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WORLD INTELLECTUAL PROPERTY ORGANIZATION
GENEVA

PROGRAM AND BUDGET COMMITTEE

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REVISED PROGRAM AND BUDGET FOR THE 2008/09 BIENNIUM

Document prepared by the Secretariat

1. In accordance with Financial Regulation 2.9, the proposed Revised Program and Budget for the 2008/09 Biennium is enclosed.
2. The proposed Revised Program and Budget for the 2008/09 biennium takes into account the feedback and comments from Member States made at the informal meetings held on October 21 and 30, 2008.
3. *The Program and Budget Committee is invited to recommend to the Assemblies of the Member States of WIPO and of the Unions, each as far as it is concerned, the approval of the enclosed proposed Revised Program and Budget for the 2008/09 biennium.*

REVISED PROGRAM AND BUDGET FOR THE 2008/09 BIENNIUM

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I. DIRECTOR GENERAL'S INTRODUCTION AND HIGHLIGHTS

I took up my appointment as Director General of the World Intellectual Property Organization (WIPO) on October 1, 2008, conscious of the multiple challenges facing WIPO, both externally and internally, and of the responsibility placed on me by Member States to deliver the changes required to meet those challenges.

I highlighted many of the most pressing challenges in my recent acceptance speech to the WIPO Assemblies. Among them: the patent system is failing to cope with the unprecedented levels of demand driven by the quickening pace of technological innovation, leaving Patent Offices struggling to perform in a manner that is timely enough to respond to the needs of the economy. The twentieth century model of copyright and related rights is under radical threat, obliging policy makers and stakeholders to grapple with fundamental questions about how the system should evolve in response to technological, cultural and social change. WIPO's Committees are unable to find a way forward on most substantive issues, the problems grow bigger. Respect for intellectual property is being undermined to the detriment of producers and users in every country, affecting the ability of the system to deliver its basic mission of encouraging innovation and creativity and contributing to market order.

As a member of the United Nations family of organizations, WIPO must ensure that the use of intellectual property, and the evolution of the international system, contribute substantially to facilitating participation by developing and least developed countries in the benefits of innovation and of the knowledge economy. This is among our greatest challenges. Member States' consensus on a Development Agenda for WIPO provides a solid platform on which to move forward. Our priority now must be to translate that political consensus into concrete projects with deliverable outcomes, for implementation in programs across the Organization. At the same time, we must review and improve the effectiveness of our service delivery in the area of capacity building, in order better to align WIPO's contribution with the economic objectives and priorities of countries.

Intellectual property policies, which are designed to stimulate the production and dissemination of new technologies, have a central role to play in the collective efforts by the international community to find solutions to some of the greatest challenges confronting humanity, from climate change and desertification, to hunger and disease. We need to ensure that WIPO's voice is heard in all the fora where these global public policy issues are discussed, and that we take a leading role in identifying intellectual property-based solutions.

In order for WIPO to address these and the many other challenges before us, we need a functional Organization, with clear policy direction, efficient processes, relevant programs, properly aligned resources, and trusted communication with Member States and non-governmental stakeholders. The revised 2008/09 Program and Budget therefore marks the beginning of a comprehensive process of strategic realignment, which will continue through the 2010/11 biennium. The aim of the process is to realign WIPO's strategic goals, objectives, programs, resources and structures so as to enable the Organization to fulfill its mandate efficiently and effectively within a rapidly evolving external environment.

The realignment process starts with a redefinition of WIPO's goals at the strategic level; a review and realignment of programs in relation to those goals; and some redistribution of personnel and non-personnel resources between programs. This will be followed in the course of the coming two years by a further realignment of the organizational structure and re-engineering of business processes.

There is much to be done, and Member States have made clear their expectation that the new Administration should lose no time in taking forward the process of organizational change. This revised Program and Budget enables us to take the first major step in that process.

The next stage will be to break down the strategic goals into the more detailed strategic objectives, which will help to chart what we need to do to make progress against them, and how. This will form the heart of a Medium Term Strategic Plan for the period 2010-2015, which will be developed in parallel with the preparation of the 2010/11 Program and Budget, with the close involvement of Member States.

The highlights of this revised Program and Budget include:

- The redefinition of WIPO's Strategic Goals in response to external challenges, including the addition of new Strategic Goals focusing on the construction and coordination of global IP infrastructures; on the sharing of knowledge; on respect for intellectual property; on global public policy challenges; and on responsive communications.
- A revised program structure which realigns the programs with the strategic goals. This includes:
 - The establishment of three new areas of program activity: Development Agenda Coordination (8); Economic Studies, Statistics and Analysis (16); IP and Global Challenges (18);
 - Rationalization of previous programs in order to reduce overlap or duplication and enable redeployment of resources; and
 - Regrouping of copyright-related programs under a single expanded Copyright and Related Rights Program; and the expansion of patent law program to cover Patents, Innovation Promotion and Technology Transfer.
- A consistently strong focus on development, including the mainstreaming of the development dimension throughout the substantive programs.
- A balanced budget, with revised expenditure contained within the revised income estimate.
- A request for 22 new posts primarily to fill skills gaps, (notably new language requirements in the PCT), to meet rising demand on the services, and for patent information-related activities. And a (head-count neutral) request for 30 General Service posts for short term employees employed in long term functions.
- Introduction of an early warning "Observatory" to monitor any impact of the economic crisis on WIPO's income base and enable us to take action to reduce expenditure.

I am most grateful to Member States for the thoughtful comments and feedback provided during the intensive informal consultation process regarding the proposed changes. This has been invaluable in helping the Secretariat to shape a revised Program and Budget, which I hope achieves a good balance between the concerns and priorities of all Member States.



Francis Gurry
Director General

II. REVISED WIPO STRATEGIC FRAMEWORK AND PROGRAM STRUCTURE

Revised Strategic Goals	Corresponding Strategic Goals in the 2008/09 approved Program and Budget
I. Balanced Evolution of the International Normative Framework for IP	Progressive Development of International IP Law
II. Provision of Premier Global IP Services	Delivery of Quality Service in Global IP Protection Systems
III. Facilitating the Use of IP for Sustainable Development	Promoting a Balanced IP System and Realizing its Development Potential Strengthening IP Infrastructure, Institutions and Human Resources
IV. Coordination and Development of Global IP Infrastructure	
V. World Reference Source for IP Information and Analysis	
VI. International Cooperation on Building Respect for IP	
VII. Addressing IP in Relation to Global Policy Issues	
VIII. A Responsive Communications Interface Between WIPO, its Member States and all Stakeholders	
IX. An Efficient Administrative and Financial Support Structure to Enable WIPO to Deliver its Programs	Greater Efficiency of Management and Administrative Support Processes

The revised and expanded strategic goals are intended to refocus the work of the Organization in response to the changing external environment and to the urgent challenges for intellectual property in the 21st Century. The nine revised goals will be further elaborated in the context of the preparation of a Medium Term Strategic Plan, which will be presented to Member States for their approval, in parallel with the preparation of the proposed Program and Budget 2010/11. The Medium Term Strategic Plan will also develop the strategic objectives and performance measures necessary to ensure the successful delivery of strategic change at WIPO.

<i>Strategic Goal I:</i>	<i>Balanced Evolution of the International Normative Framework for IP</i>
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- Program 1: Patents, Innovation Promotion and Technology Transfer
- Program 2: Trademarks, Industrial Designs and Geographical Indications
- Program 3: Copyright and Related Rights
- Program 4: Traditional Knowledge, Traditional Cultural Expressions and Genetic Resources

This reformulated Strategic Goal responds to the challenge of ensuring that the development of international IP law keeps pace with the rapidly evolving technological, geo-economic, social and cultural environment. The notion of balance is critical to ensuring that the international intellectual property normative framework continues to serve its fundamental purpose of encouraging innovation

and creativity; that it takes into account the needs and interests of countries at different stages of development, including through the flexibilities within international IP agreements; that it balances costs and benefits; and the rights of creators, innovators and their business associates, with the interests of the wider public. All programs and activities conducted under this Goal will be guided by the recommendations adopted in Cluster B of the Development Agenda.

<i>Strategic Goal II: Provision of Premier Global IP Services</i>

- Program 5: The PCT System
- Program 6: Madrid, Hague and Lisbon Systems
- Program 7: Arbitration Mediation and Domain Names

Strategic Goal II addresses the core income-generating business areas of WIPO. The aim of this Strategic Goal is to make WIPO's registration, filing and alternative dispute resolution services the international systems of first choice for users through cost-effective, improved services which provide added value.

<i>Strategic Goal III: Facilitating the Use of IP for Sustainable Development</i>

- Program 8: Development Agenda Coordination
- Program 9: Africa, Arab, Asia and the Pacific, Latin America and the Caribbean Countries, Least Developed Countries
- Program 10: Cooperation with Certain Countries in Europe and Asia
- Program 11: The WIPO Academy

As a member of the United Nations family of organizations, WIPO is committed to ensuring that all countries are able to benefit from the use of intellectual property for economic, cultural and social development. Strategic Goal III is a strong and succinct articulation of that commitment. The Development Agenda gives added impetus to this goal and to the use of IP to contribute to the realization of the Millennium Development Goals.

In accordance with the principles of the Development Agenda, the revised program structure mainstreams development-related activity into all substantive areas of WIPO's work. This Strategic Goal, therefore, applies not only to the development-specific programs listed vertically under it, but, just as importantly, it applies horizontally to programs right across the revised strategic framework. This is reflected in the individual Program narratives, with specific Development Agenda links highlighted for ease of reference after each narrative.

The four programs under this strategic goal will work together, and with other sectors, to assist developing countries in sharing the benefits of IP for sustainable development and in pursuit of the Millennium Development Goals

<i>Strategic Goal IV: Coordination and Development of Global IP Infrastructure</i>
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- Program 12: International Classifications in the Field of Trademarks and Industrial Designs
- Program 13: Patent Classification and WIPO IP Standards
- Program 14: PATENTSCOPE® and Associated Patent Services
- Program 15: IP Office Modernization

Strategic Goal IV introduces a new orientation. It responds to the need for greater technical standardization and work sharing between Offices around the world in order to help meet the overwhelming global demand on the system; to facilitate the exchange of data and outputs between Offices; and to maximize benefits to developing countries by facilitating their participation in the system and their access and use of its outputs in accordance with the Development Agenda. To further this goal, a number of WIPO's strategic assets, which are currently dispersed across programs in different areas of the Organization, are brought together and developed within reformulated programs. These include tools (such as the international IP classification systems) and international IP databases, plus the Office Automation services which serve to make these assets available to

Offices, institutions and public in all countries. The goal would also include promoting and coordinating the voluntary adoption of best practice infrastructure elements developed by other Offices. Assistance provided to developing country Offices through the IPAS office automation services will facilitate their participation in the global infrastructure and access to its benefits.

Strategic Goal V: World Reference Source for IP Information and Analysis

- Program 16: Economic Studies, Statistics and Analysis

Strategic Goal V gives new impetus to an important area of WIPO's work: WIPO is already the repository – and generator - of outstanding collections of statistical, legal and technical IP information. In addition, there is strong demand, notably in the context of the Development Agenda, for the Organization to provide empirical economic analysis and impact studies for use by policy makers. The value of all this information and research, however, depends on ensuring not only that it is accurate, timely and focused on stakeholder needs, but also that it is freely and universally accessible. WIPO has a unique potential to develop a portal to the world's most comprehensive collection of IP information resources, thus making a significant contribution to the sharing of knowledge. Under this strategic goal, which covers both the production and sharing of information, WIPO would strive to realize that potential.

Strategic Goal VI: International Cooperation on Building Respect for IP

- Program 17: Building Respect for IP

The respect for IP is a fundamental principle shared by all WIPO's member governments. This new Strategic Goal aims to enhance international cooperation on building respect for IP. This is a broad, cross-cutting goal, which is more inclusive than the narrower concept of enforcement. It calls for a balanced approach, focusing on international cooperation where WIPO can make a difference, and conducted within the spirit of Development Agenda (45): "To approach intellectual property enforcement in the context of broader societal interests and especially development-oriented concerns, with a view that "the protection and enforcement of intellectual property rights should contribute to the promotion of technological innovation and to the transfer and dissemination of technology, to the mutual advantage of producers and users of technological knowledge and in a manner conducive to social and economic welfare, and to a balance of rights and obligations", in accordance with article 7 of the TRIPS Agreement." WIPO's activities in support of this goal apply across all areas, including capacity building, provision of training, awareness-raising and educational programs aimed at promoting respect for IP.

Strategic Goal VII: Addressing IP in Relation to Global Policy Issues

- Program 18: IP and Global Challenges

This new Strategic Goal reflects the determination to re-establish WIPO's position as the leading intergovernmental forum for addressing the intersection between intellectual property and global public policy issues. It implies proactive and substantive engagement with other UN and intergovernmental organizations in order to contribute to the shared search for solutions to the major challenges facing humanity, including challenges relating to climate change, food security, public health, the protection of biodiversity, and to meeting the Millennium Development Goals. The most immediate impact of many of these global problems is borne by Developing and Least Developed Countries, and the programs developed under this Strategic Goal will be closely involved in the realization of a number of Development Agenda objectives.

Strategic Goal VIII: A Responsive Communications Interface Between WIPO, its Member States and all Stakeholders

- Program 19: Communications
- Program 20: External Offices and Relations

Strategic Goal VIII signals the high priority attached by the new WIPO administration to promoting effective communication at all levels and to developing a culture of customer service. WIPO's customers are not only the users of its income-generating services, but are first and foremost the Member States, as well as other stakeholders to which the Organization provides wide ranging services including support to the Committees on normative activity, capacity-building services, information and technical services. Trusted communication between the various stakeholders is a precondition to the effective functioning of the Organization.

Strategic Goal IX: An Efficient Administrative and Financial Support Structure to Enable WIPO to Deliver its Programs

- Program 21: Executive Management
- Program 22: Finance, Budget and Program Management
- Program 23: Human Resources Management and Development
- Program 24: Administrative Support Services
- Program 25: Information and Communication Technology
- Program 26: Internal Oversight
- Program 27: Conference and Language Services
- Program 28: Security
- Program 29: New Construction

Strategic Goal IX aims to build an administrative, financial and management support infrastructure focused on enabling program delivery, with efficiency and transparency as guiding principles.

Revised 2008/2009 WIPO Strategic Framework
(including Revised Budget and Posts by Program)
(in thousands of Swiss Francs)

STRATEGIC GOAL I
Balanced Evolution of the International Normative Framework for IP

	Revised Budget	Posts
1. Patents, Innovation, Promotion and Technology Transfer	7,140	11
2. Trademarks, Industrial Designs and Geographical Indications.	3,803	5
3. Copyright and Related Rights	13,450	20
4. Traditional Knowledge, Traditional Cultural Expressions and Genetic Resources	7,118	9
TOTAL	31,511	45

STRATEGIC GOAL II
Provision of Premier Global IP Services

	Revised Budget	Posts
5. The PCT System	182,402	346
6. Madrid, Hague and Lisbon Systems	61,180	121
7. Arbitration, mediation and Domain Names	8,934	14
TOTAL	252,517	481

STRATEGIC GOAL III
Facilitating the Use of IP for Sustainable Development

	Revised Budget	Posts
8. Development Agenda Coordination	5,414	7
9. Africa, Arab, Asia and the Pacific, Latin America and the Caribbean Countries, Least Developed Countries	48,060	65
10. Cooperation with Certain Countries in Europe and Asia	5,604	9
11. The WIPO Academy	7,859	8
TOTAL	66,937	89

STRATEGIC GOAL IV
Coordination and Development of Global IP Infrastructure

	Revised Budget	Posts
12. International Classification in the Field of Trademarks and Industrial Designs	924	2
13. Patent Classification and WIPO IP Standards	8,071	18
14. PATENTSCOPE® and Associated Patent Services	6,878	13
15. IP Office Modernization	5,435	9
TOTAL	21,307	42

STRATEGIC GOAL V
World Reference Source for IP Information and Analysis

	Revised Budget	Posts
16 Economic Studies, Statistics and Analysis	1,586	7
TOTAL	1,586	7

STRATEGIC GOAL VI
International Cooperation on Building Respect for IP

	Revised Budget	Posts
17. Building Respect for IP	2,922	4
TOTAL	2,922	4

STRATEGIC GOAL VII
Addressing IP in Relation to Global Policy Issues

	Revised Budget	Posts
18. IP and Global Challenges	1,455	3
TOTAL	1,455	3

STRATEGIC GOAL VIII
A Responsive Communications Interface between WIPO, its Members and all Stakeholders

	Revised Budget	Posts
19. Communications	13,179	28
20. External Offices and Relations	9,644	14
TOTAL	22,823	42

STRATEGIC GOAL IX
An Efficient Administrative and Financial Support

	Revised Budget	Posts
21. Executive Management	13,520	22
22. Finance, Budget and Program Management	17,292	40
23. Human Resources Management and Development	18,797	36
24. Administrative Support Services	57,995	51
25. Information and Communication Technology	46,583	55
26. Internal Oversight	3,257	6
27. Conference and Language Services	40,681	73
28. Security	9,972	7
29. New Construction	4,930	0
TOTAL	213,027	290

OVERVIEW

	Revised Budget	Posts
Strategic Goal I	31,511	45
Strategic Goal II	252,517	481
Strategic Goal III	66,937	89
Strategic Goal IV	21,307	42
Strategic Goal V	1,586	7
Strategic Goal VI	2,922	4
Strategic Goal VII	1,455	3
Strategic Goal VIII	22,823	42
Strategic Goal IX	213,027	290
Costs incurred in 2008 for activities discontinued in 2009	7,130	
Unallocated	7,184	41
GRAND TOTAL	628,400	1,044

III. REVISED ESTIMATES FOR 2008/09

1. This proposal for a revised Program and Budget for the 2008/09 biennium is submitted to Member States for their consideration in accordance with Regulation 2.9 of WIPO's Financial Regulations and Rules, which states that "Supplementary and revised program and budget proposals may be submitted by the Director General whenever necessary."

2. This section provides an overview of the key changes foreseen and proposed in the Organization's income and expenditures respectively, together with an update of the resulting main financial parameters for the 2008/09 biennium.

3. In accordance with Regulation 2.10 of WIPO's Financial Regulations and Rules, the revised program and budget proposal also provides details of transfers of appropriations between programs; flexibility adjustments made in accordance with the flexibility formulae adopted for the PCT, Madrid, and Hague systems by their respective Unions (September 2007 session); adjustments to standard costs used to budget for personnel expenditures; revised estimates of demand for services under the PCT, Madrid and Hague systems; and revised estimates of income.

A. EXECUTIVE SUMMARY

Table 1. Main Financial Parameters of the Organization
(in millions of Swiss francs)

	2006/07 Actual	2008/09 Proposed Budget	2008/09 Approved Budget	2008/09 Revised Budget	Difference Revised vs. Approved Budget	
					Amount	%
INCOME						
Contributions	34.7	34.8	34.8	34.8	0.0	0.0%
Fees						
PCT System	451.1	485.0	466.3	461.0	(5.3)	-1.1%
Madrid System	90.3	94.0	94.0	100.5	6.5	6.9%
Hague System	5.0	7.1	7.1	5.7	(1.3)	-18.8%
Lisbon System	0.0	0.0	0.0	0.0	0.0	0.0%
Total Fees	546.5	586.1	567.4	567.2	(0.1)	0.0%
Other Income	28.1	25.9	25.9	26.4	0.5	1.8%
TOTAL INCOME	609.3	646.8	628.1	628.4	0.3	0.1%
EXPENDITURE						
Personnel Expenditure	376.1	406.8	406.8	400.7	(6.1)	-1.5%
Non-Personnel Expenditure	156.5	211.0	209.5	220.6	11.1	5.3%
Unallocated	0.0	12.5	10.1	7.2	(2.9)	-28.8%
TOTAL EXPENDITURE	532.5	630.2	626.3	628.4	2.1	0.3%
SURPLUS/(DEFICIT)	76.8	16.6	1.7	0.0	(1.7)	-100.0%
RESERVES						
Reserve opening balance	127.0	203.6	203.6	203.6	0.0	0.0%
Total reserves	203.7	220.2	205.4	203.6	(1.7)	-0.8%
Reserves as percentage of biennial expenditure	38.2%	34.9%	32.8%	32.4%	n/a	n/a
Reserve Target	95.9	117.4	116.9	117.9	1.0	0.8%
Reserve Balance	107.9	102.8	88.4	85.7	(2.7)	-3.1%
REGISTRATION ACTIVITIES						
Number of PCT applications	309,147	342,100	342,100	342,100	0	0.0%
Number of Madrid Registrations and Renewals	108,378	117,500	117,500	123,300	5,800	4.9%
Number of Hague Registration and Renewals	10,384	12,000	12,000	9,700	(2,300)	-19.2%
PERSONNEL						
Total employees Headcount	1,261	1,320	1,320	1,318	(2)	-0.2%
Total Regular Budget Posts	984	1,019	986	1,044	58	5.9%

4. The base case estimate for overall income in 2008/09 has been revised upwards, to 628.4 million Swiss francs, by a conservative 0.1% compared to the estimate provided in the approved Program and Budget for 2008/09. This represents a modest increase of 3.1% over the actual income level of 2006/07 biennium (609.3 million Swiss francs). Low case and high case scenarios for the fee income estimates of the PCT system are also presented in order to assess the potential impact of changing conditions in the financial markets and the world economy. These indicate that overall income levels are estimated to be in the range of 606.6 million Swiss francs in the low case (a decrease of 3.4% over the estimates provided in the approved budget and 0.4% over the actual income level of 2006/07), and 650.1 million Swiss francs in the high case (an increase of 3.5% over the estimates provided in the approved budget, and an increase of 6.7% over the actual income level of 2006/07).

5. The revised budget for 2008/09 proposes an overall increase of 2.1 million Swiss francs in expenditure, corresponding to a 0.3% increase over the approved budget. The key changes proposed are the following:

- Savings and cost reductions achieved, to contribute to the cost effective funding of the revised Program and Budget requirements with a minimal increase in overall expenditure levels, in order to maintain a balanced budget for the biennium. These include savings in personnel costs; rental and maintenance of premises; travel and fellowships, as well as contractual services;
- Provision of the resources for the implementation of Development Agenda activities as proposed, along the lines of the indicative requirements set out for the proposals endorsed by the CDIP and approved by the General Assembly at their respective 2008 sessions, and in accordance with the principles of mainstreaming and effective and efficient delivery of measurable results;
- Request for the creation of 22 new posts to address skill gaps and resource needs representing the most critical requirements for WIPO in the coming year, which cannot be adequately addressed through redeployment or other contractual modalities within the required timeframes. The creation of these posts would enable the Organization to meet the evolving demands placed upon it, as well as to take the first and most critical steps in addressing the organizational and structural change proposed to be undertaken within the context of the strategic realignment process;
- Request for the headcount-neutral creation of 30 new posts, thus enabling the Organization to initiate the process targeting the regularization of the contracts and positions of those short-term employees who carry out core functions of the Organization. Today there are over 200 short-term employees at WIPO, for whom such a step would represent a clear and powerful signal of the commitment of Member States to recognize the long term nature of some of these functions and to remunerate work in a fair and equitable manner across the Organization. The Secretariat will present a comprehensive plan for the review of employment contract modalities within WIPO, with the objective of rationalizing and streamlining these as well as ensuring that they accurately reflect the needs of the Organization and are in line with the UN system practice. This comprehensive plan will be submitted to Member States for their consideration within the context of the 2010/11 Program and Budget proposal; and
- Request for resources to cover the additional costs for outsourced translation in both the PCT and Madrid systems.

B. REVISED ESTIMATES FOR INCOME

6. The proposed Program and Budget for the 2008/09 biennium was presented with income estimated at 646.8 million Swiss francs. Following the decision taken by Member States with regard to PCT fees, the approved budget reflects the adjusted income level, incorporating the impact of this decision, totaling 628.1 million Swiss francs. Table 2 below provides an overview of actual and forecast income levels for the Organization from the 2002/03 to the 2008/09 biennia. As Table 2 shows — all other factors remaining unchanged — in the 2008/09 biennium, the overall income of the Organization is estimated to reach 628.4 million Swiss francs. This represents an increase of 0.1% as compared to the income estimates in the approved budget for the 2008/09 biennium.

Table 2. Evolution of the Income of the Organization from 2002/03 to 2008/09
(in millions of Swiss francs)

	2002/03	2004/05	2006/07	2008/09 Proposed Budget	2008/09 Approved Budget	2008/09 Revised Budget	Difference Revised vs. Approved Budget	
	Actuals						Amount	%
<i>Contributions</i>	34.5	34.4	34.7	34.8	34.8	34.8	0.0	0.0%
<i>Fees</i>								
PCT System	348.0	400.6	451.1	485.0	466.3	461.0	(5.3)	-1.1%
Madrid System	49.7	60.8	90.3	94.0	94.0	100.5	6.5	6.9%
Hague System	8.4	5.0	5.0	7.1	7.1	5.7	(1.3)	-18.8%
Lisbon System	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0%
Sub-Total Fees	406.1	466.5	546.5	586.1	567.4	567.2	(0.1)	0.0%
<i>Arbitration</i>	3.2	2.5	3.2	2.8	2.8	2.8	0.0	0.0%
<i>Publications</i>	7.1	4.4	2.7	2.6	2.6	1.2	(1.4)	-53.8%
<i>Interest</i>	13.1	8.9	15.8	16.3	16.3	18.1	1.9	11.5%
<i>Miscellaneous</i>	6.4	6.0	6.4	4.2	4.2	4.2	0.0	0.0%
TOTAL	470.3	522.7	609.3	646.8	628.1	628.4	0.3	0.1%

7. As illustrated in Table 2, the main source of income of the Organization is fees from services provided by the Organization under the PCT, Madrid and Hague systems. Fee income represented 89.7% of total income in 2006/07 and is estimated to represent — all other factors remaining unchanged — 90.3% of total estimated income in 2008/09.

8. Estimates for fee income are based on the forecast models developed by the Secretariat. The PCT forecast model has a margin of error of +/-5% for 2009 at an 80% confidence level. The model is based on the analysis of the past 16 years' conditions; however, it should be noted that exogenous factors, such as evolution of the structure of the world economy, could lead to a changed model, and subsequently revised results. The Madrid and Hague income forecast models are based on forecast tools for calculating, separately, the specific estimated demand for the handling of applications, renewals and other services, respectively.

9. Table 3 below shows revised estimates for demand for services (workload) under the PCT, Madrid and Hague systems, as compared to the initial estimates for the 2008/09 biennium, and actual figures for the 2006/07 biennium.

Table 3. Revised Estimates for Demand for Services (Workload) under the PCT, Madrid and Hague Systems

	Total 2006 Actual	Total 2007 Actual	Total 2006/07 Actual ¹	2008 Initial Estimate	2009 Initial Estimate	2008/09 Approved Budget	2008/09 Current Estimates	Difference from Budget
1. PCT								
IAs filed: Base case	149,619	159,500	309,147	166,600	175,500	342,100	342,100	-
IAs filed: Low case							327,400	(14,700)
IAs filed: High case							357,500	15,400
2. Madrid								
Registrations	37,224	38,471	75,695	38,800	40,000	78,800	84,600	5,800
Renewals	15,205	17,478	32,683	19,000	19,700	38,700	38,700	-
Registrations & Renewals	52,429	55,949	108,378	57,800	59,700	117,500	123,300	5,800
3. Hague								
Registrations	1,143	1,147	2,290	2,600	3,600	6,200	3,800	-2,400
Renewals	3,889	4,205	8,094	3,200	2,600	5,800	5,900	100
Registrations & Renewals	5,032	5,352	10,384	5,800	6,200	12,000	9,700	(2,300)

¹ Actual figures for 2006/07 shown in this table for PCT are more recent and up-to-date and as such they differ from the figures included in the draft Financial Management Report for 2006/07 (305,448), due to the fact more accurate information is available

10. As Table 3 indicates, based on current estimates, a total of 342,100 PCT applications are expected to be filed in the 2008/09 biennium according to the base case estimate (unchanged from initially estimated level). For Madrid, it is estimated that registration levels will reach 84,600 by the end of 2009 (5,800 more than initially estimated), with trademark renewals estimated to remain at their initially estimated level of 38,700. In respect of the Hague system, registrations are foreseen to be lower for the biennium than initially estimated, with a reduction of 2,400 registrations leading a total revised estimate of 3,800 registrations for the biennium compared to the initially estimated 6,200, with a modest increase foreseen in the number of renewals.

11. As noted previously, the income levels estimated as a result of the above revised workload estimates, and specifically the low and high case scenarios for PCT, can have a significant impact on the level of income generated by the Organization for the current biennium. The higher than originally estimated workload in the Madrid system has triggered an upward adjustment in the volume of resources allocated to the corresponding Program, offset partly by the reduction indicated for the Hague system on the basis of the flexibility formulae adopted by the Assemblies of the Madrid and Hague Unions respectively in 2007 for 2008/09 Program and Budget. The financial impact of the flexibility clause on the revised budget for the 2008/09 biennium is illustrated in paragraphs 22-23 below. For an analysis of the evolution of demand in these areas in the medium term, please refer to Annex VII.

12. Income from publications in 2008/09 has been revised to 1.2 million Swiss francs. This compares with 2.6 million Swiss francs in the approved budget for 2008/09. The decrease is explained by the fact that a significant number of WIPO publications are being posted free of charge on the web.

13. It is estimated that in 2008/09 income from financial investments (interest earned on deposits) will be 18.1 million Swiss francs. This compares with 16.3 million Swiss francs in the approved budget for 2008/09. The increase is explained by the higher amount of funds available for investment in view of the higher than initially estimated level of the reserves. It should be noted, however, that the rate at which the most significant portion of the Organization's liquid deposits bear interest (at the Banque Nationale Suisse) has been cut from 3.25% to 2.875%. Such a decrease has resulted in a downward adjustment of the previous revised estimate of interest income by 1.5 million Swiss francs (from 19.6 million to 18.1 million Swiss francs). Further deposit interest rate cuts may generate similar magnitudes of change in the estimated interest earned on deposits.

Table 4: Income Forecast Scenarios for 2008/09
(in thousands of Swiss francs)

	2006/07 Actual	2008/09 Approved Budget	2008/09 FORECAST SCENARIOS					
			Base Case	Difference from Budget	Low Case	Difference from Budget	High Case	Difference from Budget
1. Contributions	34,703	34,825	34,827	2	34,827	2	34,827	2
2. Fees								
PCT	451,131	466,289	460,983	-5,306	439,643	-26,646	482,313	16,024
Madrid	90,300	94,000	100,483	6,483	100,483	6,483	100,483	6,483
Hague	5,034	7,056	5,730	-1,326	5,730	-1,326	5,730	-1,326
Lisbon	8	10	10	-	10	-	10	-
Sub-total, Fees	546,473	567,355	567,206	-149	545,866	-21,489	588,536	21,181
3. Publications	2,686	2,600	1,200	-1,400	1,200	-1,400	1,200	-1,400
4. Arbitration	3,198	2,800	2,800	-	2,800	-	2,800	-
5. Miscellaneous								
Bank Interest	15,792	16,264	18,132	1,868	17,700	1,436	18,500	2,236
Other	6,438	4,236	4,236	-	4,236	-	4,236	-
Sub-total, Misc.	22,230	20,500	22,368	1,868	21,936	1,436	22,736	2,236
TOTAL	609,290	628,080	628,400	320	606,628	-21,451	650,099	22,019

C. REVISED EXPENDITURE FOR 2008/09

14. The proposed revised level of total expenditure for the 2008/09 biennium is 628.4 million Swiss francs, representing an increase of 2.1 million Swiss francs, or 0.3%, over the initial approved budget for the biennium. Personnel costs, including unallocated costs, are proposed to be revised downward by 6.1 million Swiss francs, representing a decrease of 1.5% over the approved budget, while non-personnel costs, including unallocated costs, are proposed to be revised upward by 8.2 million Swiss francs, representing an increase of 3.8% over the approved budget.

15. The proposed allocation of expenditure by Object of Expenditure is shown in Annex II and by Program is shown in Table 1 of Annex III; the proposed posts by Program are shown in Table 2 of Annex III; and the proposed allocation of income and expenditure by Unions is shown in Annex IV. Further information is provided in Annex I in respect of the restatement of the program structure for 2008/09, transfers of allocations across programs in the first year of the biennium, as well as the allocation of flexibility resources in accordance with the approved flexibility formulae in effect for the biennium.

Personnel Expenditure

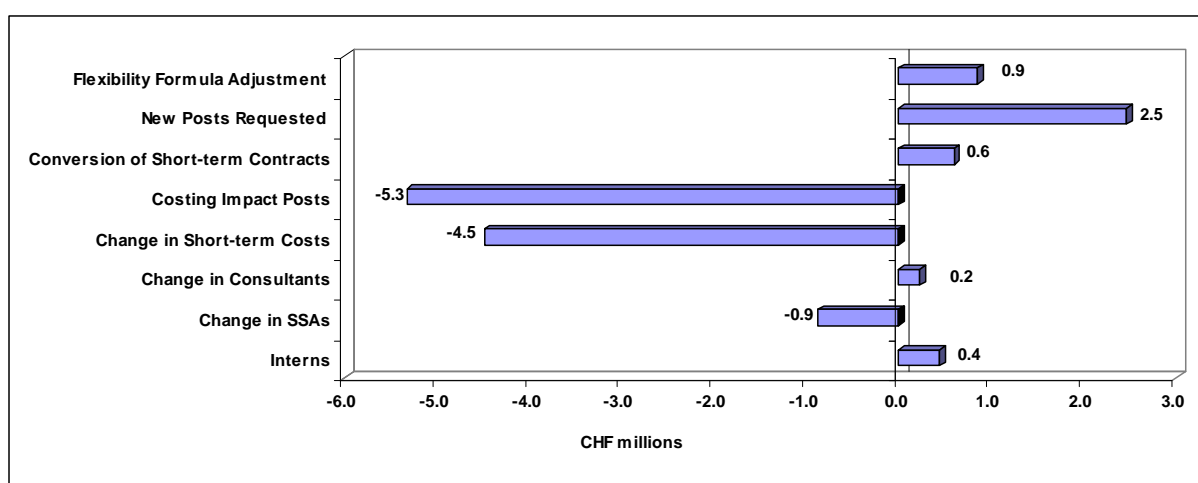
16. As Annex II indicates, personnel expenditure, including unallocated personnel resources, is proposed to decrease by 6.1 million Swiss francs, from 411.6 million Swiss francs in the approved budget to 405.5 million Swiss francs in the revised budget for 2008/09, representing a reduction of 1.5%. The key changes in respect of personnel expenditures are highlighted below, and further illustrated in Chart 1.

- Flexibility Formula Adjustment for Madrid (6 posts) – increase of 0.9 million Swiss francs for 2009, representing an increase of 0.3% in respect of post costs in the approved budget;
- Creation of 22 additional posts – increase of 2.5 million Swiss francs for 2009, representing an increase of 0.7% in respect of post costs in the approved budget;
- Creation of 30 general service posts for purposes of converting 30 short-term general service contracts to fixed term – increase of 0.6 million Swiss francs for 2009;
- Costing adjustments to take into account ICSC mandatory adjustments, actual vacancy and work rates, and structural changes – reduction of 5.3 million Swiss francs, representing a decrease of 1.6% in respect of post costs in the approved budget;
- Costing adjustment for short-term employees to take into account salary scale adjustments, actual work rates, and number of employees on board – reduction of

4.5 million Swiss francs, representing a decrease of 8.5% in respect of short-term costs in the approved budget;

- Change in the cost of consultants to take into account actual cost of consultants on board and increase in the number of consultants – increase of 0.2 million Swiss francs, representing an increase of 2.2% in respect of consultant costs in the approved budget;
- Change in the cost of headquarter-based Special Service Agreements (SSA's) to take into account actual cost of SSAs on board - reduction of 0.9 million Swiss francs, representing a decrease of 12.4% in respect of SSA costs as in the approved budget; and
- Move of internship budget from non-personnel to personnel costs to reflect biennial budget of the same – increase of 0.4 million Swiss francs in personnel costs.

Chart 1. Personnel Cost Changes Reflected in the 2008/09 Revised Budget
(in millions of Swiss francs)



Flexibility Formula Adjustments

17. The Flexibility Formulae endorsed for application in the 2008/09 biennium for the PCT, Madrid and Hague systems by their respective Unions' Assemblies at their 2007 meeting¹, allow for the reflection of unbudgeted changes in workload with proportionate changes in the resources allocated to the corresponding programs under WIPO's biennial budget. The revised flexibility formulae define resources in terms of total resources allocated to programs, which can then be utilized to fund either personnel or non-personnel costs. The adjustment can be allocated to the administration of the PCT, Madrid and Hague systems and support services at a ratio of 87.5% to 12.5%, respectively. The approved Formulae provide for an adjustment (upwards or downwards) of:

- (i) 341,870 Swiss francs for each variation of 1,000 international applications in the case of the PCT system;
- (ii) 197,060 Swiss francs for each variation of 500 registrations and/or renewals in the case of the Madrid system; and
- (iii) 99,024 Swiss francs for each variation of 300 registrations and/or renewals recorded in the Hague Union Registry.

¹ Documents PCT/A/36/5, dated August 17 under the Patent Cooperation Union (PCT Union); MM/A/38/5 dated August 17, 2007 under the Special Union for the International Registration of Marks (Madrid Union); and H/A/24/3 under the Hague Union, dated August 17, 2007

18. In accordance with the above, the increase in the projected workload of the Madrid system (by 5,800 registrations), taken together with the decrease in the projected workload of the Hague system (by 2,300 registrations and renewals) has enabled the allocation of additional resources under the Flexibility Formula, representing a total amount of 1,066 thousand Swiss francs, within the total calculated maximum of 1,336 thousand Swiss francs for these two systems. Of the allocated amounts, 210 thousand Swiss francs have been allocated for use under non-personnel resources and 856 thousand Swiss francs have been allocated to personnel resources to cover the cost of 6 newly created flexibility posts, envisaged to be filled for 2009. The full biennial cost of these posts is estimated to be 1.8 million Swiss francs. No resources have been allocated at this time to any programs in respect of the share of the support services.

Additional Posts

19. The PWC desk-to-desk review highlighted dual challenges facing the Organization:

- a) the need to reduce excess staffing levels; and
- b) the need to recruit new staff with the new skills sets for the Organization to meet the evolving demands placed upon it.

20. While these two processes need to happen in parallel, the first will require more time to achieve in a manner which is properly planned, fair, transparent, and consistent with the Organization's Regulations and Rules, and with good practice. In the meantime, the rate of retirements and natural attrition within the next year will not be sufficient to enable the Organization to meet pressing needs for additional staff with the key skills and competencies needed to fulfill its mandate. Accordingly, the request for the creation of 22 new posts (15 professional posts and seven general service posts) is proposed for consideration by Member States, representing the most critical requirements, which cannot be adequately addressed through redeployment or other contractual modalities.

21. The requests put forward for consideration are in respect of the following programs:

- the PCT system: 13 posts (processors and translators with new language skills);
- the Arbitration and Mediation Center: one post (increased demand on the services);
- Cooperation with Certain Countries in Europe and Asia: one post (needed to supplement shortage of staff with regional expertise and languages);
- PATENTSCOPE® and Associated Patent Services: five posts (increased demand, notably for patent information related activity);
- Economic Studies, Statistics and Analysis: one post (to recruit new skills to reinforce the new program); and
- IP and Global Challenges: one post (to recruit new skills to reinforce the new program).

22. The cost impact of the proposed 22 new posts, which are planned to be filled only in the course of 2009, amounts to 2.5 million Swiss francs (costed for 8 months of 2009, allowing for recruitment time). The full biennial cost impact of these posts will only appear in the 2010/11 budget, for an approximate amount of 7.8 million Swiss francs.

Proposal for the Creation of 30 General Service Posts

23. It is proposed to create 30 new General Service posts in 2009, representing 15% of the total short-term employee headcount as at end 2007 (220 short-term employees), in order to initiate the process of regularization of short-term positions which are responsible for core and therefore continuing functions within the Organization. This increase in the number of posts will be headcount-neutral, as the short-term employees whose contracts would be converted to fixed term will not be

replaced. Accordingly, while there will be an increase in the number of posts, there will be a direct offsetting decrease in the number of short-term employees.

24. It is recognized that a thorough review needs to be undertaken of contractual conditions of employees at WIPO, as a wide variety of different contracts are used (posts, consultants, short termers, Special Service Agreements and Special Labour Contracts), resulting in different conditions, often for similar work or the same work. A comprehensive review will be undertaken in the first six months of 2009 in the context of the preparation of the draft program and budget for 21010/11. In the interim, and considering the length of time for which many short term employees have waited to see their situation addressed (in many cases more than seven years), the Secretariat considers it important to make this gesture to reassure employee holding such contracts that their case is being seriously considered. The new posts would be applied on the basis of importance of the functionality, performance and length of service.

25. The net increase in costs for the regularization of 30 short-term employees is 0.6 million Swiss francs for 2009. The biennial impact of this change amounts to 1.2 million Swiss francs. The amount of 0.6 million Swiss francs represents the net difference between the increase in costs for regular posts (3.8 million Swiss francs) as a result of the conversion, and the decrease in costs for short-term employees (3.2 million Swiss francs). In order to fully isolate and disclose this impact as a distinct proposal, neither the post nor the short-term costs incorporate the increase/decrease thus calculated, but instead, the impact of 0.6 million Swiss francs has been included under Unallocated personnel costs.

Costing Adjustments – Regular Budget Posts

26. The costing methodology for the Personnel costs in the 2008/09 revised budget is the same as for the approved budget 2008/09. This methodology is based on standard costs which have been adjusted to reflect the actual costing structure by grade within the Organization and the changes required across UN Organizations (ICSC mandatory adjustments).

27. The following adjustments have been made to standard costs applied to **regular budget posts**, resulting in a net reduction of 5.3 million Swiss francs for the biennium, representing a decrease of 1.6% in respect of total post related costs in the approved budget.

a) ICSC mandatory adjustments communicated after the preparation of the Program and Budget for the 2008/09 biennium: (i) the net salary scales for the Professional and higher categories were revised, effective January 1, 2008, resulting in an increase of 1.97%, with a compensatory reduction in the Post Adjustment Index (PAI); (ii) the salary scale for the General Service category in Geneva was increased by 0.5%, with effect from March 1, 2008; (iii) dependency allowance for General Service category staff in Geneva has been revised, effective date April 1, 2008; (iv) a 6.5% increase in pensionable remuneration scales for the Professional and higher categories was included, effective August 1, 2008; (v) pending decision of the UN General Assemblies in December 2008, an expected increase in the net salaries for the Professional and higher categories by 2.33%, with a compensatory reduction in the PAI, with effect from January 1, 2009 was also included; the amounts for maximum admissible expenses and education grant have been revised upwards as from the scholastic year 2009/10, and the level for children and secondary dependants' allowances has been revised effective January 1, 2009;

b) The "adjustment factor" (deduction) applied to WIPO's standard costs takes into account a vacancy factor based on historical data and expected occupancy rates. The 2008/09 approved budget used an adjustment factor of 8% for regular budget posts. Close monitoring and regular forecasting of actual and expected actual post related costs has indicated that this adjustment factor is too high, and that vacancy levels can be expected to be at 5.6% in the course of 2008/09; and

c) The salary level applied for each grade under the standard cost methodology is determined by the application of a given step per year for each grade. As a result of the close monitoring and regular forecasting of actual and expected actual post related costs, the following adjustments were identified as necessary to better align standard costs with actual expenditure:

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(i) as a result of changes in the overall grade structure of regular budget posts (affected by new recruitments, changing functional requirements affecting post level classification, promotions etc.), the steps used to cost the various grades of posts required review and adjustment; and (ii) efforts to further improve the accuracy of standard costs have resulted in the downward adjustment of base salary costs which better reflect the work rate structure of staff on regular budget posts (14.5% of staff on board were working part-time as at the end of October 2008).

Short-term Cost Adjustments

28. Costing adjustments to short-term costs, which include employees under the short-term General Service category as well as Special Labour Contracts (SLCs) and Translators and Revisers, have been made along the same principles as those for regular budget posts. Accordingly, standard costs have been adjusted to take into account applicable mandatory ICSC adjustments (salary scale changes), as well as required adjustments to common staff costs. Vacancy and work rates (approximately 10% of short-term employees work part-time) and contract breaks have been taken into account in an adjustment factor of 5.5%. The total impact of such adjustments is estimated to result in a reduction of 1.2 million Swiss francs over the biennium.

29. The reduction in the cost of short-term employees also reflects the lower number of employees on board compared to the estimates used for the costing of the approved budget. Savings in 2008 in this respect are estimated in the order of 3.3 million Swiss francs.

Consultant Cost Adjustments

30. The total number of consultants foreseen for the biennium under the approved budget remained above the actual number on board in the first 9 months of 2008. While the overall number is proposed to increase under the revised budget, from the initially budgeted 41 consultants to a total of 53 by the end of 2009, the overall increase in costs amounts only to 0.2 million Swiss francs, as a result of the lower actual costs in the course of 2008.

Reduction in other type of contracts

31. The revised cost of SSAs is estimated to be 0.9 million Swiss francs lower than the initially budgeted figure for this category of contracts. This reduction is mainly due to the reclassification of SSA contractors, whose costs were previously considered as part of personnel costs. Most of these SSA contractors work on a regular basis for the translation section of the PCT and the Madrid sector, but are individually contracted to perform primarily translation services, working from their homes. Accordingly, their costs are appearing under non-personnel costs (under Other Contractual Services).

32. In order to better reflect the nature of the costs incurred in respect of interns, who are on the headcount of the Organization, these costs have been shifted from non-personnel to personnel costs. The biennial cost of these internships is estimated at 0.4 million Swiss francs.

Post Variation

33. Proposed post variations by Program and category are shown in Table 2 of Annex III. As this table shows, out of the overall increase of 58 posts over the approved budget, 6 have been created under the Flexibility Formula for the Madrid, Hague and Lisbon System and 22 new posts are proposed to be created as elaborated above.

34. The proposed 30 new posts for the conversion of short-term employees have been included under "unallocated" posts in Table 2 of Annex III, as their allocation by Program would be subject to various criteria and procedures, which are currently under development by the Secretariat.

35. In terms of category, the total number of posts under the Special and Higher Categories (D1, D2, Assistant Director General, Deputy Director General and Director General) remains unchanged, while posts in the Professional and General Service categories show increases of 32 and 26 respectively, compared to the approved budget.

Non-Personnel Expenditure

36. The increase in non-personnel resources (including unallocated resources) proposed in the revised budget is 8.2 million Swiss francs, representing a 3.8% increase over the approved budget for 2008/09. The key elements of this increase in respect of the nature of the costs, relate to:

- An increase in Other Contractual Services of 16.7 million Swiss francs to reflect: (i) the increase in costs foreseen for outsourced translation work in the PCT and Madrid systems, which is the result of continued efforts to deliver these services in the most cost effective manner, and which is partly offset by a reduction in the respective programs of short-term employee costs; and (ii) the cost of external expertise to support the strategic realignment process.
- An increase in Communication and Other costs to more accurately reflect spending patterns and actual expenditure, as can be seen from the comparison of 2006/07 actuals with the proposed revised budget figure; and
- An increase in Supplies and Materials of 0.8 million mainly related to the purchase of an Electronic Filing/Data Management System included in the costs for Program 27 Conference and Language Services.

37. The increase in Staff Missions has been strictly contained to limit the revised budget costs close to the level of 2006/07 actual expenditure, reflecting the Secretariat's firm commitment to ensure cost effective and efficient management of these expenses. Reductions in Third-party Travel and Fellowships reflect a more accurate assessment of expected expenditure levels as well as efforts to ensure cost effective and efficient management of these expenses. The reduction in Premises and Maintenance is primarily the result of ongoing savings generated as a result of lower rental costs and related utilities/maintenance costs.

Revised Allocation of Resources by Program

38. The proposed Revised Program and Budget reflects the initial re-alignment of the resource needs of the nine new Strategic Goals, and as such, the changes indicated between the revised and approved budget figures at the program level represent the first steps in this direction. Further adjustments will be needed both in the course of 2009 (within the limits of the transfer rules set out in the Financial Regulations and Rules of WIPO), as well as in the preparation of the 2010/11 Program and Budget. For ease of reference and transparency, this document includes the following information in respect of this initial re-alignment:

- Summary of key changes elaborated below;
- Tables which provide a clear reference and mapping for the changes in structure ("approved to revised" as well as "revised to approved"); and
- All resource tables included in the Annexes to the document include re-stated approved budget figures for the programs in the proposed realigned structure in order to ensure full transparency and comparability.

39. In summary, the key changes affecting the program structure for the Revised Program and Budget for the 2008/09 biennium are the following.

- Programs have been renumbered within the revised framework, grouped in accordance with the revised and expanded strategic goals. The total number of programs has been reduced from 32 to 29;
- All the activities conducted under former Program 3 (Strategic Use of IP for Development) are mainstreamed into appropriate programs across the Organization in order to eliminate duplication, to release efficiency savings for delivery of Development Agenda projects, and to accelerate the integration of the development dimension;

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- One new program is established, which is Program 16. Economic Studies, Statistics and Analysis;
- The three former copyright-related programs, and the Creative Industries unit of former Program 3 (Strategic Use of IP for Development), are consolidated within a single, expanded copyright and related rights program to cover normative activity, capacity-building and the use and management of copyright;
- The two former programs for Resource Management and Control and for Financial Operations are streamlined within a single program for Finance, Budget and Program Management, which includes a new function aimed at supporting the development of a performance culture at WIPO, within the context of a results-based management framework;
- Two other administrative programs (Procurement and Travel; and Premises Management) are streamlined within a single program for Administrative Support Services; and
- Costs incurred in 2008 for activities which are not envisaged to be continued in 2009 have been presented as a separate line in the revised structure, in order to reflect such expenditures transparently. It should be noted that the personnel expenditures under this category represent the 2008 costs of staff who worked on activities which will not be pursued in 2009, and whose skills are envisaged to be redeployed to other activities and areas within the Organization.

40. The following two tables illustrate, in summary form, the mappings between (i) approved and revised programs, indicating how the previously existing programs have been realigned to create the new program structure (Table 5); and (ii) revised and approved programs, indicating how the coverage of new programs in terms of the previous structure and activities (Table 6).

