>Sbis</i>	0.0625	2,849	2,849	5,698
Finland	IV	10	455,790	455,790	911,580
France	I	25	1,139,475	1,139,475	2,278,950
G abon	<i>Sbis</i>	0.0625	2,849	2,849	5,698
Gambia	<i>Ster</i>	0.03125	1,424	1,424	2,848
Georgia	IX	0.25	11,395	11,395	22,790
Germany	I	25	1,139,475	1,139,475	2,278,950
Ghana	<i>Sbis</i>	0.0625	2,849	2,849	5,698
Greece	VI	3	136,737	136,737	273,474
Grenada	<i>Sbis</i>	0.0625	2,849	2,849	5,698
Guatemala	S	0.125	5,697	5,697	11,394
Guinea	<i>Ster</i>	0.03125	1,424	1,424	2,848
Guinea-Bissau	<i>Ster</i>	0.03125	1,424	1,424	2,848
Guyana	<i>Sbis</i>	0.0625	2,849	2,849	5,698
H aiti	<i>Ster</i>	0.03125	1,424	1,424	2,848
Holy See	VIII	0.5	22,789	22,789	45,578
Honduras	<i>Sbis</i>	0.0625	2,849	2,849	5,698
Hungary	VI	3	136,737	136,737	273,474
I celand	VIII	0.5	22,789	22,789	45,578
India	<i>Vlbis</i>	2	91,158	91,158	182,316
Indonesia	VII	1	45,579	45,579	91,158
Iran (Islamic Republic of)	VII	1	45,579	45,579	91,158
Iraq	IX	0.25	11,395	11,395	22,790
Ireland	IV	10	455,790	455,790	911,580
Israel	<i>Vlbis</i>	2	91,158	91,158	182,316
Italy	III	15	683,685	683,685	1,367,370
J amaica	<i>Sbis</i>	0.0625	2,849	2,849	5,698
Japan	I	25	1,139,475	1,139,475	2,278,950
Jordan	<i>Sbis</i>	0.0625	2,849	2,849	5,698
K azakhstan	IX	0.25	11,395	11,395	22,790
Kenya	<i>Sbis</i>	0.0625	2,849	2,849	5,698
Kuwait ²	IX	0.25	11,395	11,395	22,790
Kyrgyzstan	IX	0.25	11,395	11,395	22,790
L ao People's Democratic Republic	<i>Ster</i>	0.03125	1,424	1,424	2,848
Latvia	IX	0.25	11,395	11,395	22,790
Lebanon	<i>Sbis</i>	0.0625	2,849	2,849	5,698

States Members of One or More Contribution-financed Unions	Contribution Class	Contribution units (2002-03)	Contribution ¹ 2002	Contribution ¹ 2003	Contributions 2002-03
Lesotho	<i>Ster</i>	0.03125	1,424	1,424	2,848
Liberia	<i>Ster</i>	0.03125	1,424	1,424	2,848
Libyan Arab Jamahiriya	<i>S</i>	0.125	5,697	5,697	11,394
Liechtenstein	<i>VIII</i>	0.5	22,789	22,789	45,578
Lithuania	<i>IX</i>	0.25	11,395	11,395	22,790
Luxembourg	<i>VII</i>	1	45,579	45,579	91,158
M adagascar	<i>Ster</i>	0.03125	1,424	1,424	2,848
Malawi	<i>Ster</i>	0.03125	1,424	1,424	2,848
Malaysia	<i>VIII</i>	0.5	22,789	22,789	45,578
Mali	<i>Ster</i>	0.03125	1,424	1,424	2,848
Malta	<i>Sbis</i>	0.0625	2,849	2,849	5,698
Mauritania	<i>Ster</i>	0.03125	1,424	1,424	2,848
Mauritius	<i>Sbis</i>	0.0625	2,849	2,849	5,698
Mexico	<i>IVbis</i>	7.5	341,842	341,842	683,684
Monaco	<i>VII</i>	1	45,579	45,579	91,158
Mongolia	<i>Sbis</i>	0.0625	2,849	2,849	5,698
Morocco	<i>S</i>	0.125	5,697	5,697	11,394
Mozambique	<i>Ster</i>	0.03125	1,424	1,424	2,848
Myanmar ²	<i>Ster</i>	0.03125	1,424	1,424	2,848
N amibia	<i>Sbis</i>	0.0625	2,849	2,849	5,698
Nepal ²	<i>Ster</i>	0.03125	1,424	1,424	2,848
Netherlands	<i>III</i>	15	683,685	683,685	1,367,370
New Zealand	<i>VI</i>	3	136,737	136,737	273,474
Nicaragua	<i>Sbis</i>	0.0625	2,849	2,849	5,698
Niger	<i>Ster</i>	0.03125	1,424	1,424	2,848
Nigeria	<i>S</i>	0.125	5,697	5,697	11,394
Norway	<i>IV</i>	10	455,790	455,790	911,580
O man	<i>S</i>	0.125	5,697	5,697	11,394
P akistan	<i>S</i>	0.125	5,697	5,697	11,394
Panama	<i>Sbis</i>	0.0625	2,849	2,849	5,698
Papua New Guinea	<i>Sbis</i>	0.0625	2,849	2,849	5,698
Paraguay	<i>Sbis</i>	0.0625	2,849	2,849	5,698
Peru	<i>IX</i>	0.25	11,395	11,395	22,790
Philippines ³	<i>IX/S</i>	0.25/0.125	11,395	5,697	17,092
Poland	<i>VI</i>	3	136,737	136,737	273,474
Portugal	<i>IVbis</i>	7.5	341,842	341,842	683,684
Q atar	<i>S</i>	0.125	5,697	5,697	11,394
R epublic of Korea	<i>VII</i>	1	45,579	45,579	91,158
Republic of Moldova	<i>IX</i>	0.25	11,395	11,395	22,790
Romania	<i>VIbis</i>	2	91,158	91,158	182,316
Russian Federation	<i>IV</i>	10	455,790	455,790	911,580
Rwanda	<i>Ster</i>	0.03125	1,424	1,424	2,848
S aint Kitts and Nevis	<i>Sbis</i>	0.0625	2,849	2,849	5,698
Saint Lucia	<i>Sbis</i>	0.0625	2,849	2,849	5,698
Saint Vincent and the Grenadines	<i>Sbis</i>	0.0625	2,849	2,849	5,698
Samoa ²	<i>Ster</i>	0.03125	1,424	1,424	2,848
San Marino	<i>IX</i>	0.25	11,395	11,395	22,790

