

ANNEX II

Extract from the Financial Management Report for the 2000-2001 Biennium

Expenditure by Main program - 2000-2001 biennium

(in thousands of francs)

		Actual expenditure	Revised budget	Result as a % of the budget
<i>PART I.</i>	<i>Policy, Direction and Management</i>			
Program 01.	Constituent Organs of the Member States and Office of the Director General	8 062	8 388	96.1%
Program 02.	Strategic Planning and Policy Development	18 478	11 583	159.5%
Program 03.	Legal and Organizational Affairs	12 292	11 109	110.6%
Program 04.	Program Planning, Budgeting, Financial Control and Audit	3 170	4 443	71.3%
Program 05.	Global Communications and Public Diplomacy	12 071	12 551	96.2%
		54 073	48 074	112.5%
<i>PART II.</i>	<i>Cooperation for development and WIPO Worldwide Academy</i>			
Program 06.	Cooperation with Developing Countries	53 671	47 039	114.1%
Program 07.	Cooperation with Certain Countries in Europe and Asia	5 423	4 515	120.1%
Program 08.	The WIPO Worldwide Academy and Human Resources Development	13 548	13 263	102.1%
		72 642	64 817	112.1%
<i>PART III.</i>	<i>Progressive development of International Intellectual Property Law and Standing Committees</i>			
Program 09.	Development of Industrial Property Law	10 039	9 267	108.3%
Program 10.	Development of Copyright and Related Rights	5 391	8 283	65.1%
Program 11.	Global Intellectual Property Issues	3 576	4 077	87.7%
		19 006	21 627	87.9%
<i>PART IV.</i>	<i>Global Information Network and Intellectual Property Information Services</i>			
Program 12.	Information Technology and Intellectual Property Information Services	82 105	83 233	98.6%
		82 105	83 233	98.6%
<i>PART V.</i>	<i>Global Protection Systems and Services</i>			
Program 13.	Patent Cooperation Treaty (PCT) System	126 877	134 445	94.4%
Program 14.	Madrid System for the International Registration of Marks, Hague System for the International Deposit of Industrial Designs, and Lisbon System for the Protection of Appellations of Origin and their International Registration	27 776	37 575	73.9%
		154 653	172 020	89.9%
<i>PART VI.</i>	<i>General Support Services</i>			
Program 15.	Human Resources Management	15 431	15 405	100.2%
Program 16.	Administrative Support Services	50 378	50 710	99.3%
Program 17.	Premises	100 028	96 837	103.3%
Program 18.	Procurement, Contracts and Travel Services	10 025	9 036	110.9%
Program 19.	Miscellaneous and Unforeseen Activities	3	4 099	0.1%
		175 865	176 087	99.9%
Total		558 344	565 858	98.7%

Explanation of differences

Program 01. Constituent Organs of the Member States and Office of the Director General

Savings are mainly due to the non-holding of an Extraordinary session of the Assemblies of the Member States, as anticipated in the budget, as well as the postponement to 2002 of the meeting of the Industry Advisory Commission planned for 2001. These savings were partly offset by the repayment of the advance made to the Government of Austria in respect of the Treaty on the International Registration of Audiovisual Works.

Program 02. Strategic Planning and Policy Development

Substantial overexpenditure in this program is related to policy decisions concerning the executive management of WIPO for the 2000-2001 biennium. These decisions include the re-assignment of the audit services from the Office of the Controller and their consolidation into the Internal Audit and Oversight Division and the strengthening of these services; the re-assignment of Media Relations from the Office of Global Communications and Public Diplomacy; the creation of the Small and Medium-size Enterprises Division assuming previous responsibilities located under the Strategic Research and Analysis Division; the implementation of a few pilot projects in preparation for an entire new range of activities such as the economic impact of intellectual property and the WIPO Patent Agenda; the enhancement of external relations with the United Nations in New York, the opening of an office in Washington D.C. and preparations for the opening of an office in Brussels; the development of Interagency Affairs activities, including specific cooperation with WTO and UPOV; the enhancement of program coordination as an essential key to the strategic planning and policy development of WIPO; and the reinforcement of Protocol activities linked to the increased international visibility of the Secretariat and its Director General.

Program 03. Legal and Organization Affairs

Overexpenditure in this program is due to additional staff support for activities related to electronic commerce, set-up costs for the Arbitration and Mediation Center, as well as general activities for the Legal and Constitutional Affairs Section and the Non-Governmental and Enterprises Affairs Division.

Program 04. Program Planning, Budgeting, Financial Control and Audit

Underexpenditure is mainly due to the transfer of audit responsibilities to Main Program 02, and to lower staff costs.

Program 05. Global Communications and Public Diplomacy

Savings are mainly due to the transfer of activities for media relations to the Office of Strategic Planning and Policy Development and to lower staff costs, partly offset by the higher-than-anticipated level of activities on the graphic design of WIPO's public information products, as well as the set-up costs of the unit for the production of multimedia public outreach materials.