Table 5. 2008/09 Revised Program Structure – Approved to Revised

Approved Program Structure		Revised Program Structure
1 Public Outreach and Communication	19	Communications adjusted to include resources related to WIPO Library
2 External Coordination	20	External Offices and Relations adjusted for activities planned to be discontinued in 2009 - review of regional offices, Industry Advisory Commission
3 Strategic Use of IP for Development	8	Development Agenda Coordination adjusted for activities planned to be discontinued in 2009 - program direction/management; Creative Industries moved to new program 3 Copyright and Related Rights; Intellectual Property and New Technologies moved to new program 1 Patents, Innovation Promotion and Technology Transfer; SMEs and Legislation for Public Policy moved to new program 9 Africa, Arab, Asia and the Pacific, Latin America and the Caribbean Countries, LDCs; activities related to Intellectual property and Economic Development and Committee on Proposals related to a WIPO Development Agenda becomes the Program for Development Agenda Coordination
4 Use of Copyright in the Digital Environment	3	Copyright and Related Rights includes also Creative Industries related activities, Collective Management of Copyright and Related Rights, and Law of Copyright and Related Rights
5 Life Sciences	18	IP and Global Challenges
6 Africa, Arab, Asia and the Pacific, Latin America and the Caribbean Countries, Least Developed Countries	9	Africa, Arab, Asia and the Pacific, Latin America and the Caribbean Countries, Least Developed Countries adjusted to include SMEs and Legislation for Public Policy
7 Certain Countries in Europe and Asia	10	Certain Countries in Europe and Asia
8 Business Modernization of IP Institutions	15	IP Office Modernization
9 Collective Management of Copyright and Related Rights	3	Copyright and Related Rights includes also Creative Industries related activities, Use of Copyright in the Digital Environment, and Law of Copyright and Related Rights
10 IPR Enforcement	17	Building Respect for IP
11 WIPO Worldwide Academy	11	The WIPO Academy adjusted for activities planned to be discontinued in 2009 - Policy Development Program, Executive Research Program and Special Projects Program; resources related to WIPO Library moved to new program 19 Communications
12 Law of Patents	1	Patents, Innovation Promotion and Technology Transfer adjusted to include Intellectual Property and New Technologies
13 Law of Trademarks, Industrial Designs and Geographical Indications	2	Trademarks, Industrial Designs and Geographical Indications
14 Law of Copyright and Related Rights	3	Copyright and Related Rights includes also Creative Industries related activities, Use of Copyright in the Digital Environment, and Collective Management of Copyright and Related Rights
15 TK, Traditional Cultural Expressions and Genetic Resources	4	Traditional Knowledge, Traditional Cultural Expressions and Genetic Resources
16 The PCT System	5	The PCT System
17 Associated Patent Services	14	PATENTSCOPE® and Associated Patent Services
18 Madrid, The Hague and Lisbon Registration Systems	6	Madrid, Hague and Lisbon Systems adjusted to include IT activities related to Madrid, Hague and Lisbon systems
19 Patent Information, Classification and WIPO IP Standards	13	Patent Classifications and WIPO IP Standards
20 International Classifications in the Field of Trademarks and Industrial Designs	12	International Classifications in the Field of Trademarks and Industrial Designs
21 Arbitration and Mediation Services and Domain Names Policies and Procedures	7	Arbitration, Mediation and Domain Names
22 Direction and Executive Management	21	Executive Management adjusted for activities planned to be discontinued in 2009 - Strategic Planning and Policy Development
23 Resource Management and Control	22	Finance, Budget and Program Management merged with Financial Operations
24 Internal Oversight	26	Internal Audit and Oversight
25 Human Resources Management	23	Human Resource Management and Development
26 Financial Operations	22	Finance, Budget and Program Management merged with Resource Management and Control
27 Information Technology	25	Information and Communication Technology adjusted to include Communications/telephony and to exclude IT activities related to Madrid, Hague and Lisbon systems
28 Conference, Language, Printing and Archives	27	Conference and Language Services adjusted to exclude Communications/telephony and Messenger/driver services
29 Premises Management	24	Administrative Support Services merged with Travel and Procurement and adjusted to include Messenger/driver services
30 Travel and Procurement	24	Administrative Support Services merged with Premises Management and adjusted to include Messenger/driver services
31 The New Construction	29	New Construction
32 Security	28	Security

Table 6. 2008/09 Revised Program Structure – Revised to Approved

Revised Program Structure	Approved Program Structure
I <i>Balanced evolution of the international normative framework for IP</i> 1 Patents, Innovation Promotion and Technology Transfer 2 Trademarks, Industrial Designs and Geographical Indications 3 Copyright and Related Rights 4 Traditional Knowledge, Traditional Cultural Expressions and Genetic Resources	12 Law of Patents and activities related to Intellectual Property and New Technologies from old Program 3 13 Law of Trademarks, Industrial Design and Geographical Indications 4 Use of Copyright in the Digital Environment 9 Collective Management of Copyright and Related Rights 14 Law of Copyright and Related Rights and activities related to Creative Industries from old Program 3 15 Traditional Knowledge, Traditional Cultural Expressions and Genetic Resources
II <i>Provision of premier global IP services</i> 5 The PCT System 6 Madrid, Hague and Lisbon Systems 7 Arbitration, Mediation and Domain Names	16 The PCT System 18 Madrid, The Hague and Lisbon Registration System and IT activities related to Madrid, the Hague and Lisbon Systems from old Program 27 21 Arbitration and Mediation Services and Domain Names Policies and Procedures
III <i>Facilitating the use of IP for sustainable development</i> 8 Development Agenda Coordination 9 Africa, Arab, Asia and the Pacific, Latin America and the Caribbean Countries, Least Developed Countries 10 Cooperation with Certain Countries in Europe and Asia 11 The WIPO Academy	3 Activities related to Intellectual Property and Economic Development and Committee on Proposals related to a WIPO Development Agenda 6 Africa, Arab, Asia and the Pacific, Latin America and the Caribbean Countries, Least Developed Countries and activities related to Small and Medium-Sized Enterprises and Legislation for Public Policy from old Program 3 7 Cooperation with Certain Countries in Europe and Asia 11 WIPO Worldwide Academy
IV <i>Coordination and development of global IP infrastructure</i> 12 International Classifications in the Field of Trademarks and Industrial Designs 13 Patent Classifications and WIPO IP Standards 14 PATENTSCOPE® and Associated Patent Services 15 IP Office Modernization	20 International Classifications in the Field of Trademarks and Industrial Designs 19 Patent Classifications and WIPO IP Standards 17 Associated Patent Services 8 Business Modernization of IP Institutions
V <i>World Reference source for IP information and analysis</i> 16 Economic Studies, Statistics and Analysis	NEW
VI <i>International Cooperation on building respect for IP</i> 17 Building Respect for IP	10 IPR Enforcement
VII <i>Addressing IP in relation to global policy issues</i> 18 IP and Global Challenges	5 Life Sciences
VIII <i>Responsive communications interface between WIPO, its Member States and all stakeholders</i> 19 Communications 20 External Offices and Relations	1 Public Outreach and Communication and activities related to WIPO Knowledge Management Library from old Program 11 2 External Coordination
IX <i>Efficient administrative and financial support structure</i> 21 Executive Management 22 Finance, Budget and Program Management 23 Human Resource Management and Development 24 Administrative Support Services 25 Information and Communication Technology 26 Internal Audit and Oversight 27 Conference and Language Services 28 Security 29 New Construction	22 Direction and Executive Management 23 Resource Management and Control 26 Financial Operations 25 Human Resources Management, including Medical Service 29 Premises Management 30 Procurement and Travel and activities related to Messenger/Driver Services from old Program 28 27 Information Technology and activities related to Communications/Telephony from old Program 28 24 Internal Oversight 28 Conferences, Language, Printing and Archive, excluding activities related to Messenger/Driver Services and Communications/Telephony 32 Security 31 New Construction
Activities discontinued in 2009	Office for Strategic Use of IP for Development (part of Program 3.), Policy Development Program (part of Program 11), Executive Research Program (part of Program 11.), Special Projects Program (part of Program 11.), Strategic Planning and Policy Development (part of Program 22), review of regional offices under Program 2. and Industry Advisory Commission (part of Program 2.)

Development Agenda

41. In its session held in September-October 2007, the WIPO General Assembly decided to adopt the recommendations for action on the 45 agreed proposals, and to immediately implement 19 proposals identified by the Chair of the Provisional Committee on Proposals Related to a WIPO Development Agenda (PCDA), in consultation with Member States and the Secretariat. The General Assembly also decided to establish a Committee on Development and Intellectual Property (CDIP), whose main task is to develop a work-program for implementation of all recommendations adopted, as well as monitor, assess, discuss and report on of the adopted recommendations.

42. During the Second Session of the CDIP held in July 2008, the Committee adopted recommendations 2, 5, 8, 9 and 10 of the Development Agenda work program with indicative estimates amounting to 8 million Swiss francs for additional human and financial resource requirements, as contained in Annex II of document CDIP/2/2.

43. Successful implementation of the Development Agenda is a top priority for the new Administration. In the context of the 2008/09 Program and Budget, and in order to ensure that sufficient resources are made available to achieve the results expected by Member States, the Secretariat proposes a three-fold approach:

- rationalizing the current program structure and organizational structures in order to **eliminate duplication** between WIPO's development-related activities and to enable more efficient deployment and re-deployment of the available resources (e.g. reallocation of resources from former program 3);
- as part of the same process, and in accordance with one of the fundamental principles of the Development Agenda, **mainstreaming** development-related activities into the substantive programs of the Organization (e.g. activities relating to collective management, digital copyright, and creative industries are integrated into a single copyright program). thereby integrating the development dimension into all areas of WIPO's work; and
- applying a rigorous **project-based methodology** to the implementation of the adopted Development Agenda recommendations, including more robust scoping and cost estimates, clearly established deliverable outcomes, timeframes, and an evaluation process.

44. The new Development Agenda Coordination Program (8), under the supervision of the Director General, will be responsible for ensuring coordination between the programs involved in delivery of the results in 2009. The five recommendations assessed to require additional resources are planned to be implemented in a matrix structure, which is illustrated in Table 7 below.

Table 7: Matrix of Programs Implementing the Five Recommendations of the Development Agenda

	Program 9 Africa, Arab, Asia and the Pacific, Latin America and the Caribbean Countries, LDCs	Program 20 External Offices and Relations	Program 25 Information and Communication Technology	Program 14 PATENT- SCOPE® and Associated Patent Services	Program 1 Patents, innovation promotion and technology transfer	Program 3 Copyright and Related Rights	Program 11 The WIPO Academy	Program 15 IP Office Modernization
Donor funding Recommendation #2 Provide additional assistance to WIPO through donor funding, and establish Trust Funds or other voluntary funds within WIPO specifically for LDCs, while continuing to accord high priority to finance activities in Africa through budgetary and extra budgetary resources, to promote, inter alia, the legal, commercial, cultural, and economic exploitation of intellectual property in these countries	X	X						
Technical assistance activities on a website Recommendation #5 WIPO shall display general information on all technical assistance activities on its website, and shall provide, on request from Member States, details of specific activities, with the consent of the Member State(s) and other recipients concerned, for which the activity was implemented	X		X					
Access to specialized patent search databases Recommendation #8 Request WIPO to develop agreements with research institutions and with private enterprises with a view to facilitating the national offices of developing countries, especially LDCs, as well as their regional and sub regional IP organizations to access specialized databases for the purposes of patent searches	X			X				
Matching needs with resources Recommendation #9 Request WIPO to create, in coordination with Member States, a database to match specific IP related development needs with available resources, thereby expanding the scope of its technical assistance programs, aimed at bridging the digital divide	X		X					
Building institution capacity and infrastructure Recommendation #10 To assist Member States to develop and improve national IP institutional capacity through further development of infrastructure and other facilities with a view to making national IP institutions more efficient and promote fair balance between IP protection and the public interest. This technical assistance should also be extended to sub-regional and regional organizations dealing with IP	X				X	X	X	X

45. Further details of how resources are to be allocated for the delivery of these five recommendations will be made available to Member States prior to the December 10 – 11, 2008 meeting of the Program and Budget Committee.

46. In the meantime, the Secretariat is working on the establishment of monitoring tools and reporting systems, in order to be able

- to identify in full and accurate detail all resources required and made available for the implementation of the above recommendations;
- to develop mechanisms for ear-marking and tracking development-related expenditure within each program; and
- to develop monitoring and reporting mechanisms in order to track substantive achievements and delivery against objectives for each recommendation.

47. Details of resources allocated to Development Activities are elaborated in Annex V.

D. REVISED FINANCIAL OVERVIEW FOR 2008/09

48. As Table 8 indicates, the total level of reserves for the Organization (Reserve and Working Capital Funds) is expected to remain at 203.6 million Swiss francs as a result of a balanced budget proposal. This figure is 85.7 million Swiss francs above the average target level of approximately 18%² of biennial expenditure (117.9 million Swiss francs)

Table 8. Revised Financial Overview for 2008/09
(in millions of Swiss francs)

	2006/07 Actual	2008/09 Proposed Budget	2008/09 Approved Budget	2008/09 Revised Budget	Difference Revised vs. Approved	
					Amount	%
a. Income	609.3	646.8	628.1	628.4	0.3	0.1%
b. Expenditure	532.6	630.2	626.3	628.4	2.1	0.3%
c. Surplus/(Deficit) (a-b)	76.7	16.6	1.7	0.0	(1.7)	-100.0%
d. Reserve opening balance	127.0	203.6	203.6	203.6	--	0.0%
e. Total reserves (c+d)	203.6	220.2	205.4	203.6	(1.7)	-0.8%
f. Reserves as percentage of biennial expenditure (e/b)	38.2%	34.9%	32.8%	32.4%	n/a	n/a
g. Reserve Target	95.9	117.4	116.9	117.9	1.0	0.8%
h. Reserve Balance (e-g)	107.8	102.8	88.4	85.7	(2.7)	-3.1%

*Reserves and Working Capital Funds (RWCF)

49. Table 9 below provides revised overview of income, expenditure, results and reserves by Union. Although there is a balance between income and expenditure at the level of the Organization, the results by Unions show slightly negative balances for some Unions. This is in line with the current methodology on the allocation of expenditure by Unions and its principle of *capacity to pay*, whereby the Hague Union which has a negative spending balance of reserves is allocated only its direct expenses. Further details of the allocation of income and expenditure by Union are provided in Annex IV.

Table 9. Summary Revised Overview by Union 2008/09
(in thousands of Swiss francs)

	CF Unions		PCT Union		Madrid Union		Hague Union		Lisbon Union		Total	
	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%
RWCF Adj., End 2007	24,320		138,031		41,510		(340)		111		203,632	
2008/09 Income	37,694		475,979		106,224		7,195		1,307		628,400	
2008/09 Expenditure	37,727		476,384		106,348		6,634		1,307		628,400	
Surplus/Deficit	(33)		(405)		(124)		562		(1)		0	
RWCF, End 2009	24,288		137,626		41,386		222		111		203,632	
RWCF, Target	18,863	50.0	71,458	15.0	26,587	25.0	995	15.0	-	n/a	117,903	18.8
Balance	5,424		66,169		14,799		(773)		111		85,729	

*Reserves and Working Capital Funds (RWCF)

50. Financial results for the biennium could vary significantly if incomes levels were to approach the low or high case scenarios noted below in Table 10, with a corresponding impact on the level of the

² During the 35th Series of Meetings in September-October 2000, the Assemblies of the Member States of WIPO approved (A/35/15, paragraph 151(b)) target levels for RWC funds as a percentage of estimated biennial expenditure as follows: (i) contribution-financed Unions - 50%; (ii) PCT Union - 15%; (iii) Madrid Union - 25%; and (iv) Hague Union - 15%. The overall average of these reserves as a percentage of WIPO's proposed 2008/09 revised budget results in a target level of 18.8%.

reserves. The latter, however, continues to be estimated to remain well above the target levels established by Member States in all scenarios.

Table 10. Scenarios for Financial Results
(in millions of Swiss francs)

	2008/09 Revised Budget (BASE CASE)	2008/09 LOW CASE	2008/09 HIGH CASE
Income	628.4	606.6	650.1
Expenditure			
Personnel (incl. unallocated)	405.6	405.6	405.6
Non-Personnel (incl. unallocated)	222.8	222.8	222.8
Total, Expenditure	628.4	628.4	628.4
Surplus/(Deficit)	0.0	(21.8)	21.7
Reserve ¹	203.6	181.9	225.3
Reserve Target	117.9	117.9	117.9
Reserve Balance	85.7	64.0	107.4

¹ Reserves and Working Capital Funds (RWCF)

51. The risks of a downturn in income levels are difficult to manage actively, since the factors generating change in income levels are mostly exogenous to WIPO. The importance of monitoring is greatly increased in circumstances when such risks are high. WIPO already has strong monitoring activity and support systems in place, but further strengthening of these is envisaged. An "Observatory" is also proposed to be established on the internet, providing access to Member States quarterly on the financial status of the Organization.

52. Active reinforcement and communication of the principles of responsibility and accountability for delivering results is essential to the cost effective and efficient management of resources. A number of measures are envisaged in the immediate future, within the context of the above, to address specific areas of expenditure, where current practices will be reviewed. These include, but are not limited to, the review of expenditures related to:

- a) **travel:** class of travel for all activities of the Organization (staff missions, recruitment travel, third party travel, etc), timeliness of travel bookings, number of staff traveling to meetings, choice of hotels, etc;
- b) **meeting/conference costs:** increased awareness of available options for ensuring value for money and cost effective arrangements for all meeting and conference related costs; and
- c) **communication costs:** increased awareness of phone/mobile communication costs and a review of the policies and procedures for the use of these devices within the Organization.

53. The most significant costs of the Organization are its personnel costs. Representing almost three-quarters of total actual expenditures, changes to these costs are (i) difficult to make; (ii) require primarily structural change, the effects of which are only seen over longer time periods; and (iii) generate a built-in expenditure increase year on year. Once staff are on board, the related costs become part of the overall personnel cost envelope of the Organization, which highlights the importance of recruitment timing and decisions in case cost containment measures need to be implemented beyond those noted above. Accordingly, the Secretariat will ensure that recruitment activity in respect of approved new resources is monitored closely, and recruitment decisions are aligned with the needs of the Organization and its financial situation.

54. Over the medium term, and within the context of the review of resource requirements (strategic realignment and related needs assessments), increasing emphasis will also be placed on ensuring that the contractual conditions as well as the grade structure of the Organization become better aligned with

its needs, and that grades of posts becoming vacant are carefully reviewed and revised to reflect the resource needs of the Organization.

IV. REVISED PROGRAM NARRATIVES BY STRATEGIC GOAL

- Strategic Goal I: Balanced Evolution of the International Normative Framework for IP
- Program 1. Patents, Innovation Promotion and Technology Transfer
 - Program 2. Trademarks, Industrial Designs and Geographical Indications
 - Program 3. Copyright and Related Rights
 - Program 4. Traditional Knowledge, Traditional Cultural Expressions and Genetic Resources
- Strategic Goal II: Provision of Premier Global IP Services
- Program 5. The PCT System
 - Program 6. Madrid, Hague and Lisbon Systems
 - Program 7. Arbitration, Mediation and Domain Names
- Strategic Goal III: Facilitating the Use of IP for Sustainable Development
- Program 8. Development Agenda Coordination
 - Program 9. Africa, Arab, Asia and the Pacific, Latin America and the Caribbean Countries, Least Developed Countries
 - Program 10. Cooperation with Certain Countries in Europe and Asia
 - Program 11. The WIPO Academy
- Strategic Goal IV: Coordination and Development of Global IP Infrastructure
- Program 12. International Classification in the Field of Trademarks and Industrial Designs
 - Program 13. Patent Classification and WIPO IP Standards
 - Program 14. PATENTSCOPE® and Associated Patent Services
 - Program 15. IP Office Modernization
- Strategic Goal V: World Reference Source for IP Information and Analysis
- Program 16. Economic Studies, Statistics and Analysis
- Strategic Goal VI: International Cooperation on Building Respect for IP
- Program 17. Building Respect for IP
- Strategic Goal VII: Addressing IP in Relation to Global Policy Issues
- Program 18. IP and Global Challenges
- Strategic Goal VIII: Responsive Communications Interface between WIPO, its Member States and All Stakeholders
- Program 19. Communications
 - Program 20. External Offices and Relations
- Strategic Goal IX: Efficient Administrative and Financial Support Structure to Enable WIPO to Deliver its Programs
- Program 21. Executive Management
 - Program 22. Finance, Budget and Program Management
 - Program 23. Human Resources Management and Development
 - Program 24. Administrative Support Services
 - Program 25. Information and Communication Technology
 - Program 26. Internal Audit and Oversight
 - Program 27. Conference and Language Services
 - Program 28. Security
 - Program 29. New Construction

Strategic Goal I: Balanced Evolution of the International Normative Framework for IP

Summary of Strategic Goal I

- **Program 1: Patents, Innovation Promotion and Technology Transfer**
- **Program 2: Trademarks, Industrial Designs and Geographical Indications**
- **Program 3: Copyright and Related Rights**
- **Program 4: Traditional Knowledge, Traditional Cultural Expressions and Genetic Resources**

This reformulated Strategic Goal responds to the challenge of ensuring that the development of international IP law keeps pace with the rapidly evolving technological, geo-economic, social and cultural environment. The notion of balance is critical to ensuring that the international intellectual property normative framework continues to serve its fundamental purpose of encouraging innovation and creativity; that it takes into account the needs and interests of countries at different stages of development, including through the flexibilities within international IP agreements; that it balances costs and benefits; and the rights of creators, innovators and their business associates, with the interests of the wider public. All programs and activities conducted under this Goal will be guided by the recommendations adopted in Cluster B of the Development Agenda.

Program 1 covers the substantive work on patents and has been expanded to incorporate and further develop work on technology transfer and innovation, which was previously carried out by former Program 3 (Strategic Use of IP for Development). This is aimed at providing an additional focus on innovation promotion and technology transfer. Program 2 is responsible for work on Trademarks, Industrial Designs and Geographical Indications. Program 3 (Copyright and Related Rights) has been restructured to form a single substantive program covering normative activity, capacity-building and the use and management of copyright. This brings together former Program 14 (Law of Copyright and Related Rights), the small former Program 4 (Use of Copyright in the Digital Environment), and Program 9 (Collective Management of Copyright and Related Rights), plus the Creative Industries unit of former Program 3. The new Program 4 remains responsible for the program of work on Traditional Knowledge, Traditional Cultural Expressions and Genetic Resources.

Strategic Goal I: Balanced Evolution of the International Normative Framework for IP

• **Program 1: Patents, Innovation Promotion and Technology Transfer**

CHALLENGES

General patent activities under this program include two main components: first, issues relating to the international dimension of patent law and practice, including elaboration of current patent law issues, and consideration of a work program for the Standing Committee on the Law of Patents (SCP) and, secondly, questions relating to the role which patents can play in promoting innovation, as well as in enhancing the transfer and dissemination of information, knowledge and technology, with a particular focus on the transfer of technologies to meet developing country needs.

The international patent system today is influenced by, in particular, two major factors, namely its success, evidenced by a continuing growth in the number of patent applications worldwide, and the complexity of a changing environment.

The first aspect, that is, the increase in patent filings, has generated several consequences. One consequence is that patent offices encounter increasing difficulty in handling, in a timely manner, the number of applications filed and, at the same time, ensuring a high quality in the titles issued. Another consequence relates to concerns about the broader implications of the patent system in respect of a number of public policy issues, including the role of patents in innovation and technology transfer. Indeed, for both industrialized and developing countries, and for countries with economies in transition, there is a need to ensure that a balanced patent system is in place that promotes innovation, while taking into account other public policy objectives.

The second factor, the complexity of the environment in which the patent system operates, is reflected in: technological developments, such as information and communication technologies, biotechnology or nanotechnology, which have increasingly been at the center of public attention in recent years; the number of countries that have become - or are becoming - important actors in the patent system, which has led, for example, to increased geographical and linguistic diversity in the prior art; and globalized economic ties, which have produced complex interactions between national, regional and international patent policies.

These factors are both a cause and a reflection of the existing considerations by Member States on how and where to set priorities in respect of the international patent system. Against this backdrop, the key challenges for this Program will be the following:

- In the area of patent law, to explore and identify potential areas of common interest to all Member States and users, to identify those issues that are mature and appropriate for international discussion and cooperation, and to include them, where appropriate, in the work program of the SCP. One of the key tasks in working towards that goal will be to deepen the understanding of the role of, and the principles underpinning, the patent system;
- In the area of innovation and technology transfer, a key challenge will be to support and respond to Member States' demands to assist them in strengthening their innovation infrastructure to fully benefit from the patent system. This responds to Development Agenda adopted

Strategic Goal I: Balanced Evolution of the International Normative Framework for IP

recommendation 11: “To assist Member States to strengthen national capacity for protection of domestic creations, innovations and inventions and to support development of national scientific and technological infrastructure, where appropriate, in accordance with WIPO’s mandate.” Institutions in Member States face a wide range of challenges in creating, protecting and exploiting patent assets. There is generally a need for practical and focused programs that build sustainable national capacity in this field. In this connection, patent strategies addressing issues such as patent policies, both at the government and at the business and research levels, valuation and financing for early stage technologies and technology marketing are crucial for all countries.

In addition to patents, this program also covers activities relating to utility models, topographies of integrated circuits and trade secrets.

OBJECTIVE

Progressive development of international patent law and practice that stimulates innovation and balances the interests of Member States, users and society as a whole by improving the understanding of, and international cooperation on, patent-related matters, and enhanced capacity of Member States, institutions and other stakeholders to benefit from the innovation potential of a balanced patent system

EXPECTED RESULTS	PERFORMANCE INDICATORS AND TARGETS
Enhanced cooperation among Member States in the area of developing the international patent system	<ul style="list-style-type: none"> — Agreement and implementation of the SCP work program and advancement on issues of common interest — Greater number of Contracting Parties to the patent-related WIPO administered treaties
Greater awareness of the legal principles, practices and flexibilities of the patent system and of its role in economic development	<ul style="list-style-type: none"> — Feedback from Member States, right holders, third parties and the general public — Greater acceptance and use of patent principles and practices in Member States
Enhanced understanding and further clarification of current and emerging issues that arise in relation to patents	Feedback from Member States, right holders, third parties and the general public
Reduction, where possible, of redundant functionalities in the patent system	Instruments of international cooperation in the area of patents, or drafts of, or work-in-progress, regarding such instruments
Enhanced capacity of Member States to formulate, implement and evaluate national patent strategies	National patent strategies developed - or in the process of being developed - by Member States

EXPECTED RESULTS	PERFORMANCE INDICATORS AND TARGETS
Enhanced capacity to acquire and manage patent assets in Member States, including through licensing and technology transfer	<ul style="list-style-type: none"> <li data-bbox="959 310 1365 457">— Use of WIPO-developed tools, models or training kits in developing countries and countries with economies in transition <li data-bbox="959 495 1390 611">— Number of research institutions with technology management units or patent policies based on WIPO support

STRATEGIES

The SCP will continue to be the main forum for consideration of general legal patent issues and the development of the international patent system, and will hold up to four meetings in the 2008/09 biennium. In addition, increased efforts will be undertaken by the Program to enhance cooperation among Member States and to achieve consensus-based solutions for addressing patent-related issues and the development of a balanced international patent system. These efforts may include: the organization of targeted meetings to address and clarify specific current topics and, in particular, the organization of a Conference on issues relating to the implications, including public policy implications, of patents on certain areas of public policy; working on the implementation of the recommendations adopted in the framework of the WIPO Development Agenda, insofar as this Program is concerned; the provision of contact and networking opportunities among Member States to improve mutual understanding and cooperation; the provision, on request, of information and advice on the international patent system, utility models and layout designs of integrated circuits; promotion of WIPO's patent-related treaties (including the Paris Convention, the Patent Law Treaty and the Budapest Treaty); and exploration of opportunities of considering other legal instruments.

To improve awareness of the principles of patent law and practice, a range of measures will be undertaken, such as addressing and clarifying current and emerging patent-related issues and concepts through studies, and contributing, on request, to the provision of information and assistance on patent-related matters as well as on WIPO-administered treaties to Member States.

As far as program activities in respect of the role of the patent system in innovation and technology transfer are concerned, WIPO will continue to support Member States in developing and integrating patent strategies into their national economic development planning, including in relation to science and technology. This will involve the development of practical tools that underline the importance of national choices in the development and implementation of patent strategies. Research and Development networks and IP Hubs, a means for developing countries and countries with economies in transition to build cost-efficient innovation infrastructure, will also continue to be promoted. Research and Development institutions and universities will be supported in developing institutional patent policies to facilitate patent asset management. Practical training programs in technology licensing, patent drafting, and technology management and marketing may be part of that strategy. A further aspect in the framework of reinforcing and integrating patent strategies will be to support Member States in building up national expertise in patent strategy and patent asset management.

Strategic Goal I: Balanced Evolution of the International Normative Framework for IP

PROGRAM LINKS This Program will cooperate closely with Program 4 (Traditional Knowledge, Traditional Cultural Expressions and Genetic Resources), Program 5 (the PCT System), Programs 8, 9 and 10 (for Development Agenda coordination and cooperation with developing countries and certain countries in Europe and Asia), Program 11 (to support WIPO Academy training activities), Program 14 (PATENTSCOPE® and Associated Patent Services) and Program 18 (IP and Global Challenges).

DEVELOPMENT AGENDA LINKS This Program incorporates activities related to the following adopted Development Agenda recommendations: 10, 12, 14, 15, 17, 19, 20, 21, 22, 23, 25, 26, 28, 29, 31, 36 and 45.

RESOURCES*

Program 1
Patents, Innovation Promotion and Technology Transfer

(in thousands of Swiss francs)

	2008/09 Approved Budget	2008/9 Proposed Revised	Difference	
			Amount	%
A. Personnel Resources				
Posts	4,729	4,545	(185)	(3.9)
Short-term Employees	565	657	92	16.4
Consultants	--	--	--	--
Special Service Agreements	--	--	--	--
Interns	--	0	0	--
Total, A	5,294	5,202	(92)	(1.7)
B. Non-personnel Resources				
<i>Travel and Fellowships</i>				
Staff Missions	360	360	--	--
Third-party Travel	865	830	(35)	(4.0)
Fellowships	4	--	(4)	(100.0)
<i>Contractual Services</i>				
Conferences	188	335	147	78.2
Experts' Honoraria	195	32	(164)	(83.8)
Publishing	30	--	(30)	(100.0)
Other	50	249	199	397.8
<i>Operating Expenses</i>				
Premises & Maintenance	15	20	5	33.3
Communication & Other	41	66	25	60.2
<i>Equipment and Supplies</i>				
Furniture & Equipment	15	18	3	20.0
Supplies & Materials	260	29	(231)	(88.9)
Total, B	2,023	1,938	(85)	(4.2)
TOTAL	7,317	7,140	(177)	(2.4)

* For the number of posts for the Program please refer to Table 2 of Annex III

• **Program 2: Trademarks, Industrial Designs and Geographical Indications**

CHALLENGES

Branding is becoming an increasingly important factor in national and global manufacturing, agricultural and service industries. Intellectual property rights used in connection with branding, such as trademarks, industrial designs and geographical indications, secure brand investment and reduce transaction costs. An international legal framework that is responsive to the needs and expectations of stake holders, including Member States' trademark administrations and brand owners, is, therefore, of great importance. The work of the Standing Committee on the Law of Trademarks, Industrial Designs and Geographical Indications (SCT) has contributed to this goal. In March 2006, the SCT's work led to the adoption by a Diplomatic Conference of the Singapore Treaty on the Law of Trademarks ("the Singapore Treaty") and a resolution supplementary to the Singapore Treaty ("the Singapore Resolution"). Widespread implementation of the Singapore Treaty and Resolution would require promotional activities throughout the 2008/09 biennium aimed at raising awareness of the Treaty and Resolution among all Member States, and of the benefits of a broad adherence to this instrument. The SCT has also defined areas for further development of the international law of trademarks, industrial designs and geographical indications. There is a need to continue work on those areas during the 2008/09 biennium.

Communication procedures under Article 6*ter* of the Paris Convention continue to be in demand by States party to the Paris Convention and international intergovernmental organizations. In this regard, offering an enhanced flow of information, including state-of-the-art communication tools, is a key challenge. Standards for electronic communications supplementing the paper-based communication procedure will also need to be developed and deployed.

In addition, the complexity of the issues in this area of law is resulting in a strong demand for substantive input and legal advice to other WIPO sectors, particularly the sector responsible for technical assistance and capacity building. This demand will need to be adequately addressed by the Program.

OBJECTIVE

Further development of the multilateral legal framework for trademarks, industrial designs and geographical indications and wider adherence to, and implementation of, existing standards

EXPECTED RESULTS	PERFORMANCE INDICATORS AND TARGETS
Further advancement within the SCT on the international law of trademarks, industrial designs and geographical indications	Four sessions of the SCT and work on at least three specific topics

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EXPECTED RESULTS	PERFORMANCE INDICATORS AND TARGETS
Better understanding among Member States of different existing approaches to the protection of geographical indications and the legal and administrative issues that are underlying to the implementation of such approaches	Informal and open discussion among Member States and non-governmental interested circles of a number of distinct policy issues relating to geographical indications, on the occasion of a worldwide symposium on geographical indications to be organized in cooperation with an interested Member State
Ratifications of and accessions to the Singapore Treaty on the Law of Trademarks	At least 10 ratifications by States or intergovernmental organizations
Efficient administration of Article 6 ^{ter} of the Paris Convention	Implementation of the electronic publication procedure for Article 6 ^{ter} communications as per the decision of the Paris Union Assembly of September 2008

STRATEGIES

To advance work on the defined areas for development of the international law of trademarks, industrial designs and geographical indications, the SCT will hold regular sessions during the 2008/09 biennium. Deliberations of the SCT will be supported by working documents prepared by the Secretariat on the basis of input from Member States. To further facilitate an open discussion of topical issues, fora will be organized back-to-back with SCT meetings and a worldwide symposium on geographical indications will also be arranged. Also, a worldwide study on the current state of legislation on unfair competition and on various national and regional approaches that exist in Member States will be commissioned.

Wider adherence to, and implementation of, the Singapore Treaty and the Singapore Resolution, will require raising Member States' awareness of the Treaty and the Resolution. To this end, information and promotion meetings will be organized in interested Member States at the regional and national levels in cooperation with the sectors responsible for technical assistance and capacity building.

In line with Member States' expectations, the Secretariat will continue to ensure the efficient administration of Article 6^{ter} procedures by processing communications in a timely manner, and through the implementation of the revised Article 6^{ter} communication procedures that were adopted by the Assembly of the Paris Union at its session in September 2008.

Furthermore, the Program will continue to review information products and program activities that fall in its area of expertise, with a view to providing legal advice and support to all concerned sectors within the Organization.

PROGRAM LINKS

This Program will cooperate closely with Program 19 (for awareness building activities), Programs 9, 10 and 15 (for the promotion of the accession to, and implementation of, the Singapore Treaty, and the Singapore Resolution, and other

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norms in the area under consideration), Program 11 (to provide expert input), and Program 6 (to support the expansion of the International Registration Systems).

DEVELOPMENT AGENDA LINKS

This Program incorporates activities related to the following adopted Development Agenda recommendations: 12, 13, 14, 15, 16, 17, 21 and 42

RESOURCES*

Program 2 Trademarks, Industrial Designs and Geographical Indications

(in thousands of Swiss francs)

	2008/09 Approved Budget	2008/9 Proposed Revised	Difference	
			Amount	%
A. Personnel Resources				
Posts	1,609	1,795	186	11.6
Short-term Employees	--	187	187	--
Consultants	--	--	--	--
Special Service Agreements	--	--	--	--
Interns	--	6	6	--
Total, A	1,609	1,989	380	23.6
B. Non-personnel Resources				
<i>Travel and Fellowships</i>				
Staff Missions	240	180	(60)	(25.0)
Third-party Travel	1,013	1,013	--	--
Fellowships	250	125	(125)	(50.0)
<i>Contractual Services</i>				
Conferences	570	300	(270)	(47.4)
Experts' Honoraria	100	90	(10)	(10.0)
Publishing	50	50	--	--
Other	40	38	(2)	(5.0)
<i>Operating Expenses</i>				
Premises & Maintenance	--	--	--	--
Communication & Other	10	9	(1)	(10.0)
<i>Equipment and Supplies</i>				
Furniture & Equipment	--	9	9	--
Supplies & Materials	--	--	--	--
Total, B	2,273	1,814	(459)	(20.2)
TOTAL	3,882	3,803	(79)	(2.0)

* For the number of posts for the Program please refer to Table 2 of Annex III

• **Program 3: Copyright and Related Rights**

CHALLENGES

The twentieth century model of returning value to creators, performers and their business associates, which relied on the distribution of physical packages containing their works and recordings, is under threat from the convergence of expression in digital technology and the distributional power of the Internet. This development may well work to the particular disadvantage of the developing world, where creators and performers do not have the same access to the Internet, bandwidth and alternate models of obtaining financial rewards as their counterparts in the developed world. WIPO will be addressing these issues in a comprehensive way, including: the analysis and updating of the international legal framework; supporting the establishment and further development of collective management; increasing understanding of, and building capacity for, the sustainable exercise and exploitation of copyright works by rights holders in a high-technology environment; promoting understanding of issues related to the public domain; and providing high quality assistance to Member States wishing to evaluate, exploit and enhance awareness about the use of IP for the promotion of creativity.

Copyright and Related Rights

WIPO will continue to service the Standing Committee on Copyright and Related Rights (SCCR) in the review and adjustment of international IP law on copyright and related rights, including on limitations and exceptions in the digital era, and protection of broadcasting organizations, or other issues raised by Member States. With the goal of a balanced evolution of the international normative framework, and guided by the principles enshrined in the Development Agenda recommendations, the Secretariat will encourage the SCCR to focus on the future role of copyright, possibly in combination with private sector initiatives, as a tool to encourage and reward creativity and ensure sustainable cultural and information industries.

The WIPO Copyright Treaty (WCT) and the WIPO Performances and Phonograms Treaty (WPPT) are increasingly becoming general international standards for protection of copyright and related rights. The Secretariat will continue to disseminate information about the treaties and their implementation in national law, promote deeper understanding and build capacity for the effective implementation and use of the treaties in the digital environment.

Continued efforts are also required in order to provide timely legislative advice to Member States, at their request, in connection with their implementation of WIPO administered treaties, including the WCT and WPPT, and the TRIPS Agreement; taking particular account of Development Agenda Recommendation 14 with respect to: “understanding and use of flexibilities contained in the TRIPS Agreement.”

The international legal framework should continue to be adapted with a view to ensuring that it remains an effective tool for stimulation and wide diffusion of creativity to the advantage of the cultural, social, and economic development objectives of all countries. Tools such as licensing mechanisms, rights management technologies and other flexibilities support the access to, and provision of, protected content.

WIPO has fostered debate in the SCCR on the issue of exceptions and limitations through a series of studies regarding the interests of certain beneficiaries such as visually impaired persons, libraries, educational institutions and users in general. In addition, the Secretariat has actively encouraged and participated in debates on these issues, and will continue to do so. The SCCR will continue its discussions on

this issue and the Secretariat will be servicing these discussions by providing any additional studies or other activity that the SCCR may request.

As required, continued action will also need to be taken for the protection of performers in regard to the audiovisual use of their performances. In addition to several earlier studies, a further study may be conducted to assess the views of interested parties, performers, producers and governments and civil society on the issues an international instrument would still need to address as well as on the evolution of positions of the various parties at stake.

In consonance with the mandate received from the 2007 and 2008 General Assembly, the SCCR will continue to address the issue of the protection of broadcasting organizations.

Use of Copyright in the Digital Environment

The Internet and emerging digital technologies have become pivotal features of the information society. Consumers now have unprecedented access to vast quantities of information over the digital networks, and new business models have been developed to sustain industries that trade in information and creative product. The copyright system is responsible for a great deal of the value that is being generated by the digital economy, and is continually being adapted at the national and international levels to remain an effective tool for creators and users.

As rights holders continue to assert their rights over uses of their work in online business, users are increasingly becoming dynamic components of the copyright system. This focuses attention on the role of rights management technologies and limitations and exceptions to copyright, and greater understanding is required of these new and sensitive issues. Technologies for documentation, preservation and registration of creative works are becoming essential tools for a secure, rich and user-friendly digital distribution of knowledge. There is a corresponding need for Governments and stakeholders to better understand the role of copyright in regard to those technological developments. Moreover, the challenge is to meet the expectations of, and involve, a growing number and range of stakeholders in addressing these issues. The gap between technologically developed and other countries remains a significant concern. There is a need to raise awareness in many countries of the opportunities provided by the copyright system for using and benefiting from the digital environment and, thereby, helping to bridge the "Digital Divide". These concerns have been brought to the fore during discussions on the WIPO Development Agenda, which requires a proactive engagement with challenging issues at the intersection of copyright and digital technology. For example, new activities can promote the understanding of problems related to the public domain (e.g., orphan works, the use of rights management technologies, the role of search engines), including the tools needed to identify and access public domain material.

Finally, there is a need to address the growing demand among Member States for information about alternative models for licensing and exploiting copyright, and sustainable models for copyright based industries in the digital environment. Given the multi-territorial nature of these challenges, WIPO is a natural forum for developing a balanced and inclusive debate on emerging trends in copyright licensing, such as Creative Commons and Open-Source Software, and for examining how coexistence between new and more traditional commercial or proprietary licensing models can be enhanced.

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The exercise of copyright in the digital environment is further challenged by the role of new Internet Intermediaries, including Internet service providers (ISPs), portals, User-Created Content sites and search engines. The landscape has become more fragmented as court decisions worldwide have taken diverging approaches to defining the circumstances under which such intermediaries bear responsibility for infringing content on their networks, and as new business models emerge under which some intermediaries are distributing digital content directly to users under commercial terms to a greater extent than before. This scenario increases the need for balanced discussion of best practices and tentative solutions at international level.

Creative Industries

Creative industries are major drivers in the knowledge economy. Both developed and developing countries are witnessing significant growth in these industries, which are fundamentally based on IP protection. Major challenges in this field will be to continue to provide high quality assistance to Member States wishing to integrate effectively the potential of creative industries in national development strategies; and enhance awareness among the policy-makers, various stakeholders in the creative industries and users of the IP system that a conducive environment of respect for and understanding of the IP system is required for creative industries to flourish.

Another major challenge is to upgrade the skills of creators, which are the fabrics of the creative society, so that they can efficiently use the economic benefits from their creations. In order to do that they need to be equipped with the right tools that would enable an optimal use of their intellectual property assets. Identifying the areas that need most attention and developing high quality tools is a prerequisite for the understanding of the IP system and using the benefits that it offers to creators.

Creativity is supported by copyright in many important ways. Developing proper national strategies, taking into account the relevant intellectual property provisions is an important challenge for WIPO, for national governments and creative communities. The interaction of all players and stakeholders is a precondition that will allow the flourishing of creativity to the benefit of all member states.

Collective management of copyright and related rights

In an increasingly digitally oriented world, the exercise of copyright and related rights through collective management systems, where applicable, can be of great economic value to creators, performers and other right holders. The development of automated systems for rights management, based on global technical standards, has helped to enhance access to international markets. Collective management systems that are built in accordance with those standards are important to facilitate access to those markets by the right holders concerned in developing countries and countries with economies in transition. Conversely, failure to establish such systems may lead to their effective exclusion from international markets. Collective management organizations (CMOs) in developing countries, therefore, need to have the capacity to use digital databases and electronic delivery systems.

A wide range of policy issues relating to the role and functions of collective management need also to be addressed from a conceptual and technical point of view and in light of diverse stakeholder and consumer interests. The digital revolution impacts on the rights of reproduction, distribution and communication to the public of protected works and performances and collective management of such

rights. International standards and codes, automated licensing and monitoring systems are central issues to be considered in this Program, along with effective coordination of activities with key partner institutions, such as international non-governmental organizations, as appropriate.

In 2009, the main challenges for this Program will be to continue to address the evolving needs of right owners in developing countries and countries with economies in transition. This requires assistance in the establishment and further development of collective management infrastructure, as well as ensuring that collective management organizations upgrade their technological capabilities to use digital technology in accordance with global technical standards. Installing adequate software, such as WIPOCOS, in those countries, will improve the efficiency of the process. Finally, efforts will continue to enhance the awareness and improve understanding of the benefits and mechanisms of the collective management of copyright and related rights among policy-makers and other stakeholders.

OBJECTIVE

To further develop a balanced normative copyright framework and enhance the capacity of Member States and stakeholders to respond to the challenges and opportunities offered by copyright in the digital environment and also the capacity to collectively manage copyright and related rights

EXPECTED RESULTS	PERFORMANCE INDICATORS AND TARGETS
Clarifications of the international framework for limitations and exceptions, the applicable law and technological measures of protection or other issues raised by Member States	Clarification of issues and possible solutions in the SCCR
Clarification of the protection of audiovisual performances	Decision made by Member States regarding the future work on the protection of audiovisual performances
Wider adherence to, and effective implementation of, the WCT and the WPPT	<ul style="list-style-type: none"> — Six additional accessions to the WCT, and six to the WPPT — Four additional States have adopted effective policies for the implementation of the WCT and the WPPT

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EXPECTED RESULTS	PERFORMANCE INDICATORS AND TARGETS
<p>Increased understanding of the possibilities for commercial exploitation of copyright in the digital environment</p>	<ul style="list-style-type: none"> — Clarification of issues relating to documentation and copyright, including rights management information, recordation and access to works of unknown or unidentifiable authorship — Clarification of issues in other international fora on information and communication technology (ICT) standards and IP, including inter-operability — Increased understanding of evolving markets for, and uses of, computer software, including the choice of IP license models (open source licensing, proprietary, mixed platforms)
<p>Greater understanding of the impact of emerging technologies on creation, access to and use of copyright content</p>	<ul style="list-style-type: none"> — Increased awareness with regard to managing intellectual property for cultural heritage institutions. Practical assistance to Member States on the basis of the recently published WIPO Guide on this issue — Heightened awareness of the challenges and opportunities related to copyright and digital preservation — Improved understanding on the evolving role of Internet Intermediaries, including through an International Conference involving governments, private sector and users

EXPECTED RESULTS	PERFORMANCE INDICATORS AND TARGETS
<p>Increased awareness and improved understanding of the importance of creative industries for social, economic and cultural development</p>	<ul style="list-style-type: none"> — Number and use of WIPO studies in policy making on creative industries and contribution to policy dialogues in this field — Use of capacity building studies and tools developed by WIPO for different creative sectors — Number of capacity building activities for creators in specific creative industries
<p>Enhanced awareness and capacity building on collective management, including creation of new collective management systems and cooperation with relevant partner institutions</p>	<ul style="list-style-type: none"> — Five newly established collective management systems — One new cooperation agreement and enhancement of existing joint working committees
<p>Deployment of collective management software, particularly WIPOCOS, including integration of digital technologies in CMOs' operations</p>	<ul style="list-style-type: none"> — Number of CMOs that have incorporated WIPOCOS and effective digital technologies for rights management

STRATEGIES

In 2009, this expanded Program will focus on four main areas, as described below. The regrouping of former programs on copyright and related rights in a single substantive program will facilitate the capacity of the organization to respond to today's challenges in the field of copyright and related rights. The Program will collaborate with other sectors and divisions in the organization to deal with these issues in a comprehensive manner, particularly with regards to the implementation of the recommendations of the Development Agenda, the deliverance of technical assistance and capacity building, and legislative advice.

Law of copyright and related rights. The Program will continue and reinforce the provision of legal assistance to requesting Member States with the aim of supporting accession to, and implementation of, the WCT and WPPT. Work will also be undertaken, in cooperation with other relevant sectors, on preparing and updating draft laws, and provision of advice and comments on existing and proposed legislation which may be requested by developing countries and countries in transition.

The SCCR will be convened on a regular basis during the biennium to continue its work on the development of international copyright and related rights law. Studies and other documentation will be prepared, and information seminars organized, as necessary and requested by the SCCR. Discussions on such issues, organized by stakeholders and other interested parties, would be appropriately supported. In addition, emerging copyright and related rights issues will be examined and

Strategic Goal I: Balanced Evolution of the International Normative Framework for IP

presented to the SCCR in the form of studies, discussion papers or other information material. The WIPO Secretariat will service discussions on the protection of broadcasting organizations and provide any material or develop any activity that the SCCR may request.

New outreach and capacity building initiatives may be developed with the view to promoting deeper understanding and ability of users to access and make use of protected content while returning fair value to creators. To further promote the user friendly distribution of creativity and knowledge, WIPO will launch a series of practical tools providing a practical overview of licensing for works such as musical, motion pictures, graphic and pictorial and books.

Use of copyright in the digital environment. This subprogram will reach out to various stakeholders to assist in raising awareness of emerging developments in copyright, and to better assess and make appropriate choices in using copyright in the digital environment. There will be a special focus on creators, as the foundation of the copyright system, and work will be conducted to raise awareness of copyright and how best to manage rights in the digital marketplace.

Partnerships with other international organizations and the private sector will be strengthened, particularly in developing countries and countries with economies in transition. Outreach activities to the private and non-profit sectors will also continue, to gather information and to build networks of collaboration for the benefit of Member States and the IP community generally.

Activities will also be undertaken to raise awareness and assist Member State institutions to develop capacity to respond to emerging issues in the field of copyright, to help support commercial exploitation of copyright in the digital environment, and at the same time promote public interest. Research will be conducted and seminars organized on recent developments in legal issues relating to copyright in the areas mentioned above. Research will also be undertaken on market and technology-related issues, including the role of Internet Intermediaries, the legitimate uses of peer-to-peer technologies, and rights management technologies. The outcome of these activities will be reported to the Standing Committee on Copyright and Related Rights (SCCR) and other relevant WIPO bodies for consideration and further action, where appropriate.

Creative Industries. Member States will be assisted in carrying out research on the actual contribution of the creative sector, in order to facilitate evidence-based policy making in the area of creative industries. This Program will work in close cooperation with the newly created Program 16 (Economic Studies, Statistics and Analysis) for this purpose. The activities will also focus on providing support through awareness building activities, training tools and in developing partnerships with interested governments and intergovernmental and nongovernmental organizations, as well as academic and civil society representatives. Practical tools for selected creative sectors will also be developed to meet sector-specific needs.

Collective management of copyright and related rights. The main focus of this unit will be the setting up and strengthening of collective management of copyright and related rights organizations in developing countries, least developed countries and countries with economies in transition. Support will be provided to CMOs to ensure that rights management systems, such as WIPOCOS, are implemented in the countries concerned and are compatible with international systems. The establishment of a WIPOCOS Task Force would be considered to ascertain those developments and to update and follow enhancement of the software. This technical tool is development-oriented and takes into account the priorities and

special needs of developing countries in providing technological means to improve collective management for the benefit of rights owners concerned. It is mainly demand-driven and transparent, customized to the needs of the CMOs.

In view of the current technological digital environment and market place in all continents, there is a need to discuss and define a global approach on policy developments relating to collective management of copyright and related rights. The Member States may consider the creation of a Working Group of experts to address topical issues related to collective management in the current business environment, such as multi-territorial licensing, interoperability of existing and future norms and standards. Another particular issue may also be considered by the Member States: the question of double taxation which concerns avoiding royalties being taxed twice. This issue was debated in 1979 at the Madrid Convention that was never adopted and is of concern to several authors' societies today.

Finally, to clarify also some of the challenges faced in rights management and help CMOs to develop suitable responses, national or regional training events will be organized. This will include the preparation of material (e.g. model statutes, model contracts, guidelines, business tools) and training tools relevant for policy formulation, awareness raising and capacity building by various stakeholders, including enforcement authorities on various aspects of collective management systems. Further development of automated systems for the operation of CMOs will be undertaken to permit their fuller integration in digital international systems and compliance with global technical standards.