States Members of One or More Contribution-financed Unions	Contribution Class	Contribution units (2002-03)	Contribution ¹ 2002	Contribution ¹ 2003	Contributions 2002-03
Sao Tome and Principe	<i>Ster</i>	0.03125	1,424	1,424	2,848
Saudi Arabia ²	VII	1	45,579	45,579	91,158
Senegal	<i>Sbis</i>	0.0625	2,849	2,849	5,698
Seychelles ²	<i>Sbis</i>	0.0625	2,849	2,849	5,698
Sierra Leone	<i>Ster</i>	0.03125	1,424	1,424	2,848
Singapore	IX	0.25	11,395	11,395	22,790
Slovakia	VI	3	136,737	136,737	273,474
Slovenia	VII	1	45,579	45,579	91,158
Somalia ²	<i>Ster</i>	0.03125	1,424	1,424	2,848
South Africa	<i>IVbis</i>	7.5	341,842	341,842	683,684
Spain	IV	10	455,790	455,790	911,580
Sri Lanka	<i>Sbis</i>	0.0625	2,849	2,849	5,698
Sudan	<i>Ster</i>	0.03125	1,424	1,424	2,848
Suriname	<i>Sbis</i>	0.0625	2,849	2,849	5,698
Swaziland	<i>Sbis</i>	0.0625	2,849	2,849	5,698
Sweden	III	15	683,685	683,685	1,367,370
Switzerland	III	15	683,685	683,685	1,367,370
Syrian Arab Republic	S	0.125	5,697	5,697	11,394
T ajikistan	IX	0.25	11,395	11,395	22,790
Thailand	IX	0.25	11,395	11,395	22,790
The former Yugoslav Republic of Macedonia	VIII	0.5	22,789	22,789	45,578
Togo	<i>Ster</i>	0.03125	1,424	1,424	2,848
Trinidad and Tobago	<i>Sbis</i>	0.0625	2,849	2,849	5,698
Tunisia	S	0.125	5,697	5,697	11,394
Turkey	<i>VIbis</i>	2	91,158	91,158	182,316
Turkmenistan	IX	0.25	11,395	11,395	22,790
U ganda	<i>Ster</i>	0.03125	1,424	1,424	2,848
Ukraine	IX	0.25	11,395	11,395	22,790
United Arab Emirates	IX	0.25	11,395	11,395	22,790
United Kingdom	I	25	1,139,475	1,139,475	2,278,950
United Republic of Tanzania	<i>Ster</i>	0.03125	1,424	1,424	2,848
United States of America	I	25	1,139,475	1,139,475	2,278,950
Uruguay	S	0.125	5,697	5,697	11,394
Uzbekistan	IX	0.25	11,395	11,395	22,790
V enezuela	IX	0.25	11,395	11,395	22,790
Viet Nam	<i>Sbis</i>	0.0625	2,849	2,849	5,698
Y emen ²	<i>Ster</i>	0.03125	1,424	1,424	2,848
Yugoslavia	<i>VIbis</i>	2	91,158	91,158	182,316
Z ambia	<i>Ster</i>	0.03125	1,424	1,424	2,848
Zimbabwe	<i>Sbis</i>	0.0625	2,849	2,849	5,698
Total Contributions ³		379.4375	17,294,376	17,288,678	34,583,054

