

Q & A: Program and Budget

BUDGET

1. Q: What is the breakdown of the SSA & Commercial Services?

(Ref. Table 7 on page 15 of the English version of Program and Budget document WO/PBC/17/4)

A: Table 7 on “Budget for 2012/13 – by Object of Expenditure” shows an amount of 110.3 million Swiss francs against line “SSAs & Commercial Services”. This object of expenditure deals with remuneration paid (i) to holders of special services agreements (SSAs) and (ii) to commercial services in such areas as outsourced translation for PCT, Madrid and other services, provision of IT web and data hosting services by ICC, etc.

Out of the total of 110.3 million Swiss francs, approximately 86 million Swiss francs is for Commercial Services and 24 million Swiss francs for SSAs.

The following table lists the programs with the largest amounts allocated under this category, which together represent 84 per cent of the total. :

SSA and Commercial Services in the 2012/13 Budget

Amt in thousand of Swiss francs

Programs	Commercial		Total	%	Explanations
	SSA	Services			
Program 5(PCT)	5,918	42,816	48,734	44%	Amt under commercial services mainly for outsourced translation of PCT abstracts, patentability reports, etc., and PCT IS systems support, maintenance and development.
Program 25 (ICT)	350	26,955	27,305	25%	Commercial services relate to outside contracts with companies (due to the strategic partnership with UNICC and in relation to regular suppliers for Licensing,softwares, and support specific to the Administration support systems)
Program 6 (Madrid & Lisbon)	4,650	3,280	7,930	7%	4.7 million for outsourced translation and Commercial Serv. – 3.3 million for outsourced scanning/data entry and IS systems support, maintenance and development
Program 27 (Conference & Language Services)	3,850	1,550	5,400	5%	Approx. 3.8 million is intended for translation work under SSA and 1.6 million under commercial services for the mail expedition contracts.
Program 15 (Business Solutions for IP Offices)	1,253	1,700	2,953	3%	1.3 million for field experts and Commercial Serv. – 1.7 million for WIPO CASE project and customization and deployment of automation systems
Others	8,634	9,370	18,003	16%	
TOTAL	24,655	85,671	110,325	100%	

2. Q: What is included in Unallocated?

A: The unallocated budget line of 7.5 million Swiss francs covers the elements for personnel and non-personnel resources.

- The 5.5 million Swiss francs under the personnel unallocated line is to cover the following items:
 1. amount of 2 million for the regularization of 60 posts (approved by Member States in the context of regularization of 156 long serving short termers)
 2. reclassification provision of 3.5 million to cover classifications envisaged in the course of 2012/13
- The non-personnel unallocated budget line includes 2 million Swiss francs to cover unforeseen needs for resources/priority activities during the course of the biennium.

3. Q: What is the reason for the 4.2% increase under personnel? (Ref. Table 7 on page 15 of the English version of Program and Budget document WO/PBC/17/4)

A: Personnel costs projected to increase by 16.6 million Swiss francs, represent an increase of 4.2 per cent over the 2010/11 allocation. As noted in paragraph 25, the increase is due to the following key changes:

- (a) The impact of re-costing approved posts (standard cost review, which takes into account applicable mandatory ICSC adjustments and common staff costs, contribution to the

provision for after service employee benefits, including ASHI, step increases and the impact of re-classifications done in the previous biennium, together with an assumption of a certain vacancy rate and part-time work). In addition, the litigation compensation provisions, provisions of accident insurances and closed pension fund contribution changes are also taken into account. The total impact of re-costing amounts to an increase of 9.2 million Swiss francs;

(b) The impact of re-costing of short-term positions (standard cost review and reflection of re-classifications in the previous biennium), provision for short term conference staff, and the impact of the changes in the number of short-term positions, amounting to a net increase of 1.7 million Swiss francs;

(c) Under personnel costs, an amount of 2.0 million Swiss francs has been earmarked for the regularization of 60 long serving temporary employees performing continuing functions. This is in line with the commitment made by the Director General and endorsed by Member States at their Assemblies in 2010 (reference document WO/CC/63/5), and will result in the utilization of 60 of the 156 posts approved in principle for this purpose.

(d) In line with the strategic realignment process, the review of skills and competencies and the appropriate resource structures is a priority for the Organization. As a result, a further amount of 3.5 million Swiss francs has been earmarked for re-classifications to be implemented in the course of 2012/13.