PROGRAM LINKS The Program will be undertaken in cooperation with Program 8 (Development Agenda Coordination), Program 9 (Africa, Arab, Asia Pacific, Latin America, Caribbean, Least Developed Countries), Program 10 (Cooperation with Certain Countries in Europe and Asia), Program 11 (the WIPO Academy), Program 16 (Economic Studies, Statistics and Analysis) and Program 17 (Building Respect for IP).

DEVELOPMENT AGENDA LINKS This Program incorporates activities related to the following adopted Development Agenda recommendations: 10, 11, 12, 13, 14, 15, 16, 17, 19, 20, 21, 22, 23, 24, 32, 36, 40 and 42

RESOURCES*

Program 3
Copyright and Related Rights

(in thousands of Swiss francs)

	2008/09 Approved Budget	2008/9 Proposed Revised	Difference	
			Amount	%
A. Personnel Resources				
Posts	8,178	8,637	459	5.6
Short-term Employees	734	1,128	394	53.7
Consultants	266	284	18	6.8
Special Service Agreements	--	78	78	--
Interns		49	49	--
Total, A	9,178	10,176	998	10.9
B. Non-personnel Resources				
<i>Travel and Fellowships</i>				
Staff Missions	1,201	1,207	6	0.5
Third-party Travel	1,270	1,150	(120)	(9.5)
Fellowships	35	45	10	28.6
<i>Contractual Services</i>				
Conferences	385	400	15	3.8
Experts' Honoraria	124	53	(71)	(57.2)
Publishing	63	46	(17)	(27.0)
Other	86	101	15	17.4
<i>Operating Expenses</i>				
Premises & Maintenance	10	10	--	--
Communication & Other	184	202	18	9.6
<i>Equipment and Supplies</i>				
Furniture & Equipment	20	40	20	98.0
Supplies & Materials	19	22	3	13.4
Total, B	3,397	3,275	(123)	(3.6)
TOTAL	12,575	13,450	875	7.0

* For the number of posts for the Program please refer to Table 2 of Annex III

Program 4: Traditional Knowledge, Traditional Cultural Expressions and Genetic Resources

CHALLENGES This program addresses three interrelated challenges:

- strong expectations of international outcomes on the protection of traditional knowledge (TK), traditional cultural expressions (TCEs) and genetic resources (GR), including close consonances with the WIPO Development Agenda;
- intensifying and diversifying demand for tailored, specialized capacity building and technical support, coordinated with the international policy dimension; and
- a dense and complex international agenda in which these issues are closely interrelated with a range of other multilateral fora and international organizations.

This program deals with cutting edge intellectual property issues that concern the interests of highly diverse stakeholders, both governmental and nongovernmental, many of whom are new to WIPO and the international IP policymaking environment, and concern many key players in the international system. Many WIPO Member States and representatives of indigenous peoples and local communities work towards enhanced protection, internationally and nationally, of TK, TCEs and GR. They voice strong expectations of the social, cultural and developmental benefits resulting from appropriate protection. Yet diverse approaches are taken at the legal and practical levels, even on such basic questions as the scope of subject matter to be protected and beneficiaries of protection.

Many Member States call for concrete outcomes from the WIPO IGC after some seven years of work, but differences continue as to the status and content of any outcome. Its mandate calls for accelerated work, and the IGC itself has debated intensified work practices such as strengthened inter-sessions consultations: this translates into potential demand for regional consultations, expert groups, and other means of supplementing formal plenary sessions. The Assembly has adopted Development Agenda recommendation no. 18 for the acceleration of this process.

This program has already laid solid groundwork for protection of TK and TCEs that is internationally inclusive, practically effective, and grounded in the actual experiences and needs expressed directly by communities. Despite the cultural and intellectual richness represented by their TK, TCEs and GR, communities face major resource constraints in defining and protecting their IP-related interests and concerns beyond the traditional community circle. These needs are apparent both in terms of grass roots capacities at the community level, and in terms of effective involvement in international processes. WIPO work needs to continue to be inclusive, recognizing the diversity of communities, cultures and value systems that are involved in these debates and policy issues. In line with approved development agenda recommendations, there has been a marked increase in the demand for the kind of unique, specialized capacity building and practical training that WIPO is able to provide under this program, given its specialist focus on the needs of the holders and custodians of TK, TCEs and genetic resources and other stakeholders, as well as the emerging area in intellectual property law and policy of *sui generis* protection of TK and TCEs. The level of demand also shows greater substantive and geographical diversity, as tailor made and culturally sensitive capacity building is stressed. Such demand is experienced at the level of national and regional authorities, and specific communities and institutions. Demand is diversifying to

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cover policy and practical guidance on issues integrally related to, but going beyond, the protection of TK, TCEs and genetic resources as such, including the management of IP options by institutions such as museums, archives, libraries, research institutes, gene banks, and traditional medicine collections.

A continuing challenge is to set the appropriate scope for a broad-based IP approach to protection of TK, TCEs and GR. This entails clarifying the specific contribution of the IP system within broader international moves toward greater respect for, and recognition of, the cultural heritage and knowledge systems of communities, through close coordination and cooperation with many related international processes and instruments. This enables WIPO to sustain its focus on its mandate and core competencies, while promoting mutually supportive cooperation with other organizations. The international environment has seen important developments with direct bearing on this program. Partnership at a technical and practical level, and supportive engagement with policy processes, are increasingly required from WIPO in support of the mandates and ongoing work programs of other international organizations and institutions, including international policy discussions and standard-setting in other forums on issues such as biodiversity, health, human rights, food security, cultural heritage and cultural diversity which impact upon the IP system generally, especially the protection of TCEs, TK and GR.

IP policy issues and legal measures in the area of TK systems, traditional cultural heritage and creativity, and GR touch upon fundamental human rights, rights of indigenous peoples as such, environmental protection, cultural heritage and cultural diversity, and policies relating to museums and archives, health, food and agriculture, biodiversity, and innovation. This has led to a special focus on the principles that determine, on the one hand, what is misuse, misappropriation and the illicit exploitation or reproduction of such intangible materials, and on the other hand, what are the legitimate boundaries of the public domain. But the key challenge is to fashion from such general principles practical tools and realistic pathways for communities to protect TK, TCEs and GR consistently with their own interests, needs and value systems, as directly identified by them. A continuing challenge will remain the need for specialist and skilled staff capable of bridging between the technical complexity of the IP system and the practical context of protection that is relevant for indigenous peoples and local communities and custodians of genetic resources.

The program delivers on two key areas prioritized in the Development Agenda:

- Inclusive and member-driven norm-setting activities (recommendation 15) and in particular the acceleration of the IGC process on the protection of genetic resources, traditional knowledge and folklore (recommendation 18);
- The strong demand for specialist, appropriate and tailored capacity building in this area for diverse beneficiaries, taking into account the priorities and the special needs of developing countries (recommendation 1), a development-oriented intellectual property culture (recommendation 2), aspects of scientific research and cultural industries (recommendation 4), matching specific development needs with available resources (recommendation 9), bolstering infrastructure (recommendation 10) and strengthening capacity (recommendation 11) in this key area, and mainstreaming the development considerations of indigenous and local communities into WIPO's substantive and technical assistance activities and debates (recommendation 12), in careful coordination with other programs dealing with technical assistance, as well as contributing to legislative assistance in the development-oriented and

demand-driven area of TK and TCE protection, which takes account of the priorities and the special needs of developing countries (recommendation 13).

OBJECTIVE

Establishment, and more effective application, of legal, practical and policy IP mechanisms for the protection of TCEs, TK and GR in line with the needs, interests and expectations expressed by traditional custodians and communities and Member States

EXPECTED RESULTS	PERFORMANCE INDICATORS AND TARGETS
<p>A stronger international legal and policy framework protecting TK and TCEs for the direct benefit of their customary holders and the broader benefit of society</p>	<ul style="list-style-type: none"> — Formulation of at least one distinct new international instrument — Use of WIPO policy documents and outcomes in four new regional/sub-regional cooperation initiatives, at least four new national policy, legal and capacity building processes, and community and civil society processes in four different regions
<p>Greater cooperation and coordination of international and regional processes concerning TK, TCEs and GR</p>	<ul style="list-style-type: none"> — Explicit recognition of WIPO's support and input in at least three existing and three new processes of other international fora and agencies — Four joint publications or activities between WIPO and other international agencies
<p>Enhanced capacity in Member States and regional bodies to support IP-related protection of TK and TCEs, and to manage the IP aspects of genetic resources, for the sustainable benefit of holders and custodians of TK, TCEs and GRs</p>	<ul style="list-style-type: none"> — At least six community, national or regional capacity building activities that make actual use of WIPO materials or expertise — Legal mechanisms adapted and applied in practice in six instances — At least four on-going processes in Member States to enhance measures against illegitimate or erroneous patenting of TK/GR — At least four national or community processes make active use of IP guidelines, best practices and manuals, and tailored ICT services, for digitizing and disseminating intangible cultural heritage and TCEs

STRATEGIES

The Program's strategy is anchored in a strong positive feedback loop between broad-based international policy dialogue and the negotiation of international outcomes on the one hand, and the grass-roots community consultation and consultative development of practical tools, on the other hand. This strategy includes the direct participation of indigenous and local communities in the international policy processes, and ensures that work at the international level is informed by, and is consistent with, the actual needs and expectations expressed by communities themselves. Furthermore, this approach ensures that capacity building initiatives at the grass roots level are informed by the broader policy and legal environment, so that enhanced capacity at community level translates also into enhanced capacity to engage directly with international processes.

The implementation of the program's strategies will depend on key decisions to be taken by Member States, especially in regard to further international negotiations and policy dialogue, through the IGC, as well as the many international policy processes that have direct bearing on the protection of TK, TCEs and GR, and related elements of the IP system.

Substantive and logistical support is provided for national, regional and interregional policy processes, capacity building and legislative development at the request of Member States and regional and international bodies. In addition, practical legislative and policy resources on issues relating to TK, TCEs and GR will be created to systematize the provision of policy support and legislative advice for Member States. Specific tools for protection of TK and TCEs will be developed tailored to meet the needs of the holders and custodians of TK and TCEs, as well as other public policy interests and concerned institutions. Further resources will be applied to support coordinated region-wide capacity building, responding directly to the increasing demands from Member States along these lines. This will enable better coordinated regional efforts and the further development, editing, customizing for diverse community and institutional contexts, and publication of the capacity building materials already approved and under advanced development.

Initiatives to strengthen the role and capacities of indigenous peoples and local communities within WIPO's international and regional processes are being consolidated and expanded. The successful implementation of the WIPO Voluntary Fund has in turn sparked demand for a greater focus on community level development consistent with international processes. The reciprocal needs for stronger capacity in the rapidly growing domain of indigenous IP law and for strengthened capacity on IP law and policy for indigenous lawyers and policy advisors will be addressed partly through a program for an indigenous IP lawyer fellowship.

The program will maintain consistency and positive collaboration with other international legal instruments, negotiations and policy processes, to ensure that WIPO activities and outcomes support the broader international legal and policy environment, and that there is mutual reinforcement between programs. Practical and technical cooperation with partner agencies within the UN system will continue in support of their mandated programs and objectives on issues of common interest with bearing on protection of TK, TCEs and GR. In view of the strong linkages between the issues covered, the specialist expertise required, the stakeholders concerned, and the international processes WIPO engages with, this program will continue to be delivered in close coordination with Program 18 (IP and Global Challenges).

Specific practical steps to close the loop between practical capacity building at the community level and the international policy debate will include the development of

patent landscapes and other patent related tools in the field of GR and TK. A comprehensive online mechanism and database to provide practical support to Offices and other users of the patent system will be created. This would facilitate the prevention of erroneous or illegitimate patents covering TK and GR subject matter and other forms of recognition of TK within the patent system, limited to material already freely accessible in the public domain or otherwise subject to safeguards against use without the prior informed consent of the traditional holders of the knowledge or resources. Furthermore, a set of creative heritage tools, on policy, legal, practical and ICT aspects of managing IP when recording, digitizing and disseminating intangible cultural heritage, especially TCEs, will be developed for use by communities and other interested parties such as governmental institutions, museums and archives. Studies, surveys and policy information resources will be produced to promote awareness of the nature of the problems confronted, the range of legal, policy and practical options available, and the practical experience of communities, as well as national and regional authorities in addressing those problems.

PROGRAM LINKS To be delivered in close coordination with Program 1 (Patents, Innovation Promotion and Technology Transfer), Program 3 (Copyright and Related Rights), Program 8 (Development Agenda Coordination), Program 9 (Africa, Arab, Asia and the Pacific, Latin America and the Caribbean Countries, Least Developed Countries), and Program 18 (IP and Global Challenges).

**DEVELOPMENT
AGENDA LINKS** This Program incorporates activities related to the following adopted Development Agenda recommendations: 12, 14, 15, 16, 17, 18, 20, 21, 22 and 42.

Strategic Goal I: Balanced Evolution of the International Normative Framework for IP

RESOURCES*

Program 4
Traditional Knowledge, Traditional Cultural Expressions and Genetic Resources
(in thousands of Swiss francs)

	2008/09 Approved Budget	2008/9 Proposed Revised	Difference	
			Amount	%
A. Personnel Resources				
Posts	2,710	3,133	423	15.6
Short-term Employees	547	865	318	58.2
Consultants	201	--	(201)	(100.0)
Special Service Agreements	--	--	--	--
Interns	--	--	--	--
Total, A	3,458	3,999	540	15.6
B. Non-personnel Resources				
<i>Travel and Fellowships</i>				
Staff Missions	136	122	(14)	(10.0)
Third-party Travel	1,631	2,000	369	22.6
Fellowships	--	--	--	--
<i>Contractual Services</i>				
Conferences	555	555	--	--
Experts' Honoraria	180	360	180	100.0
Publishing	70	50	(20)	(28.6)
Other	--	--	--	--
<i>Operating Expenses</i>				
Premises & Maintenance	--	--	--	--
Communication & Other	12	14	2	20.0
<i>Equipment and Supplies</i>				
Furniture & Equipment	--	--	--	--
Supplies & Materials	10	18	8	80.0
Total, B	2,594	3,120	526	20.3
TOTAL	6,052	7,118	1,066	17.6

* For the number of posts for the Program please refer to Table 2 of Annex III

Strategic Goal II: Provision of Premier Global IP Services

Summary of Strategic Goal II

- **Program 5: The PCT System**
- **Program 6: Madrid, Hague and Lisbon Systems**
- **Program 7: Arbitration Mediation and Domain Names**

Strategic Goal II addresses the core income-generating business areas of WIPO. The aim of this Strategic Goal is to make WIPO's registration, filing and alternative dispute resolution services the international systems of first choice for users through cost-effective, improved services which provide added value.

The Strategic Goal comprises three existing programs: Program 5 (The PCT System – formerly Program 16), Program 6 (The Madrid, Hague and Lisbon Systems – formerly Program 18) and Program 7 (Arbitration, Mediation and Domain Names – formerly Program 21). As part of the realignment process, the IT resources for Program 6 have been brought into this Program to bring them closer to the business needs of this area (previously they were in the IT Program (former Program 27)). This mirrors the arrangements for IT already in place in the PCT System.

Strategic Goal II: Provision of Premier Global IP Services

- **Program 5: The PCT System**

CHALLENGES

The continued growth in the filing of PCT applications in 2005, 2006 and 2007 reflects, on the one hand, the confidence of the user community in the services provided by WIPO. On the other hand, in particular in light of the budgetary constraints during the last two biennia, it presents a significant challenge to the Organization to continue to satisfy the justified expectations of users for the provision of consistent, high quality services. Moreover, major patent Offices are increasingly looking at ways of sharing information relating to search and examination in order to reduce the unnecessary duplication of work as far as possible. The PCT was specifically designed to address this issue. Yet, it would appear that the system is not being used to its full potential, with many Offices remaining distrustful of international search reports and international preliminary reports on patentability, and only a few Offices using those reports either as a basis for grant or at least as the basis for an accelerated, simplified or reduced examination process.

To achieve the objective of this Program outlined below, four areas, in particular, will require special attention and investment: (i) the Program will have to respond to the changing geography and nature of demand in the PCT system, with implications in particular for staff skills and IT systems; (ii) use of modern information technology will have to be reinforced so as to open new opportunities for cooperation between PCT offices and to offer enhanced services and cost efficiencies; (iii) efforts will have to continue to focus, in particular, on improving the delivery of high quality PCT services, including high quality international search reports and preliminary reports on patentability, noting the importance of those reports for national Offices; and (iv) discussions with Member States and users of the system will have to focus on how the system as a whole might be improved so that work done in the international phase can be used more effectively in the national phase. All of these objectives will need to be supported by further simplification of administrative procedures, adoption of consistent technical standards for exchange of key information and, where appropriate, further development of the PCT legal framework, to ensure that the PCT system is being used to its full potential and to maximize its value to applicants and Member States.

In 2008, PCT Operations expects to have processed, translated and published in excess of 166,000 International Applications, an increasingly high proportion of which represent filings from East Asian countries, notably China, Japan, and the Republic of Korea. The challenge for PCT Operations in 2009 will be to adjust the composition and skills of the workforce so that it can handle the increase in filings, including those from the three East Asian countries in question, while, at the same time, maintaining a level of service that is commensurate with the legitimate expectations of the users of the PCT system. In addition, in 2009, the PCT Operations Division will need to absorb the significant increase in translation workloads resulting from Korean and Portuguese becoming PCT publication languages.

At the closure of 2008, the number of different technologies deployed to support the PCT automated procedure will have been reduced. However, in 2009, a further reduction will be required to achieve a homogeneous technical platform. Such a single technical environment will largely eliminate any overlap in technical expertise required to support the PCT procedure. Concerning progress in the establishment of a fully electronic PCT procedure, at the end of 2007, the monthly percentage of

PCT documentation in electronic format transiting the International Bureau is expected to be approximately 50%. In 2009, this percentage is expected to increase to 65%. In 2008 some tools to process text-based (XML) filings have been put in place, with the capacity to more fully process text (XML), being another challenge in future years. In 2008, a broader range of documents and data became available through PATENTSCOPE® and this will increase further in 2009, including certain confidential data via secure mechanisms.

At the end of 2007, the implementation and training relating to the significant amendments to the PCT Regulations, which entered into force during that year, is expected to have been completed. This will have provided PCT users with a new set of information resources assisting them in taking advantage of the procedures covered in the amended Rules. Close contacts with PCT users would also have been continued to solicit feedback on how the PCT system can better respond to their needs. The challenge for 2008/09 will be to continue to provide timely and highest possible quality advice on PCT legal matters internally and legal information and training to PCT users, to identify and reach out to specific categories of potential PCT users, and to focus on servicing needs of PCT users and potential users in the geographic areas of highest growth in PCT filings.

The creation, in early 2007, of the PCT International Cooperation Division was an important step towards a more comprehensive approach with regard to the International Bureau's PCT cooperation activities *vis-à-vis*: Offices of PCT Member States, in their different PCT capacities as receiving Offices, International Searching and Preliminary Examining Authorities, and designated and elected Offices; and countries interested in joining the PCT. The challenge in the 2008/09 biennium will be to identify new opportunities for cooperation between the International Bureau and Offices of PCT Member States and, in particular, to respond to the changing geography in demand in the PCT system. In addition, a renewed focus of the Division will be on the further development of the PCT system to ensure that is being used to its full potential and to maximize its value to applicants and Member States.

OBJECTIVE

Maintain and reinforce the PCT as the central node of the international patent system and preferred route for obtaining international patent protection

EXPECTED RESULTS	PERFORMANCE INDICATORS AND TARGETS
<i>PCT Operations Division</i>	
Containment of cost of receiving, processing and translating an international application	<ul style="list-style-type: none"> — Workload Indicators¹ — Productivity Indicators²

¹ Detailed explanation of the Workload Indicators can be found in Annex VIII: Indicators for PCT Operations.

² Detailed explanation of the Productivity Indicators can be found in Annex VIII.

Strategic Goal II: Provision of Premier Global IP Services

EXPECTED RESULTS	PERFORMANCE INDICATORS AND TARGETS
Consistent, high quality services to PCT users	<ul style="list-style-type: none"> — PCT Quality indicator³
<i>PCT Information Systems Division</i>	
A single consolidated processing environment supporting the PCT procedure	<ul style="list-style-type: none"> — Reduction, to a minimum, of the number of separate processing systems supporting the PCT procedure — 99% systems availability for agreed operations times. — Satisfactory systems performance based on user feedback.
Increased capability for character-based (XML) electronic processing	<ul style="list-style-type: none"> — Delivery of text (XML) based processing functionality, for the application body, into the PCT E-Dossier system. — 10% of PCT publications will be accompanied by 100% accurate text (in place of OCR quality text)
Considerable progress made in the establishment of a fully electronic PCT procedure	<ul style="list-style-type: none"> — 65% of incoming documents arrive electronically — Reduction in exception cases presented through electronic document exchange
Availability to applicants and Offices of a variety of PCT data and documentation, including certain confidential data via secure mechanisms	Data and documentation is regularly accessed by applicants and Offices.
<i>PCT Legal Division</i>	
Enhanced network of users and potential users in high volume PCT user countries and high growth PCT countries	<ul style="list-style-type: none"> — Number of user training activities and potential user outreach activities in target countries — Number of subscribers to PCT email list services

³ Detailed explanation of the Quality Indicator can be found in Annex VIII.

EXPECTED RESULTS	PERFORMANCE INDICATORS AND TARGETS
Improved understanding by the International Bureau of the needs and PCT strategies of the top PCT applicants worldwide	Regular contacts with the top PCT applicants worldwide
<i>PCT International Cooperation Division</i>	
Intensified cooperation with, and improved coordination of activities of, PCT Offices and Authorities covering, <i>inter alia</i> , operational, technical procedural, legal and training issues	Number of co-operation agreements with PCT Offices and Authorities
Submission of proposals as to how the PCT system as a whole, especially the conduct of international search and preliminary examination, the presentation and transmission of its results, and the use of those results by designated Offices, might be improved to use the PCT system to its full potential and to maximize its value to applicants and designated Offices	Discussion and adoption of proposals by the appropriate PCT bodies

STRATEGIES

PCT Operations: In order to absorb, at minimal additional cost, the increasing workloads resulting from growing filing rates, in particular in the East Asian region, PCT Operations will need to further rationalize its operational procedures, as well as adjust the composition of its staff to this changing geography of demand. In addition, to ensure more resource flexibility, PCT Operations will increase its reliance on outsourcing. With a view to ensuring appropriate levels of service to users, more comprehensive quality control mechanisms will be introduced, and the multi-lingual terminology database will be enhanced.

PCT Information Systems Division: In order to accelerate the implementation of a single application and technical architecture and to adequately respond to business needs, additional applications development resources will be deployed, which will result in the further consolidation and stabilization of the PCT electronic systems. Such additional resources will reinforce the business continuity and disaster recovery capabilities of the PCT systems. With the view to streamlining the IT procedures used for the reception and transmission of PCT documentation in electronic format, variations in electronic data structures and formats will be limited to those already in place. Moreover improved user visibility on the PCT electronic document exchange systems will be implemented in order to improve the timeliness of the system and reduce its support overhead. Following direction solicited from the PCT user community, functions enabling secure access to PCT documentation by applicants will be enhanced.

PCT Legal Division: The PCT Legal Division will continue its core functions of providing advice on PCT legal matters within the International Bureau, providing

Strategic Goal II: Provision of Premier Global IP Services

PCT users with general and specific legal information, advice and training, and providing information and advice to potential PCT users. In order to maintain close relationships with PCT users, PCT outreach activities will be strengthened and rationalized.

PCT International Cooperation Division: The PCT International Cooperation Division will further strengthen the cooperation with, and the coordination of activities of, Offices of PCT Member States in their different PCT capacities as receiving Offices, International Searching and Preliminary Examining Authorities, and designated and elected Offices. To this end, comprehensive cooperation agreements will be concluded with Offices of PCT Member States, covering, *inter alia*, operational, technical, procedural, legal and training issues. Furthermore, assistance will be offered to countries, in particular, developing countries and least developed countries, interested in joining the PCT. The PCT International Cooperation Division will also continue its work related to the development of the PCT system to ensure that the PCT system is used to its full potential and to maximize its value to applicants and Member States' Offices, including, in particular, legal work involving changes to the legal framework (Treaty, Regulations and Administrative Instructions under the PCT), work towards further improving the quality framework for international search and preliminary examination and work with national Offices to assist in effective implementation of national administrative and technical systems relating to the PCT.

The Program will also cover the cost of the participation of one delegate per Member State of the PCT system to the sessions of the PCT Assembly (two sessions in the biennium).

PROGRAM LINKS This Program will cooperate closely with Program 1 (for the law of patents), Program 13 (for patent classification, WIPO IP standards and patent information services to developing countries) and Program 14 (for patent data).

DEVELOPMENT
AGENDA LINKS This Program incorporates activities related to the following adopted Development Agenda recommendations: 10, 11 and 31.

RESOURCES*

Program 5
The PCT System
(in thousands of Swiss francs)

	2008/09 Approved Budget	2008/9 Proposed Revised	Difference	
			Amount	%
A. Personnel Resources				
Posts	107,023	102,776	(4,247)	(4.0)
Short-term Employees	24,790	19,194	(5,596)	(22.6)
Consultants	2,025	1,479	(546)	(27.0)
Special Service Agreements	2,310	1,598	(712)	(30.8)
Interns		--	--	--
Total, A	136,148	125,046	(11,102)	(8.2)
B. Non-personnel Resources				
<i>Travel and Fellowships</i>				
Staff Missions	1,497	1,737	240	16.0
Third-party Travel	2,805	3,685	880	31.4
Fellowships	200	--	(200)	(100.0)
<i>Contractual Services</i>				
Conferences	295	235	(60)	(20.3)
Experts' Honoraria	100	72	(28)	(28.0)
Publishing	225	95	(130)	(57.7)
Other	33,618	43,678	10,060	30
<i>Operating Expenses</i>				
Premises & Maintenance	2,781	285	(2,496)	(89.8)
Communication & Other	1,750	4,347	2,597	148.4
<i>Equipment and Supplies</i>				
Furniture & Equipment	1,560	1,499	(62)	(3.9)
Supplies & Materials	1,519	1,724	204	13.4
Total, B	46,350	57,356	11,006	23.7
TOTAL	182,498	182,402	(96)	(0.1)

* For the number of posts for the Program please refer to Table 2 of Annex III

• **Program 6: Madrid, Hague and Lisbon Systems**

CHALLENGES

The Madrid System: The Madrid System for the International Registration of Marks, governed by the Madrid Agreement and Protocol, facilitates acquisition and maintenance of protection for trademarks and service marks at the international level through the filing of a single application and the management of a single registration in respect of multiple countries. As of December 31, 2006, there were 80 members of the Madrid System (79 States and one intergovernmental organization); in the course of 2007 and 2008, this number increased to 84 (83 States and one intergovernmental organization). Use of the Madrid System continues to grow. However, while the number of international applications received by the International Bureau increased significantly since 2003 (i.e., from a total of 23,872 in 2003 to 29,473 in 2004, 33,565 in 2005, 36,471 in 2006 and 39,945 in 2007), growth is estimated to be slightly lower in 2008 and more modest in the years thereafter (i.e., an estimated 42,900 in 2008, 44,300 in 2009 and 45,700 in 2010).

The Hague System: The Hague System for the International Registration of Industrial Designs facilitates the acquisition and maintenance of protection for industrial designs at the international level through the filing of a single application and the management of a single registration in respect of multiple countries. It is governed by the 1934, the 1960 and the 1999 Acts of the Hague Agreement. By December 31, 2006, 45 States were party to one or several of these Acts. A total of some 1,150 international applications were received by the International Bureau in 2006, and a similar number in 2007. New accessions to the 1999 Act occurred in 2007 and 2008, increasing the number of members of the Hague System to 53 (51 States and two intergovernmental organizations). As a result, in particular of the accession of the European Community that took effect on January 1, 2008, the number of international applications has started to go up again and a significant growth in operations under the Hague System is expected in the years to come.

The Lisbon System: The Lisbon System for the International Registration of Appellations of Origin facilitates the protection of appellations of origin at the international level through the filing of a single application for registration in respect of multiple countries. It is governed by the Lisbon Agreement of 1958 which, by December 31, 2006, had 26 member countries. Registration activity under the Lisbon System has been low for many years. However, since 2004, partly as a result of the accession of six countries, registration activity has increased. Also, there was more demand for information about Lisbon procedures and the content of the Lisbon register.

Automation: Further automation of the procedures and services will need to be continued as a priority and promoted among the Offices of Contracting Parties and the user community. In this regard, all communications between the International Bureau and the Offices of Contracting Parties under the procedures of the international registration systems should, eventually, be transmitted by electronic means. In addition, plans have been developed to establish the necessary means for applicants and holders of international registrations, wherever direct communication with the International Bureau is permitted, to communicate electronically under the international registration procedures to the International Bureau, and vice versa. Under the Madrid System, as of October 2008, Madrid Electronic Communications (MECA) involve eight Offices that are transmitting all or some types of the communications in question by electronic means, while 53 Offices are receiving the communications concerned from the International Bureau by electronic means – of which 12 exclusively through these electronic means. Facilities are also available for holders of international registrations, under

the Madrid System, to submit their requests for renewal electronically as well as requests for the continuation of effects in successor states and, under the Hague System, an e-filing facility for the submission of international applications (since January 2008). An e-notification system is also available, under the Madrid System, for holders and representatives to receive provisional refusals and related communications electronically (since October 2007). Projects currently under way concern, under the Madrid System, the expansion of the number of Offices using MECA; expansion of the system for the transmission of provisional refusals and irregularity notices to holders of international registrations electronically; and the electronic submission of irregularity payments by applicants and holders of international registrations.

Development and promotion of the international registration systems: An ongoing challenge is to seek to expand the geographical coverage of the international registration systems, the benefits of which are only available to applicants from Contracting Parties and extend only to the territories of Contracting Parties. Expansion of the use of these systems also remains a challenge and requires that the systems remain attractive for users and responsive to their needs. To this end, their procedures must be adapted to new situations and the evolving needs of users. The discussions in the Working Group on the Legal Development of the Madrid System are aimed at a simplification of the system and further improvements in the legal framework and the procedures for the international registration of trademarks and related recordings. A working group has also been established to explore possible improvements to the procedures under the Lisbon System. Improvements to the procedures under the Hague System also need to be explored.

OBJECTIVE

Efficient and cost-effective administration of the Madrid, Hague and Lisbon systems, increased geographical coverage of the systems and their further legal development, as well as increased awareness of their benefits

EXPECTED RESULTS	PERFORMANCE INDICATORS AND TARGETS																					
Increased use of the Madrid System	Registration activity concerning international trademark applications and requests for the renewal or modification of international registrations, resulting in the following recordings: <table data-bbox="966 1396 1469 1669"> <thead> <tr> <th></th> <th style="text-align: center;"><u>2008</u></th> <th style="text-align: center;"><u>2009</u></th> </tr> </thead> <tbody> <tr> <td>New registrations:</td> <td style="text-align: right;">42,000</td> <td style="text-align: right;">42,600</td> </tr> <tr> <td>Renewals:</td> <td style="text-align: right;">19,000</td> <td style="text-align: right;">19,700</td> </tr> <tr> <td>Total:</td> <td style="text-align: right;">61,000</td> <td style="text-align: right;">62,300</td> </tr> <tr> <td>Subsequent Designations:</td> <td style="text-align: right;">11,400</td> <td style="text-align: right;">11,900</td> </tr> <tr> <td>Other changes:</td> <td style="text-align: right;">82,000</td> <td style="text-align: right;">88,000</td> </tr> <tr> <td>Refusals and related Notifications:</td> <td style="text-align: right;">250,000</td> <td style="text-align: right;">280,000</td> </tr> </tbody> </table>		<u>2008</u>	<u>2009</u>	New registrations:	42,000	42,600	Renewals:	19,000	19,700	Total:	61,000	62,300	Subsequent Designations:	11,400	11,900	Other changes:	82,000	88,000	Refusals and related Notifications:	250,000	280,000
	<u>2008</u>	<u>2009</u>																				
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Other changes:	82,000	88,000																				
Refusals and related Notifications:	250,000	280,000																				

Strategic Goal II: Provision of Premier Global IP Services

EXPECTED RESULTS	PERFORMANCE INDICATORS AND TARGETS																		
<p>Increased use of the Hague System</p>	<p>Registration activity concerning international industrial design applications and requests for the renewal or modification of international registrations, resulting in the following recordings:</p> <table border="0"> <tr> <td></td> <td align="center"><u>2008</u></td> <td align="center"><u>2009</u></td> </tr> <tr> <td>New registrations:</td> <td align="right">1,500</td> <td align="right">2,300</td> </tr> <tr> <td>Designs contained therein:</td> <td align="right">7,500</td> <td align="right">11,500</td> </tr> <tr> <td>Renewals:</td> <td align="right">3,200</td> <td align="right">2,700</td> </tr> <tr> <td>Total registrations and renewals:</td> <td align="right">4,700</td> <td align="right">5,000</td> </tr> <tr> <td>Refusals and Changes:</td> <td align="right">3,300</td> <td align="right">3,700</td> </tr> </table>		<u>2008</u>	<u>2009</u>	New registrations:	1,500	2,300	Designs contained therein:	7,500	11,500	Renewals:	3,200	2,700	Total registrations and renewals:	4,700	5,000	Refusals and Changes:	3,300	3,700
	<u>2008</u>	<u>2009</u>																	
New registrations:	1,500	2,300																	
Designs contained therein:	7,500	11,500																	
Renewals:	3,200	2,700																	
Total registrations and renewals:	4,700	5,000																	
Refusals and Changes:	3,300	3,700																	
<p>Swift, reliable and cost-effective processing of applications and other communications</p>	<ul style="list-style-type: none"> — The needed time for the processing of Madrid, Hague and Lisbon applications and other requests for recording in the international registers should, on average, be about four weeks from their receipt by the International Bureau, provided they do not contain irregularities. — An automatic pre-translation service of standard lists of goods and services will become operational — A translation database will become operational allowing for quicker and more consistent processing of international applications. 																		
<p>Increased quality of service</p>	<ul style="list-style-type: none"> — Criteria aimed at more consistency in the application of the Nice Classification will become operational — The number of errors requiring corrections in the International Register should be kept at a minimum — The establishment of an Internet page listing FAQs — Information queries should be answered expeditiously; the aim will be to answer 80% of the queries that are of a simple nature within two working days. 																		

EXPECTED RESULTS	PERFORMANCE INDICATORS AND TARGETS
Enhanced electronic filing and communication under international registration procedures	<ul style="list-style-type: none"> — At least, double the number of Offices using Input MECA; paper communications with current Output MECA Offices reduced by 10% — At least ten new Offices receiving notifications by electronic means — Additional electronic filing facilities in place for applicants and holders of international registrations under relevant procedures — Improvements to the system for the electronic notification by the International Bureau to applicants and holders of international registrations under relevant procedures
Increased international coverage of the Madrid, Hague and Lisbon systems	<ul style="list-style-type: none"> — Six new Contracting Parties to the Madrid Protocol — Ten new Contracting Parties to the 1999 Act of the Hague Agreement — One new Contracting Party to the Lisbon Agreement
Improved procedures under the Madrid, Hague and Lisbon systems	Adoption, by the relevant Assembly, of amended provisions laying down the procedures under the Madrid, Hague and Lisbon systems

STRATEGIES

The International Bureau processes applications for international registration, requests for the renewal of registrations, subsequent designations and other changes in international registrations as well as grants of protection, refusals and related communications received from Offices of Contracting Parties. It further issues notifications to the Offices of Contracting Parties, applicants and right holders, and communicates with applicants, holders and Offices of Contracting Parties on irregularities and updates the international registers, as required. It also publishes registered data, after translation into the working languages of the relevant system, in the WIPO Gazette of International Marks, the International Designs Bulletin and Appellations of Origin, on electronic carriers. The International Bureau supplies, on request, extracts, certified extracts and certified copies.

In order to ensure the quality of operations, work practices and internal procedures will be reviewed and improved and staff will continue to be further trained. The aim will be to establish teams of multi-task examiners, as this will allow more flexibility in case of disproportionate increases in workload among the various operations. Similarly, the cost of external services will be monitored continually and measures to reduce them will be taken, as appropriate. Further expansion of electronic communication and the introduction of electronic filing facilities will be pursued, in coordination with the Offices of the Contracting Parties. In addition, electronic

communication with users will be made available and the use of related databases through the Internet will be further encouraged. This will require investments to be made for the upgrading of the existing IT support services and the development of a new IT platform. A project for the modernization of the IT system supporting operations under the Madrid and Hague Systems was approved by the Madrid and Hague Union Assemblies in November 2007. Advice to governments and to Offices of Contracting Parties on procedural questions arising from the implementation of the international registration systems, and to users on similar questions arising from the use of the systems, will continue to be provided, with a focus on improved cooperation and efficiency. Training will be provided to officials from the offices concerned and to users and potential users. In addition, the information services will be enhanced, with a focus on efficiency and user-friendliness.

Meetings with government representatives will take place on a regular basis to consider, and exchange views on policy issues concerning the development of the registration systems for trademarks, industrial designs and geographical indications. Also, the acceptance of the latest Acts of the international registration treaties by new Contracting Parties will be promoted, and assistance will be provided to those Parties for the implementation of the provisions in their domestic law. Improvements to the procedures that apply under the international registration systems will be explored, with the help of working groups, for consideration by the Madrid, Hague or Lisbon Union Assembly and, whenever required, extraordinary sessions of the said Assemblies will be convened (in addition to their regular sessions) to consider questions requiring amendments to the Regulations or the treaties concerned.

The Program will also cover the cost of the participation of one delegate per member of the Madrid Union to the ordinary and extraordinary sessions of the Madrid Union Assembly (four in the current biennium).

PROGRAM LINKS

This Program will cooperate with Program 2 (for the preparation of studies on issues relating to the law of trademarks and industrial designs), Programs 8, 9, 10 and 15 (for the promotion of accession to the latest Acts of the treaties establishing the international registration systems at the national level), Program 11 (to provide expert input), Program 12 (for the proper classification of trademarks and industrial designs), Programs 19 and 20 (for communication, public outreach and external coordination) and Program 25 (for the further development of the IT system).

RESOURCES*

Program 6
Madrid, Hague and Lisbon Systems

(in thousands of Swiss francs)

	2008/09 Approved Budget	2008/9 Proposed Revised	Difference	
			Amount	%
A. Personnel Resources				
Posts	37,687	37,378	(309)	(0.8)
Short-term Employees	6,445	3,881	(2,564)	(39.8)
Consultants	824	1,585	761	92.3
Special Service Agreements	4,182	3,542	(640)	(15.3)
Interns		8	8	--
Total, A	49,138	46,394	(2,744)	(5.6)
B. Non-personnel Resources				
<i>Travel and Fellowships</i>				
Staff Missions	1,066	1,021	(45)	(4.3)
Third-party Travel	1,480	2,130	650	43.9
Fellowships	72	--	(72)	(100.0)
<i>Contractual Services</i>				
Conferences	474	315	(159)	(33.5)
Experts' Honoraria	100	54	(46)	(46.0)
Publishing	275	--	(275)	(100.0)
Other	5,243	7,746	2,503	47.7
<i>Operating Expenses</i>				
Premises & Maintenance	34	303	269	791.2
Communication & Other	1,815	2,889	1,074	59.2
<i>Equipment and Supplies</i>				
Furniture & Equipment	149	64	(85)	(57.1)
Supplies & Materials	327	265	(62)	(19.1)
Total, B	11,035	14,786	3,751	34.0
TOTAL	60,173	61,180	1,007	1.7

* For the number of posts for the Program please refer to Table 2 of Annex III

• **Program 7: Arbitration, Mediation and Domain Names**

CHALLENGES

The WIPO Arbitration and Mediation Center (“Center”) was established in recognition of the fact that the conditions for the effective use of intellectual property include the availability of time and cost efficient alternatives to court litigation for the resolution of disputes that may interfere with the optimal exploitation of such assets. The Center has become the principal international resource center in the area of arbitration and mediation of intellectual property disputes, acting both as a provider of legal and organizational expertise and as an administrator of cases. The Center recently has also established a WIPO expert determination procedure. The Center is the global leader in the provision of services for a specialized category of such disputes, namely those concerning Internet domain names. This activity comprises the administration of complaints filed with the Center as well as the provision of advice and assistance for the establishment of dispute policies.

WIPO’s website presents up-to-date statistics about the cases processed by the Center, which are fee-based and involve parties and neutrals from around the world. By October 1, 2008, the Center had conducted over 170 arbitration and mediation proceedings, concerning such subject matter as patent licenses, software contracts, pharmaceutical distribution agreements, research and development transactions, and trademark issues. In the specific area of domain names, the Center had processed well over 29,000 disputes, including more than 14,000 under the WIPO-initiated Uniform Domain Name Dispute Resolution Policy (UDRP), the principal policy that applies to all registrations in generic Top-Level Domains (gTLDs).

The principal challenge for this activity is to establish the Center and its procedures as consistent options for intellectual property stakeholders to consider for the efficient resolution of their disputes. Work will thus be undertaken to ensure that the Center’s services are time and cost-effective for parties, in the face of the increasing complexity and rapid evolution of the technological, business and legal conditions underlying intellectual property and disputes arising in relation thereto. Examples of such conditions include the collaborative basis on which much intellectual property is created, which can give rise to multi-party disputes, and the increasingly dynamic cycle of innovation and commercialization, which puts a premium on the timely conclusion of related disputes.

Another challenge for this Program is presented by the geographical shift in the creation and use of intellectual property to countries in Asia and other growth regions, making it important to offer legal procedures and case administration practices that accommodate the attendant business and dispute resolution needs and expectations. To name but one practical consequence of this momentous development, the appointment of neutrals to mediate and arbitrate any resulting disputes will need to satisfy specific requirements in terms of language, applicable law, and contracting customs.

The Center has a permanent need to adapt its domain name dispute resolution procedures and policy advice to the rapidly evolving Internet environment, so as to meet the need for right holders to use their intellectual property without undue interference from the changing behavior and business practices in the Internet Domain Name System. The continuing effectiveness of the UDRP and other policies in protecting intellectual property identifiers depends on finding practical ways to address complications arising from such developments as the growing anonymity of domain name registrations, the increased facility for speculative registration, the proliferation of registrars, the emerging options for the registration of domain names in different scripts, and the spectacular rise in global registration

volume. A further development compounding these challenges is the introduction announced by the Internet Corporation for Assigned Names and Numbers (ICANN) of larger numbers of new gTLDs, with significant intellectual property ramifications.

OBJECTIVE

To contribute to the productive use of intellectual property assets through the provision of quality dispute-resolution services that involve the minimum dislocation for intellectual property assets under dispute, and to enhance the legal framework for the protection of intellectual property in the Internet Domain Name System

EXPECTED RESULTS	PERFORMANCE INDICATORS AND TARGETS
International and domestic intellectual property disputes are increasingly resolved through arbitration and mediation	<ul style="list-style-type: none"> - Increase in the number of arbitration and mediation cases administered by the Center
Effective intellectual property protection in the gTLDs	<ul style="list-style-type: none"> - 3,000 gTLD UDRP cases resolved - Implementation by ICANN and new gTLD registries of WIPO policy recommendations
Effective intellectual property protection in the ccTLDs	<ul style="list-style-type: none"> - 150 ccTLD UDRP-based cases resolved - 6 more ccTLD administrators with improved design or administration of intellectual property protection mechanisms

STRATEGIES

A central element of the Center's strategy for meeting the challenges and achieving the objective of this Program is the promotion of awareness in industry and among professionals of the appropriateness and advantages of alternatives to court litigation for resolving intellectual property disputes. This implies responsive communication with intellectual property owners and users, for example through the production and dissemination of brochures, web guidance, presentations and replies to queries.

The Center will also work to optimize the potential of its procedures to meet the needs of intellectual property right holders for timeliness and cost-effectiveness in the resolution of disputes in relation to those rights. The principal component of this effort is quality management and resolution of cases conducted under those procedures, which entails training and appointing qualified arbitrators, mediators and experts, maintaining up-to-date case administration infrastructure, including through use of information technology, and active management of WIPO cases, including support to appointed neutrals.

As part of this effort, the Center will also work with intellectual property owners and users and their representative organizations towards the establishment of alternative dispute resolution procedures specifically adapted to the particular features of recurrent disputes in their areas of activity. Streamlined standard procedures and efficient case administration infrastructure can facilitate productive use of the intellectual property rights involved.

Strategic Goal II: Provision of Premier Global IP Services

The Center further strives to provide leadership in the development of dispute settlement solutions to tensions arising from the unauthorized use of intellectual property on the Internet. Using its daily experience with domain name disputes, the Center will liaise with stakeholders in the Internet Domain Name System, including intellectual property right holders, ICANN and registries of newly approved gTLDs and of country-code Top-Level Domains (ccTLDs), and will create and implement dispute resolution policies for such domains. This concerns in particular mechanisms for the protection of trademark and other intellectual property rights at the first level in the introduction and operation of further new gTLDs. More broadly, the Center will apply its dispute resolution experience to assist in the possible development of international legal instruments addressing Internet-based intellectual property infringements comparable to the abuse of trademarks in the Domain Name System.

PROGRAM LINKS The Center will closely interact, in particular, with Programs 8 (Development Agenda Coordination), 9 (Africa, Arab, Asia and the Pacific, Latin America and the Caribbean Countries, Least Developed Countries), 10 (Cooperation with Certain Countries in Europe and Asia) and 17 (Building respect for IP).

RESOURCES*

Program 7
Arbitration, Mediation and Domain Names

(in thousands of Swiss francs)

	2008/09 Approved Budget	2008/9 Proposed Revised	Difference	
			Amount	%
A. Personnel Resources				
Posts	4,610	4,495	(114)	(2.5)
Short-term Employees	790	2,764	1,975	250.1
Consultants	462	249	(213)	(46.0)
Special Service Agreements	--	--	--	--
Interns		123	123	--
Total, A	5,861	7,632	1,771	30.2
B. Non-personnel Resources				
<i>Travel and Fellowships</i>				
Staff Missions	285	356	71	24.7
Third-party Travel	220	335	115	52.3
Fellowships	1,140	60	(1,080)	(94.7)
<i>Contractual Services</i>				
Conferences	200	220	20	10.0
Experts' Honoraria	120	108	(12)	(10.0)
Publishing	160	130	(30)	(18.8)
Other	--	19	19	--
<i>Operating Expenses</i>				
Premises & Maintenance	--	10	10	--
Communication & Other	25	20	(5)	(20.8)
<i>Equipment and Supplies</i>				
Furniture & Equipment	25	27	2	8.0
Supplies & Materials	--	18	18	--
Total, B	2,175	1,302	(873)	(40.1)
TOTAL	8,036	8,934	899	11.2

* For the number of posts for the Program please refer to Table 2 of Annex III

Strategic Goal III: Facilitating the Use of IP for Sustainable Development

Summary of Strategic Goal III

- **Program 8: Development Agenda Coordination**
- **Program 9: Africa, Arab, Asia and the Pacific, Latin America and the Caribbean Countries, Least Developed Countries**
- **Program 10: Cooperation with Certain Countries in Europe and Asia**
- **Program 11 The WIPO Academy**

As a member of the United Nations family of Organizations, WIPO is committed to ensuring that all countries are able to benefit from the use of intellectual property for economic, cultural and social development. Strategic Goal III is a strong and succinct articulation of that commitment. The Development Agenda gives added impetus to this goal and to the use of IP to contribute to the realization of the Millennium Development Goals.

The creation of new Program 8, Development Agenda Coordination, will strengthen the management and coordination of the development agenda process across the Organization. It will work with all relevant programs to ensure respective work plans incorporate the activities and projects required to deliver the development agenda recommendations. The Program will also assist the Committee on Development and Intellectual Property (CDIP) to monitor, assess, discuss and report on all adopted recommendations, and also to debate intellectual property and development related issues, as mandated by the General Assembly.

Program 9, "Africa, Arab, Asia and the Pacific, Latin America and the Caribbean countries, Least Developed Countries," covers the capacity building and technical assistance delivered to these countries through the WIPO Regional Bureaus and LDC Division. The coordination of legislative advice (previously split between this program and former Program 3) is also regrouped under this single Program. In addition, resources are transferred from former Program 3 to provide support to small and medium-sized enterprises (SMEs) in developing countries.

Program 10 will continue to provide tailored support to meet the specific needs of certain countries in Central Asia, Eastern Europe and the Caucuses, as well as, in certain countries of Central Europe and the Baltic States. The work of the WIPO Academy (Program 11) is refocused to concentrate specifically on the training and capacity building needs of developing countries.

In accordance with the principles of the Development Agenda, the revised program structure mainstreams development-related activity into all substantive areas of WIPO's work. This Strategic Goal, therefore, applies not only to the development-specific programs listed vertically under it, but, just as importantly, it applies horizontally to programs right across the revised strategic framework. This is reflected in the individual Program narratives, with specific Development Agenda links highlighted for ease of reference after each narrative.

The four programs under this strategic goal will work together, and with other sectors, to assist developing countries in sharing the benefits of IP for sustainable development and in pursuit of the Millennium Development Goals.

Strategic Goal III: Facilitating the Use of IP for Sustainable Development

- **Program 8: Development Agenda Coordination**

CHALLENGES

The WIPO Development Agenda provides a platform to address the question of how intellectual property can contribute to the reduction of the knowledge gap and to the greater participation of developing and least developed countries in deriving benefits from the knowledge economy; and to address the problems associated with these issues. For the Development Agenda to fulfill this promise, the political consensus reached in adopting the recommendations has to be transformed into concrete and effective projects and activities. The principal challenges before the Organization are to construct a global knowledge infrastructure; ensure that the principles included in the adopted recommendations are integrated into all areas of activity of the organization; support Member States in instituting balanced national intellectual property and innovation strategies aligned with the economic resource base, socio-economic objectives and development priorities of countries; address the special needs of LDCs; and analyze and reflect on the dynamics of making intellectual property work to the advantage of all countries, taking into consideration the needs and concerns of all stakeholders.

The Development Agenda enshrines the principle of mainstreaming development considerations into the programs and activities of WIPO. This newly created program, under the direct supervision of the Director-General, will be responsible for managing and coordinating the development agenda process. Given the wide range of recommendations adopted by the Member States, the immediate challenge is to prepare work plans to implement the 45 recommendations and, where necessary, to assess and make available the human and financial resources needed to deliver the results.

The Program will help the CDIP to monitor, assess, discuss and report on all adopted recommendations, and also to debate intellectual property and development related issues, as mandated by the General Assembly. There will also be a need to examine the different perspectives and promote a greater understanding among the constituencies concerned.

OBJECTIVE

Successful coordination of the Development Agenda process.