1/ The value of one unit for the years 2002 and 2003 is 45,579 Swiss francs.

2/ States members of WIPO which are not members of any of the Unions.

3/ Due to the change of class of the Philippines, the total of all units equals to 379.4250 in 2003.

[Appendix 5 follows]

APPENDIX 5 DEFINITIONS OF BUDGET HEADINGS

Sources of Income

Contributions (Unions/WIPO)

Contributions of States to the Organization under the unitary contribution system.

Fee Income

Fees for the International Bureau under the PCT, Madrid, Hague and Lisbon Systems. Charges for administrative support services by the WIPO Arbitration and Mediation Center, including fees for the arbitration of domain names and registration fees for training courses and symposia.

Publications Income

Revenues from the sale of publications and from subscriptions to periodicals published by the Secretariat, in paper, CD-ROM or any other format.

Interest Income

Revenues from interest on capital deposits.

Rental Income

Income received from the rental of WIPO premises.

UPOV Reimbursement

UPOV's payments to WIPO for administrative support services.

Other Income

All income not described above, including income to cover "support costs" in respect of extra-budgetary activities executed by WIPO and financed by UNDP and Funds-in-Trust, registration fees for certain conferences and training programs, accounting adjustments (credits) in respect of prior years and currency adjustments (credits).

Objects of Expenditure

Staff Expenses

Staff salaries: remuneration received by staff members, in particular salaries, post adjustment, dependency allowances, language allowances and overtime, non-resident allowances, assignment grant and representation allowances.

Short-term expenses: remuneration and allowances paid to staff on short-term appointments.

Social charges: all allowances received by staff members not included in their salaries, in particular employer's contribution towards pension fund, participation in sickness insurance scheme, contribution towards the separation provision used for covering payments due upon separation from service, education grants, removal expenses, travel expenses of dependent children attending educational institutions, home leave, grants to cover costs of installation in the duty station, professional accident insurance premia, refund of national income taxes on salaries and other allowances, indemnities or grants paid by the Secretariat.

Official Travel and Fellowships

Staff Missions: Travel expenses and daily subsistence allowances for the staff and headquarters-based consultants of the Secretariat on official travel.

Participation of Government Officials and Lecturers: Travel expenses and daily subsistence allowances for Government officials, participants and lecturers attending WIPO-sponsored meetings.

Fellowships: Travel expenses, daily subsistence allowances and training and other fees in connection with trainees attending courses, seminars, long-term fellowships and internships.

Contractual Services

Conference Services: Remuneration, travel expenses and daily subsistence allowances for interpreters; renting of conference facilities, and interpretation equipment; refreshments and receptions; and the cost of any other service directly linked to the organization of a conference.

Consultants and Experts: All expenses connected with the employment of consultants, in particular: remuneration, travel expenses and daily subsistence allowances, with the exception of mission costs of headquarters-based consultants; honoraria paid to lecturers.

Publishing: Outside printing and binding: reviews: paper and printing; other printing: reprints of articles published in reviews; brochures; treaties; collections of texts; manuals; working forms and other miscellaneous printed material; production of CD-ROMs, videos, magnetic tapes and other forms of electronic publishing.

Other Contractual Services: All other contractual services, in particular: fees of translators of documents; rental of computer time; cost of staff training; recruitment costs; and other external contractual services.

Operating and Other Expenses

Premises and Maintenance: All expenses arising from the acquiring, renting, improving and maintaining office space and renting or maintaining equipment and furniture.

Communication and Other Expenses: Expenses including the cost of telephone, telegrams, telexes, facsimile and mail, postage and carriage of documents; all general operating expenses not described above, such as: medical assistance, housing service, Administrative Tribunal, Staff Association, hospitality; bank charges; interest on bank and other loans (except building loans); currency adjustments (debits); audit expenses; unforeseen expenses and accounting adjustments (debits) in respect of prior years; contributions to joint administrative activities within the United Nations system; repayment to one or more Unions of advances in connection with the creation of a new Union or amortization of the deficit resulting from the organizational expenses of a Union, and expenses not specifically provided for.