Program 06. Cooperation with Developing Countries

Program overexpenditure is attributable to higher levels of activities linked to the promotion and development of the use of the intellectual property system in developing countries, including - amongst others - the organization of general and specialized events, efforts for the establishment and administration of societies for the collective management of copyright and related rights and for the dissemination of information materials. This required additional staff resources. In addition, the Developing Countries (PCT) Division and the Developing Countries (Madrid and Hague Systems) Division were transferred to this Main Program for increased efficiency of production.

Program 07. Cooperation with Certain Countries in Europe and Asia

Overexpenditure is due to increased activities and to higher related staff support costs.

Program 08. The WIPO Worldwide Academy and Human Resources Development

Program overexpenditure is mainly due to additional staff costs following the re-assignment of the WIPO Library and Research Services from the Office of Global Communications and Public Diplomacy to Main Program 08, partly offset by non-staff costs attributable to the cancellation of an interregional academy session on intellectual property for journalists planned for 2001 and the partial postponement to 2002 of training costs associated with WIPO-sponsored fellowships.

Program 09. Development of Industrial Property Law

The program overexpenditure is mainly due to costs associated with the holding of the Diplomatic Conference on the Patent Law Treaty (May 2000), an increased number of WIPO-financed participants to the Standing Committees on Patents and Trademarks, as well as the setting-up of an additional unit responsible for the comparative industrial property law research, partly offset by a reduction in consultancy services for the sector.

Program 10. Development of Copyright and Related Rights

Savings were attained through the streamlining of a number of activities and the postponement of consultations regarding the protection of broadcasting organizations and databases, as well as some activities related to network-based rights management and possible overlaps between copyright and industrial property rights.

Program 11. Global Intellectual Property Issues

Underexpenditure is related to a fundamental change in the priorities of the program in early 2000, leading up to the establishment of the Intergovernmental Committee on Intellectual Property and Genetic Resources, Traditional Knowledge and Folklore, partly offset by the reinforcement of the staff comprising the secretariat of that committee.

Program 12. Information Technology and Intellectual Property Information Services

The program is, overall, on target, with some underexpenditure appearing under WIPOnet and Intellectual Property Information Services as some activities under these projects have been postponed, although this trend is partly offset by higher expenditures in IMPACT, reflecting the implementation rate of the project.

Program 13. Patent Cooperation Treaty (PCT) System

Underexpenditure in the program is attributable, on the one hand, to lower staff costs, the relocation of the PCT (Developing Countries Division) to Main Program 06, temporary replacement of staff by short-term employees and the fact that the overall activity levels for the PCT are slightly below those of the revised budget target; and, on the other hand, to savings in the non-staff costs of the operation of the PCT system, including communication and other general operating expenses due to improved work processes.

Program 14. Madrid System for the International Registration of Marks, Hague System for the International Deposit of Industrial Designs, and Lisbon System for the Protection of Appellations of Origin and their International Registration

Substantial underexpenditure in both staff and non-staff budget lines has been recorded. Underexpenditure associated with staff costs is mainly due to lower-than-anticipated levels of registrations for the Madrid and Hague systems as fewer member States than expected acceded to such systems. In addition, other factors include the relocation of the newly created Developing Countries (Madrid and Hague Systems) Division under the program for Cooperation for Development and the transfer of the responsibilities for Information Technology activities from the International Registration Department to the Information Technology Division. On the other hand, significant savings were achieved in non-staff expenditure due to the streamlining of the paper version of the International Designs Bulletin, as well as to efficiency gains within the department.

Program 15. Human Resources Management

The program appears to be overall, on target. Higher-than-budgeted expenditure was incurred for staff costs in order to support growing staffing levels at WIPO, which had to be offset by savings made on training and other staff development activities.

Program 16. Administrative Support Services

Through efficiency gains and the negotiation of lower costs, the program was able to be kept within the budget, notwithstanding the increased activities of an expanding organization. There were some savings in staff costs, which were partly offset by the in-house printing costs of some WIPO publications being charged to Main Program 16. This printing work was previously undertaken by outside contractors at the expense of the requesting programs.

Program 17. Premises

Program overexpenditure is mainly due to additional costs associated with the rental and maintenance of working places, parking spaces and storage units; as well as to a number of building improvement projects adopted by the Secretariat aiming to upgrade and enhance WIPO's premises and the reinforcement of building security.

Program 18. Procurement, Contracts and Travel Services

Program overexpenditure is mainly due to the additional purchase of office furniture, equipment and supplies owing to the higher-than-expected increase in the staffing of the Organization. Furthermore, additional staff support was required to cope with increasing demands associated with the development and preparation of contracts for major WIPO projects.

[Annex III follows]