EXPECTED RESULTS	PERFORMANCE INDICATORS AND TARGETS
Mainstreaming of the development dimension into programs through concrete and effective projects and activities	<ul style="list-style-type: none"> — Number of recommendations discussed in the Committee for finalization of work plans — Number of projects and activities launched to implement the adopted recommendations

Strategic Goal III: Facilitating the Use of IP for Sustainable Development

EXPECTED RESULTS	PERFORMANCE INDICATORS AND TARGETS
Effective monitoring, assessment and reporting on implementation of recommendations	<ul style="list-style-type: none"> — Establishment of robust project planning and monitoring mechanisms and project evaluation criteria — Number of progress and evaluation reports submitted to Member States

STRATEGIES

The Program will provide the Secretariat for the CDIP. It will focus on coordinating the Development Agenda process and ensuring that agreed outcomes from the ongoing debate will be reflected in the relevant programs and activities of the Organization.

In order to ensure effective translation of the Development Agenda recommendations into action, the Program will establish robust project planning and monitoring mechanisms, in consultation with Program 22 and the evaluation function of Program 26. This will include scoping of the recommendations; more rigorous assessment of the human and financial resources required for implementation; appointment of project managers; establishment of time-bound deliverables and of project evaluation criteria. The Program will collaborate with all other relevant sectors and divisions in the Organization in the preparation of work plans and to support implementation, and will prepare regular progress reports for the CDIP. It will also interface with interested stakeholders, as and when required, to promote a greater understanding on the various issues related to the Development Agenda.

PROGRAM LINKS

This program will cooperate closely with all the programs relevant for implementation of the Development Agenda, notably Program 1 (Patents, innovation and technology transfer), Program 2 (Trademarks, Industrial Designs and Geographical Indications), Program 3 (Copyright and Related Rights), Program 4 (Traditional Knowledge, Traditional Cultural Expressions and Genetic Resources), Program 9 (Africa, Arab, Asia and the Pacific, Latin America and the Caribbean Countries, LDCs), Program 10 (Cooperation with Certain Countries in Europe and Asia), Program 11 (The WIPO Academy), Program 14 (PATENTSCOPE® and Associated IP services), Program 15 (IP Office Modernization), Program 16 (Economic Studies, Statistics and Analysis), Program 17 (Building Respect for IP), Program 18 (IP and Global Challenges), Program 19 (Communications), Program 20 (External Offices and Relations), Program 22 (Finance, Budget and Program Management) and Program 26 (Internal Audit).

DEVELOPMENT AGENDA LINKS

This Program incorporates activities related to the following adopted Development Agenda recommendations: All recommendations.

RESOURCES*

Program 8
Development Agenda Coordination

(in thousands of Swiss francs)

	2008/09 Approved Budget	2008/9 Proposed Revised	Difference	
			Amount	%
A. Personnel Resources				
Posts	2,870	2,605	(265)	(9.2)
Short-term Employees	205	--	(205)	(100.0)
Consultants	--	489	489	--
Special Service Agreements	--	--	--	--
Interns		8	8	--
Total, A	3,075	3,102	27	0.9
B. Non-personnel Resources				
<i>Travel and Fellowships</i>				
Staff Missions	342	340	(2)	(0.6)
Third-party Travel	1,054	1,100	46	4.4
Fellowships	100	--	(100)	(100.0)
<i>Contractual Services</i>				
Conferences	411	404	(7)	(1.7)
Experts' Honoraria	50	40	(10)	(20.0)
Publishing	30	20	(10)	(33.3)
Other	295	350	55	18.6
<i>Operating Expenses</i>				
Premises & Maintenance	--	--	--	--
Communication & Other	25	43	18	72.0
<i>Equipment and Supplies</i>				
Furniture & Equipment	5	10	5	100.0
Supplies & Materials	--	5	5	--
Total, B	2,312	2,312	--	--
TOTAL	5,387	5,414	27	0.5

* For the number of posts for the Program please refer to Table 2 of Annex III

• **Program 9: Africa, Arab, Asia and the Pacific, Latin America and the Caribbean Countries, Least Developed Countries**

CHALLENGES

During the past few years, WIPO has intensified its cooperation with developing countries and least developed countries (LDCs) and has supported them in developing and modernizing their IP systems consistent with their development priorities and national plans. The key focus has been to support countries in building national capacity in terms of IP infrastructure, institutions and human resources. The technical assistance program and activities of WIPO have been designed in close consultation with the countries concerned and taking into account the recommendations of the Development Agenda. These have been tailored to respond to their diverse and specific needs in order to develop and enhance their capacity in important areas of IP such as planning for IP development; awareness building; human resource development; strengthening of relevant institutions and infrastructure; formulation of legislation, taking into account flexibilities under the current international IP regime; and enhancing professional capabilities, including awareness raising and capacity building tools for small and medium-sized enterprises (SMEs), at the national and regional levels.

The main challenges which the Program will address in the 2008/09 biennium are the following:

- insufficient awareness and knowledge about the positive role that IP can play in enhancing the development capabilities of the countries;
- limited capacity of developing countries and least developed countries in relevant areas of IP including planning and strategy development, IP administration, human resource, infrastructure creation, and legislation ;
- the need to put in place customized IP capacity-building programs which suit the level of economic development of individual countries, available human and capital resources, strengths and constraints;
- the need to assist developing countries and LDCs to accede to and implement international treaties and global protection systems, and to analyze available legislative options to enable countries to implement their national development policies and comply with their international obligations;
- the need to ensure that WIPO's capacity building and technical assistance is delivered in accordance with the principles and goals of the Development Agenda
- the need to enhance the capacity of small and medium-sized enterprises (SMEs) to appreciate the relevance of IP to their competitiveness, to understand the real value of their IP assets and to use the IP system effectively.

OBJECTIVE

Enhanced and sustainable IP capacities, knowledge base and institutional infrastructure, dovetailed with national strategies and enabling effective use of IP for development objectives

EXPECTED RESULTS	PERFORMANCE INDICATORS AND TARGETS
National IP capacity-building programs dovetailed with the country-owned IP National Strategies and development plans	Some 20-25 countries with national IP capacity-building programs taking into account national development plans
National IP infrastructure and institutions providing effective user-friendly services, through strengthened administrative and management capacities	<ul style="list-style-type: none"> — Some 20-25 countries with modernized IP infrastructure, including updated working methods and streamlined IP office operations — Some 20-25 countries with effective functioning of IP-related information and service centers
National IP legislation consistent with national development priorities as well as with international IP treaties and agreements	Some 15-20 countries with updated national IP law and/or regulations
Increased awareness of the availability of IP flexibilities that Member States can use for implementing national public policies	<ul style="list-style-type: none"> — Policy processes that have benefited from WIPO advice on flexibilities — Inclusion of recommendations emanating from studies on flexibilities in Member State public policies
Domestic partnerships between the public and private sectors (PPPs) encouraging greater utilization of IP systems	Some 15 countries with partnerships among public and private sectors for IP development and use
Strengthened regional cooperation for IP capacity building and infrastructure development	At least one regional or sub-regional IP capacity and infrastructure development program formulated through horizontal cooperation in each region

Strategic Goal III: Facilitating the Use of IP for Sustainable Development

EXPECTED RESULTS	PERFORMANCE INDICATORS AND TARGETS
Enhanced awareness among SMEs, policy-makers, SME support institutions and financial institutions of the relevance of the IP system to improve the competitiveness of SMEs	<ul style="list-style-type: none"> – Increase in page views of SME website and in subscribers to the WIPO SME newsletter – Publication of nationally customized versions of WIPO SME guides by partner institutions – Funding institutions incorporate WIPO advice in their IP policies
Enhanced capacity of SME support institutions to provide IP services to their constituencies	SME support institutions having established or improved their IP services for SMEs
Pilot project(s) for the establishment of IP information management centers	Two pilot projects launched in 2009
A diagnostic tool for assessing the IP-related development needs of countries in the context of National IP and Innovation Strategies	Development of the tool completed

STRATEGIES

The key priorities in 2008/09 will be to continue to support developing countries and LDCs in building national IP capacity, a knowledge base and an infrastructure supportive of their development priorities and integrated with their national development plans. A main plank of the strategy during the 2008/09 biennium will be to encourage and support countries to develop annual and mid-term national IP and Innovation strategies and plans containing specific targets, which would enable them to assess their existing IP systems and determine the elements which need to be established or reinforced. The emphasis would, therefore, be on significantly strengthening the capacity of countries to develop and implement their own national IP plans in a medium term perspective. These IP plans would enable the countries, as well as WIPO, to better coordinate and assess progress in strengthening institutional, human and infrastructural capacities, ensure effective cohesion of programs and optimal use of resources, and develop partnerships and synergies. Particular attention will be given to the special needs of LDCs.

The Development Agenda (recommendation 1) sets out the guiding principle that “WIPO technical assistance shall be, *inter alia*, development-oriented, demand-driven and transparent, taking into account the priorities and the special needs of developing countries, especially LDCs, as well as the different levels of development of Member States and activities should include time frames for completion. In this regard, design, delivery mechanisms and evaluation processes of technical assistance programs should be country specific.” Within this framework, the Program will offer assistance to developing countries and LDCs, along the following strategic lines:

- Formulation and implementation of pro-active IP capacity-building programs in accordance with the specific needs and the level of development of

individual countries. This process will require wide-ranging participation and the full commitment of different government sectors as also other stakeholders.

- Support to the process of strengthening and modernizing IP administrations and infrastructure, through the updating of work methods, training of human resources, and streamlining of office operations. (Development Agenda recommendation 10).
- Sustained support to national IP offices, as well as regional and sub-regional IP Organizations, in the provision of value-added services to users, including efficient services relating to grant of IP rights, creation and commercial exploitation of IP assets, specialized IP information services, resource networks, consulting services, outreach programs and training programs, forging links with the user and professional community.
- Collaborate with other relevant programs in the development, creation and implementation of mechanisms which facilitate access to intellectual property information (patents and technological information, jurisprudence, commercial information, intellectual property statistics, classification tools, etc.) by increasing numbers and categories of users and beneficiaries.
- Formulation of updated IP legislation and provision of legal assistance in accordance with each country's specific requirements, including aspects related to the implementation of international treaties within national legislation. This shall be pursued taking into consideration available legislative options and flexibilities, and the individual country's priorities, public policies, special needs and development policy objectives. (Development Agenda recommendations 13 and 14). It is envisaged that responsibility for legislative advice will move to the substantive areas in the course of 2009 as part of the strategic realignment process.
- Development of outreach activities for the promotion of an IP culture, as a necessary complement to the strengthening of IP legal and administrative infrastructures. Such outreach activities are of particular importance for those developing countries where the awareness of the potential impact of IP for development is still relatively low. (Development Agenda recommendation 3).
- Strengthening of mechanisms for inter and intra-regional cooperation and development of mechanisms and partnerships leveraging the support of a wide range of stakeholders, with a view to encouraging synergies through the process of regional integration and internationalization of national IP systems. In particular promote the establishment of sub-regional, regional or inter-regional IP Search Databases, to facilitate the search and examination process of granting IP rights and enhance human and institutional capacity.
- Support to initiatives towards the establishment of partnerships between the public and private sectors, aimed at encouraging greater use of the IP system.
- Develop partnerships with national IP offices and SME support institutions in order to create or strengthen their capacity to deliver IP-related services to SMEs, as well as with financial institutions to enhance their ability to take IP assets into account while appraising business plans by entrepreneurs and SMEs. (Development Agenda recommendation 4).
- Develop and disseminate original content on IP for business through the SMEs web site, the monthly e-newsletter, as well as training material.

Strategic Goal III: Facilitating the Use of IP for Sustainable Development

Collection and sharing of best practices and case studies for the benefit of SMEs.

- Establish collaborative mechanisms for regular collection of information on potential development partners, especially on available funds and expertise and to match with specific needs of LDCs and developing countries.

The specific needs of LDCs will be addressed through the process of policy dialogue and consultations involving policy makers at the highest level of governmental and other organizations for clearer understanding of policy options to benefit from IP. This will be accompanied by an enhanced focus on assisting LDCs to develop and implement customized IP capacity-building programs.

PROGRAM LINKS

This Program will cooperate closely with, in particular, Program 1 (Patents, Innovation Promotion and Technology Transfer), Program 3 (Copyright and Related Rights), Program 4 (Traditional Knowledge, Traditional Cultural Expressions and Genetic Resources), Program 8 (Development Agenda Coordination), Program 10 (Cooperation with Certain Countries in Europe and Asia), Program 11 (training), Program 15 (IP Office Modernization), Program 16 (Economic Studies, Statistics and Analysis), Program 17 (Building Respect for IP), Program 18 (IP and Global Challenges), Programs 19 and 20 (for communications and external coordination).

DEVELOPMENT AGENDA LINKS

This Program incorporates activities related to the following adopted Development Agenda recommendations: 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 38, 40 and 43.

RESOURCES*

Program 9
Africa, Arab, Asia and the Pacific, Latin America and the Caribbean Countries,
Least Developed Countries

(in thousands of Swiss francs)

	2008/09 Approved Budget	2008/9 Proposed Revised	Difference	
			Amount	%
A. Personnel Resources				
Posts	22,694	25,002	2,308	10.2
Short-term Employees	1,881	1,918	37	2.0
Consultants	2,598	1,873	(725)	(27.9)
Special Service Agreements	--	52	52	--
Interns		9	9	--
Total, A	27,174	28,854	1,680	6.2
B. Non-personnel Resources				
<i>Travel and Fellowships</i>				
Staff Missions	4,080	4,199	120	2.9
Third-party Travel	10,000	7,943	(2,057)	-20.6
Fellowships	261	394	133	51.0
<i>Contractual Services</i>				
Conferences	1,109	1,003	(106)	(9.6)
Experts' Honoraria	741	970	229	30.9
Publishing	803	130	(673)	(83.8)
Other	1,275	3,837	2,562	200.9
<i>Operating Expenses</i>				
Premises & Maintenance	98	--	(98)	(100.0)
Communication & Other	392	315	(77)	(19.6)
<i>Equipment and Supplies</i>				
Furniture & Equipment	232	332	100	43.0
Supplies & Materials	210	82	(128)	(60.9)
Total, B	19,201	19,206	4	0.0
TOTAL	46,375	48,060	1,685	3.6

* For the number of posts for the Program please refer to Table 2 of Annex III

• **Program 10: Cooperation with Certain Countries in Europe and Asia**

CHALLENGES

The major challenge for WIPO's activities in the regions covering Certain Countries in Europe and Asia is to ensure relevant technical assistance to countries with different levels of economic and social development and, hence, also different levels of IP infrastructure. In meeting this challenge WIPO supports these countries in building national capacities, a relevant knowledge base and institutional infrastructure, and in defining their national IP policies and strategies with the aim of empowering them to better address their overall objectives of national economic and social development.

In many of these countries IP has played a prominent role in their accelerated economic, social and cultural development. As a result, requests for more advanced programs and technical assistance are increasing. The challenge for WIPO will be to provide more advanced and specialized assistance to satisfy the enhanced expectations of these countries, including support for the elaboration of national IPR strategies in Central Asian, Eastern European and Caucasian countries, as well as, in certain countries of Central European and Baltic States. WIPO will particularly provide support for definition of the goals, strategic objectives, and measures concerning the enhancement of IPRs in these countries. A particular challenge is to expand cooperation with industrial circles, entrepreneurs and all other relevant economic sectors. In addition, WIPO will cooperate with these countries to develop more specific tools for countries in transition to enhance the use of IPRs by relevant stakeholders, in particular, in the fields of promotion of innovation and transfer of technology, to address specific features of copyright systems, enforcement of IPRs, promotion of entrepreneurship, etc. Another challenge is to promote a cross-cutting exchange of experiences, lessons learned and best practices between countries within the geographical frame of this Program. However, it is true for this group of countries as well that, irrespective of the progress made in establishing an efficient IP system, they will need to continue to further modernize their IP administrations, infrastructures, develop human resources, and enhance the IP services offered to the user community.

During recent years, WIPO has intensified its cooperation with countries in Eastern Europe, the Caucasus Region and Central Asia. WIPO has supported these countries in developing and modernizing their IP systems consistent with their development priorities and national plans. The key focus has been to support the countries in building national capacity in terms of IP infrastructure and human resources, combined with enhancing the general and specific awareness level and knowledge base for effectively utilizing IP for economic, social and cultural development.

At the beginning of the 2008/09 biennium further progress has been achieved in countries in Eastern Europe, the Caucasus Region and Central Asia in the fields of development of relevant IP structures, legislation, and in promotion of cooperation between WIPO and these countries. The regional Eurasian Patent Organization has successfully marked its ten years of existence, has become an important regional tool for promotion of protection of patent inventions, and has increased its links with the PCT system. As far as Central European and Baltic States are concerned, 12 countries of the region have joined the European Union and its IP related structures. Fifteen countries are members of the European Patent Organization, and seven countries (the countries of the Western Balkans and Turkey) are at different stages in the process of association and/or accession to the European Union, and are upgrading and aligning their relevant legal and administrative environment, including the national IP infrastructure.

OBJECTIVE

Enhanced and sustainable IP capacity in certain countries in Europe and Asia enabling effective use of IP for development objectives

EXPECTED RESULTS	PERFORMANCE INDICATORS AND TARGETS
Enhanced national IP capacities in line with national development strategies and plans	Some 10 countries with national IP capacity-building programs and IP strategies, dovetailed with national development plans
More effective and user-friendly services by national IP institutions	<ul style="list-style-type: none"> — Some 20 countries with modernized IP infrastructure and upgraded management of IP services, including updated working methods and automated IP office operations — Some 20 countries with well functioning IP-related information and service centers
Enhanced capacity of IP professionals	Some 10 countries with regular IP training programs for professionals
National IP legislation is consistent with international IP treaties and agreements, and conforms with national development priorities	Some 25 countries with updated national IP law and regulations
Greater utilization of IP systems prompted by the establishment of domestic partnerships between the public and private sectors (PPPs) in the area of IP	Some 3-5 countries with partnerships among public and private sectors for IP development and use
Enhanced regional cooperation and exchange of experience among countries in the region	IP policies of 3-5 countries incorporating regional best practices
Survey of specific economic development trends in countries in transition with the aim to identify strategic targets for IP development	Surveys of priority areas identified in the national IP plans of two countries

STRATEGIES

The overall strategy for assisting certain countries in Europe and Asia will have a two-pronged approach, i.e. it will differentiate between the specific requirements of these countries; at the same time, it will seek to build on certain commonalities and shared features of the IP systems of these countries. Technical assistance and capacity building will be delivered in accordance with the principles and goals set out in the Development Agenda.

Strategic Goal III: Facilitating the Use of IP for Sustainable Development

The differentiated, country specific approach will be achieved by providing assistance to develop relevant national IP strategies, or within the framework of existing national IP plans. These plans will reflect the particular needs and requirements of concerned countries, as articulated by their IP authorities. The plans will be reviewed and updated periodically in close consultation with national authorities, and will, thus, be treated as living documents rather than as static frameworks for action.

WIPO's technical assistance program and activities will be designed in close consultation with countries in Eastern Europe, the Caucasus Region and Central Asia with the objective to respond to their diverse and specific needs in order to develop and enhance their capacity in all important areas of IP, such as development of IP strategies and services; awareness building; human resource development; strengthening of relevant institutions and infrastructure; and formulations of legislation at the national and regional levels.

The shared features and requirements of certain countries in Europe and Asia pertain to the close relationship of many of these countries with the European Union (EU), as well as the relatively advanced levels of assistance required by them. Accordingly, cooperation with these countries will take into consideration requirements arising from the new membership of some of these countries in the EU, as well as the specific needs of acceding countries, candidate countries and countries benefiting from EU's European Neighborhood Policy. Synergies will be aimed for with IP programs which these countries may be undertaking within an EU context.

In addition, the specific activities and programs shall seek to sustain the capacity of the IP Offices to offer more advanced services to existing and potential users of IP. This will entail a greater focus on creating a critical mass of trained IP experts in these countries. The upgrading of human resources would be a most effective means of facilitating the use of IP in a systematic and sustained manner for attaining larger socio-economic objectives. Also, given the common nature of many of the IP challenges faced by these countries, there will be an increased focus on development and use of specific tools for the promotion of sustained use of IP rights to enhance economic development and mutual exchange of experiences and sharing of best practices among these countries will be supported.

PROGRAM LINKS

This Program will cooperate closely with, in particular, Program 1 (Patents, Innovation Promotion and Technology Transfer), Program 2 (Trademarks, Industrial Designs and Geographical Indications), Program 3 (Copyright and Related Rights), Program 4 (Traditional Knowledge, Traditional Cultural Expressions and Genetic Resources), Program 8 (Development Agenda Coordination), Program 9 (Africa, Arab, Asia and the Pacific, Latin America and the Caribbean Countries, LDCs), Program 11 (training), Program 15 (IP Office Modernization), Program 16 (Economic Studies, Statistics and Analysis), Program 17 (Building Respect for IP), Program 18 (IP and Global Challenges), Programs 19 and 20 (for communications and external relations).

DEVELOPMENT AGENDA LINKS

This Program incorporates activities related to the following adopted Development Agenda recommendations: 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 38, 40 and 43.

RESOURCES*

Program 10
Cooperation with Certain Countries in Europe and Asia

(in thousands of Swiss francs)

	2008/09 Approved Budget	2008/9 Proposed Revised	Difference	
			Amount	%
A. Personnel Resources				
Posts	3,373	2,910	(463)	(13.7)
Short-term Employees	188	443	256	136.4
Consultants	--	--	--	--
Special Service Agreements	--	--	--	--
Interns		28	28	--
Total, A	3,560	3,381	(179)	(5.0)
B. Non-personnel Resources				
<i>Travel and Fellowships</i>				
Staff Missions	210	237	27	12.7
Third-party Travel	950	1,200	250	26.3
Fellowships	100	100	--	--
<i>Contractual Services</i>				
Conferences	170	213	43	25.3
Experts' Honoraria	75	95	20	26.0
Publishing	23	25	2	8.7
Other	300	285	(15)	(5.0)
<i>Operating Expenses</i>				
Premises & Maintenance	15	19	4	26.7
Communication & Other	23	26	3	13.5
<i>Equipment and Supplies</i>				
Furniture & Equipment	18	16	(2)	(12.5)
Supplies & Materials	--	9	9	--
Total, B	1,884	2,224	340	18.0
TOTAL	5,444	5,604	160	2.9

* For the number of posts for the Program please refer to Table 2 of Annex III

• **Program 11 The WIPO Academy**

CHALLENGES

The WIPO Academy provides government officials, Offices and other stakeholders with training and educational services for enhancing intellectual property (IP) knowledge in order to promote use of IP for sustainable development. Challenges facing the Academy include the need to respond to increasing numbers of requests from member States for assistance in strengthening their national programs for IP education and training which is now an essential tool for national development strategy, the enhancement of the quality of the Academy's services to various target audiences, and promoting international cooperation in IP education and training. In 2009, in order to focus on and reinforce the training and education services which the Academy provides in support of development goals, other activities conducted by the Academy, such as the Executive Program, will be discontinued or reoriented.

Building upon the achievements of the initial ten years of the Academy, the Academy will continue to seek an international and inter-disciplinary approach to IP education through a combination of face-to-face training and state-of-the-art distance learning.

Strategic partnerships with more than 25 national IP Offices, regional organizations, intergovernmental organizations and universities have also given the Academy a unique opportunity to provide practical, customized training on IP.

The Distance Learning Program is taking IP to even wider sectors of society worldwide, bridging the gaps of distance and time, and reducing the costs of access to IP education. Building upon the initial success (shown by the recent statistics, in the 2006/07 biennium that around 35,000 participants took WIPO DL courses), the continued enhancement in quality and coverage (both content and language) is necessary in response to strong demand. Coupled with DL courses, face-to-face training for professionals and other customers will continue to be a solid basis for IP education and training.

The global networks of IP Academies would continue to be hosted by the Academy to allow member States to share knowledge, reference material and resources for training with a view to promoting efficient and coherent approaches to capacity building. To narrow the global knowledge gap, the Academy's programs should also assist research (R&D) institutions and universities in developing countries to develop skills for creating and managing domestic inventions and home-grown innovations.

OBJECTIVE

Strengthened IP educational and training infrastructure with enhanced access to IP knowledge and information

EXPECTED RESULTS	PERFORMANCE INDICATORS AND TARGETS
Upgraded and enhanced knowledge and skills of staff of IP offices and other stakeholders	— 90% end-of-course satisfaction rate with professional training programs

EXPECTED RESULTS	PERFORMANCE INDICATORS AND TARGETS
Strengthened infrastructure for human resources development and IP education in Member States	<ul style="list-style-type: none"> — At least one university in each region to introduce specialized IP courses — Establishment of at least five IP academies and/or training centers in Member States — High end-of-course satisfaction rate of the Turin Master of Law in IP (LL.M)
Wider use of distance learning as a complement to IP education	<ul style="list-style-type: none"> — 40.000 registrations and 70% completion rate of WIPO on-line courses — Use of the Academy Distance Learning courses in educational programs of five academic institutions — Four institutions in Member States offer Academy Distance Learning programs in national languages
Enhanced networks and efficiency of international cooperation for IP education and training worldwide	<ul style="list-style-type: none"> — Projects completed within the framework of the Global Network of IP Academies — Satisfaction rate (at least 80%) of partners of the Academy for IP education and training

STRATEGIES

Following re-focusing of the Academy's activities, Program 11 will consist from 2009 of a professional development program, partnership program and distance learning program.

Under professional development, the WIPO Academy will continue to cooperate with IP offices in organizing training courses on demand for government professionals and other customers who should support the use of IP for sustainable development.

To enhance the efficiency of IP education, under the Partnership Program, the Academy will cooperate also with universities and WTO to train the trainers who should become the core resource persons of IP education in each country. The Academy will continue to collaborate with academic institutions in organizing courses for participants from developing countries and countries in transition to a market economy, leading to the award of degrees or diplomas.

Strategic Goal III: Facilitating the Use of IP for Sustainable Development

The Distance Learning (DL) Program will focus on offering new courses in priority areas and continue to efficiently administer existing courses. The Academy will explore the possibility of enhancing the existing platform of DL software in order to leverage the available technology.

PROGRAM LINKS This Program will cooperate with Programs 8, 9 and 10 (for development and coordination of activities at the national level), Program 19 (Communications), Program and with all substantive IP programs for the development of Distance Learning courses on these subjects, as well as with Program 7 (Arbitration, Mediation and Domain Names).

DEVELOPMENT AGENDA LINKS This Program incorporates activities related to the following adopted Development Agenda recommendations: 2, 4, 5, 11, 12, 24, 33 and 41.

RESOURCES*

Program 11 The WIPO Academy (in thousands of Swiss francs)

	2008/09 Approved Budget	2008/9 Proposed Revised	Difference	
			Amount	%
A. Personnel Resources				
Posts	1,464	2,342	878	60.0
Short-term Employees	598	382	(215)	(36.0)
Consultants	672	523	(149)	(22.2)
Special Service Agreements	--	0	0	--
Interns		0	0	--
Total, A	2,734	3,247	513	18.8
B. Non-personnel Resources				
<i>Travel and Fellowships</i>				
Staff Missions	267	270	3	1.0
Third-party Travel	325	1,000	675	207.6
Fellowships	3,141	2,600	(541)	(17.2)
<i>Contractual Services</i>				
Conferences	150	150	(0)	(0.0)
Experts' Honoraria	321	289	(32)	(10.1)
Publishing	21	--	(21)	(100.0)
Other	319	303	(16)	(5.1)
<i>Operating Expenses</i>				
Premises & Maintenance	--	--	--	--
Communication & Other	25	--	(25)	(100.0)
<i>Equipment and Supplies</i>				
Furniture & Equipment	--	--	--	--
Supplies & Materials	41	--	(41)	(100.0)
Total, B	4,611	4,612	1	0.0
TOTAL	7,345	7,859	514	7.0

* For the number of posts for the Program please refer to Table 2 of Annex III

Strategic Goal IV: Coordination and Development of Global IP Infrastructure

Summary of Strategic Goal IV

- **Program 12: International Classifications in the Field of Trademarks and Industrial Designs**
- **Program 13: Patent Classification and WIPO IP Standards**
- **Program 14: PATENTSCOPE® and Associated Patent Services**
- **Program 15: IP Office Modernization**

Strategic Goal IV introduces a new orientation. It responds to the need for greater technical standardization and work sharing between Offices around the world in order to help meet the overwhelming global demand on the system; to facilitate the exchange of data and outputs between Offices; and to maximize benefits to developing countries by facilitating their participation in the system and their access and use of its outputs in accordance with the Development Agenda. To further this goal, a number of WIPO's strategic assets, which are currently dispersed across programs in different areas of the Organization, are brought together and developed within reformulated programs. These include tools (such as the international IP classification systems) and international IP databases, plus the Office Automation services which serve to make these assets available to Offices, institutions and public in all countries. The goal would also include promoting and coordinating the voluntary adoption of best practice infrastructure elements developed by other Offices. Assistance provided to developing country Offices through the IPAS office automation services will facilitate their participation in the global infrastructure and access to its benefits.

Strategic Goal IV: Coordination and Development of Global IP Infrastructure

- **Program 12: International Classifications in the Field of Trademarks and Industrial Designs**

CHALLENGES

The international classifications established by the Nice Agreement Concerning the International Classification of Goods and Services for the Purposes of the Registration of Marks, the Vienna Agreement Establishing an International Classification of the Figurative Elements of Marks and the Locarno Agreement Establishing an International Classification for Industrial Designs organize commercial and technological information relating to trademarks and industrial designs into indexed, manageable structures for easy retrieval by, in particular, industrial property offices, the business community and researchers. At the time of the preparation of the revised Program, the total number of Contracting Parties to the Nice, Locarno and Vienna Agreements were 83, 49 and 25 respectively. In respect of the actual use of those classifications by the end of the year 2008, the respective numbers were 155 countries and four organizations for the Nice Classification, 51 countries and three organizations for the Vienna Classification and 56 countries and three organizations for the Locarno Classifications.

The Preparatory Working Group for the preparation of the 10th edition of the Nice Classification held its 26th session (the second in the current revision period) in November 2008. The sixth edition of the Vienna Classification entered into force on January 1, 2008. The new (ninth) edition of the Locarno Classification was published in July 2008 and this edition will enter into force on January 1, 2009.

The classifications are indispensable tools for industrial property offices carrying out searches for determining prior rights and examining trademarks and industrial designs. Moreover, these classifications are applied in the administration of the Madrid and Hague Systems, and examiners, translators as well as applicants rely heavily on them. The classifications need to be updated regularly to take account of changes and advances in technology and commercial practices, and to respond to the constantly changing and growing needs of their users, both industrial property offices and right owners. The current revision procedure for the Nice Classification is outdated and needs modernization, so as to render the revision of that Classification more responsive to market developments. The Locarno Classification needs to be developed so as to facilitate searches of registered industrial designs, in particular in large design collections. Finally, the possible use of computer-supported image recognition tools in the use of the classification and retrieval of industrial designs and figurative elements of marks has to be studied and evaluated with a view to integrating new technologies into the application of the Locarno and Vienna Classifications.

OBJECTIVE

Further development of the Nice, Vienna and Locarno Classifications, reform of the Nice Classification Revision Procedure, and enhanced use of those Classifications by industrial property offices and the private sector

EXPECTED RESULTS	PERFORMANCE INDICATORS AND TARGETS
Further revision of the ninth edition of the Nice Classification	<ul style="list-style-type: none"> — Two sessions of the Preparatory Working Group of the Committee of Experts of the Nice Union — Adoption by the Preparatory Working Group of recommendations for modification of the 9th edition of the Nice Classification
Initiation of the Reform of the Revision Procedure for the Nice Classification	<ul style="list-style-type: none"> — Project document setting out the terms of reference for an electronic forum for the Committee of Experts under the Nice Union — Draft revised Rules of Procedure for the Committee of Experts under the Nice Union developed in three sessions of an ad hoc Working Group
Definition of a policy for the production and dissemination of authentic and official texts of the Nice, Vienna and Locarno Classifications	<ul style="list-style-type: none"> — Completion of a review of the procedure for the production of authentic and official texts of the Nice, Vienna and Locarno Classifications in electronic and paper versions — Publication of an official version of the Nice Classification (9th edition) in two official languages of the Nice Agreement (in addition to the existing authentic language versions)
Revision of the Locarno Classification	<ul style="list-style-type: none"> — Identification of different options for developing the Locarno Classification with a view to rendering it more responsive for carrying out searches in large industrial design data bases on the basis of visual design features

Strategic Goal IV: Coordination and Development of Global IP Infrastructure

EXPECTED RESULTS	PERFORMANCE INDICATORS AND TARGETS
Wider acceptance and more effective use of the Nice, Vienna and Locarno Classifications	<ul style="list-style-type: none"> — Four new Contracting Parties to the Nice Agreement — Two new Contracting Parties to the Vienna and Locarno Agreements — Four additional countries apply the Nice, Vienna and Locarno Classifications.

STRATEGIES

A major focus of the Program will be to ensure that the Locarno and Nice Classifications remain relevant to the needs of the users. The new (ninth) edition of the Locarno Classification will be published on paper, CD-ROM and Internet and distributed to all States members of the Paris Convention in the second half of 2008. It will enter into force on January 1, 2009.

The Preparatory Working Group of the Committee of Experts of the Nice Union will meet twice in 2008/09 to examine proposals for modifications to the ninth edition of the Nice Classification submitted to the International Bureau by the countries of the Union. To further enhance the classification and translation of goods and services indications, a Classification and Translation Committee will work on an electronic classification and translation tool for use by WIPO examiners and translators under the Madrid System (and possibly by the public in the future). The new tool will enable automatic translation of individual indications of goods or services from English, French or Spanish into any of the other languages, and automatic checking of the correct classification of those indications according to the Nice Classification.

A second focus of the Program will be on the reform of the Nice Classification Revision Process with a view to shortening the revision period, which is currently at five years, to one year and, if possible, to less than one year. In this context, a revised publication policy for authentic and official texts of the Nice, Locarno and Vienna Classifications will be established with a view to defining efficient and secure updating and publication procedures for those Classifications.

The Program will also work for the development of the Locarno Classification with a view to rendering this classification more efficient for design searches, possibly based on criteria in addition to classes and sub classes of the Locarno Classification, such as visual design features.

The promotion of enhanced use of the Nice, Vienna and Locarno Classifications by registration authorities, applicants and search companies will remain a key priority for the Program. To this end, advice and assistance to registration authorities and other users will be provided, including through training workshops. The Program will also establish, at the request of national or regional industrial property offices, classification reports on the correct classification of goods and services for the purposes of the registration of marks, and will publish recommendations on the classification of new goods and services that have not yet been entered into the alphabetical list, so as to facilitate convergence in the application of the Nice Classification.

PROGRAM LINKS This Program will cooperate with Programs 6 (Madrid, Hague and Lisbon Systems) 9 (Africa, Arab, Asia and the Pacific, Latin America and the Caribbean Countries, Least Developed Countries) and 10 (Cooperation with Certain Countries in Europe and Asia).

RESOURCES*

Program 12
International Classification in the Field of Trademarks and Industrial Designs

(in thousands of Swiss francs)

	2008/09 Approved Budget	2008/9 Proposed Revised	Difference	
			Amount	%
A. Personnel Resources				
Posts	1,078	536	(542)	(50.3)
Short-term Employees	--	--	--	--
Consultants	--	--	--	--
Special Service Agreements	--	--	--	--
Interns	--	--	--	--
Total, A	1,078	536	(542)	(50.3)
B. Non-personnel Resources				
<i>Travel and Fellowships</i>				
Staff Missions	35	32	(4)	(10.0)
Third-party Travel	--	60	60	--
Fellowships	--	--	--	--
<i>Contractual Services</i>				
Conferences	30	86	56	186.7
Experts' Honoraria	--	--	--	--
Publishing	1	50	49	4,900.0
Other	55	159	104	188.5
<i>Operating Expenses</i>				
Premises & Maintenance	--	--	--	--
Communication & Other	2	2	(0)	(10.0)
<i>Equipment and Supplies</i>				
Furniture & Equipment	--	--	--	--
Supplies & Materials	--	--	--	--
Total, B	123	388	265	215.4
TOTAL	1,201	924	(277)	(23.1)

* For the number of posts for the Program please refer to Table 2 of Annex III

• **Program 13: Patent Classification and WIPO IP Standards**

CHALLENGES

The principal challenge for this Program is to ensure the worldwide application of the International Patent Classification (IPC) and WIPO IP standards, duly taking into account Member States' specific needs.

The reformed IPC entered into force on January 1, 2006, and a new IPC revision procedure was put in place. Many countries have successfully implemented the reformed Classification during the 2006/07 biennium. This process will need to continue in 2008/09 to ensure that all countries, publishing patent documents, apply the reformed IPC with high quality and consistency. This will require active promotion of the reformed IPC, the introduction in the Classification of more features created by the reform, and enhanced harmonization of internal classifications of large offices with the IPC. In addition, classification of non-patent literature according to the IPC will need to be ensured.

WIPO IP standards provide a basis for the transmission, exchange, dissemination and sharing of IP information and documentation. The challenge will be to ensure their worldwide application by promoting them as a main tool for harmonization of IP Offices' practices in the field of IP information and documentation, and enhanced exchange of information among Offices. Work will also be required to develop new and revise existing WIPO IP standards, recommendations and guidelines in line with IT developments and new methods for transmitting and exchanging IP information.

The main challenge for the WIPO IP information services for developing countries will be to further enhance the services by increasing the number of channels for the dissemination of information and improve the use of IP information in developing countries. To this end, more technical assistance and training to IP users in developing countries will be required.

IT has played a major role in IPC reform. New IT tools have been developed which have supported the reform process. The main challenge for 2008/09 will be to consolidate those tools and IT services required for IPC operations and promotion. In respect of the revision of the IPC, the development of additional IT tools will be required to provide web-based support for the revision and associated reclassification of patent collections. Further IT assistance to small and medium-sized IP Offices will also be needed, for the implementation of the reformed IPC and associated IT support tools in their working languages. In addition, the IT supported update of the publication and maintenance procedures of the *WIPO Handbook on IP Information and Documentation* will be important in order to implement new procedures for the dissemination of information and the updating of surveys, examples and country-specific information, and to improve the reusability of data, search and display options.

OBJECTIVE

Enhanced efficiency of the use of IP information and documentation by IP Offices, applicants and the general public worldwide

EXPECTED RESULTS	PERFORMANCE INDICATORS AND TARGETS
Efficient functioning of the new IPC revision procedure and timely publication of new versions of the IPC core and advanced levels and of related material	<ul style="list-style-type: none"> — Increase in the number of amendments introduced in the 2009 edition of the IPC core level — Increase in the number of new entries in the IPC advanced level — Publication of new versions in accordance with the IPC revision procedure
Use of the IPC for classifying non-patent literature	Increase by 10 % in the number of technical and scientific articles classified according to the IPC
Establishment, revision and promotion of WIPO Standards for the transmission, exchange and sharing of IP information and documentation	New standards and revisions to existing standards adopted by the SCIT Standards and Documentation Working Group
Enhanced user awareness of information activities carried out by IP Offices	Increase in the number of users accessing Annual Technical Reports on patent, trademark and industrial design activities made available on WIPO's website
Enhanced use of WIPO Industrial Property Information Services for developing countries (WPIS) and improved IP information dissemination channels	<ul style="list-style-type: none"> — Increase, from the existing 15, of the number of donor countries participating in WPIS — Increase by 10 % in the number of searches carried out by donor countries — Increase in the number of IP information units in universities, chambers of commerce and industry
Use of the clustering analysis for the computer-assisted revision of the IPC by Member States of the IPC Union	Number of IPC revision projects initiated by Member States, with the clustering-based IT assistance
Development of XML web services for reclassification of patent collections in the core and the advanced levels of the IPC	Number of IP Offices using XML web services for reclassification

Strategic Goal IV: Coordination and Development of Global IP Infrastructure

STRATEGIES

To consider proposals for the revision of the IPC core level, regular meetings of the IPC Revision Working Group will be convened, while revision of the advanced level will be closely monitored by the International Bureau. The IPC Committee of Experts will, at its meetings, supervise the revision and other developments of the IPC and provide guidance for further work. Full implementation of the new revision procedure and use of respective IT tools will ensure timely publication of new versions of the IPC. A new edition of the IPC core level will be published in 2009. To ensure necessary classification of non-patent literature, various options for the enhancement of the Journal of Patent-Associated Literature (JOPAL), or its replacement by alternative means, will be considered.

For the development of new and revision of existing WIPO IP standards, three meetings of the SCIT Standards and Documentation Working Group (SDWG) will be convened. The Program will provide necessary support for the SDWG and its Task Forces, including creation of electronic discussion fora. The new and revised standards and related material will also be published on various media. The Annual Technical Reports (ATR) on patent, trademark and industrial design activities will be processed and published with the use of the enhanced ATRs Management System. A new publication platform and maintenance procedures of the WIPO *Handbook on Industrial Property Information and Documentation* will be developed and implemented and an updated version of the Handbook will be published.

The services of the WIPO Industrial Property Information Services for developing countries (WPIS) will be reviewed with a view to further improving those services and increasing the number of searches carried out by donor countries. This will require consultations with donor countries. Technical assistance and training will be provided to developing countries for the creation of IP information units at universities, chambers of commerce, industry and professional associations. To improve the dissemination of IP information and public awareness in developing countries, training events on IP information sources and retrieval tools, and their use for transfer of technology will be conducted.

The outsourcing of IT systems will be strengthened on the basis of ISO 9126-3 metrics and the definition of business priorities for each IT system. This will ensure a more cost effective use of budgets, and better planning of new investments and replacement of some critical systems. To facilitate the use by IP Offices of the IPC in national languages, the deployment of IT tools, using common maintenance procedures and supporting the IPC in national languages, will continue. Clustering and semantic analysis techniques will be used for the identification of new concepts providing a basis for respective IPC revision projects.

PROGRAM LINKS

This Program will cooperate closely with Programs 5 and 6 (concerning use of the IPC and WIPO IP standards under the PCT and the International Registration Systems), Programs 9 and 10 (for the provision of IP information services), and Program 25 (for IT operations and support).

DEVELOPMENT AGENDA LINKS

This Program incorporates activities related to the following adopted Development Agenda recommendations: 8, 30 and 31.

RESOURCES*

Program 13
Patent Classification and WIPO IP Standards

(in thousands of Swiss francs)

	2008/09 Approved Budget	2008/9 Proposed Revised	Difference	
			Amount	%
A. Personnel Resources				
Posts	6,082	6,110	28	0.5
Short-term Employees	--	67	67	--
Consultants	94	258	163	173.0
Special Service Agreements	--	39	39	--
Interns		9	9	--
Total, A	6,176	6,483	306	5.0
B. Non-personnel Resources				
<i>Travel and Fellowships</i>				
Staff Missions	346	369	23	6.6
Third-party Travel	109	--	(109)	(100.0)
Fellowships	10	--	(10)	(100.0)
<i>Contractual Services</i>				
Conferences	287	260	(27)	(9.6)
Experts' Honoraria	10	7	(3)	(30.0)
Publishing	47	350	303	648.6
Other	195	475	280	144
<i>Operating Expenses</i>				
Premises & Maintenance	--	--	--	--
Communication & Other	24	19	(5)	(20.3)
<i>Equipment and Supplies</i>				
Furniture & Equipment	10	63	53	562.1
Supplies & Materials	43	45	2	3.5
Total, B	1,081	1,588	507	46.9
TOTAL	7,257	8,071	813	11.2

* For the number of posts for the Program please refer to Table 2 of Annex III

• **Program 14: PATENTSCOPE® and Associated Patent Services**

CHALLENGES

This Program addresses matters related to infrastructure services in the area of patents. It seeks to provide databases and tools to Offices, institutions and the public in all countries to enable them to participate effectively in the global IP system, with an emphasis on the needs of developing countries and LDCs.

In the 2006/07 biennium, the dissemination of patent data and related information has been improved via the PATENTSCOPE® web portal, in particular regarding published PCT international applications. The PATENTSCOPE® database and related IT tools provide the basis for further enhancing the value inherent in patent data and for optimizing the disclosure function of the patent system. During 2008, WIPO has received many requests from patent offices, particularly offices of developing countries, for technical assistance to digitize their patent collections and to disseminate them using the PATENTSCOPE® service.

A significant challenge for 2009 is the implementation of the WIPO Development Agenda. Several of the recommendations of the Development Agenda touch directly on technology transfer and access to knowledge (recommendation 8 and Cluster C in general). To meet the expectations of the Development Agenda, activities should start in 2009 to improve access, in particular for LDCs, to specialized databases of scientific and technical literature, including commercial patent databases, and to increase the awareness of the value of patent information as a tool for access to knowledge and for technology transfer.

In 2009, patent related information resources will need to be further enhanced by increasing the quantity and depth of information and improving accessibility for non-expert users. The increasing diversity of prior art in the patent system presents challenges to patent offices and users who need to have access to more types of documentation, from more sources and in more languages. Technical assistance for digitization and dissemination of patent collections needs to be provided to those offices who have requested it. Modern IT tools and methods create opportunities to improve the sharing of status information, including search and examination results, for patent applications accessible via PATENTSCOPE®.

OBJECTIVE

Enhanced availability, to the broadest possible audience, of the technological, business and legal information that is disclosed through the use of the PCT and national patent systems; and improved patent services internationally

EXPECTED RESULTS	PERFORMANCE INDICATORS AND TARGETS
<p>Enhanced availability and use of PCT and national patent data disclosed in the patent system</p>	<ul style="list-style-type: none"> — Use of the PATENTSCOPE® Search facility by users in offices, industry and the general public — 50% increase in the number of direct subscribers to the PATENTSCOPE® Data Services for high-volume data delivery — 90% of users express satisfaction with the offered services (customer surveys and feedback) — Availability of national patent collections for search in PATENTSCOPE®. At least 5 collections online in 2009 — Cooperation projects with IP offices for digitization and dissemination of national patent collections
<p>Enhanced sharing of information between IP Offices of search and examination reports delivered in respect of particular patent applications</p>	<p>Number of Offices whose search and examination reports are made available on a centralized web site.</p>
<p>Increased understanding of the value of patent information, particularly in developing countries and by SMEs (Development Agenda recommendations 30 and 31)</p>	<p>Guides and training materials on the use of patent information are actively used in patent information centers.</p>
<p>Cheaper and easier exchange of priority documents for the purposes of the Paris Convention for applicants and IP Offices</p>	<p>The priority document service is used in processing patent applications at patent Offices worldwide.</p>

Strategic Goal IV: Coordination and Development of Global IP Infrastructure

EXPECTED RESULTS	PERFORMANCE INDICATORS AND TARGETS
Access to specialized databases of scientific and technical literature, including commercial patent databases (Development Agenda recommendation 8)	A program is initiated to negotiate access to specialized databases for users in LDCs and other developing countries.

STRATEGIES

In order to increase the reliability and functionality of the PATENTSCOPE® search engine, especially in the area of language tools, and to be able to process larger volumes of data, the search engine technology will be upgraded. In addition, the breadth and depth of the information available via PATENTSCOPE® will be increased, in particular by integrating more information and documents relating to the national search and examination of patent applications and subsequent status information. OCR technology will be used to enable full-text search of PCT and national patent collections.

To increase the availability of the information disclosed via the patent system, WIPO will provide direct technical assistance to IP offices in developing countries to assist them with digitization and dissemination of patent data from local patent collections.

To improve conformity with WIPO standards and to enhance the electronic processing of published PCT applications by users, the PCT electronic publication products will be upgraded, and the electronic delivery of documents and data to offices, industry and the private sector will be improved.

To better demonstrate the value and usefulness of patent information to users worldwide, patent landscapes and similar publications for selected technologies will be developed. In addition, specific patent information products, such as guides and tutorials highlighting the different uses of patent data, its sources and value for different types of analysis and decision-making, will be developed in cooperation with Member States making use of existing best-practices. Training and advisory services will be provided to Member States to enable them to make optimal use of available patent information resources and to offer value-added services, such as patent information centers, to local industry.

With a view to developing specific proposals for improved services, issues relating to the accessibility of prior art databases will be examined to better address the needs of offices, industry and users. This will include a review of WIPO's existing services relating to prior art and PCT minimum documentation, especially the Journal of Patent Associated Literature (JOPAL).

To increase capacity of IP offices in developing countries and to improve access to knowledge in those countries, WIPO will initiate a project to provide access to specialized and commercial databases, including databases of technical literature and patents, to offices and to qualified institutions in developing countries.

The establishment of a digital access service for priority documents was approved in October 2006 by the Paris Union Assembly, the PLT Assembly and the PCT Union Assembly, and will respond to an Agreed Statement by the Diplomatic Conference for the Adoption of the PLT. In accordance with the recommendations of the Working Group on the Digital Access Service for Priority Documents, the service will be made available to offices during the 2008/2009 biennium.

Revised Program and Budget 2008/09

PROGRAM LINKS This Program will cooperate closely with Program 5 (to utilize data generated by the PCT System and to coordinate business processes and systems, in particular in the area of PCT publication), Program 8 (for Development Agenda coordination) and Program 25 (to ensure efficient use of IT resources and appropriate technologies),.

DEVELOPMENT AGENDA LINKS This Program incorporates activities related to the following adopted Development Agenda recommendations: 8, 12, 19, 30 and 31.

RESOURCES*

Program 14 PATENTSCOPE® and Associated Patent Services

(in thousands of Swiss francs)

	2008/09 Approved Budget	2008/9 Proposed Revised	Difference	
			Amount	%
A. Personnel Resources				
Posts	2,333	4,282	1,950	83.6
Short-term Employees	--	8	8	--
Consultants	--	156	156	--
Special Service Agreements	--	65	65	--
Interns	--	--	--	--
Total, A	2,333	4,511	2,179	93.4
B. Non-personnel Resources				
<i>Travel and Fellowships</i>				
Staff Missions	320	410	90	28.1
Third-party Travel	--	80	80	--
Fellowships	--	--	--	--
<i>Contractual Services</i>				
Conferences	60	60	--	--
Experts' Honoraria	--	--	--	--
Publishing	--	75	75	--
Other	740	1,668	928	125.3
<i>Operating Expenses</i>				
Premises & Maintenance	20	20	--	--
Communication & Other	20	18	(2)	(10.0)
<i>Equipment and Supplies</i>				
Furniture & Equipment	20	18	(2)	(10.0)
Supplies & Materials	20	18	(2)	(10.0)
Total, B	1,200	2,367	1,167	97.2
TOTAL	3,533	6,878	3,345	94.7

* For the number of posts for the Program please refer to Table 2 of Annex III

• **Program 15: IP Office Modernization**

CHALLENGES

The potential recipients of business modernization assistance are IP institutions, in particular IP offices (IPOs) and collective management organizations (CMOs), from developing countries, least developed countries and countries in economic transition, across all regions.

A broad range of services are provided under this Program to assist national IP institutions to benefit from modern tools, systems and best practices. These services include needs assessment, technical guidance, streamlining of business procedures, customized automation solutions, establishment of IP databases, digitization, upgrading of technical infrastructure, e-communication with WIPO databases and Treaties, training and knowledge transfer, and automation system support. The actual services provided to any specific institution are based on its request, priorities and assessed requirements.