Equipment and Supplies

Furniture and Equipment: Purchase of furniture and equipment, in particular: office furniture and office machines; text processing and data processing equipment; conference servicing equipment; reproduction equipment; transportation equipment.

Supplies and Materials: All supplies and materials, in particular: stationery and office supplies; internal reproduction supplies (offset, microfilms, etc.); library books and subscriptions to reviews and periodicals; uniforms; data processing supplies; computer software and licenses.

[Appendix 6 follows]

APPENDIX 6 ACRONYMS AND ABBREVIATIONS USED IN THE PRESENT DOCUMENT

ABC	Activity-based control
AIMS	Administrative Information Management System
Arb.	Arbitration
CAM	Centre Administratif des Morillons
CBD	Convention on Biological Diversity
CCRMD	Conference, Communications, and Records Management and Archives Division
CFU	Contribution-financed Unions
CIS	Confederation of Independent States
CLAIMS	Classification Automated Information System
CLEA	Collection of Laws for Electronic Access
Cont.fin.	Contribution-financed
DNS	Domain Name System
ECOSOC	Economic and Social Council (of the United Nations)
EDMS	Electronic Document Management System
EPO	European Patent Office
HRMD	Human Resources Management Division
IAs	International applications
IAC	Industry Advisory Commission
IAOD	Internal Audit and Oversight Division
IBIS	International Patent Classification Information System <i>bis</i>
IGC	Intergovernmental Committee on Intellectual Property and Genetic Resources, Traditional Knowledge and Folklore
IGO	Intergovernmental organization
ILO	International Labour Organization
IMF	International Monetary Fund
IMPACT	Information Management for the Patent Cooperation Treaty
IPC	International Patent Classification
IPDL	Intellectual Property Digital Library
IPO	Intellectual Property Office
IUCN	World Conservation Union
JIU	Joint Inspection Unit (of the United Nations)
JPO	Japanese Patent Office
LDCs	Least Developed Countries
NFAPs	Nationally-focused action plans
NGO	Non-governmental organization
OLOA	Office of Legal and Organization Affairs
OSPPD	Office of Strategic Planning and Policy Development
PAB	Promotion Advisory Board
PAC	Policy Advisory Commission
PAS	Performance Appraisal (Management) System
PBE	Percentage of Estimated Biennial Expenditure

PCIPD	Permanent Committee on Cooperation for Development Related to Intellectual Property
PCT	Patent Cooperation Treaty
PCT/EASY	Patent Cooperation Treaty/Electronic Application System
PLT	Patent Law Treaty
ROMARIN	Read-Only Memory of Madrid Actualized Registry Information
RWCF	Reserve and Working Capital Funds
SCCR	Standing Committee on Copyright and Related Rights
SCIT	Standing Committee on Information Technology
SCP	Standing Committee on the Law of Patents
SCT	Standing Committee on the Law of Trademarks, Industrial Designs and Geographical Indications
SMEs	Small and Medium-Sized Enterprises
SRF	Special Reserve Fund
TRIPS Agreement	Agreement on Trade-Related Aspects of Intellectual Property Rights
UDRP	Uniform Domain Name Dispute Resolution Policy
UNCTAD	United Nations Conference on Trade and Development
UNDP	United Nations Development Programme
UNEP	United Nations Environment Programme
UNESCO	United Nations Educational, Scientific and Cultural Organization
UNHCR	United Nations High Commissioner for Refugees
UNJSPB	United Nations Joint Staff Pension Board
UNSEIAC	United Nations System Electronic Information Acquisition Consortium
UPOV	International Union for the Protection of New Varieties of Plants
USPTO	United States Patent and Trademark Office
WCT	WIPO Copyright Treaty
WMO	World Meteorological Organization
WMU	WIPO Medical Unit
WPPT	WIPO Performances and Phonograms Treaty
WTO	World Trade Organization
WWA	WIPO Worldwide Academy

[Appendix 7 follows]

