

Special Union for the Protection of Appellations of Origin and their International Registration (Lisbon Union)

Assembly

Thirty-Third (12th Extraordinary) Session
Geneva, October 3 to 11, 2016

FINANCIAL MATTERS CONCERNING THE LISBON UNION

Document prepared by the International Bureau

BACKGROUND

1. At the fifty-fifth series of meetings of the Assemblies of the Member States of WIPO (October 5 to 14, 2015), the Assemblies of the Member States of WIPO and of the Unions, each as far as it was concerned, noted the decision of the Lisbon Union Assembly¹ to adopt measures by the 2016 Assemblies to eliminate the Lisbon Union's projected biennial deficit, as described in the 2016/17 biennium WIPO Program and Budget (i.e. 1.523 million Swiss francs). The Assemblies of the Member States of WIPO and of the Unions, each as far as it was concerned, also decided "to approve a loan from the reserves of the Contribution-financed Unions to the Lisbon Union in order to fund the operations of the Lisbon System for 2016/17, in case such measures are not sufficient to cover its projected biennial deficit. Such loan shall be provided on the basis that no interest shall be payable and that it would be repaid when the Lisbon Union reserves would allow it to do so" (document A/55/13, paragraphs 231 and 235).

¹ See document LI/A/32/5, paragraph 73(i) and (ii).

2. In addition, at its thirty-second (21st ordinary) session, the Assembly of the Lisbon Union decided that the Lisbon Union should take advantage of the meetings of the Working Group for the Preparation of Common Regulations under the Lisbon Agreement and the Geneva Act of the Lisbon Agreement (hereinafter referred to as “the Working Group”) to consider the financial sustainability of the Lisbon Union, including the options contained in document LI/A/32/3 or any other practical solution, and to present a proposal to the next session of the Assembly in 2016 (document LI/A/32/5, paragraph 73(iii)).

FINANCIAL SUSTAINABILITY OF THE LISBON UNION

3. During the first session of the Working Group, which took place in Geneva from June 7 to 9, 2016, the Working Group referred to documents LI/A/32/3 (Options for the Financial Sustainability of the Lisbon Union), LI/A/32/2 (Proposal to Update the Fee Schedule Under Rule 23 of the Regulations Under the Lisbon Treaty) and LI/A/32/4 (Proposal to Establish a Working Capital Fund for the Lisbon Union)².

4. The Chair of the Working Group noted that there was agreement by the Working Group that measures had to be adopted for the long term financial sustainability of the Lisbon Union, including further discussions on a possible gradual increase in fees and the establishment of a contribution system to be discussed and agreed to in the future. Moreover, delegations recalled the importance of the promotion of the Lisbon System that should be effected by the Lisbon Registry in order to attract new Contracting Parties, which would help to share the financial burden among a wider membership, and internally by the Member States in order to promote the filing of new applications, as much as possible. In this regard, two observer delegations stated that WIPO should conduct promotion activities for geographical indications in a balanced manner. One member delegation questioned whether the issue of balanced promotion should not be discussed in a broader context³.

5. Finally, the Working Group requested the Secretariat to organize meeting(s) for the Lisbon Union members to prepare proposals, with the assistance of the Secretariat, to address the long term financial sustainability of the Lisbon Union in time for consideration at the next session of the Lisbon Union Assembly in accordance with the decision of that Assembly (document LI/A/32/5, paragraph 73(iii)).

DEFICIT OF THE LISBON UNION

6. During the first session of the Working Group, Lisbon Union members exchanged views on possible measures to be adopted by the 2016 Assemblies in order to eliminate the projected biennial deficit of the Lisbon Union, as described in the 2016/17 biennium WIPO Program and Budget of the Lisbon Union (1.523 million Swiss francs).

7. In this respect, the Chair noted that a number of Lisbon Union members announced their readiness to make voluntary payments in order to eliminate the projected biennial deficit of the Lisbon Union and that they would take the necessary steps to work with the Secretariat on the modalities of such payments.

² See document LI/WG/PCR/1/4.

³ See document LI/WG/PCR/1/5, paragraph 15.

8. *The Assembly of the Lisbon Union is invited to:*

(i) take note of document LI/A/33/1 (Financial Matters Concerning the Lisbon Union);

(ii) consider proposal(s) to address the financial sustainability of the Lisbon Union; and

(iii) adopt measures to eliminate the Lisbon Union's projected biennial deficit, as described in the 2016/17 biennium WIPO Program and Budget.

[End of document]