Automation is one of the top priorities for many developing countries and LDCs. As a result, there has been a significant increase in the requests for modernization assistance from national IP institutions as many of them still have paper-based manual procedures, with little or no automation, and are thus finding it difficult to cope with the growing workload, long dependency times and demands from IP stakeholders for faster, efficient and quality processing.

The growing demand and expectations from countries, and the wide diversity in their levels of development, capacity, resources, skills and infrastructure, pose challenges for this Program, which are: delivering consistent, appropriate and quality services; building sufficient capacity to sustain the benefits of modernization; developing better evaluation mechanisms; and, adapting services and systems to evolving business requirements and emerging technologies.

Experience and evaluation results have shown that even with the same level of assistance provided by WIPO, the level of benefit derived varies from one recipient institution to another. This is due to the several challenges faced by the institutions themselves in realizing the full potential of the assistance provided by WIPO. These challenges include: availability of resources for digitizing relatively large volumes of paper records into IP databases; insufficient technical infrastructure to support automation; transition from manual to automated procedures; availability of national counterparts to benefit from training and knowledge transfer; turnover of trained staff; and adequate resources to sustain the benefits from automation. The challenges faced after the assistance is provided are, therefore, as critical, if not more so, than the implementation process itself, as they impact directly on the level of success achieved.

Therefore, in addition to responding to the increased number of new requests for assistance expected during the 2008-2009 biennium, ongoing assistance needs to be provided to the several IP institutions that are in different stages of implementation to realize the full benefits of modernization.

OBJECTIVE

Enhanced efficiency of IP registration activities and improved services provided by IP institutions to their stakeholders through use of modern tools, systems and best practices; and facilitating their participation in the international IP system

EXPECTED RESULT(S)	PERFORMANCE INDICATORS AND TARGETS
Modernized business procedures of IP institutions	Forty-four IP Offices (14 new ones and 30 ongoing) with: <ul style="list-style-type: none"> — availability of national IP databases (e.g. trademarks, patents, industrial designs) through capture of paper records — reduced backlog of IP applications — faster processing of IP applications Twenty CMOs (12 new ones and 8 ongoing) with: <ul style="list-style-type: none"> — availability of national databases (e.g. musical works, authors, etc.) through capture of paper documentation — reduced backlog of work
IP Offices equipped for electronic communication with WIPO Treaties	<ul style="list-style-type: none"> — Time and cost savings for 15 IPOs for processing Madrid applications through direct electronic communication with WIPO systems — Patent information from IPOs linked to the WIPO PATENTSCOPE® website (actual number will depend on the availability and quality of the information from IPOs)

STRATEGIES

It is expected that at the end of the 2008/09 biennium, a total of 64 IPOs and 20 CMOs will have been provided with business modernization assistance covering some or all of the services listed above. This includes assistance to new institutions, as well as ongoing assistance to others to further maximize the benefits of automation for them. In addition, relevant proposals of the Development Agenda will be implemented as concerns Program 15.

As modernization is an ongoing process, the overall strategy is based on a long term view rather than a one-time effort. A key element of the strategy is the customization of the services provided to the specific national needs and priorities. Another key element is the application of mature standard products, services, solutions and best practices that have been tested and proven and which will continue to be enhanced and improved in future. The Program will continue to

Strategic Goal IV: Coordination and Development of Global IP Infrastructure

adapt the scope, level, frequency and duration of assistance it provides based on the assessment of the receiving institution's profile. In order to enhance sustainability and increase self-reliance, emphasis will be given to ongoing capacity building and knowledge transfer as well as to the utilization of local expertise and procurement from local markets. The presence of WIPO experts in the different geographical regions has proven to be highly efficient in providing timely and cost-effective services. The regional presence of the Program will therefore continue to be consolidated. The institutional knowledge and experience of other relevant organizations that have successfully achieved automation will continue to be drawn upon. WIPO will continue to leverage its collective experience from all regions as well as the experience of the trained automation of national counterparts from assisted institutions.

Special emphasis will be given in 2008/09 to post-deployment activities relating to capacity building, transfer of knowledge, value-added services and sharing of experiences through regional and inter-regional workshops. The "Train the Trainer" approach will continue to be used to further multiply the impact of training to a larger group of people in institutions and in regions.

Post-deployment evaluations have proved valuable in adapting and refining the program strategy and approach to improve service delivery. The evaluation mechanisms will therefore continue to be an integral part of the assistance and will be further strengthened using international standards and best practices.

As the quality of the modernization assistance provided is linked to the quality of the automation tools and products used, WIPO will continue to invest in their ongoing improvement by adding new functionalities including electronic data exchange with WIPO, e-communication with Treaties (Madrid and PCT) and by making the systems more reliable and easy to support.

The Program will collaborate closely with relevant regional and national IP organizations to enhance its effectiveness, in particular, the European Patent Office (EPO), African Regional Intellectual Property Organization (ARIPO), *l'Organisation Africaine de la Propriété Intellectuelle* (OAPI), the Eurasian Patent Organization (EAPO), Japan Patent Office (JPO), the Korean Intellectual Property Office (KIPO) and IP Australia. Collaboration with other partners will be explored.

PROGRAM LINKS This Program will cooperate closely with Programs 3, 9 and 10 (for the coordination of activities at the national level), Programs 5 and 14 (for PATENTSCOPE[®] and receiving office procedures), Program 6 (for electronic exchange procedures for Madrid, Lisbon and Hague Registration Systems), Programs 12 and 13 (for international patent, trademarks and industrial designs classifications) Program 8 (Development Agenda Coordination) and Program 25 (for WIPO IT standards and interface with WIPO IT systems).

DEVELOPMENT AGENDA LINKS This Program incorporates activities related to the following adopted Development Agenda recommendations: 10 and 11.

RESOURCES*

Program 15
IP Office Modernization

(in thousands of Swiss francs)

	2008/09 Approved Budget	2008/9 Proposed Revised	Difference	
			Amount	%
A. Personnel Resources				
Posts	2,664	3,133	469	17.6
Short-term Employees	172	191	19	11.2
Consultants	--	--	--	--
Special Service Agreements	--	--	--	--
Interns		--	--	--
Total, A	2,836	3,324	488	17.2
B. Non-personnel Resources				
<i>Travel and Fellowships</i>				
Staff Missions	340	362	22	6.5
Third-party Travel	90	91	0	0.4
Fellowships	12	--	(12)	(100.0)
<i>Contractual Services</i>				
Conferences	1	2	1	83.7
Experts' Honoraria	259	113	(146)	(56.6)
Publishing	--	--	--	--
Other	1,043	1,364	320	30.7
<i>Operating Expenses</i>				
Premises & Maintenance	15	--	(15)	(100.0)
Communication & Other	17	28	11	64.1
<i>Equipment and Supplies</i>				
Furniture & Equipment	131	121	(10)	(7.7)
Supplies & Materials	51	31	(20)	(39.3)
Total, B	1,959	2,110	151	7.7
TOTAL	4,795	5,435	639	13.3

* For the number of posts for the Program please refer to Table 2 of Annex III

Strategic Goal V: World Reference Source for IP Information and Analysis

Summary of Strategic Goal V

- **Program 16: Economic Studies, Statistics and Analysis**

Strategic Goal V gives new impetus to an important area of WIPO's work: WIPO is already the repository – and generator - of outstanding collections of statistical, legal and technical IP information. In addition, there is strong demand, notably in the context of the Development Agenda, for the Organization to provide empirical economic analysis and impact studies for use by policy makers. The value of all this information and research, however, depends on ensuring not only that it is accurate, timely and focused on stakeholder needs, but also that it is freely and universally accessible. WIPO has a unique potential to develop a portal to the world's most comprehensive collection of IP information resources, thus making a significant contribution to the sharing of knowledge. Under this strategic goal, which covers both the production and sharing of information, WIPO would strive to realize that potential.

Initially, one new embryonic program is listed under this Strategic Goal, with most staff resources reallocated from other programs. A Chief Economist will be recruited to lead and develop the work of the program in 2009. In parallel, activities conducted under many other programs contribute directly to this Strategic Goal. These include the development of the WIPO website and information products under Communications (Program 19), the databases of treaties and laws under Executive Management (Program 21), the databases of international registrations and filings under the PCT, Madrid, Hague, Lisbon and Article 6ter systems (Programs 6 and 14), domain name dispute databases (Program 7), a database of biodiversity-related access and benefit-sharing agreements (Program 4).

Strategic Goal V: World Reference Source for IP Information and Analysis

• Program 16: Economic Studies, Statistics and Analysis

CHALLENGES

This Program addresses the demand for high quality empirical information and analysis for policy makers and will deliver several of the adopted recommendations of the Development Agenda in the area of economic studies and analysis.

In the 2006/2007 biennium, and during 2008, significant progress has also been made on collection and publication of industrial property statistics. WIPO has improved its statistical data collection mechanisms, established a statistical database, published regular statistical updates on the Internet and published annual statistical reviews on the PCT system and patents. The WIPO Patent Report, the third edition of which was published in 2008, is now a recognized reference for information about the evolution of the patent system worldwide.

Several recommendations of the WIPO Development Agenda, particularly Cluster D, relate to the need for economic assessment, evaluation and impact studies. To implement those recommendations, a systematic and structured approach is needed, combining work which has already been conducted at WIPO and elsewhere with a new approach to developing methodologies for evaluation and measurement of the impact of the IP system, particularly in developing countries.

The database of IP statistics will need to be extended to include the detailed data that will enable more granular analysis of IP and technology trends. High-quality data sets would need to be established that break down data by technology classifications, industry, country/region and enable estimations of IP lifecycles and value. Not all of the required information is currently available in IP offices and, hence, statistical databases will need to be combined with data from other sources. A program of impact studies and economic analyses needs to be initiated in order to inform policy debates regarding the role of IP in economic growth and development, the relationship between IP and other public policy issues, and policy issues regarding the functioning and efficiency of global IP systems.

OBJECTIVE

Availability of high quality empirical information and analysis to inform policy makers on the economic impacts of the IP system, particularly with respect to developing countries

EXPECTED RESULTS	PERFORMANCE INDICATORS AND TARGETS
Availability of high quality empirical information for policy makers	<ul style="list-style-type: none"> — Preparation of the first World IP Report, covering all major fields of IP, with a target publication date of end 2009/early 2010 — Availability of an initial set of methodological studies aimed at improving the analysis of the economic impact of the IP system worldwide
Increased use of WIPO statistical publications	<ul style="list-style-type: none"> — Feedback and citations on the publications — Publication of economic studies and analysis on specific policy issues related to the IP system, economic growth and development and/or public policy issues using WIPO statistical publications

STRATEGIES

To enhance the availability of a wide range of statistics, statistical methods and quality control of statistical data will be updated to enable the complete collection of statistical indicators in the WIPO Statistics Database to be published on the Internet. The Database will also be further extended to encompass the full range of industrial property, including the detailed information necessary to support the needs of offices, researchers, industry, etc. Furthermore, regular and reliable statistical reports on the IP system will be published. In 2009, the coverage of statistical publications will be extended to all major forms of IP.

A new World IP Report will be created, building on the success of the World Patent Report. The new report will eventually cover all fields of intellectual property, and will be enhanced to include more qualitative analysis and more indicators of development and effective utilization of the IP system worldwide.

With a view to further enhance the annual reports, analyses will be conducted and standard methodologies developed so that country-level and technology-level indicators can be included in the Report and in statistical indicators published on the Internet.

PROGRAM LINKS

This Program will cooperate closely with Program 8 (Development Agenda Coordination), as well as with other programs related to substantive analysis of the IP system. It will also work closely with the Programs 4, 6, 7, 14 and 21 regarding the relevant databases, and Program 19 (Communications).

Revised Program and Budget for 2008/09

DEVELOPMENT
AGENDA LINKS

This Program incorporates activities related to the following adopted Development Agenda recommendations: 34, 35, 37, 38 and 39.

RESOURCES*

Program 16
Economic Studies, Statistics and Analysis
(in thousands of Swiss francs)

	2008/09 Approved Budget	2008/9 Proposed Revised	Difference	
			Amount	%
A. Personnel Resources				
Posts	--	1,285	1,285	--
Short-term Employees	--	--	--	--
Consultants	--	--	--	--
Special Service Agreements	--	--	--	--
Interns	--	--	--	--
Total, A	--	1,285	1,285	--
B. Non-personnel Resources				
<i>Travel and Fellowships</i>				
Staff Missions	--	45	45	--
Third-party Travel	--	--	--	--
Fellowships	--	--	--	--
<i>Contractual Services</i>				
Conferences	--	100	100	--
Experts' Honoraria	--	--	--	--
Publishing	--	53	53	--
Other	--	90	90	--
<i>Operating Expenses</i>				
Premises & Maintenance	--	--	--	--
Communication & Other	--	14	14	--
<i>Equipment and Supplies</i>				
Furniture & Equipment	--	--	--	--
Supplies & Materials	--	--	--	--
Total, B	--	301	301	--
TOTAL	--	1,586	1,586	--

* For the number of posts for the Program please refer to Table 2 of Annex III

Strategic Goal VI: International Cooperation on Building Respect for IP

Summary of Strategic Goal VI

- **Program 17: Building Respect for IP**

The respect for IP is a fundamental principle shared by all WIPO's member governments. This new Strategic Goal aims to enhance international cooperation on building respect for IP. This is a broad, cross-cutting goal, which is more inclusive than the narrower concept of enforcement. It calls for a balanced approach, focusing on international cooperation where WIPO can make a difference, and conducted within the spirit of Development Agenda (45): "To approach intellectual property enforcement in the context of broader societal interests and especially development-oriented concerns, with a view that "the protection and enforcement of intellectual property rights should contribute to the promotion of technological innovation and to the transfer and dissemination of technology, to the mutual advantage of producers and users of technological knowledge and in a manner conducive to social and economic welfare, and to a balance of rights and obligations", in accordance with article 7 of the TRIPS Agreement." WIPO's activities in support of this goal apply across all areas, including capacity building, provision of training, awareness-raising and educational programs aimed at promoting respect for IP.

Initially, only Program 17 (former Program 10 - IPR Enforcement) is listed directly under this goal in the revised framework. This Program is responsible for servicing the Advisory Committee on Enforcement, for providing legislative assistance in response to requests from Member States, and for capacity building for the judiciary and law enforcement officials. Many other programs, however, contribute directly to building respect for IP, including activities conducted under Programs 9 and 10 by the regional Bureaus, under Program 4 (on traditional knowledge, traditional cultural expressions, and genetic resources), and under Program 19 (on awareness raising).

Strategic Goal VI: International Cooperation on Building Respect for IP

- **Program 17: Building Respect for IP**

CHALLENGES

The need to put in place and continually improve mechanisms for the respect of intellectual property, including in the online environment, is at the heart of IP policy debates and initiatives in countries and regions around the globe. Yet, in spite of the efforts at the international, regional and national levels, there has been a significant increase in counterfeiting and piracy activities in recent years.

During the 2006/07 biennium, the WIPO Advisory Committee on Enforcement (ACE), which was established in 2002 as a forum for international review and debate on topical issues related to IP enforcement, held its third and fourth sessions. The next session of the ACE is scheduled to take place in 2009. The expertise of WIPO, as an organization with a global perspective, was increasingly sought by Member States to integrate IP into national policies and programs designed to strengthen the enforcement infrastructure and institutions.

WIPO has also become a key provider of training programs for law enforcement officials to enable them to deal with the increased demand for judicial processes from both civil and criminal perspectives. In addition, WIPO has built, and enhanced, strategic partnerships with a number of intergovernmental organizations such as the World Customs Organization (WCO), Interpol, the World Health Organization (WHO), the Organization for Economic Cooperation and Development (OECD), and the World Trade Organization (WTO). In line with the mandate of the ACE to cooperate and coordinate with organizations and the private sector to combat counterfeiting and piracy, WIPO has also worked with a number of relevant private sector organizations to achieve this goal. This includes a partnership with the WCO, Interpol, and private sector organizations in the Global Congress on Counterfeiting and Piracy.

This Program will need to address the increasing requests by Member States for advice on the modernization of enforcement provisions in national legislation, the interrelation of IP and other related legislation, and the creation of an efficient enforcement infrastructure for implementation of all applicable provisions. In addition, there will be a continued need to facilitate informed international-level policy debates on optimal measures to address IP enforcement challenges while, simultaneously, taking into account the socio-economic needs.

OBJECTIVE

Strengthened capacity in Member States for the effective enforcement of IP rights in the interest of social and economic development and consumer protection, and informed policy discussions at the international level

EXPECTED RESULT(S)	PERFORMANCE INDICATORS AND TARGETS
Implementation of efficient national, sub-regional or regional IP enforcement systems	<ul style="list-style-type: none"> — Formulation of IP enforcement strategies in three Member States/sub-regions, involving the various stakeholders — New or updated legislative framework for effective IP enforcement in four Member States
Constructive and balanced international policy dialogue	<ul style="list-style-type: none"> — Identification of issues of common global concern in the field of IP enforcement in the ACE resulting in commonly agreed conclusions by the Chair — Strengthened strategic partnerships through new joint activities, including special projects, with other IGOs and NGOs
Enhanced capacity of the judiciary and law enforcement officials in handling enforcement matters	<ul style="list-style-type: none"> — More efficient enforcement actions in four Member States by the judiciary, customs and police officials — Improved right holder participation in the enforcement process in six Member States
Integration of IP issues in enforcement related activities of partner Organizations	Reflection of two substantive contributions provided by WIPO to relevant initiatives of IGOs or NGOs

STRATEGIES

Under the Program, tailored advice for the modernization and streamlining of IP enforcement systems will be provided to Member States on request. This will take due account of existing national, regional and international legal frameworks and reflect the specific needs and concerns of Member States and will be conducted according to the principles enshrined in Development Agenda Recommendation 45. Where required, advice would address coherent enforcement mechanisms for

several countries of a region or sub-region in cooperation with regional or sub-regional organizations. National and regional consultations, pilot programs, legal and technical cooperation activities and awareness raising meetings will be held with a focus on the development and enhanced use of updated and efficient IP enforcement mechanisms. When requested, substantive advice will be provided in the framework of special projects to assist Member States or partner organizations in streamlining their efforts related to IP enforcement.

In line with renewed Member State support for the ACE as a forum of choice for enhanced enforcement policy dialogue, continued meetings of the ACE will be convened. This dialogue will be supported with detailed information and legal analysis, based on the experience of different countries and regions. An objective will be to facilitate a comprehensive understanding on enforcement issues. Information sharing will be facilitated through the development of WIPO publications and enforcement newsletters, and by disseminating information through the enforcement website on emerging trends, jurisprudence and developments in this field.

There will be enhanced cooperation with organizations having an expertise in specific areas relating to IP enforcement, such as the WCO, WTO, WHO and Interpol. This will include regular information exchange and meetings, substantive contributions to the applicable activities initiated by these partner organizations, and joint events. There will be active involvement in defining the further directions of the Global Congress on Combating Counterfeiting and Piracy.

In addition, Member States will be assisted in increasing the capacity of decision-makers, the judiciary and law enforcement officials in effectively dealing with IP enforcement matters taking full account of the balance of rights and obligations in accordance with Article 7 of the TRIPS Agreement. The development of judicial capacities to deal with the effective adjudication of IP disputes will be facilitated and supported, including through the preparation of case law compilations as reference material for the judiciary and the preparation of legal analysis and studies in the area of IP enforcement. Structured information and training programs for judicial authorities and law enforcement officials such as prosecutors, customs and police officials will be offered. In this context, cooperation with other organizations will be further increased.

PROGRAM LINKS

This Program will cooperate closely with Programs 8, 9 and 10 (for coordination of activities at the national level), Program 11 (for contributing expert input to Academy training courses) and Program 7 (in relation to enforcement frameworks to which arbitration and mediation may constitute alternatives) and Program 19 (on awareness raising materials).

**DEVELOPMENT
AGENDA LINKS**

This Program incorporates activities related to the following adopted Development Agenda recommendations: 45.

RESOURCES*

Program 17
Building Respect for IP

(in thousands of Swiss francs)

	2008/09 Approved Budget	2008/9 Proposed Revised	Difference	
			Amount	%
A. Personnel Resources				
Posts	2,150	1,544	(606)	(28.2)
Short-term Employees	--	--	--	--
Consultants	293	542	249	85.0
Special Service Agreements	--	(78)	(78)	--
Interns	--	8	8	--
Total, A	2,443	2,016	(426)	(17.5)
B. Non-personnel Resources				
<i>Travel and Fellowships</i>				
Staff Missions	147	132	(15)	(10.0)
Third-party Travel	495	550	55	11.1
Fellowships	--	--	--	--
<i>Contractual Services</i>				
Conferences	110	110	--	--
Experts' Honoraria	98	88	(10)	(10.0)
Publishing	--	--	--	--
Other	--	--	--	--
<i>Operating Expenses</i>				
Premises & Maintenance	--	--	--	--
Communication & Other	23	21	(2)	(10.0)
<i>Equipment and Supplies</i>				
Furniture & Equipment	--	--	--	--
Supplies & Materials	5	5	(1)	(10.0)
Total, B	878	906	28	3.2
TOTAL	3,321	2,922	(399)	(12.0)

* For the number of posts for the Program please refer to Table 2 of Annex III

Strategic Goal VII: Addressing IP in Relation to Global Policy Issues

Summary of Strategic Goal VII

- **Program 18 IP and Global Challenges**

This new Strategic Goal reflects the determination to re-establish WIPO's position as the leading intergovernmental forum for addressing the intersection between intellectual property and global public policy issues. It implies proactive and substantive engagement with other UN and intergovernmental organizations in order to contribute to the shared search for solutions to the major challenges facing humanity, including challenges relating to climate change, food security, public health, the protection of biodiversity, and to meeting the Millennium Development Goals. The most immediate impact of many of these global problems is borne by Developing and Least Developed Countries, and the programs developed under this Strategic Goal will be closely involved in the realization of a number of Development Agenda objectives.

A new Director will be recruited in 2009 to lead and develop Program 18, with other staff and financial resources reallocated to support it. Building on the work undertaken by former Program 5 (Life Sciences), the objectives of the Program will be to lead public policy debate and initiatives on IP and global challenges; to inform policy deliberations; to facilitate access to, and use of, information; and to enhance the capacity of WIPO Member States to assess and exercise policy, legal and practical options, concerning IP and global issues. It will work closely with a number of other programs; in particular those related to WIPO's development objectives, and with the external relations Program (20).

Strategic Goal VII: Addressing IP in Relation to Global Policy Issues

• Program 18 IP and Global Challenges

CHALLENGES

Intellectual property has moved to the centre of a host of international public policy debates in fields of crucial importance for humanity. The impact, positive and negative, of the intellectual property system, and the current use and untapped potential to deliver much needed solutions, have been extensively debated and explored in policy debates relating to public health, biodiversity, climate change, food security, other areas of environmental protection such as combating desertification, bioethics and new developments in the life sciences. These fundamentally important debates are now moving into a sophisticated level of policy and legal analysis. This spurs demand among international policymakers for more nuanced and empirically solid information, and a more active role for WIPO as an actor and dialogue partner, as a source of technically sound analysis, and as a policy forum in its own right.

The program, building on an established track record of policy analysis in relation to public health, plant genetic resources, biodiversity and environmental issues, is now refocused and strengthened as a new Program on IP and Global Challenges. This initiative will give WIPO a consolidated basis for a stronger role on many of today's critical public policy issues involving intellectual property. The global challenges addressed under this Program touch upon the search for solutions to fundamental human and social needs such as health, food, a safe environment and access to knowledge and bridging the digital divide. Their importance for society is increasing at the same time as public scrutiny and debate intensifies over how to achieve the necessary policy settings and the balance between public and private interests, and between IP law and other domains of public international law. Within the international system, WIPO has a unique and central contribution to make.

The Program will address current challenges such as:

- questions of how IP can achieve public welfare outcomes and promote innovation, equitable access, and effective transfer of key technologies, especially regarding climate change, neglected diseases and the needs of resource-poor farmers in developing countries;
- policy questions posed by public investment in research in health, agriculture and environmentally friendly technology as to how to use IP appropriately to deliver equitable welfare dividends from this investment;
- specific issues as to how general patentability criteria can still promote the public interest when applied to sensitive technologies, and the linkages between patent law and areas of public policy and regulation, such as environment, pharmaceuticals and genetic resources policy; and the scope for policymakers to promote public interest outcomes;
- proposals for alternative innovation structures tailored to public interest outcomes, such as collaborative innovation, public private partnerships for pharmaceutical development, commons-based peer production in agricultural biotechnology and green patent commons and pooling initiatives;
- the gap between the bulk of raw patent data and the needs of policymakers for accessible and sound information in sectors of technology of most concern to public policy; and

- the high tempo of innovation and technology diffusion which calls for (i) systematic monitoring of IP developments; (ii) objective information on patenting patterns; and (iii) an open, inclusive and informed debate on the IP system’s possibilities and limitations in achieving and fostering public interest outcomes. Policymakers have called for WIPO to apply its expertise to make factual, technical contributions to public policy in this field, stressing though that WIPO’s input should remain neutral and objective.

For instance, improving access to medical technology is a global challenge. WIPO can assist in identifying IP options specific for health care technologies and improving the quality and scope of value-added patent information resources. WIPO Member States seek to ensure that IP systems address public expectations and concerns regarding advances in the life sciences. There is a widely acknowledged need for enhanced dialogue and enhanced policymaking expertise in these testing policy domains, built on accessible, factual and technically sound policy resources, themselves built up through dialogue and cooperation.

As a specialized agency within the UN system, able to provide focused IP-related expertise in a manner that is sensitive to the policy context, WIPO can shed light on the landscape of IP for policymakers and can illuminate policy and legal possibilities, while respecting the distinct policy expertise and competence of other specialized agencies. As the emergence of wide-ranging, technically complex debates represents a common challenge, policymakers would then have a richer factual basis from which to address current policy issues, and partner organizations would have a strengthened capacity to achieve their mandated objectives. Equally, WIPO would perform its expected and necessary role as the principal policy forum and source of expertise on IP issues within the UN family.

OBJECTIVE

To lead public policy initiatives on IP and global challenges, and support policy deliberations, access to and use of information, and enhanced capacity of WIPO Member States to assess and exercise policy, legal and practical options, concerning IP and global issues

EXPECTED RESULTS	PERFORMANCE INDICATORS AND TARGETS
<p>Recognition of WIPO’s role in international policy, and increased capacity of policymakers to monitor developments in IP and global issues, to review the implications of policy options, and to assess the policy interests and perspectives concerned</p>	<ul style="list-style-type: none"> – Use of WIPO inputs in international and national processes. Target: 8 processes – Feedback and report impact from policy forums that WIPO convenes or contributes to. – Requests for WIPO inputs from Member States, IGOs and other organizations.

Strategic Goal VII: Addressing IP in Relation to Global Policy Issues

EXPECTED RESULTS	PERFORMANCE INDICATORS AND TARGETS
<p>Enhanced interactive exchange between governments, international organizations, civil society actors, and the private sector.</p>	<ul style="list-style-type: none"> — Requests for WIPO participation in policy forums. — Feedback and reported impact from policy forums WIPO convenes — Range and diversity of policy dialogue partners, and reported impact of enhanced dialogue <p>Target: enhanced cooperation with 4 existing partners, and cooperation with 4 new partners. 6 policy forums convened by WIPO.</p>
<p>Practical availability of new patent analysis tools and studies and patent information resources regarding IP and global challenges</p>	<ul style="list-style-type: none"> — Number and scope of new policy tools and studies, and patent information analyses and data tools — Feedback from users and partners on the quality and relevance of tools developed <p>Target: 6 new outputs</p>
<p>Enhanced capacity of Member States and partner IGOs to make informed decisions regarding practical options for use of patented technology in fields most relevant to global policy challenges</p>	<ul style="list-style-type: none"> — Requests for patent information products — Feedback from users of products <p>Target: Requests for 6 new products</p>

STRATEGIES

Moving beyond an initial focus on the life sciences, and increasingly focused on broader issues such as the environment, this Program has already undertaken extensive groundwork for a systematic, factual and neutral approach to engaging with IP aspects of the public policy concerns surrounding these areas of public policy. Working in close coordination with Program 4, this Program has convened policy symposia, issues papers and new patent information tools to support policymakers. This work has led to valuable cooperation with the World Health Organization, UNESCO, the Food and Agricultural Organization, the World Trade Organization and other program partners. The strategy is first to listen to and learn from existing policy processes in other forums, and to consult widely; second to develop draft issues papers, case studies, briefings and patent landscapes that respond to the emerging needs for information; and third to present these materials in a series of policy symposia and other joint exercises convened in dialogue with other policy partners.

The Program will build on this firm groundwork already laid, and will undertake substantive analysis of the intellectual property-related aspects of the major global policy challenges facing the international community, in the areas of climate change, food security, public health and biodiversity and will identify emerging issues. The Program will identify options to enhance WIPO's contribution to addressing such challenges, within the framework of collective action and in close coordination with other United Nations and intergovernmental organizations, and will facilitate and lead constructive debate between governmental, NGO and industry actors; and it will provide expert input to discussions and other policy processes in international fora.

The key strategy of this Program will remain centered on the use of factual information, comprehensive surveys of actual patterns of activity, actual policy choices and different innovation structures, and technically sound analyses of policy options. While representing a pronounced shift towards a more active and central role in the international policy space, program activities will continue to be fundamentally demand-driven, responding to Member State requests and the invitations of other international organizations, particularly those within the UN system. The Program will concentrate on those aspects of IP and related regulation that are most involved in the specific global policy challenges identified. In doing so, the Program will consolidate and present to a broader policy audience past years of groundwork in the form of issues papers and background studies, to provide more effective and sustained support for national and international policy processes, founded on the collation of factual, comprehensive and objective information. The Program will develop new analytical tools and initiatives, including patent landscapes and reviews of patenting trends, in distinct policy domains, notably biomedical innovation, agricultural biotechnology and plant genetic resources, and environmentally friendly technology, notably technologies relevant to climate change adaptation and mitigation.

This Program will continue to provide the substantive, technical or expert element of WIPO cooperation with other international organizations and agencies dealing with life sciences issues, such as CBD, FAO, UNAIDS, UNCTAD, ICGEB, UNEP, UNESCO, WHO and the WTO, and will continue to provide the input that those bodies request from WIPO. The Program will contribute, as appropriate, to international processes such as the WHO Intergovernmental Working Group on Public Health, Innovation and Intellectual Property and the UN Inter-Agency Committee on Bioethics. It will support the international discussion with policy information material on selected IP issues related to life sciences addressing subjects of particular concern to Member States, other international organizations, the private sector and civil society. A series of colloquia, workshops, presentations and policy forums will help to identify and clarify the IP dimension in these global policy challenges and underline WIPO's role in providing information that informs and facilitates global policy processes.

PROGRAM LINKS This Program will be implemented in close coordination with Program 1 (Patents, Innovation Promotion and Technology Transfer), Program 3 (Copyright and Related Rights), Program 4 (Traditional Knowledge, Traditional Cultural Expressions and Genetic Resources), Program 14 (PATENTSCOPE[®] and Associated Patent Services) and Program 20 (External Offices and Relations),

Strategic Goal VII: Addressing IP in Relation to Global Policy Issues

DEVELOPMENT
AGENDA LINKS

This Program incorporates activities related to the following adopted Development Agenda recommendations: 12, 24, 34, 36 and 40.

RESOURCES*

Program 18
IP and Global Challenges

(in thousands of Swiss francs)

	2008/09 Approved Budget	2008/9 Proposed Revised	Difference	
			Amount	%
A. Personnel Resources				
Posts	420	852	433	103.1
Short-term Employees	--	--	--	--
Consultants	--	137	137	--
Special Service Agreements	--	--	--	--
Interns	--	--	--	--
Total, A	420	989	570	135.8
B. Non-personnel Resources				
<i>Travel and Fellowships</i>				
Staff Missions	92	101	9	9.6
Third-party Travel	50	100	50	100.0
Fellowships	--	--	--	--
<i>Contractual Services</i>				
Conferences	--	20	20	--
Experts' Honoraria	80	180	100	125.0
Publishing	30	50	20	66.7
Other	--	--	--	--
<i>Operating Expenses</i>				
Premises & Maintenance	--	--	--	--
Communication & Other	4	8	4	102.5
<i>Equipment and Supplies</i>				
Furniture & Equipment	--	--	--	--
Supplies & Materials	4	7	3	80.0
Total, B	260	466	206	79.3
TOTAL	680	1,455	776	114.1

* For the number of posts for the Program please refer to Table 2 of Annex III

STRATEGIC GOAL VIII: A Responsive Communications Interface between WIPO, its Member States and all Stakeholders

Summary of Strategic Goal VIII

- **Program 19: Communications**
- **Program 20: External Offices and Relations**

Strategic Goal VIII signals the high priority attached by the new WIPO administration to promoting effective communication at all levels and to developing a culture of customer service. WIPO's customers are not only the users of its income-generating services, but are first and foremost the Member States, as well as other stakeholders to which the Organization provides wide ranging services including support to the Committees on normative activity, capacity-building services, information and technical services. Trusted communication between the various stakeholders is a precondition to the effective functioning of the Organization.

There are two Programs listed directly under this Strategic Goal. However, the staff in every program across the Organization, starting with the Director General (Program 21), will share the responsibility for realizing the goals of responsive communication and customer service.

The Communications area under Program 19 has been the starting point for the strategic realignment process, in order to begin putting in place structural and policy changes to improve external communication and customer service. The Program is also central to WIPO's work in promoting an IP culture, and in providing support to Member States, particularly developing countries and Least Developed Countries, with public awareness-raising tools, activities and materials. Program 20 (External Offices and Relations), working closely with the new Program 18 (IP and Global Challenges), will continue to engage with other organizations of the UN system on intellectual property and on system-wide issues, as well as coordinating WIPO's engagement with Civil Society and industry groups. A process of rationalization of WIPO's external offices has begun, and in line with a refocusing of these offices, it is proposed that, following an invitation received from the Government of Brazil in October 2008 (accompanied by an offer to provide premises and infrastructure support at no cost to WIPO) a new office will be opened in Brazil in 2009. Program 20 is also responsible for extrabudgetary resource mobilization and for the development of partnerships for technical assistance and capacity-building work, and as such will have a key role in delivery of Development Agenda objectives.

STRATEGIC GOAL VIII: A Responsive Communications Interface Between WIPO, its Member States and all Stakeholders

• **Program 19: Communications**

CHALLENGES Demand for information on how to reap the benefits of the IP system continues to grow, particularly from developing and emerging economies and among innovators, creators, entrepreneurs, and users of the system. This growing demand calls for a responsive communications interface between WIPO, its Member States, and all stakeholders. It requires an increased customer and stakeholder orientation and a focus on trusted, two-way communication. These efforts will help build confidence in WIPO as the leading provider of IP services and information.

Challenges in the 2008/09 biennium include ensuring that this Program continues to make a concrete contribution to the Development Agenda objective of “promoting a, *inter alia*, development-oriented intellectual property culture, with an emphasis on introducing intellectual property at different academic levels and on generating greater public awareness on intellectual property” (recommendation 3). Efforts in this area include close cooperation with Member States in using WIPO’s information tools and in assisting in the creation of development-oriented, country-specific awareness-raising and educational materials. The WIPO Awards program will also be streamlined in order to better assist in promoting the use of the IP system among inventors, creators, academia, and entrepreneurs, particularly in developing countries and LDCs. The WIPO Library will provide IP information to students, academics, and the general public. Cultural and gender sensitive approaches will be used in all of these activities. Mechanisms to measure the impact of such activities – via surveys, web-questionnaires, etc – need to be further developed throughout the biennium.

A new challenge for 2009 will be to develop a focus on customer service, beginning with an audit and analysis of the Organization’s key customer contact points, an assessment of best practices and benchmarking at similar organizations, and leading to the eventual development of a central point of entry for enquiries to WIPO and timely, coordinated and monitored response. Key throughout this development will be the establishment of baselines to measure performance, response rates, customer satisfaction, etc.

Consistent and broad dissemination of information on the role of IP in creativity and innovation, on the workings of the IP system, and on WIPO’s activities and services remains a priority. This will be conducted through the WIPO website, publications, film and multimedia products, and through productive relations with the news media. The WIPO website is the Organization’s most cost-effective means of disseminating information worldwide in order to contribute to knowledge sharing objectives. Further development of the website to serve these ends remains, therefore, an on-going challenge. New and increasingly sophisticated information products focusing on specific issues – or for specific target audiences – will be required, using a variety of communications tools. Additional information products – as well as development and promotion of the WIPO brand – will further advance WIPO’s role and image as the leading provider of IP information and services, and will explain and promote the international IP system to existing and potential users.

OBJECTIVE

Better understanding of IP issues and of WIPO's role worldwide and greater service orientation within the Organization

EXPECTED RESULTS	PERFORMANCE INDICATORS AND TARGETS
<p>Broader understanding of the role of IP, and of WIPO and its activities, among policy makers and the general public</p>	<ul style="list-style-type: none"> — Core messages on the value of IP (via printed materials, multimedia products, and the WIPO website) are used by Member States in ten national public outreach activities — IP educational materials for young people are used by ten Member States in national school systems — Broadcast of two WIPO public information spots on at least two international networks and 40 national networks in Member States — 10% increase in the number of Member States with outreach activities on World IP Day
<p>Improved customer focus throughout Organization</p>	<ul style="list-style-type: none"> — completed audit and assessment of existing WIPO service activities — completed benchmarking of customer service operations in relevant external organizations — short-term, transitional solution introduced for initial improvement in call center/help desk operations — Coordination of existing service operations with top-level enquiry center; creations of new "second-level" service providers in relevant sectors.

Strategic Goal VIII: A responsive Communications Interface Between WIPO, its member States and all Stakeholders

<p>Higher global media profile for WIPO activities</p>	<ul style="list-style-type: none"> — At least 5% increase in world press articles which use information provided by WIPO. — At least 5% increase in the number of media contacts regularly reporting on WIPO — At least 5% increase in number of WIPO-generated articles in specialized business and academic publications
<p>Increased use of the WIPO Library's information resources</p>	<ul style="list-style-type: none"> — 10% increase in the number of customers using the Library services (from 10/week in 2006)

STRATEGIES

Improving the Organization's customer and stakeholder orientation will begin with an audit and assessment of WIPO's current means of customer contacts, as well as extensive surveys of other organizations for best practices and benchmarking in the customer service area. These efforts will aid in the development of a central point of enquiry for WIPO customers and stakeholders.

To better inform the widening debate on IP and to further promote the Organization's role as the primary source of IP information, innovative and more differentiated information products will be created to meet the needs of a wider audience. In addition agreements with external publishers will be pursued to produce a range of publications on IP issues. The Program will also work closely with other sectors to develop promotional campaigns and products for their services. To further improve the quality control of WIPO publications and to ensure that these respond to established needs, the WIPO Editorial Board will be reintroduced to provide quality peer review of proposed publications.

To further expand WIPO's resources in the areas of outreach, partnerships with the private sector and external entities will continue to be developed. More assistance to Member States in refining their outreach goals and strategies will also be provided. The production of WIPO film and multimedia products will continue to broaden the understanding of key IP issues and WIPO activities. These products will be provided to Member States, especially in developing countries and LDCs, as well to support their national IP outreach efforts.

Topical and timely information will be created and disseminated to the press, NGOs, and other groups, using a broad range of communications media. Key among these will be the WIPO website. The content, structure, and presentation of the website will be continuously enhanced, and its navigability reviewed regularly.

Revised Program and Budget for 2008/09

An intensified media relations strategy will ensure a proactive, efficient and open dialogue with the media, and efforts in the area of public affairs will also be strengthened through the organization of visits, briefings and seminars at WIPO headquarters and the WIPO Information Center for various target groups.

The WIPO Library will increase its presence in the IP community by promoting its services and by improving its presence on the WIPO web site. Greater demand for information will be supported via an expanded Library collection of online and paper materials with a focus on up-to-date IP books and journals.

To further increase on-line sales of WIPO information products and reduce distribution costs, a more efficient, automated sales and distribution system will be fully implemented. Agreements with local publishers, particularly in developing countries, will be pursued to further expand distribution of WIPO information products.

PROGRAM LINKS This Program will cooperate closely with all substantive programs (to disseminate information on their activities) and especially with Program 25 (for further development of the WIPO website).

DEVELOPMENT

AGENDA LINKS This Program incorporates activities related to the following adopted Development Agenda recommendations: 3 and 5.

Strategic Goal VIII: A responsive Communications Interface Between WIPO, its member States and all Stakeholders

RESOURCES*

**Program 19
Communications**

(in thousands of Swiss francs)

	2008/09 Approved Budget	2008/9 Proposed Revised	Difference	
			Amount	%
A. Personnel Resources				
Posts	8,405	8,649	244	2.9
Short-term Employees	2,128	2,165	37	1.7
Consultants	585	404	(181)	(30.9)
Special Service Agreements	92	90	(2)	(2.0)
Interns	--	26	26	--
Total, A	11,209	11,335	125	1.1
B. Non-personnel Resources				
<i>Travel and Fellowships</i>				
Staff Missions	210	225	15	7.2
Third-party Travel	21	21	0	2
Fellowships	--	--	--	--
<i>Contractual Services</i>				
Conferences	88	88	0	0.5
Experts' Honoraria	--	--	--	--
Publishing	460	244	(216)	(47.0)
Other	199	238	39	19.5
<i>Operating Expenses</i>				
Premises & Maintenance	11	16	5	43.1
Communication & Other	98	88	(10)	(9.9)
<i>Equipment and Supplies</i>				
Furniture & Equipment	50	70	20	39.5
Supplies & Materials	621	855	234	37.6
Total, B	1,758	1,845	87	5.0
TOTAL	12,967	13,179	212	1.6

* For the number of posts for the Program please refer to Table 2 of Annex III

• **Program 20: External Offices and Relations**

CHALLENGES

The consolidation of the External Relations function in the 2006/07 biennium, enabled a more coherent and effective organizational approach to relations with the external community, including with other UN system organizations, inter-governmental organizations, regional and sub-regional organizations, relevant government institutions, industry and civil society groups and associations. To take advantage of external relation networks, this Program now also coordinates WIPO's efforts to mobilize extrabudgetary resources and establish partnerships with both the public and private sector, in particular to support technical assistance and capacity-building activities.

The main challenges which the Program will face in the 2008/09 biennium include taking advantage of the broad support for the work of the Organization to attract extrabudgetary support and develop partnerships for technical assistance and capacity-building, in order to implement Development Agenda recommendation 2: "Provide additional assistance to WIPO through donor funding, and establish Trust-in-Funds or other voluntary funds within WIPO specifically for LDCs, while continuing to accord high priority to finance activities in Africa through budgetary and extra-budgetary resources, to promote, *inter alia*, the legal, commercial, cultural, and economic exploitation of intellectual property in these countries."

Working closely with new Program 18, the Program will continue seek to ensure that the Organization is a fully engaged member of the UN system, contributing effectively to UN-wide reform initiatives, and liaising, as appropriate, with other organizations concerning system-wide issues.

OBJECTIVE

Enhanced and more effective engagement of WIPO with the external community

EXPECTED RESULTS	PERFORMANCE INDICATORS AND TARGETS
Deliberations pertaining to IP issues in other international fora, including the UN, take WIPO's input into account	8 documents and international meeting reports reflect WIPO's input

Strategic Goal VIII: A responsive Communications Interface Between WIPO, its member States and all Stakeholders

EXPECTED RESULTS	PERFORMANCE INDICATORS AND TARGETS
<p>Greater understanding among industry groups and civil society of WIPO's work and the developmental benefits of IP; and enhanced participation of civil society in WIPO activities in accordance with criteria regarding NGO acceptance and accreditation (Development Agenda recommendation 42)</p>	<ul style="list-style-type: none"> — 8 communications, reports and publications from governmental and non-governmental organizations reflect a more informed view on IP — Increased number of NGOs participate as observers at WIPO and engage in joint activities — Increased number of joint activities with regional, sub-regional and national organizations — additional public and private sector partnerships
<p>Increase in extrabudgetary resources available to WIPO to support its technical assistance and capacity-building work (Development Agenda recommendation 2)</p>	<ul style="list-style-type: none"> — Increase in extrabudgetary income to WIPO in 2008/09 as compared with the extrabudgetary income reported in the 2006/07 Financial Management Report — Increase in the WIPO donor base reflected in the number of new donors, Funds-in-Trust (FIT) Agreements and other such Agreements

STRATEGIES

The external offices and relations Program will continue to develop and manage networks of relationships with the external community. This would ensure that WIPO is fully informed of relevant IP related developments, and there is a greater understanding and more informed debate on IP issues among external stakeholders. To this end, networks of stakeholders will also be developed as well as partnership with the private sector as a whole.

The Program will continue to strengthen cooperation with the UN system, intergovernmental organizations, the Bretton Woods Institutions and non-governmental organizations in order to promote a better understanding of WIPO's vision and objectives. It will also work closely with other UN organizations and relevant UN bodies, on issues relating to UN system-wide management and reform. Joint projects and activities with various stakeholders in support of the Organization's objectives will be developed.

The development of partnerships and resource mobilization in support of WIPO's technical assistance and capacity-building activities will be facilitated including the possible convening of a WIPO Donor Conference in 2009, subject to the outcome of an initial phase of consultation meetings which will take place in Geneva in 2008 as decided by the WIPO General Assemblies in September 2008. (A budget

provision is proposed within this Program to cover the potential costs of a Donor Conference should the outcome of the consultation process be positive.)

The work of all external offices will be reviewed and refocused in line with the Strategic Goals and with a view to enhancing delivery of services and capacity building. In this respect, a dialogue will be opened with the Member States in 2009 concerning the role, function and desirable overall locations and resourcing of WIPO's external offices.

An initial step in this rationalization process was the closure of the Washington Office. Options for further possible closures are under consideration together with the possible opening of new offices. In line with this refocusing of the external offices, it is proposed that, following an invitation received from the Government of Brazil in October 2008 (accompanied by an offer to provide premises and infrastructure support at no cost to WIPO) a new office will be opened in Brazil in 2009.

PROGRAM LINKS Links with all WIPO Programs.

DEVELOPMENT

AGENDA LINKS This Program incorporates activities related to the following adopted Development Agenda recommendations: 2, 14, 30, 40 and 43.

Strategic Goal VIII: A responsive Communications Interface Between WIPO, its member States and all Stakeholders

RESOURCES*

Program 20
External Offices and Relations

(in thousands of Swiss francs)

	2008/09 Approved Budget	2008/9 Proposed Revised	Difference	
			Amount	%
A. Personnel Resources				
Posts	6,642	6,774	132	2.0
Short-term Employees	580	421	(160)	(27.5)
Consultants	--	--	--	--
Special Service Agreements	13	--	(13)	(100.0)
Interns		44	44	--
Total, A	7,235	7,238	3	0.0
B. Non-personnel Resources				
<i>Travel and Fellowships</i>				
Staff Missions	474	532	58	12.2
Third-party Travel	60	32	(28)	(47.0)
Fellowships	--	--	--	--
<i>Contractual Services</i>				
Conferences	5	170	165	3,125.8
Experts' Honoraria	17	11	(6)	(35.1)
Publishing	--	30	30	--
Other	165	112	(53)	(32.2)
<i>Operating Expenses</i>				
Premises & Maintenance	839	674	(165)	(19.7)
Communication & Other	631	762	131	20.8
<i>Equipment and Supplies</i>				
Furniture & Equipment	20	56	36	177.4
Supplies & Materials	18	27	9	50.5
Total, B	2,230	2,406	176	7.9
TOTAL	9,465	9,644	179	1.9

* For the number of posts for the Program please refer to Table 2 of Annex III

Strategic Goal IX: An Efficient Administrative and Financial Support Structure to Enable WIPO to Deliver its Programs

Summary of Strategic Goal IX

- **Program 21: Executive Management**
- **Program 22: Finance, Budget and Program Management**
- **Program 23: Human Resources Management and Development**
- **Program 24: Administrative Support Services**
- **Program 25: Information and Communication Technology**
- **Program 26: Internal Oversight**
- **Program 27: Conference and Language Services**
- **Program 28: Security**
- **Program 29: New Construction**

Strategic Goal IX aims to build an administrative, financial and management support infrastructure focused on enabling program delivery, with efficiency and transparency as guiding principles.

Under the new Administration, the Program for Executive Management (21) will drive the process of cultural change and structural realignment to enable the Organization to fulfill its mandate effectively and efficiently. The streamlining of the two former programs for Resource Management and Control and Financial Operations within a single program for Finance, Budget and Program Management (22), includes a new function aimed at supporting the development of a results based management framework. This Program together with Program 23 (Human Resources Management and Development) will play a key role in supporting the Executive Management Program and delivering the strategic realignment process.

Strategic Goal IX: Efficient Administrative and Financial Support Structure to Enable WIPO to Deliver its Programs

• **Program 21: Executive Management**

CHALLENGES

A primary focus of the Executive Management Program over the next few years, will be the delivery of organizational change, led by the Director General, through a comprehensive strategic realignment process. The aim is to ensure that WIPO's goals, structures, programs and resources are focused and streamlined in such a way as to enable the Organization to fulfill its mandate effectively within a rapidly evolving external environment.

The challenges in this biennium are to: ensure that the strategic realignment process is implemented successfully; ensure regular and high quality communications from the Director General to Member States, staff and other stakeholders; improve the process of strategic planning; strengthen mechanisms for obtaining inputs from different sectors of the Organization, and from stakeholders, in order to have a firm basis for adopting specific policy directions; formulate and implement appropriate policies, strategies and programs in accordance with the directives of the Member States and taking account of the diverse concerns of various stakeholders; monitor the implementation of policy decisions; ensure continued respect for the rules and procedures governing the activities of the Organization while maintaining respect for privileges, immunities and legal status of the Organization; address increasing demands for legal inputs emanating from, inter alia, Assemblies related activities and contractual work linked to the implementation of the construction project; and the continued provision of effective and professional administrative, protocol and logistical support to the Director General.

