

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

Assembly

Thirty-Fourth (22nd Ordinary) Session
Geneva, October 2 to 11, 2017

FINANCIAL MATTERS CONCERNING THE LISBON UNION

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I. INTRODUCTION

1. At its fifty-fifth series of meetings (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 WIPO Program and Budget for the 2016/17 biennium (1.523 million Swiss francs)”. The Assemblies 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 the framework of the same series of meetings, the Assembly of the Lisbon Union “decided to modify the amounts of fees mentioned in Rule 23 of the Regulations [Under the Lisbon Agreement] [...]” and “decided that it would continue to review fees on a regular basis” (document LI/A/32/5, paragraph 46(ii) and (iii)). In addition, the Assembly of the Lisbon Union decided that the Lisbon Union would “take advantage of the meetings of the Working Group² for the discussion relating to the Lisbon system in order 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)).

II. PROJECTED BIENNIAL DEFICIT OF THE LISBON UNION FOR THE 2016/17 BIENNIUM

3. At its thirty-third (12th extraordinary) session (October 3 to 11, 2016), the Assembly of the Lisbon Union decided that the payment of subventions under Article 11(3)(iii) of the Lisbon Agreement for the Protection of Appellations of Origin and their International Registration would constitute measures to eliminate the projected biennial deficit of the Lisbon Union (document LI/A/33/3, paragraph 28(iii)). As of June 15, 2017, those subventions amounted to a total of 1,190,520 Swiss francs.

III. FINANCIAL SUSTAINABILITY OF THE LISBON UNION

4. At the same session, and concerning the financial sustainability of the Lisbon Union, the Assembly of the Lisbon Union decided: to emphasize promotion activities of the Lisbon System including the Geneva Act of the Lisbon Agreement on Appellations of Origin and Geographical Indications; to continue consideration of the establishment of a contribution system in the framework of the unitary contribution system, as well as the methodology for calculating such contributions; to continue monitoring the Lisbon Schedule of Fees with a view to reviewing it, for an eventual increase in the future; and to take advantage of the next meeting of the Lisbon Working Group, and informal meeting(s) that the Chair of the Working Group might request the Secretariat to organize, to further discuss the financial sustainability of the Lisbon Union (document LI/A/33/3, paragraph 28, items (v) to (viii)).

5. At the second session of the Working Group (April 3 to 5, 2017), the Chair “highlighted, in particular, the following main elements emerging from the statements by Lisbon Union members: (i) the need to emphasize promotion activities of the Lisbon System including the Geneva Act of the Lisbon Agreement on Appellations of Origin and Geographical Indications; (ii) the need to continue reviewing the Lisbon Fee Schedule on a regular basis, while taking into account that an increase in the amount of fees may act as a disincentive to join and use the Lisbon System; and (iii) the need to ensure that any solution to the financial sustainability of the Lisbon System be in line with the existing WIPO budget principles and methodology, as well as with the principle of solidarity among all WIPO unions” (document LI/WG/PCR/2/6, paragraph 16).

6. The Working Group “agreed to recommend to the Lisbon Union Assembly to extend the mandate of the Working Group with a view to allowing further discussions on the development of the Lisbon System, including solutions for its financial sustainability” (document LI/WG/PCR/2/6, paragraph 17).

² Editor’s note: Refers to 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”).

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

(i) take note of “Financial Matters Concerning the Lisbon Union” (document LI/A/34/3); and

(ii) extend the mandate of the Working Group with a view to allowing further discussions on the development of the Lisbon System, including solutions for its financial sustainability.

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