APPENDIX 7 WIPO-ADMINISTERED TREATIES

WIPO Convention	Convention Establishing the World Intellectual Property Organization (signed at Stockholm on July 14, 1967, and as amended on September 28, 1979)
Berne Convention	Berne Convention for the Protection of Literary and Artistic Works Paris Act of July 24, 1971 (as amended on September 28, 1979)
Brussels Convention	Brussels Convention Relating to the Distribution of Programme-Carrying Signals Transmitted by Satellite (jointly administered with UNESCO)
Budapest Treaty	Budapest Treaty on the International Recognition of the Deposit of Microorganisms for the Purposes of Patent Procedure (done at Budapest on April 28, 1977, and amended on September 26, 1980)
<i>Budapest Regulations</i>	<i>Regulations Under the Budapest Treaty on the International Recognition of the Deposit of Microorganisms for the Purposes of Patent Procedure</i>
Geneva Convention	Geneva Convention for the Protection of Producers of Phonograms Against Unauthorized Duplication of Their Phonograms (administered in cooperation with ILO and UNESCO for matters within their respective competence)
Hague Agreement	The Hague Agreement Concerning the International Deposit of Industrial Designs of November 6, 1925 (as revised at London on June 2, 1934, at The Hague on November 28, 1960, supplemented by the Additional Act of Monaco of November 18, 1961, and complemented by the complementary Act of Stockholm of July 14, 1967, as amended on September 28, 1979)
<i>Hague Regulations</i>	Regulations Under the Hague Agreement Concerning the International Deposit of Industrial Designs
Lisbon Agreement	Lisbon Agreement for the Protection of Appellations of Origin and their International Registration of October 31, 1958 (as revised at Stockholm on July 14, 1967, and as amended on September 28, 1979)
<i>Lisbon Regulations</i>	<i>Regulations Under the Lisbon Agreement for the Protection of Appellations of Origin and their International Registration</i>

Locarno Agreement	Locarno Agreement Establishing an International Classification for Industrial Designs Signed at Locarno on October 8, 1968 (as amended on September 28, 1979)
Madrid Agreement	Madrid Agreement Concerning the International Registration of Marks of April 14, 1891 (as revised at Brussels on December 14, 1900, at Washington on June 2, 1911, at The Hague on November 6, 1925, at London on June 2, 1934, at Nice on June 15, 1957, and at Stockholm on July 14, 1967, and as amended on September 28, 1979)
Madrid Protocol	Protocol Relating to the Madrid Agreement Concerning the International Registration of Marks (as adopted at Madrid on June 27, 1989)
<i>Common Regulations</i>	<i>Common Regulations Under the Madrid Agreement Concerning the International Registration of Marks and the Protocol Relating to that Agreement</i>
Nairobi Treaty	Nairobi Treaty on the Protection of the Olympic Symbol (adopted at Nairobi on September 26, 1981)
Nice Agreement	Nice Agreement Concerning the International Classification of Goods and Services for the Purposes of the Registration of Marks of June 15, 1957 (as revised at Stockholm on July 14, 1967, and at Geneva on May 13, 1977, and as amended on September 28, 1979)
Paris Convention	Paris Convention for the Protection of Industrial Property of March 20, 1883 (as revised at Brussels on December 14, 1900, at Washington on June 2, 1911, at The Hague on November 6, 1925, at London on June 2, 1934, at Lisbon on October 31, 1958, and at Stockholm on July 14, 1967, and as amended on September 28, 1979)
PCT	Patent Cooperation Treaty (done at Washington on June 19, 1970, amended on September 28, 1979, and modified on February 3, 1984)
<i>PCT Regulations</i>	<i>Regulations Under the Patent Cooperation Treaty (as in force on January 1, 2001)</i>

Rome Convention	Rome Convention, 1961 International Convention for the Protection of Performers, Producers of Phonograms and Broadcasting Organisations (done at Rome on October 26, 1961) (jointly administered with UNESCO)
Satellite Convention	Convention Relating to the Distribution of Programme-Carrying Signals Transmitted by Satellite (done at Brussels on May 21, 1974) (jointly administered with UNESCO)
Strasbourg Agreement	Strasbourg Agreement Concerning the International Patent Classification of March 24, 1971 (as amended on September 28, 1979)
TLT	Trademark Law Treaty (adopted at Geneva on October 27, 1994)
<i>TLT Regulations</i>	<i>Regulations Under the Trademark Law Treaty (adopted at Geneva on October 27, 1994)</i>
Vienna Agreement	Vienna Agreement Establishing an International Classification of the Figurative Elements of Marks
WIPO Copyright Treaty	(adopted at Geneva on December 20, 1996, by the Diplomatic Conference on Certain Copyright and Neighbouring Rights Questions)
WIPO Performances and Phonograms Treaty	(adopted at Geneva on December 20, 1996, by the Diplomatic Conference on Certain Copyright and Neighbouring Rights Questions)
Other agreements:	
WIPO-WTO Agreement	Agreement between the World Intellectual Property Organization and the World Trade Organization (concluded in Geneva on December 22, 1995)

[End of Appendix 7
and end of document]