OBJECTIVE

Clear policy direction and a well run Organization, to enable WIPO to fulfil its mandate, in accordance with Member States' directives and the regulatory framework

EXPECTED RESULT(S)	PERFORMANCE INDICATORS AND TARGETS
Successful implementation of the initial phase of the strategic realignment process	<ul style="list-style-type: none"> <li data-bbox="948 1373 1414 1528">— Realignment of program structure reflected in the revised 2008/09 Program and Budget; new programs established as approved by Member States <li data-bbox="948 1562 1398 1654">— Quality of skills and competences brought in to provide direction at senior management level <li data-bbox="948 1688 1338 1747">— Medium Term Strategic Plan approved by Member States <li data-bbox="948 1780 1390 1839">— Realignment reflected in 2010/11 Program and Budget

EXPECTED RESULT(S)	PERFORMANCE INDICATORS AND TARGETS
Improved communications to Member States, senior management, staff and other stakeholders from the Office of the Director General	<ul style="list-style-type: none"> – Effectiveness of Senior Management Team Processes – Feedback from staff and external stakeholders on quality of communications
Timely quality advice and assistance to the Director General, Member States, WIPO's internal sectors and divisions on a wide range of strategic issues related to the work of the Organization	Feedback from the Director General, Member States and WIPO's internal sectors and divisions on the appropriateness, timelines and effectiveness of the received advice
Enhanced effectiveness of the Organization's depository function of WIPO-administered treaties and agreements, including registration, certification and update of the treaties database	Average processing time of notifications of adherence and other treaty actions maintained at four days
Efficient protocol arrangements and administrative arrangements for the Director General	Feedback indicating high level of satisfaction with arrangements

STRATEGIES

A major focus for this Program will be to lead the strategic realignment process in order to deliver the organizational change expected by Member States. The aim is to ensure that WIPO's goals, structures, programs and resources are focused and streamlined in such a way as to enable the Organization to fulfill its mandate effectively within a rapidly evolving external environment. This organizational reform process is expected to take up to two years to complete. The realignment process will address, in parallel, the following three overlapping "streams" of organizational improvement:

- Changing the corporate culture, including promoting a performance culture through the introduction of improved results-based management, evaluation and appraisal processes; establishing a customer service and stakeholder focused corporate culture.
- Re-engineering the core administrative and management processes of the Organization, in order to improve service levels and efficiencies and to prepare for the introduction of an IT-based Enterprise Resource Planning (ERP) system.
- Realigning the programs, resources and organizational structures to the strategic goals. Each WIPO unit will be reviewed in turn, in order to clarify the mission, objectives, targets and performance indicators in relation to the strategic goals; and define the staff, skills and budgetary resources needed to achieve these results.

Strategic Goal IX: Efficient Administrative and Financial Support Structure to Enable WIPO to Deliver its Programs

The path towards delivery of the new strategic goals will be elaborated through the establishment of strategic objectives for each goal in the context of a new Medium Term Strategic Plan for 2010-2015. This will be presented to the Member States for approval in parallel with the preparation of the proposed Program and Budget 2010/11.

An improved Senior Management Team process will be developed to assist in the effective management of the Organization. The Cabinet will support the Director General by ensuring coordination with sectors and with Member States, providing policy analysis and strategic planning, and monitoring implementation of policy decisions.

Vertical and horizontal communication will be strengthened. Strategies to improve coordination between sectors on cross-cutting issues will include use of multi-sectoral task forces to develop policy options and for implementation of critical projects. Management tools will be developed to monitor more effectively the implementation of programs approved by the Member States.

The full and continued compliance of the Organization with the requisite rules, regulations and laws would be ensured by a strong Office of the Legal Counsel. This Office would be adequately resourced to carry out its key tasks including high quality advice to the Member States and the Director General on legal issues, assuring WIPO's interests in resolution of administrative and contractual matters, monitoring and analysis of legal developments, mainly within the UN environment, which may impact on WIPO's activities, enhancing the performance of depository functions in relation to the treaties and agreements administered by the Organization, and participating in external activities related to legal aspects of IP issues as well as general legal issues concerning the management of the Organization.

PROGRAM LINKS Liaison with all programs; close cooperation with Programs 22 (Finance, Budget and Program Management), 23 (Human Resources Management and Development) and 25 (Information and Communication Technology) on the strategic realignment process; and with Program 19 (Communications) on communication.

DEVELOPMENT AGENDA LINKS This Program incorporates activities related to the following adopted Development Agenda recommendations: All recommendations.

RESOURCES*

Program 21
Executive Management

(in thousands of Swiss francs)

	2008/09 Approved Budget	2008/9 Proposed Revised	Difference	
			Amount	%
A. Personnel Resources				
Posts	9,760	10,024	264	2.7
Short-term Employees	768	696	(72)	(9.3)
Consultants	--	489	489	--
Special Service Agreements	--	--	--	--
Interns	--	--	--	--
Total, A	10,527	11,209	681	6.5
B. Non-personnel Resources				
<i>Travel and Fellowships</i>				
Staff Missions	541	620	79	14.6
Third-party Travel	--	--	--	--
Fellowships	--	--	--	--
<i>Contractual Services</i>				
Conferences	--	--	--	--
Experts' Honoraria	90	81	(9)	(10.0)
Publishing	5	5	--	--
Other	209	1,454	1,245	595
<i>Operating Expenses</i>				
Premises & Maintenance	--	--	--	--
Communication & Other	90	81	(9)	(10.0)
<i>Equipment and Supplies</i>				
Furniture & Equipment	50	45	(5)	(10.0)
Supplies & Materials	29	26	(3)	(10.0)
Total, B	1,014	2,312	1,298	128.0
TOTAL	11,541	13,520	1,979	17.1

* For the number of posts for the Program please refer to Table 2 of Annex III

• **Program 22: Finance, Budget and Program Management**

CHALLENGES This Program brings together two former programs: Resource Management and Control (Program 23) and Financial Operations (Program 26). In addition, it includes a new function aimed at supporting the development of a performance culture at WIPO, within the context of results based management.

The continuing challenges for this Program are to ensure:

- efficient, transparent and accountable financial operations in conformity with applicable rules and regulations;
- the preparation of Program and Budgets and their effective implementation through continuous monitoring and providing advice and information to Program Managers on the trends and status of implementation, as well as providing external financial and Program and Budget reports to Member States;
- robust financial governance and a control framework including policies and procedures which enable effective and efficient resource utilization; and
- the further development and strengthening of WIPO's results based management framework aimed at helping focus human and financial resources on performance and results.

In addition to the on-going challenges listed above, a major focus of the work of the Program will be on the successful implementation of the new Financial Regulations and Rules (FRR) and preparations for the implementation of the new International Public Sector Accounting Standards (IPSAS) in 2010 (for further details see document WO/PBC/11/7 Rev). The adaptation of the new automated finance system (AIMS) and the enhanced functionality that provides will help support that work. Both the implementation of the new FRR and the need to ensure the Organization's full compliance with IPSAS will require further work, in particular in relation to accounting and budgetary policies and procedures. Key elements of this will include the implementation of the relevant components of a financial management system (see document WO/PBC/13/6(d)) and staff training.

In the context of the Director General's program for strategic realignment, Program 22 will also have a key role to play in supporting that process, in particular through the preparation and approval of the Program and Budget. Furthermore, the need for rapid organizational improvement and a greater emphasis on performance management and a performance culture will be a priority area of work. The new function set up within this Program will act as the focal point for the further development of WIPO's results based management (RBM) framework. Working closely with the Office of the Director General, Program Managers, the Evaluation Function and other relevant divisions, the Program will focus on a broad performance management strategy for the organization incorporating: the strategic planning-programming-budgeting-monitoring-evaluation-reporting cycle. The Program will study the experiences of other international organizations, IP offices etc on implementing RBM and seek to learn from UN system wide studies on RBM and established best practices (e.g., JIU, CEB, UNEG). The lessons learnt from this analysis will be used to help in the development of the RBM framework at WIPO and will be of most immediate relevance in terms of the preparation of the Medium Term Strategic Plan and the proposed Program and Budget 2010/11.

OBJECTIVE

To ensure: efficient, transparent and accountable financial operations in conformity with applicable rules and regulations; a robust financial governance and control framework which enables effective and efficient resource utilization; and, the strengthening of results-based management to help improve organizational performance

EXPECTED RESULT(S)	PERFORMANCE INDICATORS AND TARGETS
<p>Continued efficiency of financial operations and transparency of budget management</p>	<ul style="list-style-type: none"> — Timely financial reporting — Timely and relevant reports and analysis available to senior management, Program Managers and Member States to support daily operational tasks and key decisions — Madrid and Hague Fees distributed on time — Payments made on time — Return on invested funds in line with benchmarks established by the Investment Advisory Committee
<p>Coherent regulatory framework in place in respect of the use of financial resources and post management ensuring that all financial operations executed with probity</p>	<ul style="list-style-type: none"> — Revised set of comprehensive and consistent Rules and Instructions in place to enable financial governance and control — Program Managers trained in their roles and fully enabled to take authority and accountability for their defined areas of responsibility — Financial operations conform to the provisions of the applicable WIPO conventions and treaties, the WIPO Financial Regulations and Rules and the United Nations Accounting Standards — Satisfactory financial report from the External Auditors confirms the conformity of accounting operations with applicable regulations, rules and standards and no remarks in the biennium from the External Auditor or from Internal Oversight concerning budget control and budget management practices

Strategic Goal IX: Efficient Administrative and Financial Support Structure to Enable WIPO to Deliver its Programs

EXPECTED RESULT(S)	PERFORMANCE INDICATORS AND TARGETS
Smooth transition to the new International Public Sector Accounting Standards for 2010 implementation	<ul style="list-style-type: none"> — Full documentation of the new rules and procedures — Significant progress made in the implementation of the required changes to the IT system
Improved organizational performance using decision-making based on learning from past performance	<ul style="list-style-type: none"> — Member States approval of the Medium Term Strategic Plan and Program and Budget 2010/11 which incorporates an improved results-based management framework. — Degree of use of internal performance reporting in decision making — Application of lessons learned in program design and implementation
Improved reporting to stakeholders on performance	<ul style="list-style-type: none"> — Feedback from Member States on performance reporting — Increased use of program performance reports by Member States as a decision making tool

STRATEGIES

The following provides an indication of the key strategies this Program will engage in:

- preparation of a revised Program and Budget 2008/09, proposed Program and Budget 2010/11 and contributing to the development of the Medium-Term Strategic Plan which, through an inclusive consultative process, best reflects the views and priorities of all the Member States and supports the strategic realignment process
- the development of WIPO's results based management (RBM) framework reflecting the implementation experiences of other UN organizations, national IP offices and other relevant public and private sector organizations
- improved communication with the Member States on finance, budget and performance related issues providing clearer explanations of the methods used and results obtained
- closer cooperation with WIPO internal and external audit bodies and rapid follow-up and implementation of their recommendations.
- continuous monitoring of the biennial Program and Budget and providing advice and information to Program Managers on the trends and status of implementation.

Revised Program and Budget for 2008/09

- the development of a comprehensive corporate financial strategy for the Organization, embracing in a consistent way its policies on reserves, financial investment, external borrowing (loan) and long term financial liabilities as well as a revised strategy for short and long term investment of funds to ensure appropriate rates of return
- an on-going and systematic review of the implementation of the new Financial Regulations and Rules and the relevant processes and procedures, as well as preparation of training material for Program Managers, Certifying Officers, Approving Officers and Bank Signatories.
- effective preparation for the implementation of the new accounting standards (IPSAS) in 2010 (documents WO/PBC/11/7 Rev. and A/43/5). (In this context, liaising with other UN organizations will be important to ensure that experiences are shared and lessons learned.)

PROGRAM LINKS The cross-cutting nature of this Program requires that it works closely with all areas of the Organization.

**DEVELOPMENT
AGENDA LINKS** This Program incorporates activities related to the following adopted Development Agenda recommendations: All recommendations.

RESOURCES*

Program 22
Finance, Budget and Program Management

(in thousands of Swiss francs)

	2008/09 Approved Budget	2008/9 Proposed Revised	Difference	
			Amount	%
A. Personnel Resources				
Posts	14,275	13,205	(1,071)	(7.5)
Short-term Employees	1,350	2,260	910	67.4
Consultants	--	--	--	--
Special Service Agreements	85	146	61	71.8
Interns		46	46	--
Total, A	15,710	15,657	(53)	(0.3)
B. Non-personnel Resources				
<i>Travel and Fellowships</i>				
Staff Missions	83	77	(7)	(7.8)
Third-party Travel	470	530	60	12.8
Fellowships	--	--	--	--
<i>Contractual Services</i>				
Conferences	308	408	100	32.5
Experts' Honoraria	90	360	270	300.0
Publishing	5	5	--	--
Other	286	68	(218)	(76.1)
<i>Operating Expenses</i>				
Premises & Maintenance	--	--	--	--
Communication & Other	283	167	(116)	(40.8)
<i>Equipment and Supplies</i>				
Furniture & Equipment	14	9	(5)	(35.7)
Supplies & Materials	12	11	(1)	(10.0)
Total, B	1,551	1,635	84	5.4
TOTAL	17,261	17,292	31	0.2

* For the number of posts for the Program please refer to Table 2 of Annex III

Program 23: Human Resources Management and Development

CHALLENGES

Implementation of the WIPO Human Resource Strategy and providing effective support to the Director General on the Strategic Re-alignment will constitute the main challenges in the 2008/09 biennium.

Under new strategic leadership, the Program will work to increase the focus on performance through the introduction of an improved performance appraisal process. The shift to a performance driven culture will be supported by change management and management training. This will link in closely with the strengthening of the Results Based Management Framework.

The Program will undertake the review and revision of key human resource policies and practices related to contractual conditions (and their uniformity for core and continuing functions), contract types suitable for projects/ time-limited assignments, promotions and re-classifications, voluntary separations and succession planning. As part of the Strategic Re-alignment, the HR business processes will be reviewed with a view to re-engineering them for improved effectiveness and efficiency. The re-engineered processes will provide the basis for the implementation of a new and comprehensive HR information system. The improved performance management process will be supported by the introduction of an Organization-wide Performance Management and Development System (PMDS).

Another challenge which will also be addressed within the framework of the Human Resources Strategy will be to ensure the adequacy of staffing for all WIPO's programs. This will require steps to improve the efficiency and flexibility of recruitment process, and a streamlining of the approval process for human resources. It will also require more timely, appropriate and efficient redeployment of staff for priority activities as identified by the process of strategic realignment. In parallel, an enhanced emphasis on the development of existing staff skills will be required to enable staff to fully develop professionally and to better support WIPO's objectives. This would ensure that the necessary technical and managerial competencies are available throughout the Organization. A particular challenge in the 2008/09 biennium will be to enhance management capacities within the Organization, in particular in terms of staff appraisal and the assessment of staff performance.

Human resources administrative services will need to continue to adhere to strict quality and efficiency standards and to ensure that WIPO Staff Regulations and Staff Rules are revised and maintained in line with United Nations' standards and common system best practices. In this context, the International Bureau's adaptation to the revised contractual arrangements which are under implementation within the UN common system will be needed. This implies that the entitlements and remuneration for the short-term employee contingency will have to be aligned to those of the regular staff members.

Linkages with the revised Financial Regulations and Rules will also need to be established.

The automation of the Social Security Section, initiated in 2006/07, will need to be completed during the 2008/09 biennium. This will include the creation of links to the United Nations Joint Staff Pension Fund system to implement, *inter alia*, automatic deductions of medical insurance premiums on the retired staff member's pension benefits.

Strategic Goal IX: Efficient Administrative and Financial Support Structure to Enable WIPO to Deliver its Programs

Several staff well-being projects were developed in the previous biennia. These will need to be consolidated during the 2008/09 biennium, leading to the creation of a comprehensive work-life balance policy.

During the biennium 2006/07, the mechanisms for the resolution of grievances and work related conflict resolution were improved including through revised terms of reference for the Ombudsman, several changes to the procedures relating to the WIPO Appeal Board and establishment of a Joint Grievance Panel. In 2008/09 the use of such mechanisms will be further promoted.

OBJECTIVE

Efficient and effective management of human resources

EXPECTED RESULT(S)	PERFORMANCE INDICATORS AND TARGETS
<p>The Strategic Realignment process and the focus on performance is supported by human resource policies, practices and tools</p>	<ul style="list-style-type: none"> — Number and type of revised policies and practices implemented which improve human resource management in line with the Strategic Realignment process — Degree of progress in delivery of management training to support the focus on performance management and change management to help deliver the Strategic Realignment process
<p>Improved system for appraisal of performance of staff</p>	<ul style="list-style-type: none"> — All staff performance appraisals are conducted in line with the new Performance Management and Development System (PMDS) — Staff performance appraisal is an integral part of the strengthening of the results based management framework — Number of staff trained in staff performance appraisal
<p>Increased training programs, priorities on the basis of policy and sectoral requirements</p>	<ul style="list-style-type: none"> — Training policy developed in line with policy and sectoral priorities and needs and outcome of the desk-to-desk assessment exercise — Increase in the percentage of gross salary dedicated to training activities from 0.34% in the 2006/07 biennium to at least 1%

EXPECTED RESULT(S)	PERFORMANCE INDICATORS AND TARGETS
Reduction of absenteeism	Decrease in overall absences related to sick leave as compared to the 2006/07 biennium
Program Managers' staffing needs are met more efficiently	All external recruitment completed within four months from vacancy announcement to contract conclusion, in line with UN system best practices
More efficient administration of staff entitlements and classification services	20% decrease in the number of queries from all categories of staff regarding entitlements and social security coverage
Improved staff well-being and more cost-effective healthcare services	<ul style="list-style-type: none"> — 15% decrease in complaints related to workplace-related illness compared to the 2006/07 biennium — 5% saving in healthcare and social security costs compared to the 2006/07 biennium
Work-related conflicts solved informally through established mechanism	Relevant cases referred to the Ombudsman and resolved informally

STRATEGIES

Strategies for the biennium 2008/09 will be centered on the implementation of the WIPO Human Resources Strategy, taking duly into account directions given by Member States following the desk-to-desk assessment.

The new Performance Management Development System (PMDS), replacing the current performance appraisal mechanism, will be based on the objectives of the Organization, and identify the role of each employee in achieving those objectives. Staff will be actively involved at each phase of these change processes to further encourage accountability and responsibility.

To better serve the needs of the Organization, WIPO's recruitment policies will be refined, in line with the on-going UN reform, to include professional interchange agreements, partnerships with national and regional IP Offices for alternative recruitment funding mechanisms, and flexible resourcing alternatives, such as outsourcing and internships. Current contract types will be reviewed and new ones identified within the framework of the UN common system to maximize responsiveness to organizational needs. Recruitment and administrative activities will take full advantage of further developments of HR software systems.

In order to enhance the effectiveness of staff redeployment, procedures for the transfer and administration of temporary employees will be improved and the use of appropriate contractual arrangements will be ensured.

Strategic Goal IX: Efficient Administrative and Financial Support Structure to Enable WIPO to Deliver its Programs

Staff skills will be developed, as appropriate, through management, communication, IT, language and other courses as well as self-learning tools. In particular, a 5-year corporate management training program will be launched in the biennium targeting all staff with managerial responsibilities. The training program will, inter alia, assist managers in addressing the assessment of the performance of their staff.

Entitlements and classification services will continue to ensure that the WIPO Staff Regulations and Staff Rules are maintained in line with UN common system standards. Job descriptions will continue to be updated, revised and classified to ensure conformity with changing responsibilities and post requirements.

Costs for social security coverage and the social support services will be monitored. Staff and family members newly arrived in Geneva will continue to be assisted, and counseling provided for personal and/or family-related problems. Liaison will continue with relevant institutions in the Geneva area and assistance provided to retirees and activities organized for children and retired staff. Projects aimed at enhancing workplace well-being will be consolidated. Healthcare services will continue to be provided to staff, retirees, delegates and official guests.

In collaboration with the Legal Counsel, advice on complex personnel policy issues will continue to be provided to senior management, and cases will be prepared and represented before the Joint Advisory Committee, the WIPO Appeal Board, the ILO Administrative Tribunal and the appeal mechanisms provided in relevant pension schemes.

The Ombudsman will continue to work with staff on resolving employment-related conflicts, to identify trends and developments in workplace problems and, where appropriate, propose constructive solutions conducive to a better working environment.

PROGRAM LINKS This Program will cooperate closely with all Programs. Special coordination will be ensured with Program 21 (Executive Management) and Program 22 (Finance, Budget and Program Management). This Program will also maintain close liaison with the Staff Association.

**DEVELOPMENT
AGENDA LINKS** This Program incorporates activities related to the following adopted Development Agenda recommendation: 6.

RESOURCES

Program 23
Human Resources Management and Development

(in thousands of Swiss francs)

	2008/09 Approved Budget	2008/9 Proposed Revised	Difference	
			Amount	%
A. Personnel Resources				
Posts	13,518	13,061	(458)	(3.4)
Short-term Employees	1,332	1,678	346	26.0
Consultants	238	410	171	71.8
Special Service Agreements	82	124	41	49.9
Interns		20	20	--
Total, A	15,171	15,291	120	0.8
B. Non-personnel Resources				
<i>Travel and Fellowships</i>				
Staff Missions	178	171	(7)	(3.8)
Third-party Travel	231	190	(41)	(18)
Fellowships	2	2	(0)	(2.9)
<i>Contractual Services</i>				
Conferences	7	7	(0)	(2.9)
Experts' Honoraria	--	450	450	--
Publishing	--	10	10	--
Other	2,904	2,293	(611)	(21.0)
<i>Operating Expenses</i>				
Premises & Maintenance	10	10	--	--
Communication & Other	480	90	(390)	(81.3)
<i>Equipment and Supplies</i>				
Furniture & Equipment	71	62	(9)	(12.3)
Supplies & Materials	213	221	8	3.6
Total, B	4,096	3,506	(590)	(14.4)
TOTAL	19,267	18,797	(470)	(2.4)

* For the number of posts for the Program please refer to Table 2 of Annex III

• **Program 24: Administrative Support Services**

CHALLENGES This Program was created to rationalize the existing administrative support services under one single program. Program 24 covers:

- Procurement (previously covered under former Program 30)
- Travel (previously covered under former Program 30)
- Premises Management (previously covered under former Program 29)
- Messenger driver services (previously covered under former Program 28)

As procurement is one of the key business processes of the organization, this Program will be a priority for the strategic realignment process and the re-engineering of horizontal business processes. The challenge in this respect is to ensure that the new procurement and purchase procedures introduced in 2006 support the Organization's business needs in the most efficient and effective way, while at the same time providing a robust governance and control framework to manage potential risks in this area of activity. A further challenge in this area is to initiate a gradual transition from essentially manual processes to IT-supported automatic processes and Internet-based support services. Also, there remains a need to adjust to the widening of the geographical sourcing of goods and services under more international tender procedures. This will require wider information dissemination of procurement opportunities to potential suppliers, particularly in developing countries and the countries with economies in transition.

Regarding travel support services, one of the main challenges is continued cost reduction and containment for travel. As a result of initiatives to reduce travel costs (resulting from negotiated corporate fares and the reduction in the number of prepaid tickets), cost savings of the order of 25-30% compared to the 2004/05 baseline were achieved in 2006/07. The challenge for 2008/09 will be to maintain these levels (in spite of increases in the cost of air travel in general) as well as to increase use of low cost carriers or economy class corporate fares. A review of travel policies will also seek to address some of the concerns that have been expressed regarding the Organization's overall expenditure on travel. The implementation of a new electronic travel authorization system is expected to improve considerably the processing of travel authorizations in the 2008/09 biennium. Furthermore, travel and visa statistical reporting tools as well as visa administrative procedures will be further improved and automated.

Challenges in relation to premises management are presented by work on the new construction which has resulted in restrictions in terms of the space available and reduced access to the buildings located close to the worksite, in particular the AB building. This situation will require effective management of premises and structural modifications have been undertaken which are aimed at minimizing disruption. The age of some of the buildings, in particular AB, GBI and GBII, presents a further challenge for premises management, making it necessary to maintain the current pace of work to improve the installations and premises. A key challenge in this respect will be to make use of new building technologies and comply with new standards and local legislation, while ensuring a similar level of comfort and technological infrastructure in all WIPO buildings. There may also be further challenges related to upgrading security standards at WIPO (see document WO/PBC/13/6(a)).

OBJECTIVE

Efficient procurement, travel and premises management services which meet the Organization's needs in a cost-effective manner

EXPECTED RESULT(S)	PERFORMANCE INDICATORS AND TARGETS
Enhanced cost-efficiency of procurement	<ul style="list-style-type: none"> — Number of tenders and resulting purchase orders in proportion to total procurement value, in comparison to previous periods — Savings of at least 500,000 Swiss francs via the consolidation of purchases.
More competitive prices and contractual conditions through common UN system procurement cooperation, as well as larger geographical distribution and diversification of suppliers.	<ul style="list-style-type: none"> — More than five procurement contracts signed/renewed under UN interagency procurement initiatives and increase in the value of those contracts. — 25% increase in the number of new vendors/suppliers reached through the vendor registration system compared to 1,800 vendors/suppliers in 2006. — Increase in purchases related to technical assistance from in-country suppliers in developing countries up from 48.7% of total such purchases in 2006.
Greater cost-efficiency of travel by WIPO employees and third party travelers financed by WIPO	<ul style="list-style-type: none"> — Maintain the 25-30 per cent costs savings in negotiated corporate fares achieved in 2006/07 — 3-5% increase in the use of low cost airlines and special low cost fares
More efficient travel and visa administration	<ul style="list-style-type: none"> — Travel authorizations and visa applications are processed electronically
Cost-efficient and optimum occupancy of WIPO premises	Occupancy rate of WIPO premises at optimum level (above 95%)

Strategic Goal IX: Efficient Administrative and Financial Support Structure to Enable WIPO to Deliver its Programs

EXPECTED RESULT(S)	PERFORMANCE INDICATORS AND TARGETS
Improved WIPO premises and installations	Uniform standards of all WIPO premises in terms of comfort and technological infrastructure

STRATEGIES

To encourage longer-term procurement planning, assistance will be provided to program managers to adopt three- to five-year planning horizons for procurement of goods and contracting of professional or technical services required for the implementation of their programs. This will make it possible to increase negotiating power with suppliers via greater volume purchases, longer-term contracts and greater economies of scale. Where possible, similar or related goods and/or services would be standardized and consolidated to obtain best prices and volume discounts.

Opportunities for engaging in joint procurement activities in cooperation with procurement services of the other organizations of the United Nations System in the framework of the Inter Agency Procurement Working Group (IAPWG) and the United Nations Common Procurement Activities Group (CPAG) based in Geneva will also be explored. For this purpose, closer working relationships with the Geneva-based UN system Organizations will be developed, including through participation in business information exchange arrangements through the Inter-Agency Procurement Services Office (IAPSO).

Key IT development projects will be initiated for automating various processes, including monitoring and reporting of procurement and contracting activities. An important element of this strategy is the development of an electronic database of annual procurement activities to facilitate planning, evaluation, internal auditing and statistical reporting. In this respect procurement services will be one of the areas addressed in the re-engineering of horizontal business processes prior to the planned ERP project.

Regarding travel, regular information will continue to be provided to staff on travel and visa procedures, including on the Intranet. The electronic travel authorization system and related administrative procedures will be streamlined to minimize the processing time for travel authorizations. In addition, various working and reporting tools will be automated. In order to sustain the cost savings achieved in 2006/07, measures to further reduce travel costs for WIPO employees and third party travelers will continue to be identified.

The use of WIPO offices, parking and storage areas will be streamlined and rationalized while reducing, to a minimum, the necessary movement of staff. Archive areas will be created in the basements and allocated to sectors as required, in order to free up the office spaces currently occupied by documents.

A range of major maintenance and modernization projects for installations will be undertaken in the course of the 2008/09 biennium, such as the modernization of the lighting system, the ventilation units and sanitation equipment, and the improvement of technical installations.

The up-grading of security standards would imply several works on the premises of the Organization. Such works would be managed in close cooperation with the WIPO Safety and Security Coordination Service and the local authorities.

Revised Program and Budget for 2008/09

PROGRAM LINKS Particular close coordination will be maintained with Program 22, Program 26, Program 28 and Program 29.

RESOURCES*

Program 24
Administrative Support Services

(in thousands of Swiss francs)

	2008/09 Approved Budget	2008/9 Proposed Revised	Difference	
			Amount	%
A. Personnel Resources				
Posts	14,988	16,541	1,553	10.4
Short-term Employees	2,341	2,781	441	18.8
Consultants	238	5	(234)	(98.0)
Special Service Agreements	124	104	(20)	(16.3)
Interns		--	--	--
Total, A	17,692	19,431	1,740	9.8
B. Non-personnel Resources				
<i>Travel and Fellowships</i>				
Staff Missions	56	145	89	159.5
Third-party Travel	--	--	--	--
Fellowships	--	--	--	--
<i>Contractual Services</i>				
Conferences	--	--	--	--
Experts' Honoraria	--	--	--	--
Publishing	--	--	--	--
Other	72	72	(0)	(0.2)
<i>Operating Expenses</i>				
Premises & Maintenance	38,516	36,062	(2,454)	(6.4)
Communication & Other	105	123	18	16.9
<i>Equipment and Supplies</i>				
Furniture & Equipment	226	326	100	44.2
Supplies & Materials	1,855	1,836	(19)	(1.0)
Total, B	40,830	38,564	(2,266)	(5.5)
TOTAL	58,522	57,995	(526)	(0.9)

* For the number of posts for the Program please refer to Table 2 of Annex III

• **Program 25: Information and Communication Technology**

CHALLENGES

The last two biennia were characterized by strict IT budgetary management where only essential capital investment was possible. However, a focused infrastructure renewal program was necessary to reinforce the Organization's underlying technical and desk top facilities. In order to improve service levels and efficiencies, and to prepare for the introduction of an IT-based Enterprise Resource Planning (ERP) system, the core administrative and management processes, which underpin WIPO's ability to function efficiently, will be reviewed and re-engineered. This review and re-engineering process will include WIPO's IT systems. The use of a single ERP solution is expected to yield significant benefits in terms of administrative efficiency and cost-effectiveness. Other administrative overheads will be further reduced by implementing enterprise standards for technical IT infrastructure and business application development tools.

Among the challenges to be addressed in the 2008/09 biennium are: to ensure that WIPO business and administrative sectors continue to meet and address increased user demand for modern IT services through the establishment of a more flexible and elastic resource base in key areas of the IT program that can meet demand; improved alignment of the existing technical and managerial skills with the requirements of the Program; and the introduction of minimum industry standard methodologies for project management and service delivery. The need to establish and implement 24/7 operational support arrangements and appropriate disaster recovery and business continuity measures in an increasing number of sectors will be one of the challenges in the infrastructure and service management areas. Also, as a means of providing more working flexibility options to WIPO staff as well as reducing the environmental impact of WIPO staff commuting to WIPO premises, appropriate and secure technologies will need to be implemented to improve the current remote access to the WIPO Intranet and remote electronic access to the majority of WIPO's computer systems. The environmental impact of IT service provision at WIPO will also need to be further reduced through the progressive implementation of a number of "green computing" initiatives at the data center, network and desktop level.

As a means of ensuring that access WIPO information assets is provided in an equitable manner to all internal and external consumers, there is a need to undertake a progressive revision of the presentation characteristics of WIPO IT systems with the view to rendering them more usable by the disabled.

The Program will also provide support to Strategic Goal III, more specifically to provide IT support to implement relevant Development Agenda Recommendations (such as Recommendation 5 and 9)

In the light of the continual evolution of information security threats, ongoing investments are also required to upgrade WIPO's information security capability.

In a revision to the approved Program and Budget 2008/09, the IT resources dedicated to supporting the Madrid, Hague and Lisbon Systems, has been moved from the IT Program to the substantive Program (Program 6) to bring that work closer to the business unit. In addition, the Program will take on responsibility for the technical aspects of WIPO's telecommunication infrastructure (previously part of former Program 28).

OBJECTIVE

Reliable, secure, sustainable and cost-efficient operation of all the Organization's IT Systems

EXPECTED RESULTS	PERFORMANCE INDICATORS AND TARGETS
Continued high system availability of mission critical systems	<ul style="list-style-type: none"> — Availability of business systems remains greater than 99.8 per cent — Availability of critical network services (file servers, printers and email) remains at 99.7 % — Increased number of Service Level Agreements (SLAs) in force for WIPO business systems — Service Desk Metrics (number of Service Desk calls, average incident resolution time and the number of incidents resolved at the first level of the Service Desk)
Efficient, cost-effective and high quality external IT service provisioning	<ul style="list-style-type: none"> — Number of External Hosting SLAs in force — Minimum number of SLA incidents
Reliable and cost-effective telecommunications	Reduced costs compared to the 2006/07 biennium

STRATEGIES

To achieve an efficient and sustainable IT system within the Organization that meets business requirements adequately and takes into account priorities set by the various sectors of the International Bureau and the Member States, a medium-term IT Strategy will be developed supported by an implementation plan.

In the 2008/09 biennium the IT program will work closely with the business and administrative sectors to support their major projects.

In addition, in order to improve oversight and control, an appropriate IT governance model, an industry standard project management methodology, and a standard approach to service management based on the Information Technology Infrastructure Library (ITIL) framework will be implemented.

The above will require the adoption of a systematic approach to IT resource management through staff training programs and the establishment of an appropriate balance between internal and external IT development resources. It will also require establishment of strategic partnerships with external IT service providers to mitigate any risks associated with the implementation of selected IT service outsourcing. Such strategic partnerships will also enhance the IT Program's response capability to meet the needs of various sectors.

Strategic Goal IX: Efficient Administrative and Financial Support Structure to Enable WIPO to Deliver its Programs

The establishment and implementation of an enterprise resource planning (ERP) system for the integration and automation of internal administrative procedures being planned by WIPO will need considerable support from the IT program during the biennium.

To ensure that appropriate service levels are provided to all sectors of WIPO, remote electronic access to WIPO applications will be improved and the IT Service Desk capability will be continually reinforced.

PROGRAM LINKS This Program will cooperate closely with all Programs, in particular Program 5 (for development of PCT information systems), Program 6 (for IT developments of Madrid, The Hague and Lisbon Registration Systems), Programs 8 and 9 to support implementation of the IT related aspects of the Development Agenda recommendations, and Programs 21, 22 and 23 (for the implementation of the ERP system).

DEVELOPMENT AGENDA LINKS This Program incorporates activities related to the following adopted Development Agenda recommendations: 5 and 9.

RESOURCES*

Program 25
Information and Communication Technology

(in thousands of Swiss francs)

	2008/09 Approved Budget	2008/9 Proposed Revised	Difference	
			Amount	%
A. Personnel Resources				
Posts	18,066	18,945	879	4.9
Short-term Employees	1,383	1,239	(145)	(10.5)
Consultants	839	945	106	12.7
Special Service Agreements	--	137	137	--
Interns	--	--	--	--
Total, A	20,288	21,266	978	4.8
B. Non-personnel Resources				
<i>Travel and Fellowships</i>				
Staff Missions	222	205	(17)	(7.7)
Third-party Travel	65	--	(65)	(100)
Fellowships	--	--	--	--
<i>Contractual Services</i>				
Conferences	280	--	(280)	(100.0)
Experts' Honoraria	--	--	--	--
Publishing	--	--	--	--
Other	14,700	14,487	(213)	(1.4)
<i>Operating Expenses</i>				
Premises & Maintenance	3,023	4,523	1,500	49.6
Communication & Other	60	917	857	1,428.3
<i>Equipment and Supplies</i>				
Furniture & Equipment	2,600	3,172	572	22.0
Supplies & Materials	2,000	2,013	13	0.7
Total, B	22,950	25,317	2,367	10.3
TOTAL	43,238	46,583	3,345	7.7

* For the number of posts for the Program please refer to Table 2 of Annex III

• **Program 26: Internal Audit and Oversight**

CHALLENGES

Internal Audit and Oversight activities cover the areas of internal audit, inspection and investigation, as well as evaluation and performance validation. These functions are essential to ensure that WIPO's governance and management processes continue to contribute to accountability, effectiveness, relevance, efficiency, and integrity of the Organization's operations. These are also important sources of information for the Organization's and Member States' decision-making processes. The 2006/07 biennium saw important enhancements to the institutional policy frameworks of WIPO's oversight functions. The WIPO Internal Audit Charter was revised and an Evaluation Policy approved. In addition, the new mechanism for the preparation and follow up of the WIPO Program and Budget, considerably strengthened Member States' role in the substantive review of organizational performance, through the review of Program Performance Reports in sessions of the Program and Budget Committee in parallel with the review of the corresponding financial statements.

An effective implementation of the adopted oversight policy frameworks will require move staff for Internal Audit and Oversight. In the area of investigation, the institutional framework will need to be strengthened with a specific investigation policy and manual. As WIPO moves towards more active processes of prevention of wrong doing, and education on compliance, ethics and integrity issues, the key areas for effective implementation will be the systems for managing conflicts of interest and "whistle-blowing" procedures. Investigation will need to be carried out in a timely and professional manner.

Concerning evaluation and performance assessment, the main challenges will be to make significant progress in internalizing an evaluation culture at WIPO and establishing a routine of evaluations; strengthening program managers' capacities to plan, conduct and use evaluation as a managing-for-results tool; and establishing adequate monitoring, performance assessment and evaluation mechanisms to ensure that evidence-based information on results is being generated and collected on a continuous basis. The development of this work will be undertaken in close cooperation the newly established program management and performance function of Program 22 and the strengthening of WIPO's results-based management framework.

Internal Audit have carried out a thorough and complete risk and audit needs assessment. Audit to cover the high risk areas will need to be carried out expeditiously.

As outlined under Program 22, WIPO will be undertaking several important financial management and control related reforms in the biennium 2008/09. Internal Audit and Oversight will play an independent role in supporting these initiatives by being a technical and expert internal reference partner and advisor.

For all internal oversight functions, it will continue to be important to stay up-to-date with international developments in this field, in particular within the UN system.

OBJECTIVE

Enhanced relevance, effectiveness, efficiency, accountability and integrity of the Organization’s processes, operations and activities

EXPECTED RESULT(S)	PERFORMANCE INDICATORS AND TARGETS
Compliance by the Organization with WIPO's regulations, rules and procedures	<ul style="list-style-type: none"> — Satisfactory audit opinion by the External Auditor — Recommendations made by WIPO oversight entities are expeditiously implemented — All key and high risk areas are audited — 8 audits completed during the biennium.
A reliable integrity and ethics framework is in place	<ul style="list-style-type: none"> — All investigations undertaken within 6 months — Whistle-blowing procedures, an investigation policy, and a declaration and disclosure of interest system meeting UN good practices are in place
Evidence-based information on results is being generated by evaluations and effectively used by WIPO senior management, program managers and Member States for learning, decision-making and accountability purposes.	<ul style="list-style-type: none"> — 6 evaluations completed during the biennium — Recommendations from IAOD independent program or thematic evaluations are accepted by management and implemented in a timely manner

STRATEGIES

The further strengthening of the IAOD will require a full implementation of the Internal Audit Charter and the Evaluation Policy through the full staffing and the provision of adequate other resources. This is done through the implementation of an audit needs assessment, a strategic audit plan and detailed work plans for audit, evaluation, and investigation and inspection, based on a full risk based assessment of needs. Cooperation and coordination with the External Auditor and Audit Committee will remain essential, as will the active follow up on WIPO's management implementation of audit and other oversight recommendations. In addition, appropriate oversight tools, such as manuals, rules, policies and guidelines will continue to be developed and will incorporate UN good practices.

IAOD will contribute to strengthening WIPO Integrity and Ethics processes and systems by reviewing the integrity and ethics system, making fully operational a Disclosure of Interests System, developing a fraud prevention and awareness policy, and establishing a “whistle-blowing” information collecting system. The development of WIPO specific Codes of Ethics will be advocated, specific

Strategic Goal IX: Efficient Administrative and Financial Support Structure to Enable WIPO to Deliver its Programs

Standards of Conduct for all staff categories will be encouraged and training will be supported for staff to inform and raise awareness of the new processes and requirements. Furthermore, investigations and inspections will be carried out more expeditiously, and reported through appropriate channels.

The effective implementation of the WIPO Evaluation Policy will be done through a strategy centered on advocacy and consultation with WIPO senior management and program managers, as well as capacity building activities targeted mainly at program managers. Adequate procedures, methodologies and mechanisms will be put in place to ensure the necessary rigor for the generation of quality and real-time evaluation reports and other evaluative information (including for results and performance assessment purposes), the dissemination of information generated by evaluations, including lessons learned, and the timely follow-up to recommendations contained in evaluation reports. In addition, a number of independent program and thematic evaluations will be conducted by the WIPO central independent evaluation unit, based on risk considerations.

Support and advice will be provided, as appropriate, in connection with WIPO's planned transition, by 2010, to the International Public Sector Accounting Standards (IPSAS) for financial reporting, and for the development and implementation of the revised WIPO Financial Regulations and Rules, an improved internal control framework and an enterprise risk management process.

Continuous cooperation with the UN internal oversight community, including multilateral development financial institutions and relevant international and professional associations, will continue during the biennium to ensure that internal oversight at WIPO is being conducted in line with international developments and good UN practices.

PROGRAM LINKS Internal Audit and Oversight will support and work closely with all Programs.

**DEVELOPMENT
AGENDA LINKS** This Program incorporates activities related to the following adopted Development Agenda recommendations: 6, 33 and 41.

RESOURCES*

Program 26
Internal Audit and Oversight

(in thousands of Swiss francs)

	2008/09 Approved Budget	2008/9 Proposed Revised	Difference	
			Amount	%
A. Personnel Resources				
Posts	2,704	2,335	(369)	(13.6)
Short-term Employees	--	204	204	--
Consultants	--	--	--	--
Special Service Agreements	--	--	--	--
Interns	--	--	--	--
Total, A	2,704	2,539	(165)	(6.1)
B. Non-personnel Resources				
<i>Travel and Fellowships</i>				
Staff Missions	180	100	(80)	(44.4)
Third-party Travel	--	--	--	--
Fellowships	--	--	--	--
<i>Contractual Services</i>				
Conferences	--	--	--	--
Experts' Honoraria	419	--	(419)	(100.0)
Publishing	20	20	--	--
Other	--	550	550	--
<i>Operating Expenses</i>				
Premises & Maintenance	--	--	--	--
Communication & Other	70	20	(50)	(71.4)
<i>Equipment and Supplies</i>				
Furniture & Equipment	29	28	(1)	(3.4)
Supplies & Materials	--	--	--	--
Total, B	718	718	--	--
TOTAL	3,422	3,257	(165)	(4.8)

* For the number of posts for the Program please refer to Table 2 of Annex III

• **Program 27: Conference and Language Services**

CHALLENGES Program 27 is responsible for all conference and language services which include: conference services, records management, translation services and printing. Initiatives to streamline and modernize services in these areas while at the same time improving their cost effectiveness will continue in 2008/09.

In the 2008/09 biennium, the main challenges to be addressed are: to meet the demands of Member States for an increased number of conferences and meetings, greater use of electronic distribution of meeting documents, and the development of an Electronic Document Management System (EDMS) as well as continuation of efforts to reduce mail costs.

As regards translations, the main challenge consists of maintaining an appropriate balance between quantity of translations, number of languages, cost-effectiveness and quality, while meeting the need for documents to be provided in all official languages. A global international tender for translation services in all WIPO working languages was launched in 2006, and a number of competitive companies were outsourced work in 2007. Based on the positive result of this test, outsourcing will continue and be further fostered in 2008/09.

Regarding printing services, the main challenge will be to meet all printing and publishing requirements in a timely, efficient and cost-effective manner.

OBJECTIVE **Enhanced efficiency and cost-effectiveness of conference, language and printing and archives services while maintaining the expected quantity and quality levels**

EXPECTED RESULTS	PERFORMANCE INDICATORS AND TARGETS
Efficient and responsive conference and meeting services to delegates and the Secretariat	Feedback from delegates and the Secretariat
Greater use of electronic means to distribute meeting documents	25% savings in document mailing costs compared with 2006/07
Timely and cost-efficient mail expedition, records management, archiving and messenger-driver services	<ul style="list-style-type: none"> — Number of mail items and mailing costs 25% below 2006/07 level — Savings of 30% in paper and supplies, compared to the 2006/07 level following progressive introduction of the new EDMS
Timely, good quality and cost-effective translations in all working languages	<ul style="list-style-type: none"> — Staff and delegate feedback on quality and timeliness of translated documents — Productivity standards for in-house translation and cost per page maintained at 2006/07 levels

EXPECTED RESULTS	PERFORMANCE INDICATORS AND TARGETS
On-time production of printed and electronic matter respecting PCT and Madrid treaty obligations	Quantity of printed material delivered within required deadline

STRATEGIES

To enable the provision of reliable conference facilities and services and to maximize the cost-efficient use of electronic systems and resources, conference rooms and equipment will be modernized. Mail services will continue to be monitored, and new procurement actions will be included in 2008/09 to ensure that cost paid by the Organization to its current suppliers remains competitive. The cost of processing and archiving of correspondence and documentation will be improved through further development of the electronic document management system.

To enhance the management of translation workloads, detailed human, financial and workflow planning will be carried out, and quality management principles will be applied to all internal and external translation work. In addition, the development of the use of computer assisted translation tools will continue.

Concerning printing services, operations will be made more effective by transferring documents to the printing services electronically instead of in paper form.

RESOURCES*

Program 27
Conference and Language Services

(in thousands of Swiss francs)

	2008/09 Approved Budget	2008/9 Proposed Revised	Difference	
			Amount	%
A. Personnel Resources				
Posts	26,014	25,717	(296)	(1.1)
Short-term Employees	5,594	4,863	(731)	(13.1)
Consultants	--	167	167	--
Special Service Agreements	9	54	45	477.5
Interns		47	47	--
Total, A	31,617	30,847	(769)	(2.4)
B. Non-personnel Resources				
<i>Travel and Fellowships</i>				
Staff Missions	214	210	(4)	(2.0)
Third-party Travel	--	--	--	--
Fellowships	70	--	(70)	(100.0)
<i>Contractual Services</i>				
Conferences	631	808	177	28.1
Experts' Honoraria	--	--	--	--
Publishing	--	3	3	--
Other	3,391	2,257	(1,134)	(33.4)
<i>Operating Expenses</i>				
Premises & Maintenance	4,041	2,930	(1,111)	(27.5)
Communication & Other	2,962	1,902	(1,060)	(35.8)
<i>Equipment and Supplies</i>				
Furniture & Equipment	289	335	46	15.8
Supplies & Materials	619	1,389	770	124.6
Total, B	12,217	9,834	(2,383)	(19.5)
TOTAL	43,834	40,681	(3,152)	(7.2)

* For the number of posts for the Program please refer to Table 2 of Annex III

• **Program 28: Security**

CHALLENGES

Security within the overall United Nations system has been significantly enhanced in recent years due to an increase in the level of actual and perceived global threat. In view of this changing security environment, the key challenge for this Program is to ensure the safety and security of all WIPO staff, visitors to WIPO buildings, delegates to WIPO meetings, and WIPO assets in a way that is commensurate with the threat to WIPO, and through the effective and efficient use of resources.

A review of security measure in place at WIPO was carried out in December 2005 and a comprehensive Security Risk Assessment (SRA) was carried out by an independent consultant for WIPO Headquarters in April 2006 and for WIPO Coordination Offices between June and October 2006. Following the SRA, WIPO developed a Security Change Project. The SRA of WIPO Headquarters revealed that the security system in existence necessitated significant changes. The investments required to implement these changes cannot be absorbed by the regular budget and, subject to the approval of Member States, would require mobilization of the reserves. Based on this, a detailed proposal to upgrade the safety and security standards for the existing WIPO buildings has been presented in document WO/PBC/13/6(a).

The WIPO Safety and Security Coordination Service was created to strengthen security operations at WIPO, introduce new security policies and procedures and to improve the standards of safety and security. This Program was created in the 2008/09 biennium (as approved by the March 2008 session of the Assemblies of the Members States) in order to respond to these new security challenges. It will continue to provide the core of the security services of WIPO, and act as focal point for the implementation, subject to the approval of the Member States, of the Security Change Project.

OBJECTIVE

Enhanced safety and security of all WIPO staff, visitors to WIPO buildings, delegates to WIPO meetings, and WIPO assets

EXPECTED RESULTS	PERFORMANCE INDICATORS AND TARGETS
Reduction in overall security risk	<ul style="list-style-type: none"> — Implementation of the Security Change Project, as approved by the Member States — Risk Management system in place
Security plans and crisis management procedures in place	<ul style="list-style-type: none"> — Assignment of relevant roles — Instructions and procedures for staff documented and available
Reduction in risk of injury	Improved safety elements in WIPO premises
Satisfactory security at high-level WIPO hosted conferences and meetings, in Geneva and elsewhere	Risk assessments carried out for all WIPO-hosted high-level conferences and meetings

Strategic Goal IX: Efficient Administrative and Financial Support Structure to Enable WIPO to Deliver its Programs

STRATEGIES Improved security throughout the Organization at all levels will be achieved by the development and implementation of security and safety policies and procedures as well as development of crisis management procedures and the introduction of effective communications in case of crisis. Important elements will be: continued liaison with the United Nations System and the host country, coordination and cooperation with in-house sectors requiring security advice and assistance, and the raising of security awareness in the International Bureau.

The Program will cover the cost of the staff of the WIPO Safety and Security Coordination Service (SSCS), and of WIPO's running costs for security services (these are currently outsourced to a private company).

PROGRAM LINKS This Program will cooperate closely with Programs 24 and 29 (for the security of WIPO buildings) and Program 25 (for information security).

RESOURCES*

**Program 28
Security**

(in thousands of Swiss francs)

	2008/09 Approved Budget	2008/9 Proposed Revised	Difference	
			Amount	%
A. Personnel Resources				
Posts	2,586	2,106	(480)	(18.6)
Short-term Employees	188	193	6	3.1
Consultants	273	273	(0)	(0.0)
Special Service Agreements	82	104	22	26.2
Interns		--	--	--
Total, A	3,129	2,676	(453)	(14.5)
B. Non-personnel Resources				
<i>Travel and Fellowships</i>				
Staff Missions	40	45	5	12.5
Third-party Travel	--	--	--	--
Fellowships	--	--	--	--
<i>Contractual Services</i>				
Conferences	--	--	--	--
Experts' Honoraria	--	--	--	--
Publishing	--	--	--	--
Other	--	141	141	--
<i>Operating Expenses</i>				
Premises & Maintenance	6,199	7,030	831	13.4
Communication & Other	126	26	(100)	(79.2)
<i>Equipment and Supplies</i>				
Furniture & Equipment	20	--	(20)	(100.0)
Supplies & Materials	43	54	11	25.6
Total, B	6,428	7,296	868	13.5
TOTAL	9,556	9,972	415	4.3

* For the number of posts for the Program please refer to Table 2 of Annex III

• **Program 29: New Construction**

CHALLENGES

The new construction project was originally planned to start in 2006 and be completed at the beginning of 2008. Regular progress reports have been presented to Member States to provide detailed information on the various factors which have impacted on this initial project schedule. (See documents WO/PBC/13/5, WO/GA/36/6, WO/PBC/12/7, WO/PBC/11/13, WO/PBC/3/06/5, and WO/PBC/10/4.) The 2008/09 biennium should, see the larger part of the project implementation take shape according to the timetable mentioned above.

The major challenge for this Program is to ensure that the new construction progresses towards the scheduled completion date of April 2010 and within the budgetary limits. A further challenge is that after the revised construction project had been approved by the Member States in September 2005, the Organization received new system-wide UN directives on minimum operating security standards for the physical security of staff (UN-H-MOSS). In order to comply with those new standards, a number of technical adjustments will have to be made to the project. These are discussed in more detail in document WO/PBC/12/4(d).

OBJECTIVE

Progress of the new construction towards a completion date of April 2010, within the budgetary limits, and in accordance with the requisite quality levels and United Nations security standards (UN-H-MOSS)

EXPECTED RESULTS	PERFORMANCE INDICATORS AND TARGETS
Construction work on time and within the budgetary limits	<ul style="list-style-type: none"> — Observance of key construction timelines — Observance of the budgetary envelope approved by the Member States
Construction work in accordance with required quality levels	<ul style="list-style-type: none"> — Acceptance by the Pilot and the Construction Committee of the choice by the general contractor of construction materials and methods in accordance with the required quality levels
Construction work in accordance with United Nations security standards (UN-H-MOSS)	<ul style="list-style-type: none"> — Acceptance by the Pilot and the Construction Committee of the choice of construction materials and methods for implementation used by the general contractor for implementation of the UN-H-MOSS security standards selected by WIPO.

STRATEGIES

Following the selection of the financing institution by the Selection Board, the general contractor started work in early 2008 under the management of the project pilot and progress in the course of the biennium, according to the timetable, with April 2010 as the targeted completion date. During this time, the pilot will keep

Strategic Goal IX: Efficient Administrative and Financial Support Structure to Enable WIPO to Deliver its Programs

WIPO (via the Construction Committee) regularly informed of the progress of the project. This will be done through monthly reports which will also be communicated to the Audit Committee.

The preparatory work on the worksite, the structural work, and the larger part of the work to equip the new building, basements and connections between the basement levels and those of the main headquarters building (Arpad Bogsch building) will be spread over 2008 and 2009.

Program 29 will cover the cost of the services of the project pilot, the cost of the bank loan that will accrue to WIPO in the 2008/09 biennium, and the cost of one full-time consultant (to be part of the Construction Committee and to act as Coordinator of the Internal Project Monitoring Team for the project). The budget of Program 29 for the 2008/09 biennium is based on the assumption of a loan of 113.6 million Swiss francs and payment of interest as of January 2008. These assumptions will be validated after the contract with the general contractor and the contract with the financing institution are finalized. This is expected to take place in November/December 2007.

PROGRAM LINKS This Program will cooperate closely with Program 22 (Finance, Budget and Program Management), Program 24 (for procurement and for premises management), and Program 28 (Security).

RESOURCES*

Program 29
New Construction

(in thousands of Swiss francs)

	2008/09 Approved Budget	2008/9 Proposed Revised	Difference	
			Amount	%
A. Personnel Resources				
Posts	--	--	--	--
Short-term Employees	--	--	--	--
Consultants	310	278	(32)	(10.4)
Special Service Agreements	51	104	53	103.7
Interns	--	--	--	--
Total, A	361	382	21	5.8
B. Non-personnel Resources				
<i>Travel and Fellowships</i>				
Staff Missions	15	15	--	--
Third-party Travel	--	--	--	--
Fellowships	--	--	--	--
<i>Contractual Services</i>				
Conferences	--	--	--	--
Experts' Honoraria	--	--	--	--
Publishing	--	--	--	--
Other	1,900	1,900	--	--
<i>Operating Expenses</i>				
Premises & Maintenance	4,448	2,618	(1,830)	(41.1)
Communication & Other	15	15	--	--
<i>Equipment and Supplies</i>				
Furniture & Equipment	--	--	--	--
Supplies & Materials	--	--	--	--
Total, B	6,378	4,548	(1,830)	(28.7)
TOTAL	6,739	4,930	(1,809)	(26.8)

* For the number of posts for the Program please refer to Table 2 of Annex III

V. ANNEXES

ANNEX I

2008/09 APPROVED BUDGET, TRANSFERS, FLEXIBILITY RESOURCES, AND RE-STATEMENT OF APPROVED BUDGET

1. Table 1 of Annex I below illustrates transfers of financial resources across programs implemented over the course of 2008 within the approved budget of 626.3 million. These transfers have been implemented in accordance with Regulation 5.5, of the Financial Rules and Regulation which states "The Director General may make transfers from one program of the program and budget to another for any given financial period, up to the limit of five per cent of the amount corresponding to the biennial appropriation of the receiving program, or to one per cent of the total budget, whichever is higher, when such transfers are necessary to ensure the proper functioning of the services. All transfers arising in the first year of the financial period shall be reflected in the revised budget proposals. Those arising in the second year shall be reported to the next sessions of the Program and Budget Committee and the General Assembly."

2. Transfers are made with the objective of aligning resource requirements with allocations, and reflect both non-personnel transfers and the budgeted amounts related to post transfers. Transfers made in the course of 2008 related primarily to:

- personnel transfers reflecting selective re-deployment of posts in various programs; and
- non-personnel resource transfers from Unallocated to the PCT and Madrid systems to address unbudgeted resource requirements related to covering the cost of two extraordinary Assemblies in the course of 2008; and to Associated Patent Services for software products for the development and expansion of PATENTSCOPE®.

3. In addition the budget has been adjusted for flexibility, in accordance with the formulae endorsed for application in the 2008/09 biennium for the PCT, Madrid and Hague systems by their respective Unions' Assemblies at their 2007 meeting. The increase in the projected workload of the Madrid system (by 5,800 registrations), taken together with the decrease in the projected workload of the Hague system (by 2,300 registrations and renewals) has enabled the allocation of additional resources under the Flexibility Formula, representing a total amount of 1,066 thousand Swiss francs, within the total calculated maximum of 1,336 thousand Swiss francs for these two systems.

4. The Revised Program and Budget for 2008/09 with its new structure will replace the Approved Budget for 2008/09. The transfers and flexibility implemented to date have been taken into account when preparing the revised 2008/09 budget. Table 1 of Annex I is included for information and disclosure purposes only.

5. Table 2 of Annex I displays the methodology used for the restatement of the Approved 2008/09 Biennium Budget based on the revised structure describe in paragraphs 43 and 44, and shown in Tables 5 and 6 of the main part of the document (Chapter III, Section C. Revised Expenditure for 2008/09)

Table 1. 2008/09 Approved Budget, Transfers and Allocation of Flexibility Resources by Program
(in thousands of Swiss francs)

	2008/09 Approved Budget	Transfers*	Transfers as % of Approved Budget of a Program	Transfers as % of Total Approved Budget	Flexibility	2008/09 Approved Budget including Implemented Transfers and Flexibility
1 Public Outreach and Communication	12,611	(1,292)	-10.2%	-0.2%		11,319
2 External Coordination	11,215	(760)	-6.8%	-0.1%		10,456
3 Strategic Use of IP for Development	20,581	(649)	-3.2%	-0.1%		19,933
4 Use of Copyright in the Digital Environment	2,150	(416)	-19.3%	-0.1%		1,734
5 Life Sciences	680	--	0.0%	0.0%		680
6 Africa, Arab, Asia and the Pacific, Latin America and the Caribbean Countries, Least Developed Countries	40,665	1,008	2.5%	0.2%		41,673
7 Certain Countries in Europe and Asia	5,444	(563)	-10.3%	-0.1%		4,881
8 Business Modernization of IP Institutions	4,795	--	0.0%	0.0%		4,795
9 Collective Management of Copyright and Related Rights	1,736	55	3.2%	0.0%		1,791
10 IPR Enforcement	3,321	(486)	-14.6%	-0.1%		2,834
11 WIPO Worldwide Academy	15,426	1,780	11.5%	0.3%		17,206
12 Law of Patents	3,079	--	0.0%	0.0%		3,079
13 Law of Trademarks, Industrial Designs and Geographical Indications	3,882	107	2.8%	0.0%		3,989
14 Law of Copyright and Related Rights	6,002	915	15.3%	0.1%		6,917
15 TK, Traditional Cultural Expressions and Genetic Resources	6,052	237	3.9%	0.0%		6,289
16 The PCT System	182,498	(4,252)	-2.3%	-0.7%		178,247
17 Associated Patent Services	3,533	2,821	79.8%	0.5%		6,354
18 Madrid, The Hague and Lisbon Registration Systems	57,466	(367)	-0.6%	-0.1%	1,066	58,165
19 Patent Information, Classification and WIPO IP Standards	7,257	420	5.8%	0.1%		7,677
20 International Classifications in the Field of Trademarks and Industrial Designs	1,201	(360)	-30.0%	-0.1%		841
21 Arbitration and Mediation Services and Domain Names Policies and Procedures	8,036	--	0.0%	0.0%		8,036
22 Direction and Executive Management	14,081	984	7.0%	0.2%		15,065
23 Resource Management and Control	5,124	(1,123)	-21.9%	-0.2%		4,000
24 Internal Oversight	3,422	(60)	-1.7%	0.0%		3,362
25 Human Resources Management	19,267	(1,688)	-8.8%	-0.3%		17,579
26 Financial Operations	12,138	(260)	-2.1%	0.0%		11,878
27 Information Technology	45,945	883	1.9%	0.1%		46,828
28 Conference, Language, Printing and Archives	43,834	1,950	4.4%	0.3%		45,784
29 Premises Management	47,461	985	2.1%	0.2%		48,446
30 Travel and Procurement	11,061	416	3.8%	0.1%		11,477
31 The New Construction	6,739	--	0.0%	0.0%		6,739
32 Security	9,556	(356)	-3.7%	-0.1%		9,200
Total	616,256	(70)	0.0%	0.0%	1,066	617,252
Unallocated	10,091	70	0.7%	0.0%		10,161
GRAND TOTAL	626,347	0	0.0%	0.0%	1,066	627,413

* includes biennial impact of personnel transfers

Table 2. Overview of the Restatement of the 2008/09 Approved Program and Budget
(in thousands of Swiss francs)

Approved Structure	2008/09 Approved Budget	Redeploy- ments	2008/09 Re-stated Approved Budget	Revised Structure	
12 Law of Patents	3,079	4,238	7,317	1 Patents, Innovation Promotion and Technology Transfer	Adjusted to include activities related to Intellectual Property and New Technologies previously under program 3
13 Law of Trademarks, Industrial Designs and Geographical Indications	3,882		3,882	2 Trademarks, Industrial Designs and Geographical Indications	
14 Law of Copyright and Related Rights	6,002	2,689	12,575	3 Copyright and Related Rights	Merger of three former program and adjusted to include activities related to Creative Industries previously under program 3
4 Use of Copyright in the Digital Environment	2,150				
9 Collective Management of Copyright and Related Rights	1,736				
15 TK, Traditional Cultural Expressions and Genetic Resources	6,052		6,052	4 Traditional Knowledge, Traditional Cultural Expressions and Genetic Resources	
16 The PCT System	182,498		182,498	5 The PCT System	
18 Madrid, The Hague and Lisbon Registration Systems	57,466	2,707	60,173	6 Madrid, Hague and Lisbon Systems	Adjusted to include IT activities related to Madrid, Hague and Lisbon Systems previously under program 27
21 Arbitration and Mediation Services and Domain Names Policies and Procedures	8,036		8,036	7 Arbitration, Mediation and Domain Names	
3 Strategic Use of IP for Development	20,581	(15,194)	5,387	8 Development Agenda Coordination	Activities related to program 3 have been mainstreamed and are now included under new program 1, 3 and 9. The Development Agenda Coordination which was previously part of program 3 has been maintained as a separate program
6 Africa, Arab, Asia and the Pacific, Latin America and the Caribbean Countries, Least Developed Countries	40,665	5,709	46,375	9 Africa, Arab, Asia and the Pacific, Latin America and the Caribbean Countries, Least Developed Countries	Adjusted to include activities related SMEs and Legislation for Public Policy previously under program 3
7 Certain Countries in Europe and Asia	5,444		5,444	10 Certain Countries in Europe and Asia	
11 WIPO Worldwide Academy	15,426	(8,082)	7,345	11 The WIPO Academy	Adjusted for activities planned to be discontinued in 2009 - Policy Development Program, Executive Research Program and Special Projects Program; Resources related to WIPO Library moved to new program 19 Communications
20 International Classifications in the Field of Trademarks and Industrial Designs	1,201		1,201	12 International Classifications in the Field of Trademarks and Industrial Designs	
19 Patent Information, Classification and WIPO IP Standards	7,257		7,257	13 Patent Classifications and WIPO IP Standards	
17 Associated Patent Services (old PCT Reform)	3,533		3,533	14 PATENTSCOPE® and Associated Patent Services	
8 Business Modernization of IP Institutions	4,795		4,795	15 IP Office Modernization	
New Unit			-	16 Economic Studies, Statistics and Analysis	New
10 IPR Enforcement	3,321		3,321	17 Building Respect for IP	
5 Life Sciences	680		680	18 IP and Global Challenges	
1 Public Outreach and Communication	12,611	356	12,967	19 Communications	Adjusted to include resources related to WIPO Library previously in program 11
2 External Coordination	11,215	(1,751)	9,465	20 External Offices and Relations	Adjusted for activities planned to be discontinued in 2009 - review of regional offices, Industry Advisory Commission
22 Direction and Executive Management	14,081	(2,539)	11,541	21 Executive Management	Adjusted for activities planned to be discontinued in 2009 - Strategic Planning and Policy Development
23 Resource Management and Control	5,124		17,261	22 Finance, Budget and Program Management	Merged with Financial Operations
26 Financial Operations	12,138			22 Finance, Budget and Program Management	Merged with Resource Management and Control
29 Premises Management	47,461		58,521	24 Administrative Support Services	Merged with Travel and Procurement
30 Travel and Procurement	11,061			24 Administrative Support Services	Merged with Premises Management
25 Human Resources Management	19,267		19,267	23 Human Resource Management and Development	
27 Information Technology	45,945	(2,708)	43,238	25 Information and Communication Technology	Adjusted exclude IT activities related to Madrid, Hague and Lisbon Systems
24 Internal Oversight	3,422		3,422	26 Internal Audit and Oversight	
28 Conference, Language, Printing and Archives	43,834		43,834	27 Conference and Language Services	
31 The New Construction	6,739		6,739	29 New Construction	
32 Security	9,556		9,556	28 Security	
Biennial Budget for Activities Discontinued in 2009		14,575	14,575		The restated budget represents the full biennial cost of the discontinued activities while the Revised Budget only includes costs incurred in 2008.
Total	616,256	0	616,256		
Unallocated	10,091		10,091		
GRAND TOTAL	626,347	0	626,347		

ANNEX II

2008/09 REVISED BUDGET BY OBJECT OF EXPENDITURE

2008/09 Revised Budget by Object of Expenditure
(in thousands of Swiss francs)

	2006/07 Actuals	2008/09 Proposed Budget	2008/09 Approved Budget	2008/09 Revised Budget	Difference Revised vs. Approved Budget	
					Amount	%
A. Personnel Resources						
Posts	313,246	336,651	336,651	335,222	(1,428)	-0.4%
Short-term Employees	46,960	52,782	52,782	48,293	(4,489)	-8.5%
Consultants	10,584	10,321	10,321	10,545	224	2.2%
Special Service Agreements	5,345	7,032	7,032	6,159	(873)	-12.4%
Interns				439	439	
Sub-Total A	376,135	406,785	406,785	400,658	(6,127)	-1.5%
Unallocated		7,243	4,851	4,878	26	0.5%
Total A	376,135	414,028	411,637	405,536	(6,101)	-1.5%
B. Non-personnel Resources						
<i>Travel and Fellowships</i>						
Staff Missions	14,294	13,852	13,852	14,237	385	2.8%
Third-party Travel	17,323	26,890	26,890	24,956	(1,934)	-7.2%
Fellowships	3,256	5,427	5,427	3,601	(1,826)	-33.7%
<i>Contractual Services</i>						
Conferences	4,532	6,565	6,565	6,474	(91)	-1.4%
Experts' Honoraria	1,626	3,517	3,517	3,721	204	5.8%
Publishing	493	2,341	2,341	1,501	(840)	-35.9%
Other	44,779	67,335	67,335	84,046	16,712	24.8%
<i>Operating Expenses</i>						
Premises & Maintenance	51,829	62,003	60,522	54,614	(5,908)	-9.8%
Communication & Other	11,170	9,508	9,508	12,341	2,834	29.8%
<i>Equipment and Supplies</i>						
Furniture & Equipment	2,902	5,579	5,579	6,349	770	13.8%
Supplies & Materials	4,276	7,936	7,936	8,719	782	9.9%
Sub-Total B	156,480	210,952	209,471	220,558	11,087	5.3%
Unallocated		5,239	5,239	2,306	(2,934)	-56.0%
Total B	156,480	216,191	214,710	222,864	8,154	3.8%
TOTAL	532,615	630,219	626,347	628,400	2,053	0.3%

Table1. 2008/09 Revised Budget – by Program
(in thousands of Swiss francs)

	2008/09 Restated Approved Budget			2008/09 Revised Budget			Difference Revised vs. Approved Budget			
	Personnel Resources	Non-Personnel Resources	Total	Personnel Resources	Non-Personnel Resources	Total	Personnel Resources	Non-Personnel Resources	Total	%
I	Balanced Evolution of the International Normative Framework for IP									
1	5,294	2,023	7,317	5,202	1,938	7,140	(92)	(85)	(177)	-2.4%
2	1,609	2,273	3,882	1,989	1,814	3,803	380	(459)	(79)	-2.0%
3	9,178	3,397	12,575	9,176	3,275	13,450	998	(123)	875	7.0%
4	3,458	2,594	6,052	3,999	3,120	7,118	540	526	1,066	17.6%
	19,539	10,287	29,826	21,365	10,146	31,511	1,826	(141)	1,685	5.7%
II	Provision of Premier Global IP Services									
5	136,148	46,350	182,498	125,046	57,356	182,402	(11,102)	11,006	(96)	-0.1%
6	49,138	11,035	60,173	46,394	14,786	61,180	(2,744)	3,751	1,007	1.7%
7	5,861	2,175	8,036	7,632	1,302	8,934	1,771	(873)	899	11.2%
	191,147	59,560	250,707	179,073	73,444	252,517	(12,075)	13,884	1,809	0.7%
III	Facilitating the Use of IP for Sustainable Development									
8	3,075	2,312	5,387	3,102	2,312	5,414	27	-	27	0.5%
9	27,174	19,201	46,375	28,854	19,206	48,060	1,680	4	1,685	3.6%
10	3,560	1,884	5,444	3,381	2,224	5,604	(179)	340	160	2.9%
11	2,734	4,611	7,345	3,247	4,612	7,859	513	1	514	7.0%
	36,542	28,008	64,550	38,584	28,353	66,937	2,042	345	2,387	3.7%
IV	Coordination and Development of Global IP Infrastructure									
12	1,078	123	1,201	536	388	924	(542)	265	(277)	-23.1%
13	6,176	1,081	7,257	6,483	1,588	8,071	306	507	813	11.2%
14	2,333	1,200	3,533	4,511	2,367	6,878	2,179	1,167	3,345	94.7%
15	2,836	1,959	4,795	3,324	2,110	5,435	488	151	639	13.3%
	12,423	4,363	16,786	14,855	6,453	21,307	2,431	2,089	4,521	26.9%
V	World Reference Source for IP Information and Analysis									
16	-	-	-	1,285	301	1,586	1,285	301	1,586	n/a
	-	-	-	1,285	301	1,586	1,285	301	1,586	n/a
VI	International Cooperation on Building Respect for IP									
17	2,443	878	3,321	2,016	906	2,922	(426)	28	(399)	-12.0%
	2,443	878	3,321	2,016	906	2,922	(426)	28	(399)	-12.0%
VII	Addressing IP in Relation to Global Policy Issues									
18	420	260	680	989	466	1,455	570	206	776	114.1%
	420	260	680	989	466	1,455	570	206	776	114.1%
VIII	Responsive Communications Interface between WIPO, its Member States and All Stakeholders									
19	11,209	1,758	12,967	11,335	1,845	13,179	125	87	212	1.6%
20	7,235	2,230	9,465	7,238	2,406	9,644	3	176	179	1.9%
	18,444	3,988	22,432	18,572	4,251	22,823	128	263	391	1.7%
IX	Efficient Administrative and Financial Support Structure									
21	10,527	1,014	11,541	11,209	2,312	13,520	681	1,298	1,979	17.1%
22	15,710	1,551	17,261	15,657	1,635	17,292	(53)	84	31	0.2%
23	15,171	4,096	19,267	15,291	3,506	18,797	120	(590)	(470)	-2.4%
24	17,692	40,830	58,521	19,431	38,564	57,995	1,740	(2,266)	(526)	-0.9%
25	20,288	22,950	43,238	21,266	25,317	46,583	978	2,367	3,345	7.7%
26	2,704	718	3,422	2,539	718	3,257	(165)	-	(165)	-4.8%
27	31,617	12,217	43,833	30,847	9,834	40,681	(769)	(2,383)	(3,152)	-7.2%
28	3,129	6,428	9,556	2,676	7,296	9,972	(453)	868	415	4.3%
29	361	6,378	6,739	382	4,548	4,930	21	(1,830)	(1,809)	-26.8%
	117,198	96,181	213,379	119,297	93,730	213,027	2,099	(2,451)	(352)	-0.2%
	8,629	5,946	14,575	4,622	2,509	7,130	(4,008)	(3,437)	(7,445)	-51.1%
Total	406,785	209,471	616,256	400,658	220,558	621,216	(6,127)	11,087	4,960	0.8%
Unallocated	4,851	5,239	10,091	4,878	2,306	7,184	26	(2,934)	(2,907)	-28.8%
GRAND TOTAL	411,637	214,710	626,347	405,536	222,864	628,400	(6,101)	8,154	2,053	0.3%

ANNEX IV

ALLOCATION OF PROJECTED INCOME AND BUDGETED EXPENDITURE BY UNION IN 2008/09

I. INTRODUCTION

1. Under the current Financial Regulations (Regulation 2.3), the proposed Program and Budget is required to show “estimates for income and expenditure for the financial period to which it relates, in a consolidated form for the Organization, as well as separately for each Union”. It is also recalled that the External Auditors of WIPO have reviewed the income and expenditure allocation methodologies by Union and have recommended in their report on the 2006/07 accounts “to continue adapting the distribution keys for 2008-2009 in order to:

- *Ensure a distribution of expenditure according to the elements generating costs, so that as much expenditure as possible is allocated directly*
- *Ensure, through simulations, that the keys remain stable in the face of different scenarios.”*

2. In the course of the preparation of the 2008/09 Revised Program and Budget, the Secretariat has endeavored to further improve the methodology approved by Member States as part of the 2008/09 Program and Budget¹ in order to address the above recommendations of the External Auditors. Accordingly, a small number of technical adjustments are proposed at this time to the model, as described in this Annex. Further improvements are under consideration for inclusion in the 2010/11 Program and Budget, in particular in relation to identifying costs drivers more precisely and allocating as much expenditure as possible directly.

II. ALLOCATION OF BUDGETED EXPENDITURE BY UNION

3. It is recalled that the approved methodology on the allocation of the expenditure by Unions is based on the identification of Union direct and Union indirect expenses. Under the current Revised Budget, programs are categorized as Union Direct and Union Indirect activities on the same basis as in the 2008/09 Approved Budget. The only exception is the Madrid, Hague and Lisbon IT Systems which were previously shown as part of Administrative activities, whereas now they are a part of Program 6 (Madrid, Hague and Lisbon Systems) and are distributed directly to the Madrid, Hague and Lisbon Unions.

4. *UNION DIRECT EXPENSES*, are the expenses incurred under Union specific activities and the attributable share of related administrative and other budgeted expenses.

4.1 *Union specific activities*: The following Program activities and budgeted expenditures are considered under this heading. Where expenditures of a program are only partly allocated to a Union, the basis for allocation is the respective Union’s share of the total income of the Unions which share this expense. Where the allocation of a Program is to a single Union, the full cost of that Program is allocated to that Union.

4.1.1 *Contribution-financed Unions*: Programs 1 (Patents, Innovation Promotion and Technology Transfer) (partly), 2 (Trademarks, Industrial Designs and Geographical Indications) (partly), 3 (Copyright and Related Rights) (partly) and 4 (Traditional Knowledge, Traditional Cultural Expressions and Genetic Resources).

4.1.2 *PCT Union*: Programs 1 (Patents, Innovation Promotion and Technology Transfer) (partly), 5 (The PCT System), 13 (Patent Classifications and WIPO IP Standards) and 14 (PATENTSCOPE® and Associated Patent Services).

4.1.3 *Madrid Union*: Programs 2 (Trademarks, Industrial Designs and Geographical Indications) (partly), 6 (Madrid, Hague and Lisbon Systems) (partly) and 12 (International Classification in the Field of Trademarks and Industrial Designs) (partly).

¹ Reference is made to Annex I. of documents WO/PBC/12/2 and A/43/2.

4.1.4 *Hague Union*: Programs 2 (Trademarks, Industrial Designs and Geographical Indications) (partly), 6 (Madrid, Hague and Lisbon Systems) (partly) and 12 (International Classification in the Field of Trademarks and Industrial Designs) (partly).

4.1.5 *Lisbon Union*: Programs 2 (Trademarks, Industrial Designs and Geographical Indications) (partly) and 6 (Madrid, Hague and Lisbon Systems) (partly)

4.2 *Union Direct Administrative Expenses*: A share of all programs under Strategic Goal IX (Programs 21 to 29) and "Unallocated" is considered to belong under this category. The allocation of budgeted expenditures is determined in a two-step process. In the first step, the total share of direct administrative costs for all Unions is determined on the basis of the total headcount of the direct union-related programs relative to the total headcount of all programs other than those under Strategic Goal IX. As a second step, this Union Direct administrative expense was allocated to the respective Unions on the basis of the relative share of each Union's headcount to the total headcount of direct union-related programs.

5. *UNION INDIRECT EXPENSES*, are each Union's allocated share of budgeted expenses for Programs not directly related to the activities of the respective Union, together with the share of related administrative and other budgeted expenses.

5.1 *Indirect Union expenses*: The following Program activities and budgeted expenditures are considered under this heading: Programs 1 (Patents, Innovation Promotion and Technology Transfer) (partly), 3 (Copyright and Related Rights) (partly), 7 (Arbitration, Mediation and Domain Names), 8 (Development Agenda Coordination), 9 (Africa, Arab, Asia and the Pacific, Latin America and the Caribbean Countries, Least Developed Countries), 10 (Cooperation with Certain Countries in Europe and Asia), 11 (The WIPO Academy), 16 (Economic Studies, Statistics and Analysis), 17 (Building Respect for IP), 18 (IP and Global Challenges), 19 (Communications) and 20 (External Offices and Relations). The share of budgeted expenditures from each of these is allocated to Unions on the basis of their respective *biennial capacity to pay*. This is calculated as the difference between the respective Union's projected income to be earned in the biennium and the Union's other allocated expenses and minimum reserve requirements ("reserve target floor"). The reserve target floor's calculation is based on the reserve requirements of the prior biennium's expenditures. A technical adjustment introduced to the methodology is to focus on the current biennium's income, rather than only on available reserves, in defining the capacity to pay. This ensures a proportionate allocation of indirect expenditure to Unions on the basis of resources (surplus) earned in the current biennium. Only if the biennial surplus income is not sufficient, would excess reserves be used to cover the remaining part of indirect expenditure, on the basis of their relative share by Unions.

5.2 *Indirect Administrative Expenses*: These relate to budgeted expenditures under Programs 21 to 29) which have not been allocated to Direct Union expenses, as well as the amount budgeted under "Unallocated" in the proposed budget. The allocation of these budgeted expenditures is done on the basis of their respective *capacity to pay (i.e., along the same principles as for Indirect Union expenses)*.

6. In accordance with the above methodology, tables indicating the following are presented below:

- Annex IV/1. Revised Financial Overview by Union
- Annex IV/2. Revised Income by Union
- Annex IV/3. Revised Budget by Program and Union
- Annex IV/4. Revised Budget by Expenditure Group and Union
- Annex IV/5. Reserve Funds and Working Capitals Funds by Union

AnnexIV/1
2008/09 Revised Financial Overview by Union
(in thousands of Swiss francs)

	CF Unions		PCT Union		Madrid Union		Hague Union		Lisbon Union		Total	
	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%
RWCF Adj., End 2007	24,320		138,031		41,510		(340)		111		203,632	
2008/09 Income	37,694		475,979		106,224		7,195		1,307		628,400	
2008/09 Expenditure	37,727		476,384		106,348		6,634		1,307		628,400	
Surplus/Deficit	(33)		(405)		(124)		562		(1)		0	
RWCF, End 2009	24,288		137,626		41,386		222		111		203,632	
RWCF, Target	18,863	50.0	71,458	15.0	26,587	25.0	995	15.0	-	n/a	117,903	18.8
Balance	5,424		66,169		14,799		(773)		111		85,729	

*Reserves and Working Capital Funds (RWCF)

Annex IV/2
Revised 2008/09 Income by Union
(in thousands of Swiss francs)

	CF Unions		PCT Union		Madrid Union		Hague Union		Lisbon Union		Total	
	Amount	% of union	Amount	% of total	Amount	% of total	Amount	% of total	Amount	% of total	Amount	% of total
Contributions	34,827	92.4	-	-	-	-	-	-	-	-	34,827	5.5
Fees	-	-	460,983	96.8	100,483	94.6	5,730	79.6	10	0.8	567,206	90.3
Interest	1,351	3.6	13,380	2.8	3,219	3.0	149	2.1	31	2.4	18,132	2.9
Publications	250	0.7	350	0.1	550	0.5	50	0.7	-	-	1,200	0.2
Other Income	1,266	3.4	1,266	0.3	1,972	1.9	1,266	17.6	1,266	96.9	7,036	1.1
TOTAL	37,694	100.0	475,979	100.0	106,224	100.0	7,195	100.0	1,307	100.0	628,400	100.0

Annex IV/3
2008/09 Revised Budget by Program and Union
(in thousands of Swiss francs)

	Contribution-financed Unions			PCT Union			Madrid Union			Hague Union			Lisbon Union			Total		
	Amount	% of prog	% of union	Amount	% of prog	% of union	Amount	% of prog	% of union	Amount	% of prog	% of union	Amount	% of prog	% of union	Amount	% of prog	% of union
1 Patents, Innovation Promotion and Technology Transfer	457	6.4	1.2	6,497	91.0	1.4	183	2.6	0.2	-	-	-	3	0.0	0.2	7,140	100.0	1.1
2 Trademarks, Industrial Designs and Geographical Indications	940	24.7	2.5	-	-	-	2,650	69.7	2.5	180	4.7	2.7	33	0.9	2.5	3,803	100.0	0.6
3 Copyright and Related Rights	10,762	80.0	28.5	2,554	19.0	0.5	132	1.0	0.1	-	-	-	2	0.0	0.1	13,450	100.0	2.1
Traditional Knowledge, Traditional Cultural Expressions and	7,118	100.0	18.9	-	-	-	-	-	-	-	-	-	-	-	-	7,118	100.0	1.1
4 Genetic Resources																		
5 The PCT System	-	-	-	182,402	100.0	38.3	-	-	-	-	-	-	-	-	-	182,402	100.0	29.0
6 Madrid, Hague and Lisbon Systems	-	-	-	-	-	-	56,646	92.6	53.3	3,837	6.3	57.8	697	1.1	53.3	61,180	100.0	9.7
7 Arbitration, Mediation and Domain Names	503	5.6	1.3	8,010	89.7	1.7	415	4.6	0.4	-	-	-	6	0.1	0.4	8,934	100.0	1.4
8 Development Agenda Coordination	305	5.6	0.8	4,854	89.7	1.0	251	4.6	0.2	-	-	-	4	0.1	0.3	5,414	100.0	0.9
9 Africa, Arab, Asia and the Pacific, Latin America and the Caribbean Countries, Least Developed Countries	2,707	5.6	7.2	43,089	89.7	9.0	2,232	4.6	2.1	-	-	-	31	0.1	2.4	48,060	100.0	7.6
10 Cooperation with Certain Countries in Europe and Asia	316	5.6	0.8	5,025	89.7	1.1	260	4.6	0.2	-	-	-	4	0.1	0.3	5,604	100.0	0.9
11 The WIPO Academy	443	5.6	1.2	7,046	89.7	1.5	365	4.6	0.3	-	-	-	5	0.1	0.4	7,859	100.0	1.3
12 International Classification in the Field of Trademarks and Industrial Designs	-	-	-	-	-	-	865	93.7	0.8	59	6.3	0.9	-	-	-	924	100.0	0.1
13 Patent Classifications and WIPO IP Standards	-	-	-	8,071	100.0	1.7	-	-	-	-	-	-	-	-	-	8,071	100.0	1.3
14 PATENTSCOPE® and Associated Patent Services	-	-	-	6,878	100.0	1.4	-	-	-	-	-	-	-	-	-	6,878	100.0	1.1
15 IP Office Modernization	306	5.6	0.8	4,872	89.7	1.0	252	4.6	0.2	-	-	-	4	0.1	0.3	5,435	100.0	0.9
16 Economic Studies, Statistics and Analysis	89	5.6	0.2	1,422	89.7	0.3	74	4.6	0.1	-	-	-	1	0.1	0.1	1,586	100.0	0.3
17 Building Respect for IP	165	5.6	0.4	2,620	89.7	0.5	136	4.6	0.1	-	-	-	2	0.1	0.1	2,922	100.0	0.5
18 IP and Global Challenges	82	5.6	0.2	1,305	89.7	0.3	68	4.6	0.1	-	-	-	1	0.1	0.1	1,455	100.0	0.2
19 Communications	742	5.6	2.0	11,816	89.7	2.5	612	4.6	0.6	-	-	-	9	0.1	0.7	13,179	100.0	2.1
20 External Offices and Relations	543	5.6	1.4	8,646	89.7	1.8	448	4.6	0.4	-	-	-	6	0.1	0.5	9,644	100.0	1.5
21 Executive Management	728	5.4	1.9	10,138	75.0	2.1	2,468	18.3	2.3	156	1.2	2.4	30	0.2	2.3	13,520	100.0	2.2
22 Finance, Budget and Program Management	931	5.4	2.5	12,966	75.0	2.7	3,157	18.3	3.0	199	1.2	3.0	39	0.2	3.0	17,292	100.0	2.8
23 Human Resource Management and Development	1,012	5.4	2.7	14,095	75.0	3.0	3,432	18.3	3.2	217	1.2	3.3	42	0.2	3.2	18,797	100.0	3.0
24 Administrative Support Services	3,121	5.4	8.3	43,488	75.0	9.1	10,588	18.3	10.0	669	1.2	10.1	130	0.2	10.0	57,995	100.0	9.2
25 Information and Communication Technology	2,507	5.4	6.6	34,930	75.0	7.3	8,504	18.3	8.0	537	1.2	8.1	105	0.2	8.0	46,583	100.0	7.4
26 Internal Audit and Oversight	175	5.4	0.5	2,442	75.0	0.5	595	18.3	0.6	38	1.2	0.6	7	0.2	0.6	3,257	100.0	0.5
27 Conference and Language Services	2,189	5.4	5.8	30,505	75.0	6.4	7,427	18.3	7.0	469	1.2	7.1	91	0.2	7.0	40,681	100.0	6.5
28 Security	537	5.4	1.4	7,477	75.0	1.6	1,820	18.3	1.7	115	1.2	1.7	22	0.2	1.7	9,972	100.0	1.6
29 New Construction	265	5.4	0.7	3,697	75.0	0.8	900	18.3	0.8	57	1.2	0.9	11	0.2	0.8	4,930	100.0	0.8
Costs Incurred in 2008 for Activities Discontinued in 2009	397	5.6	1.1	6,150	86.3	1.3	556	7.8	0.5	19	0.3	0.3	7	0.1	0.6	7,130	100.0	1.1
Total	37,340	6.0	99.0	470,997	75.8	98.9	105,037	16.9	98.8	6,551	1.1	98.8	1,291	0.2	98.8	621,216	100.0	98.9
Unallocated	387	5.4	1.0	5,387	75.0	1.1	1,311	18.3	1.2	83	1.2	1.2	16	0.2	1.2	7,184	100.0	1.1
TOTAL	37,727	6.0	100.0	476,384	75.8	100.0	106,348	16.9	100.0	6,634	1.1	100.0	1,307	0.2	100.0	628,400	100.0	100.0

Annex IV/4
2008/09 Revised Budget by Expenditure Grouping and Union
(in thousands of Swiss francs)

	CF Unions		PCT Union		Madrid Union		Hague Union		Lisbon Union		Total	
	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%
RWCF* Adj., End 2007	24,320		138,031		41,510		(340)		111		203,632	
2008/09 Income	37,694		475,979		106,224		7,195		1,307		628,400	
2008/09 Expenditure												
Direct Union	18,895		200,309		60,162		4,075		730		284,170	
Direct Admin	8,622		113,559		37,769		2,558		460		162,968	
Sub-total, Direct	27,517		313,868		97,930		6,634		1,189		447,138	
Indirect Union	6,892		109,712		5,683		-		80		122,368	
Indirect Admin	3,317		52,804		2,735		-		38		58,894	
Sub-total, Indirect	10,209		162,516		8,418		-		118		181,262	
Total, Allocated Expenditure	37,727		476,384		106,348		6,634		1,307		628,400	
Surplus/Deficit	(33)		(405)		(124)		562		(1)		0	
RWCF, End 2009	24,288		137,626		41,386		222		111		203,632	
RWCF, Target	18,863	50.0	71,458	15.0	26,587	25.0	995	15.0	-	n/a	117,903	18.8
Balance	5,424		66,169		14,799		(773)		111		85,729	

*Reserves and Working Capital Funds (RWCF)

AnnexIV/5
Reserve Funds and Working Capitals Funds by Unions
(in thousands of Swiss francs)

<i>Reserve Funds and Working Capital Funds</i>	<i>Actual as at End 2007</i>	<i>Beginning Balance as at January 2008 Restated*</i>	<i>As at end 2009 (Approved Budget 2008/09)</i>	<i>As at end 2009 (Revised Budget 2008/09)</i>	<i>Difference (end 2009 Revised-end 2009 Approved)</i>	<i>Difference (end 2009 Revised-Beginning 2008 Restated)</i>
Contribution-financed Unions	24,475	24,320	24,409	24,288	(122)	(33)
PCT Union	138,909	138,031	139,307	137,626	(1,681)	(405)
Madrid Union	41,774	41,510	41,540	41,386	(154)	(124)
Hague Union	(340)	(340)	(3)	222	225	562
Lisbon Union	112	111	112	111	(1)	(1)
Arbitration Center	(1,298)	n/a	n/a	n/a	n/a	n/a
Total	203,632	203,632	205,364	203,632	(1,732)	0

*As per the Union budgeting methodology, the negative reserves accumulated under the Arbitration and Mediation Center up to the end of 2007 have been distributed to the other Unions on the basis of each Union's relative share of the overall reserves

ANNEX V

RESOURCES ALLOCATED TO DEVELOPMENT ACTIVITIES

1. A key aspect of the revised Program and Budget is ensuring that expenditure on development - and specifically the estimated expenditure for the adopted Development Agenda recommendations - is properly reflected in the proposal and clearly translated into the proposed new program structure. An initial comparison of resources allocated to development activities at the program level is presented in the Table below.

Development Activities Resources
(in thousands of Swiss francs)

<i>New Programs (relevant shares of program resources)</i>	<i>2008/09 Revised Budget</i>
1 Patents, innovation promotion and technology transfer *	3,948
2 Trademarks, Industrial Designs and Geographical Indications *	1,709
3 Copyright and Related Rights *	6,362
4 Traditional Knowledge, Traditional Cultural Expressions and Genetic Resources *	5,495
5 The PCT System	4,555
6 Madrid, Hague and Lisbon Systems *	2,814
8 Development Agenda Coordination	5,414
9 Africa, Arab, Asia and the Pacific, Latin America and the Caribbean Countries, LDCs	48,060
10 Cooperation with Certain Countries in Europe and Asia	5,604
11 The WIPO Academy	7,859
12 International Classification in the Field of Trademarks and Industrial Designs *	248
14 PATENTSCOPE® and Associated Patent Services *	833
15 IP Office Modernization	5,435
16 Economic Studies, Statistics and Analysis	1,586
17 Building Respect for IP	2,922
18 IP and Global Challenges *	1,042
19 Communications *	6,590
20 External Offices and Relations *	997
SUB-TOTAL	111,472
Costs Incurred in 2008 for Activities Discontinued in 2009	5,017
TOTAL	116,489

* Only the relevant share for development activities in this program is displayed

2. This table provides an overview – on a comparable basis to that presented in the Program and Budget 2008/09 – of resources allocated to programs for development activities. In the case of certain programs, the full amount of resources allocated to the program are considered to be devoted to development activities, while in the case of others, only a share of the program's resources are indicated for this purpose specifically. For further details on the substance of programs' development activities, please see program narratives under Chapter IV of this document.

3. Programs, where the full program resources are dedicated to development activity:

- Program 8. Development Agenda Coordination (formerly part of Program 3. Strategic Use of IP for Development, the resources of which had previously also been fully allocated to development activities in the comparable table in the approved program and budget for 2008/09);
- Program 9. Africa, Arab, Asia and the Pacific, Latin America and the Caribbean Countries, Least Developed Countries (formerly Program 6. same program name, and includes

activities formerly under Program 3. Strategic Use of IP for Development related to SMEs and Legislation for Public Policy);

- Program 10. Cooperation with Certain Countries in Europe and Asia (formerly Program 7. same program name);
 - Program 11. WIPO Academy (formerly Program 11. same program name);
 - Program 15. IP Office Modernization (formerly Program 8. Business Modernization of IP Institutions);
 - Program 16. Economic Studies, Statistics and Analysis (new program); and
 - Program 17. Building Respect for IP (formerly Program 10. Enforcement).
4. Programs, where only part of the programs' resources are dedicated to development activity:
- Program 1. Patents, Innovation Promotion and Technology Transfer (formerly Program 1. Patents, and activities formerly under Program 3. Strategic Use of IP for Development related to Intellectual Property and New Technologies) – the amount included represents most of the resources allocated to Intellectual Property and New Technologies activities and services provided by Patents such as drafting legislation for developing countries;
 - Program 2. Trademarks, Industrial Designs and Geographical Indications (formerly Program 13. Law of Trademarks, Industrial Designs and Geographical Indications) – the amount included represents the resources allocated to planning and implementation of technical assistance and capacity building activities, in particular in the form of national and regional awareness raising;
 - Program 3. Copyright and Related Rights (formerly Program 4. Use of Copyright in the Digital Environment, Program 9. Collective Management of Copyright and Related Rights, Program 14. Law of Copyright and Related Rights, and activities formerly under Program 3. Strategic Use of IP for Development related to Creative Industries) – the amount includes the equivalent of the full program resources of former Programs 4 and 9, and the resources related to the activities formerly under Program 3 for Creative Industries;
 - Program 4. Traditional Knowledge, Traditional Cultural Expressions and Genetic Resources (formerly Program 15. same name) – the amount included covers (i) cost related to member-driven norm-setting activities, in particular related to the acceleration of the IGC process on the protection of genetic resources, traditional knowledge and folklore; and (ii) specialist capacity building activities, taking into account the priorities and the special needs of developing countries;
 - Program 5. The PCT system (formerly Program 16 same name). The amount included covers most of the resources related to the PCT International Cooperation Division activities of the program, and in particular for the organization and funding of seminars, and the financing of the participants coming from developing countries.
 - Program 6. Madrid, Hague and Lisbon Systems (formerly Program 18 Madrid, The Hague and Lisbon Registration System, and IT activities related to Madrid, the Hague and Lisbon systems) – the amount included covers part of the resources dedicated to Legal Framework, Information and Training Activities as well as Information and Promotion, and is allocated for (i) provision of advice to governments of developing and transition countries before or following accession to one of the registration treaties; (ii) enabling representatives of developing and transition countries to participate in working groups; (iii) financing the participation of IP officials in training activities, participation experts and speakers in seminars and workshops in developing and transition countries;
 - Program 12. International Classification in the Field of Trademarks and Industrial Designs (formerly Program 20. same name) – the amount included covers (i) capacity building in the

form of training in the Vienna, Nice, and Locarno Classifications delivered to developing and transition countries; and (ii) assistance to developing country members of the Classification Unions to participate in translation conferences aimed at the establishment of coordinated official language versions of the classifications in languages other than English and French;

- Program 14. PATENTSCOPE® and Associated Patent Services (formerly Program 17. Associated Patent Services) – the amount included covers training seminars, provision of access to scientific and technical journals as well as technical assistance projects with a view to contributing to the development of agreements to facilitate access to specialized databases for the purposes of patent searches;
- Program 18. IP and Global Challenges (formerly Program 5. Life Sciences) – the amount included covers (i) technical support for policy makers in the life sciences and environmental domain; (ii) practical support on specialized patent databases in areas such as public health and technology transfer; (iii) mainstreaming the health, bio-ethics, environmental, and food security aspects of development considerations into WIPO's substantive and technical assistance activities and debates; (iv) strengthening the base of neutral, practical and accessible information for promoting the transfer and dissemination of technology, to the benefits of developing countries in key areas such as health, agriculture and the environment;
- Program 19. Communications (formerly Program 1. Public Outreach and Communication and the WIPO library) – the amount included covers the costs of publications such as treaties or outreach materials for developing countries, The Magazine of which content is geared towards promoting the use of IP for development with concrete examples from developing countries, the production of films dealing with subjects in developing countries and promoting development of IP based industries, the dissemination on their national television channels, the translation of educational materials into non-UN languages also from developing countries and their incorporation into 9 school systems in developing countries, the organization of the World IP Day, and the promotion of development activities on the WIPO website;
- Program 20. External Office and Relations (formerly Program 2. External Coordination) – the amount included covers (i) the costs of the Singapore Office, as well as (ii) extra-budgetary resource mobilization activities; and
- “Costs incurred in 2008 for activities discontinued in 2009” –the amount represents the costs estimated to be incurred until the end of 2008 for activities related to (i) the program management activities under former Program 3. Office for Strategic Use of IP for Development; (ii) the Policy Development Program under the WIPO Academy (former Program 11); (iii) the Executive Research Program under the WIPO Academy (former Program 11.); and (iv) the Special Projects Program under the WIPO Academy (former Program 11.).

ANNEX VI

REVISED FUNDS-IN-TRUST RESOURCES
POTENTIALLY AVAILABLE FOR PROGRAMMING IN 2008/09Funds-in-Trust Resources Potentially Available for Programming in 2008/09
(in thousands of Swiss francs)¹

Fund-in-Trust (FIT)	Balance End 2007	Estimated Contributions 2008/09 ²	Estimated Available for Programming in 2008/09 ²
Finland			
Finland/Copyright I	50	-	50
Finland/Copyright II	38	-	38
Finland/Copyright III	66	-	66
Sub-Total, Finland	154	-	154
France			
France/Copyright	2	-	2
France/IP	649	400	1,049
Sub-Total, France	651	400	1,051
Germany/JPO	291	640	931
Italy	992	253	1,245
Italy/JPO	-	158	158
Japan			
Japan/Copyright	782	1,172	1,954
Japan/IP/Africa	-	1,100	1,100
Japan/IP	2,410	3,660	6,070
Sub-Total, Japan	3,192	5,932	9,124
Republic of Korea			
Republic of Korea (IP) ³	1,149	598	1,747
Republic of Korea (Copyright) ³	596	245	841
Republic of Korea (Copyright/PO)	-	540	540
Republic of Korea/JPO	527	464	991
Sub-Total, Korea	2,272	1,847	4,119
Spain	459	944	1,403
United States of America			
US Copyright	1,060	500	1,560
US IP	112	224	336
Sub-Total, United States of America	1,172	724	1,896
EU/Sri Lanka ⁴	65	-	65
EU/Bangladesh	-	644	644
TOTAL	9,247	11,542	20,789

¹ The figures do not include interest and exchange rate adjustments. It should also be noted that these funds generally provide for activities spanning a period of time exceeding or overlapping a single biennium, as income is received and expenditure incur

² This column is purely indicative and is based on previous funding patterns. It does not represent Member States' commitments except in those cases where the FIT arrangement also covers the 2008/09 period.

³ Annual contributions vary and fluctuations have been observed from one year to another. Sfr 598,000 for FIT Korea (IP) and SFr 245,000 for FIT Korea (Copyright) were contributed in 2008. No indication is available yet

⁴ Project now completed and account closed at the end of October 2008.

ANNEX VII

EVOLUTION OF DEMAND FOR SERVICES UNDER THE PCT, MADRID AND THE HAGUE SYSTEMS IN THE MEDIUM TERM

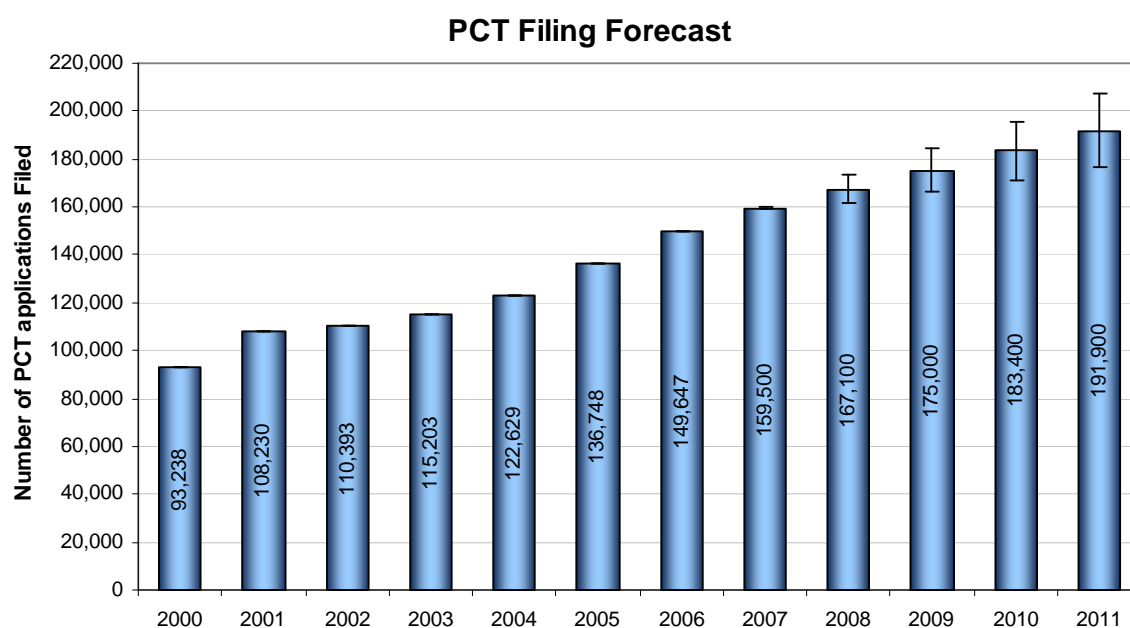
PCT

1. The level of PCT income is influenced by a variety of factors, including demand for PCT services and applicants' behavior. Demand for PCT services is in turn influenced by a number of exogenous and endogenous factors. Exogenous factors include: performance of the economy globally, and in countries of the highest and fastest growing demand; research and development (R&D) investment levels; technological confidence levels; and exchange rate fluctuations. Endogenous factors include: the level of PCT fees as compared to other filing routes; the attractiveness and value of PCT services as compared to other filing routes; the overall credibility of performance of the patent system; and individual corporate patent strategies.
2. Applicants' behavior influences PCT income as follows:
 - (i) Page Fee: The International Bureau receives 15 Swiss francs for every page over 30 pages in a given application.
 - (ii) International Preliminary Examination: Applicants making use of international preliminary examination under Chapter II of the PCT must pay an additional fee (a "handling fee").
 - (iii) Electronic Filing: When applicants use electronic (instead of paper) filing they benefit from discounts.
 - (iv) International Bureau as Receiving Office: Applicants who choose to file their application with the International Bureau acting as Receiving Office (IB/RO) must pay a special fee (the "transmittal fee").
3. The following paragraphs elaborate on current forecasts as regards: the level of demand; the expected level of Chapter II demands; the expected level of electronic filings; and the expected use of IB/RO.

PCT Filing Forecast (Demand)

4. Chart 1 shows the actual number of PCT applications in the period from 2000 to 2006 and the five-year forecast for the years 2007 to 2011 (based data at the end of August 2008). As the table shows, the number of PCT applications filed in 2006 grew by 9.4% compared with 2005, reaching a total of 149,647 applications per year. The strong growth in the year 2006 was mainly due to high PCT filings from the north Asian countries. This is shown in more detail in Chart 2.

Chart 1. PCT Applications 2000 to 2011



Forecast	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
PCT Filings	93,238	108,230	110,393	115,203	122,629	136,748	149,647	159,500	167,100	175,000	183,400	191,900
Growth	22.1%	16.1%	2.0%	4.4%	6.4%	11.5%	9.4%	6.6%	4.8%	4.7%	4.8%	4.6%

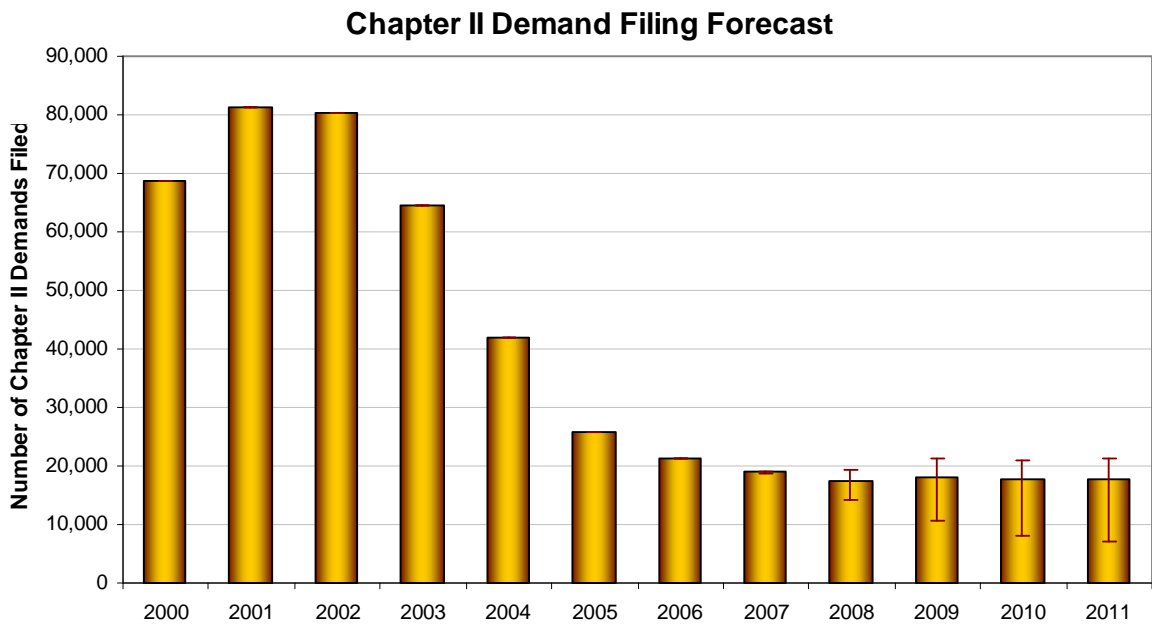
Chart 2. PCT Filings from Selected Countries 2006 to 2008

Country	2006	2007	2008	2007%	2008%
AU	2,001	2,050	2,079	2.4%	1.4%
CA	2,573	2,845	3,029	10.6%	6.5%
CH	3,610	3,770	3,884	4.4%	3.0%
CN	3,926	5,436	6,453	38.5%	18.7%
DE	16,734	17,808	18,042	6.4%	1.3%
FI	1,842	1,996	2,023	8.4%	1.3%
FR	6,261	6,556	6,738	4.7%	2.8%
GB	5,087	5,544	5,750	9.0%	3.7%
IL	1,595	1,722	1,878	8.0%	9.1%
IT	2,708	2,946	2,995	8.8%	1.7%
JP	27,024	27,737	28,500	2.6%	2.8%
KR	5,946	7,061	8,158	18.8%	15.5%
NL	4,542	4,350	4,593	-4.2%	5.6%
SE	3,332	3,649	4,117	9.5%	12.8%
US	51,243	53,912	55,066	5.2%	2.1%

PCT Chapter II Demands Forecast

- Chart 3 shows the evolution of PCT Chapter II demands in the period from 2000 to 2006, and the forecast for the period from 2007 to 2011. As this chart shows, in the period from 2007 to 2011 the downward trend of filings of PCT Chapter II demands is expected to continue, but at a slower pace than in the period from 2000 to 2006. This is one of the effects of the changes introduced by the PCT Reform Process. Under such Reform Process all applicants, as part of the international filing fee, receive a written opinion from the International Searching Authority as to whether the claimed invention appears to meet the requirements of patentability under the treaty.

Chart 3. Chapter II Demands 2000 to 2011

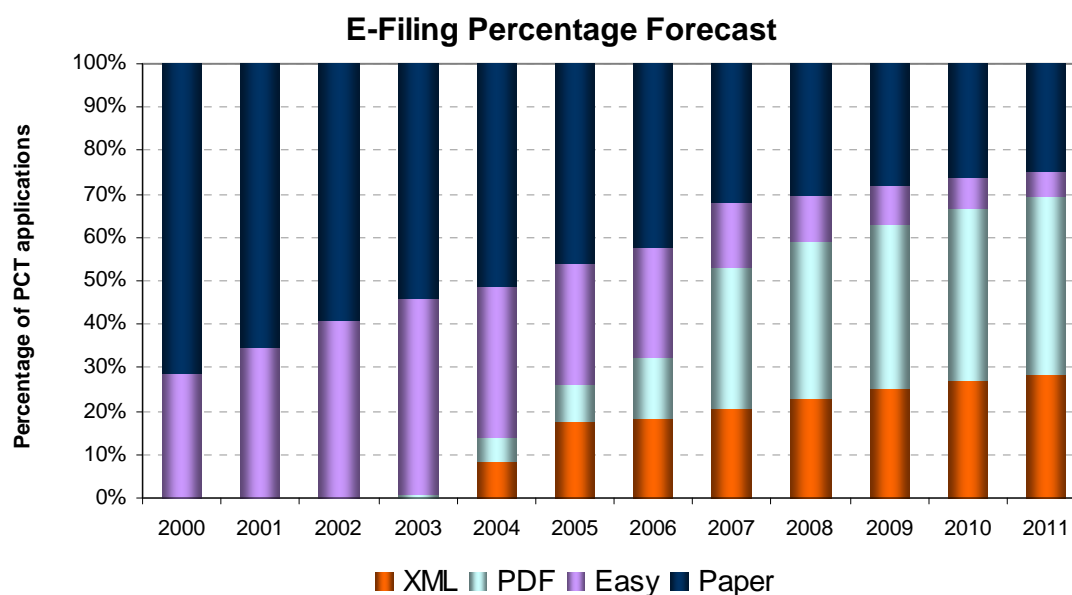


Forecast	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Ch2 Demand	68,608	81,422	80,477	64,554	41,879	25,698	21,323	19,000	17,300	18,000	17,800	17,800
Growth	20.5%	18.7%	-1.2%	-19.8%	-35.1%	-38.6%	-17.0%	-10.9%	-8.9%	4.0%	-1.1%	0.0%

Use of Electronic Filing Methods

- The estimated use of electronic filing methods (EASY, PDF or XML), as a percentage of total filings, is illustrated in Chart 4 below. As this chart shows, utilization of electronic filings has steadily increased in the period from 2000 to 2006. In the year 2006 electronic filing was close to 60% of total filings and is expected to continue to grow. In 2007, the percentage of PCT applications using PDF format has jumped to 33%, due to the fact that USPTO started to accept PDF filing format during that year.

Chart 4. Use of Electronic Filing Methods (EASY, PDF or XML) as a Percentage of Total Filings 2000 to 2011



Percentage of filing method types												
	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Paper	71.3%	65.3%	59.0%	54.2%	51.2%	46.0%	42.4%	32.0%	30.3%	27.9%	26.2%	24.9%
Easy	28.7%	34.7%	41.0%	44.9%	34.7%	27.7%	25.2%	14.7%	10.7%	8.9%	7.0%	5.5%
PDF	0.0%	0.0%	0.0%	1.0%	5.5%	8.9%	14.1%	32.7%	35.9%	38.1%	39.8%	41.0%
XML	0.0%	0.0%	0.0%	0.0%	8.7%	17.4%	18.4%	20.7%	23.1%	25.1%	27.0%	28.6%

PCT International Applications Filed with the Receiving Office of the International Bureau

7. The estimated number of PCT international applications filed with the Receiving Office of the International Bureau (RO/IB) is shown in Chart 5 below. As this chart shows, this number is expected to increase gradually in the next few years.

Chart 5. PCT International Applications Filed with the RO/IB 2000 to 2011

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
RO/IB filings	2,078	2,915	5,827	6,513	7,031	7,858	8,310	9,000	9,600	10,300	10,900	11,600
Growth	-2.4%	40.3%	99.9%	11.8%	8.0%	11.8%	5.8%	8.3%	6.7%	7.3%	5.8%	6.4%

Expected Level of PCT Income

8. Chart 6 shows calculated PCT income in the period from 2002 to 2006, and estimated PCT income in the period from 2007 to 2011, by type of income. The chart is based on the expected level of applications (Chart 1), an estimate of the expected level of page fees, the expected level of Chapter II demands (Chart 3), the expected level of electronic filings (Chart 4) and the expected level of RO/IB filings (Chart 5). The current PCT schedule of fees is reproduced in Chart 8.
9. As Chart 6 shows — based on the revised PCT fee schedule from July 1, 2008, and all other factors remaining unchanged — in 2008, PCT income will increase by 0.9% over 2007 and, in 2009, it will increase by 1.0% over 2008. These figures do not take into account the possible delays in transmittal of files from Receiving Offices (ROs) (backlogs), or the possible adverse effect of exchange rate variations. Exchange rate fluctuations, between the time applications are filed with an RO and the time their corresponding fees reach the International Bureau, also influence income, sometimes significantly. It should also be noted that the forecast does not take

into consideration the possible economic recession in the coming years.

10. For budgeting purposes, therefore, the figures appearing in Chart 6 below have been slightly corrected to take into account possible backlogs in the transmission of files from national receiving offices and exchange rate fluctuations.

Chart 6. PCT Income 2002 to 2011
(in millions of Swiss francs)

PCT income (Million CHF)	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Basic fee	141.03	141.25	167.51	186.69	204.41	217.85	222.19	226.32	237.13	248.08
Page fee	27.88	29.26	29.80	30.96	32.84	33.96	34.68	35.32	35.99	36.57
E-Filing reduction	-8.82	-10.30	-8.57	-13.04	-15.84	-22.15	-24.72	-27.30	-29.89	-32.31
Handling fee	18.51	14.86	8.27	5.07	4.21	3.74	3.41	3.54	3.50	3.49
RO/IB transmittal fee	0.55	0.62	0.67	0.76	0.83	0.84	0.87	0.93	0.96	1.00
PCT income	179.15	175.69	197.69	210.44	226.44	234.24	236.43	238.81	247.68	256.83
Growth	-5.5%	-1.9%	12.5%	6.4%	7.6%	3.4%	0.9%	1.0%	3.7%	3.7%

Chart 7. PCT Fee Schedule
(as of January 1, 2004)
(in Swiss francs)

Basic Fee	1,400
Fee for pages over 30	15
E-filing Fee Reduction	-100 (Easy)
	-200 (PDF)
	-300 (XML)
RO/IB transmittal fee	100
Handling Fee	200

Chart 8. Revised PCT Fee Schedule
(as of July 1, 2008)
(in Swiss francs)

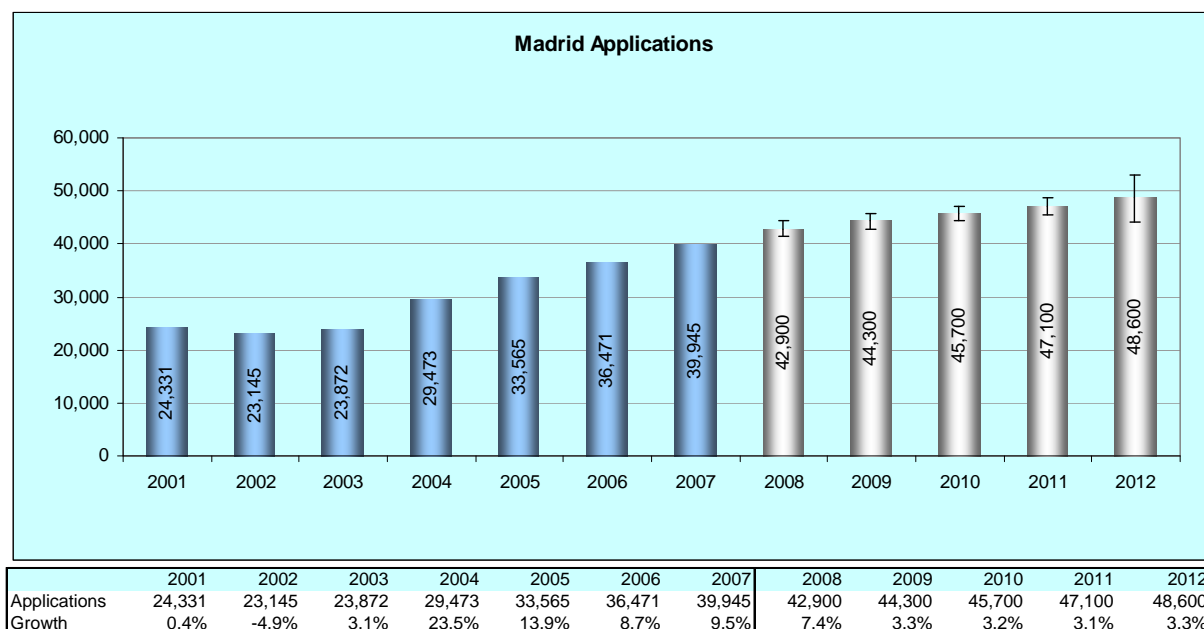
Basic Fee	1,330
Fee for pages over 30	15
E-filing Fee Reduction	-100 (Easy)
	-200 (PDF)
	-300 (XML)
RO/IB transmittal fee	100
Handling Fee	200

Madrid

Madrid - Forecast of Demand for International Registration

11. Chart 9 shows the actual number of Madrid applications filed in the period from 2001 to 2007 and the five-year forecast for the years 2008 to 2012.

Chart 9. Madrid Demand for International Registration

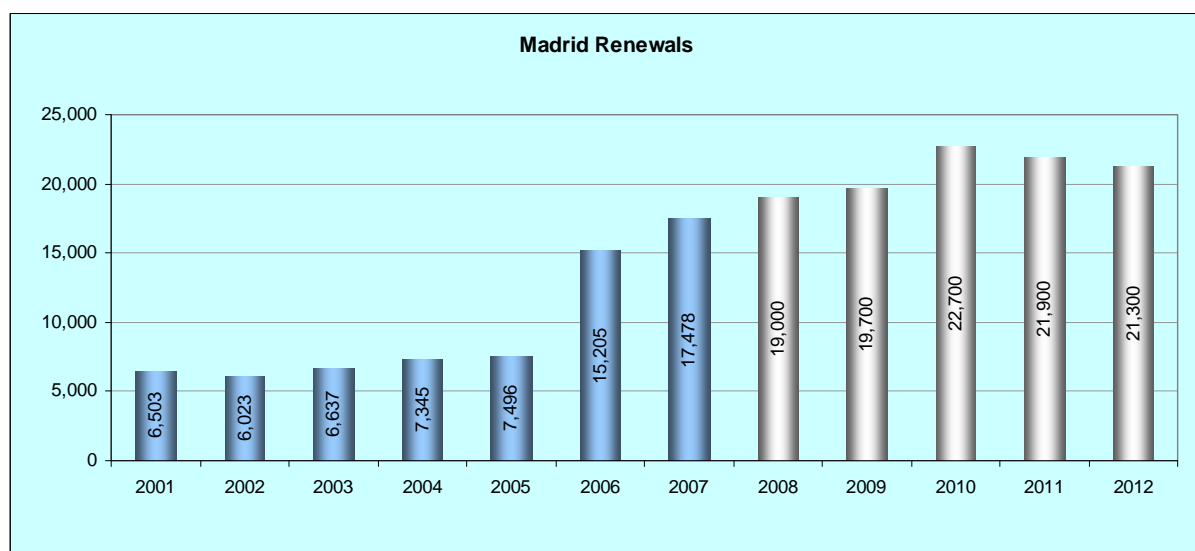


12. Estimates for the period 2008 to 2012 are based on a forecast model that takes into account the evolution of demand over the last 15 years and a gradual increase in membership in the Madrid system expected for the years to come. The forecast model has a margin of error of +/-1% for the current year (2008) and +/-5% for 2009. Following a conservative approach, the figures indicated in Chart 1 for 2009 to 2012 are in the lower range of the estimates for those years (a 3.2% growth rate, on average). However, it should be noted that exogenous factors, such as the impact of the current financial crisis on the evolution of the world economy or a sudden significant increase in membership, could lead to revised results.

Madrid - Forecast of Demand for Renewals

13. Chart 10 shows the actual number of renewals recorded in the period from 2001 to 2007 and the five-year forecast for the years 2008 to 2012.

Chart 10. Madrid Demand for Renewals



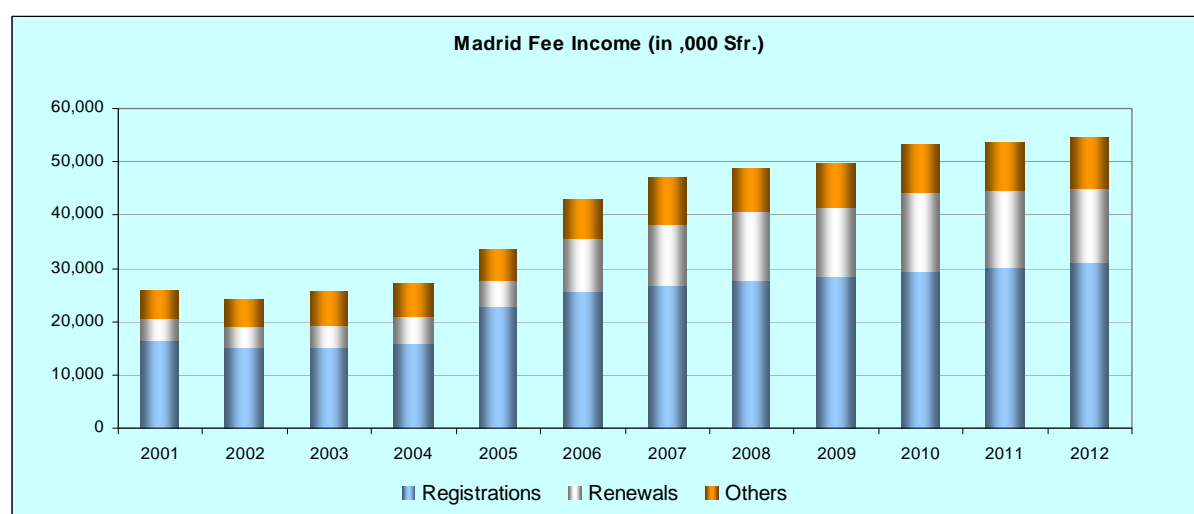
	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Renewals	6,503	6,023	6,637	7,345	7,496	15,205	17,478	19,000	19,700	22,700	21,900	21,300
Growth	-5.3%	-7.4%	10.2%	10.7%	2.1%	102.8%	14.9%	8.7%	3.7%	15.2%	-3.5%	-2.7%

14. In the period 2001 to 2007, the number of renewals varied according to the number of registrations and renewals expiring in each given year, representing a renewal rate of 47% on average.
15. The forecast for the period 2008 to 2012 is based on the renewal trends observed in the last 15 years and on the actual number of registrations due to expire (unless they are renewed) in the next five years. Estimated figures have been calculated on the basis of a 47% renewal rate on the number of registrations and renewals expiring in each given year.

Expected Level of Madrid Fee Income

16. Madrid fee income derives from three categories of services offered by WIPO under the Madrid System, namely: (a) the recording of international registrations; (b) the recording of renewals; (c) other services, including the recording of subsequent designations and other modifications and the issuance of extracts. The percentage of fee income attributable to each of these categories of services has varied over time. In 2007, the services falling under these three categories accounted for 56.3%, 24.8% and 18.9% of the Madrid total fee income, respectively.
17. Chart 11 below shows actual figures of Madrid fee income for the period 2001 to 2007, and estimated figures of Madrid fee income for the period 2008 to 2012, attributable to each of the above-mentioned three categories of services. Income estimates are based on the numbers of international registrations and renewals that are expected to get recorded from 2008 to 2012, as indicated in Table 1 below (which are, in turn, based on the forecast for applications and renewals given in Charts 9 and 10, above).

Chart 11. Expected Level of Madrid Fee Income, by Source



	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Registrations	16,525	15,296	15,083	16,065	22,855	25,727	26,602	29,020	29,083	30,126	30,851	31,940
Renewals	4,246	3,933	4,334	4,796	4,895	9,929	11,745	12,700	12,900	14,800	14,300	13,900
Others	5,150	4,881	6,174	6,317	5,884	7,377	8,927	8,300	8,480	9,020	9,200	9,240
Total	25,921	24,110	25,591	27,178	33,634	43,033	47,274	50,020	50,463	53,946	54,351	55,080

18. For the years 2001 to 2004, the ratio between income from international registrations and renewals, on the one hand, and income from other services, on the other hand, was 78/22, on average. However, both in 2005 and 2006 the ratio changed to approximately 83/17 as a result of the steep increase in the number of registrations and renewals recorded in those two years, compared to a moderate increase in the volume of other services which generate fees. In 2007, the ratio was approximately 81/19.
19. Table 1 below, provides information on the actual and expected numbers of registrations and renewals for the period 2001 to 2012 and on the actual and expected evolution of the average fee during that period. The average fee is calculated as the total Madrid fee income divided by the total number of registrations and renewals in any given year.

Table 1. Madrid Total Fee Income and Average Fee

	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Registrations	23,985	22,236	21,847	23,379	33,170	37,224	38,471	42,000	42,600	43,900	45,200	46,700
Renewals	6,503	6,023	6,637	7,345	7,496	15,205	17,478	19,000	19,700	22,700	21,900	21,300
Registrations + Renewals	30,488	28,259	28,484	30,724	40,666	52,429	55,949	61,000	62,300	66,600	67,100	68,000
% growth over previous year	2.2%	-7.3%	0.8%	7.9%	32.4%	28.9%	6.7%	9.0%	2.1%	6.9%	0.8%	1.3%
Fee Income ('000 Sfr)	25,921	24,110	25,591	27,178	33,634	43,033	47,274	50,020	50,463	53,946	54,351	55,080
% growth over previous year	3.1%	-7.0%	6.1%	6.1%	23.8%	28.0%	9.9%	5.8%	0.9%	6.9%	0.8%	1.3%
Average Fee (Sfr)	850	853	898	884	827	821	845	820	810	810	810	810

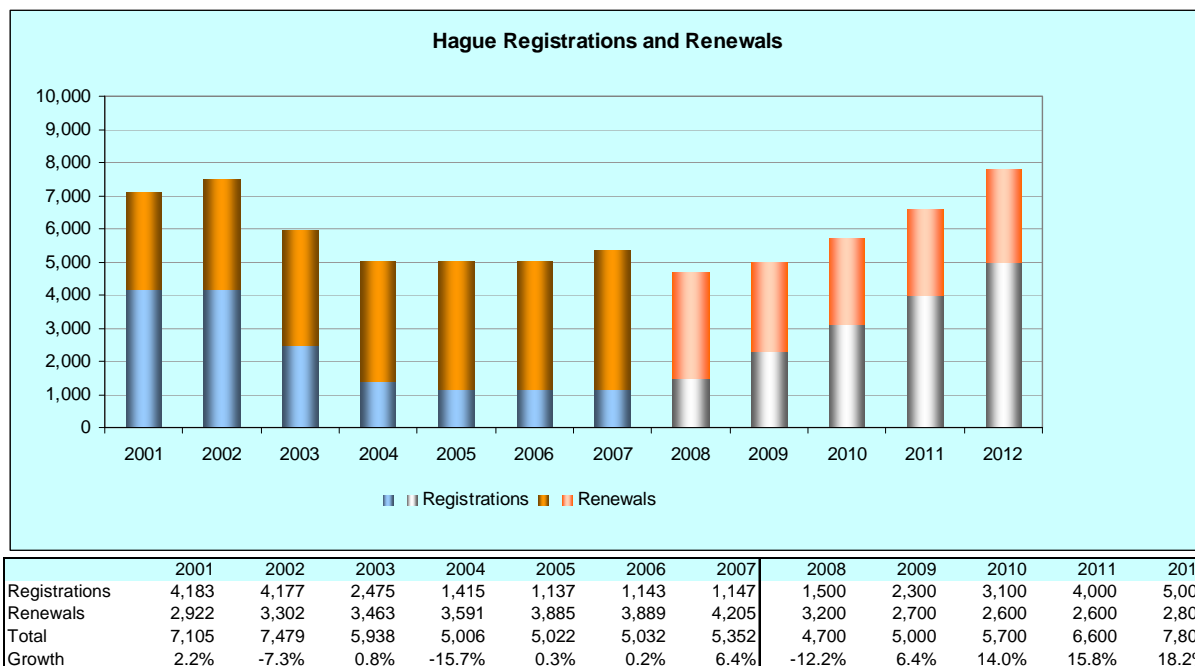
20. As can be seen from Table 1, above, the average fee has moved down from a level of 871 Swiss francs on average for 2001 to 2004 to a level of 827 Swiss francs in 2005 and 821 Swiss francs in 2006. In 2007, the average fee amounted to 845. However, this figure is distorted due to the one-off fee income – 936 thousand Swiss francs – resulting from the special procedure that applied in 2007 in connection with the accession of Montenegro. If we subtract this amount from the total, fee income in 2007 was 46.338 million Swiss francs and the average fee 828. Based on actual figures up to August 2008, the average fee for 2008 is estimated at 820. For the years to come, the average fee may well be estimated at 810 Swiss francs, following a conservative approach.
21. It should be noted that the income estimates given above are based on the assumption that no changes to the schedule of fees payable to the International Bureau under the Madrid system will take place in the forthcoming biennia.

The Hague

The Hague - Forecast of Demand for International Registration

22. Chart 12 shows the actual number of Hague registrations recorded by the International Bureau in the period from 2001 to 2007 and the five-year forecast for the years 2008 to 2012.

Chart 12. Hague Demand for Registrations and Renewals



23. Estimated figures for the period 2008 to 2012 take into account the recent accession of the European Community (EC) to the Geneva Act, which took effect on January 1, 2008. While the impact of this accession is still difficult to forecast with precision, it is expected that by 2011 the number of Hague registrations should be up again at levels similar to those prior to the year 2003, notably because of the attractiveness of the link with the EC system.
24. The margin of error of the forecast of Hague registrations for the period 2008 to 2012 is larger than the one indicated in the forecast of Madrid registrations for the same period, due to a higher exposure of the Hague system to exogenous factors, such as the possible accession of new members with a large potential for international industrial design registration activity.

Hague - Forecast of Demand for Renewals

25. Chart 12 also shows the actual number of renewals recorded in The Hague International Register in the period from 2001 to 2007 and the five-year forecast for the years 2008 to 2012.
26. In the period 2001 to 2007, the number of renewals varied according to the number of registrations and renewals recorded 5 years earlier, representing on average a 53% renewal rate.
27. Estimates for the period 2008 to 2012 are based on the evolution of demand for the renewal of international registrations in the last 15 years and the actual number of registrations entitled for renewal upon expiration of their current term in the next five years. The figures have been calculated on the basis of a 53% renewal rate.

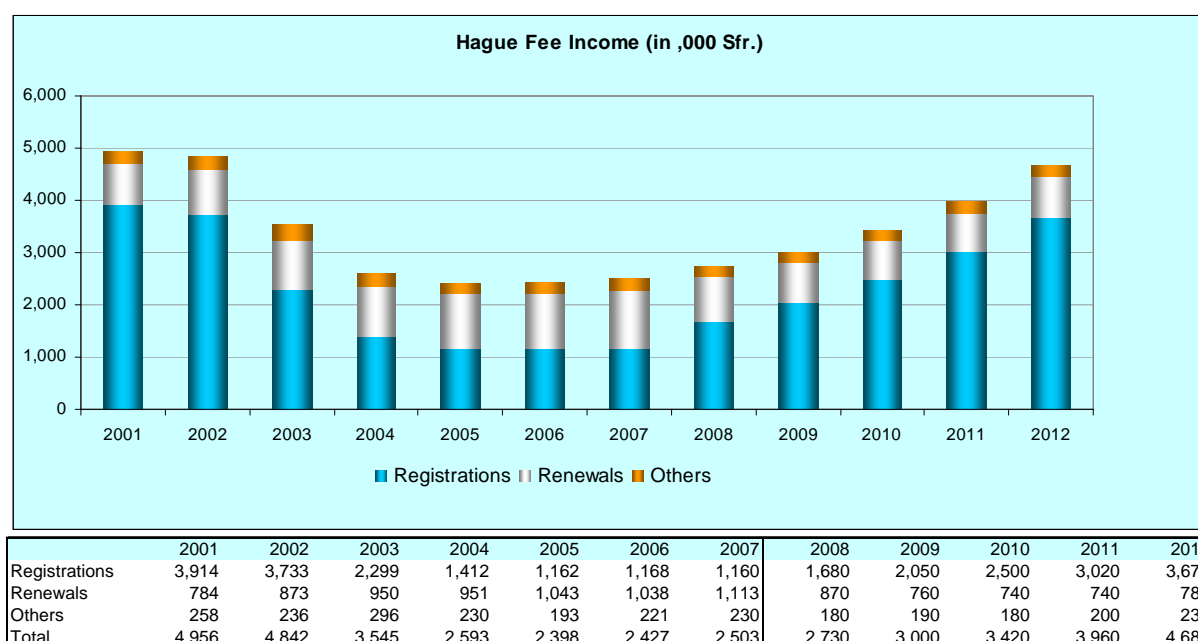
Expected Level of Hague Income

28. Fee income under the Hague system results from three categories of services offered by WIPO, for which fees are charged, namely: (a) the recording and publication of international

registrations; (b) the recording of renewals; (c) other services, including the recording of modifications and the issuance of extracts. In 2006, the services falling under those three categories accounted for 46.3%, 44.5% and 9.2% of the total Hague fee income, respectively.

29. Chart 13 below shows actual Hague total fee income in the period from 2001 to 2007, and estimated Hague total fee income for the period from 2008 to 2012.
30. The drop in the number of international registrations in the years 2003 to 2005 has heavily influenced total fee income under the Hague system. Equally, the average fee (see Table 2, below) when down during that period, as the proportion of income deriving from international registrations became smaller as compared to total income.

Chart 13. Expected Level of Hague Fee Income, by Source



31. Income estimates for 2008 to 2012 are based on the expected numbers of international registrations and renewals (Chart 12) and an estimated average fee of 580 Swiss francs in 2008 and 600 Swiss francs onwards. The increase in the number of international registrations will have an upward effect on the level of the average fee as from 2008. The income ratio resulting from international registrations, renewals, and other services is expected to move from 48/43/9 in 2007 to 78/17/5 in 2012.

Table 2. Hague Total Fee Income and Average Fee

	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Registrations	4,183	4,177	2,475	1,415	1,137	1,143	1,147	1,500	2,300	3,100	4,000	5,000
Renewals	2,922	3,302	3,463	3,591	3,885	3,889	4,205	3,200	2,700	2,600	2,600	2,800
Registrations and Renewals	7,105	7,479	5,938	5,006	5,022	5,032	5,352	4,700	5,000	5,700	6,600	7,800
% growth over previous year	2.2%	-7.3%	0.8%	-15.7%	0.3%	0.2%	6.4%	-12.2%	6.4%	14.0%	15.8%	18.2%
Fee Income ('000 Sfr)	4,956	4,842	3,545	2,593	2,398	2,427	2,503	2,730	3,000	3,420	3,960	4,680
% growth over previous year	3.1%	-7.0%	6.1%	-13.2%	-7.5%	1.2%	3.1%	9.1%	9.9%	14.0%	15.8%	18.2%
Average Fee (Sfr)	698	647	597	518	477	482	486	580	600	600	600	600

32. In this connection, it should be noted that the Hague Union Assembly modified the schedule of fees for the Hague system in September 2007. The modification includes a simplification of the publication fee and the introduction of a fee reduction scheme for applicants from LDCs. These changes came into force in January 2008. However, the adoption of this new schedule of fees would have no significant incidence on the expected level of fee income.

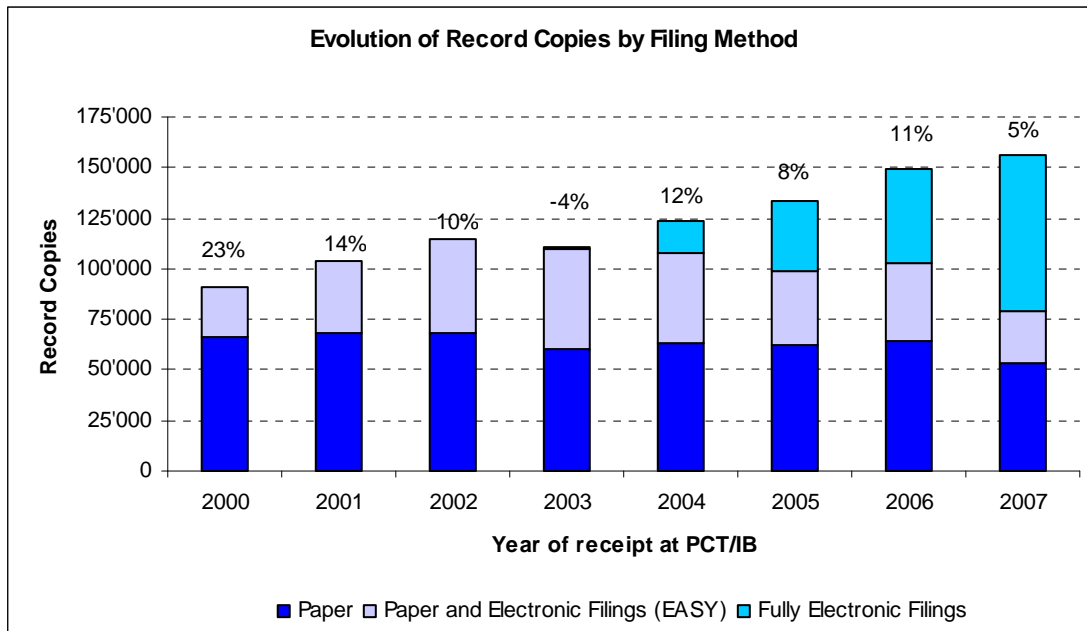
ANNEX VIII

INDICATORS FOR PCT OPERATIONS

Workload Indicators

While workload indicators are not, strictly speaking, performance indicators, they do provide the necessary background to understand the fundamental evolutions affecting PCT Operations.

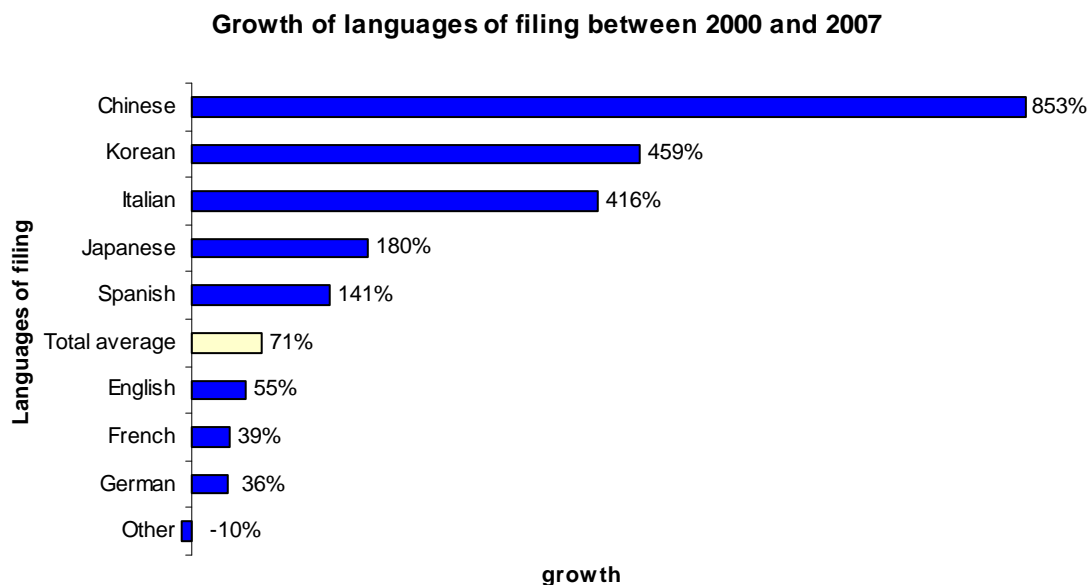
The usage of the PCT system for international patent filing has increased rapidly since the system was established in 1978, with an average annual increase of 12.2% of international applications in the last decade. A useful indicator of the evolution of the PCT workloads at the International Bureau is the yearly number of record copies received by the PCT Operations².



Important changes to the structure and the working methods of PCT Operations were introduced in recent years, as well as much increased reliance on information technology and outsourcing (the latter particularly in the area of translations) to absorb this increased workload while minimizing the recruitment of additional staff.

One fundamental development driving change in PCT Operations is the increasing language diversity of filings, resulting, in particular, from increased usage of the PCT System in East Asian countries.

² Because record copies are only received at the International Bureau after processing at a receiving Office, the figures are strongly influenced by processing times at the receiving Offices. For this reason, trends in the receipt of record copies, while valid indicators of International Bureau workloads are not always reliable indicators of demand for the PCT system.



The growth rate of English filings, the main PCT language of filing, is now below the total average rate. Several other languages are growing at a higher rate, among which Chinese, Korean and Japanese.

Productivity Indicators

Productivity is a measure of the output of a process per unit of input. Productivity can increase or decrease as inputs are used more or less efficiently in the production process.

Measure of output: In the case of the PCT, “publication” has been chosen as the primary measure of output, rather than the traditional measure of filings or record copies. Record copies and patent filings are rather considered inputs into the process as some of them may be withdrawn part way through the process. Publication may be delayed for others because of backlogs or other reasons that prevent completion of the work.

Publications therefore measure the number of PCT applications, which have been received, processed, translated, prepared for publication and communicated to designated Offices. This is a reasonable measure of the output of PCT Operations.

Republications and other forms of rework or additional work are not considered outputs. An increase in the number of republications, or the number of forms sent per application, is simply an increase in the average workload per application. If this workload increases, then a decrease in the productivity should be observed via a decrease in the number of publications PCT Operations is able to complete with the available resources.

Measure of input: The measure of input is based on two factors:

1. the financial cost of all inputs including staff, buildings, outsourcing contracts and other expenses.
2. the number of staff expressed as a full time staff equivalent (to take into account the staff who do not work full time).

From this information, two productivity indicators have been calculated: the unit cost indicator and the staff productivity indicator.

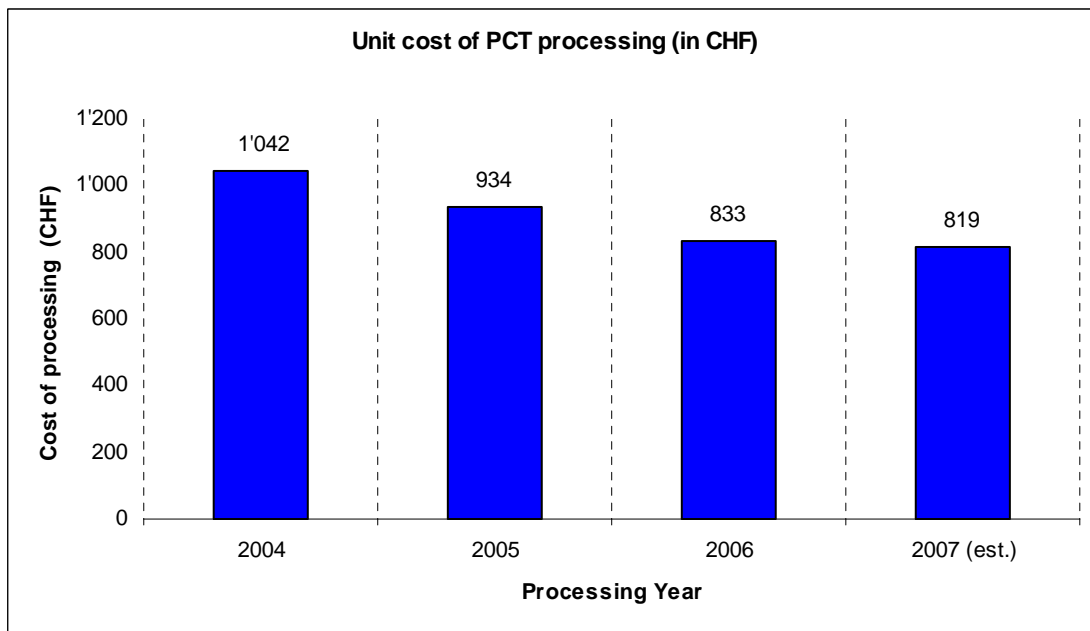
Unit Cost indicator

The definition of the unit cost used in this methodology is the average total cost of producing one unit of output. Average total cost is determined by the total of the PCT budget plus a proportion of the budgets of supporting and management activities. The unit cost is therefore an average total cost per publication and includes the cost of all PCT activities including translation, communication, management, etc.

The cost of production has been divided into two parts, the direct and the indirect cost. The direct cost corresponds to the budget of the units of the PCT system (the Administration of the PCT system and programs). The indirect cost includes the budgets of the organization units that support the PCT system. These budgets must be weighted in order to take into account only their share attributable to the PCT system. The cost of storage of published applications has been added to the formula since the PCT system must store applications for 30 years.

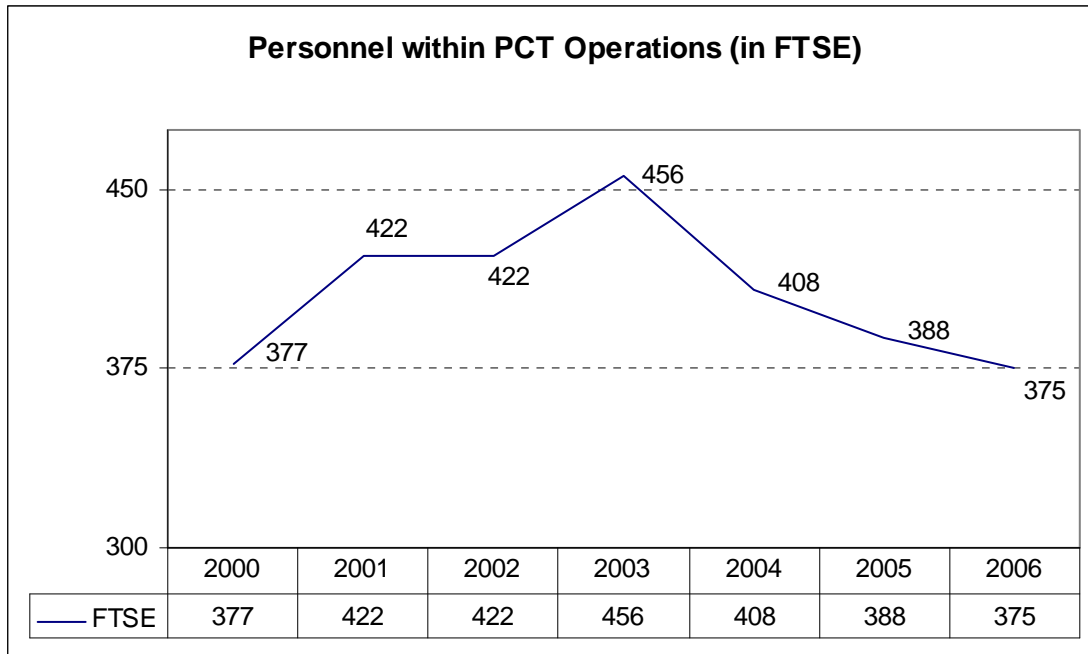
$$\text{Unit cost} = \frac{\text{Total cost of production}}{\text{Number of publications}} + \text{Cost of storage}$$

The methodology has been applied to the 2004-2006 expenditures and to the 2007 budget. Further refinements are possible but are not expected to result in major changes to the results. Extending the methodology to 2003 and earlier years is feasible but not trivial due to major differences in the WIPO budget structure. According to the methodology, the unit cost per PCT publication is estimated at 819 CHF in 2007, which represent a decrease of 21% since 2004.



Staff**Number**

After a regular growth of staff up to 2003, the number of staff in 2007 was lower to that of 2000. The chart below shows the number of PCT Operations staff since 2000, in Full Time Staff Equivalent (- FTSE - total number of full-time staff plus the full-time equivalent of the part-time staff).



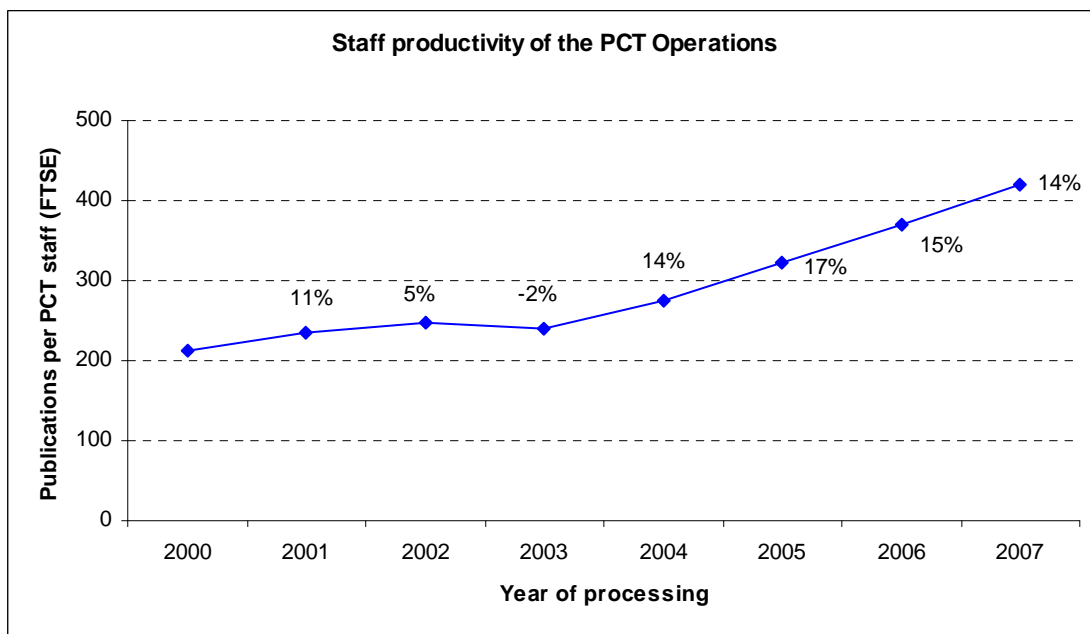
Productivity Indicator

The definition of staff productivity is output divided by the number of available staff. This calculation is easy to apply as the definition of its two components remains static over time and comparison between different periods is straightforward.

This method does however provide a partial picture of performance gains, as the only resource taken into account is staff. Thus some managerial decisions, such as outsourcing part of the work, will result in an apparent increase in staff productivity whereas overall productivity (as measured by the unit cost) may increase or decrease.

$$\text{Staff productivity} = \frac{\text{Number of publications}}{\text{PCT Op. FTSE}}$$

In this calculation, the number of staff is the number of full time staff equivalent (FTSE) in PCT Operations. The unit of output chosen is a PCT publication.

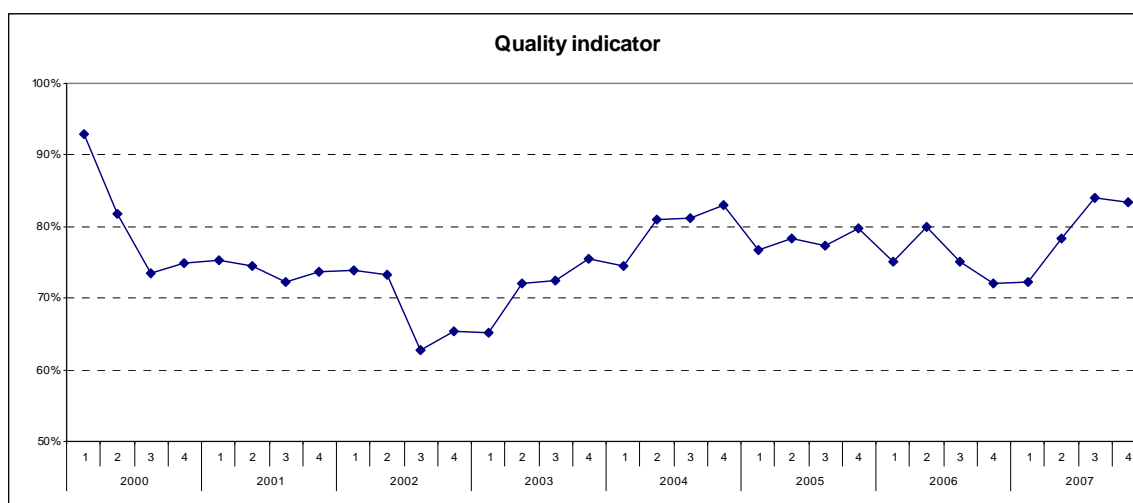


PCT Quality Indicator

In order to capture quality in a simple and comprehensive way, a single aggregate quality indicator has been developed, constructed from a set of four lead quality indicators.

The quality indicator expressed as percentage of total possible quality, is decreasing when the quality of the PCT Operations decreases and *vice versa*.

The quality indicator is the average of four lead indicators, three of which are based on the timeliness of key transactions in the PCT system – acknowledgement of receipt of the record copy, publication and republication. The fourth indicator shows the number of quality defects resulting in republication code R5 (errors in bibliographical data, mostly due to manual data entry errors). Further refinements are possible in the future.



[End of Annex VIII and of document]