4. Q: What is the reason for increase under Experts' Honoraria and Conferences?
(Ref. Table 7 on page 15 of the English version of Program and Budget document WO/PBC/17/4)

A: Total increase under **Experts' Honoraria** is 1.2 million Swiss francs, and following are some of the programs with the largest increases:

Explanation for increases under Experts Honoraria

Programs	Increase/(decrease) compared to 2010/11	Amt in thousand of Swiss francs
		Purpose
Program 11 (The WIPO Academy)	613	Primarily in areas of distance learning training as well as in academic institutions and strategic IP management training programs
Program 9 (Africa, Arab, Asia & Pacific, Latin America & Caribbean Countries, LDCs)	549	Related to various events and seminars in regions
Program 3 (Copyright and Related rights)	310	These are mainly for the expert missions on establishment or strengthening of national copyright offices in different regions, national workshops on copyrights, and regional and sub-regional training programs on management of copyright and related rights.
Program 31 (The Hague system)	165	Primarily for the promotion of the Hague system
Others	-460	
Total	1,177	

Total increase under **Conferences** is 2.2 million Swiss francs, and following are some of the programs with the largest increases:

Explanation for increases under Conferences

Programs	Increase/(decrease) compared to 2010/11 allocation	Amt in thousand of Swiss francs
		Purpose
Program 4 (TK, Traditional Cultural Expressions & Genetic Resources)	815	Mainly related to the IGCs and IWGs, the diplomatic conferences and inter-regional, national and regional workshops in support of IGC negotiations
Program 3 (Copyright & Related Rights)	528	Primarily due to the organization of 4 SCCR meetings and related regional and sub-regional meetings, as well as initiatives related to the project on Digital Future
Program 1 (Patent Law & Innovation)	312	Increases for activities related to the Innovation & Tech. Transfer (0.2 million) and Law of Patents (0.1 million)
Others	573	
Total	2,228	

5. Q: Why is there reduction in the provision for ASHI (After Service Health Insurance)? (Please see Q & A question 23, quoted below the response for the ease of reference)

A:

- ASHI provisions cover the potential future (long term) liability for After Service Health Insurance for retired staff members. The Organization has been setting aside provisions on its balance sheet for a numbers of years now, in line with the availability of financial resources.
- The reduction in the ASHI from 6 per cent to 2 per cent has been used as a measure to address the potential risks currently seen in the global economy, putting caution on the base case income envelope projected for 2012/13. The future pick-up in the projected income levels would first and foremost be proposed to be utilized to increase this provision at the appropriate time.
- It is noted that a similar approach was taken in two earlier biennia, i.e. in 2004/05 as well as 2006/07, where increases in the ASHI provisions were proposed within the context of the approval of the biennial financial statements to the extent that the surplus for the respective biennium allowed this.

6. Q: What are the differences between Experts' Honoraria and Third Party Travel?

A: Expert's Honoraria include (i) travel and remuneration for experts and (ii) honoraria only (not travel) for lecturers.

Third Party Travel includes travel costs of lecturers, and for government officials and participants attending WIPO sponsored meetings.

7. Q: What are the costs for the High Level Segment?

A: Following is the table showing the cost for the High Level Segment:

High Level Segment - Costs for 2009 & 2010

ITEMS		2009	2010
		Expenditure	Expenditure
		<i>(in CHF)</i>	
High Level Segment		<i>48 Ministers</i>	<i>64 Ministers</i>
	Travel + DSAs + TEs		
	<i>ASPAC (6 Ministers in 2009; 17 Ministers in 2010)</i>	16,438	41,721
	<i>LAC (6 Ministers in 2009; 8 Ministers in 2010)</i>	24,891	34,452
	<i>Arab region (5 Ministers in 2009; 5 Ministers in 2010)</i>	28,000 *	28,000
	<i>Africa (12 Ministers in 2009; 14 Ministers in 2010)</i>	38,173	85,150
	<i>CCEA (8 Ministers in 2009; 10 Ministers in 2010)</i>	31,200	39,860
	<i>LDCs (11 Ministers in 2009 (8 from Africa + 3 from ASPAC); 6 Ministers in 2010 (3 from Africa; 3 from ASPAC))</i>	61,849	56,999
	Subtotal HLS	200,552	286,182
	Miscellaneous		
	Ministerial lunches	27,034	17,112
	Hospitality Services DG (Coffee VIP+Amb. Lunches)	not provided	17,188
	Transportation	2,640	2,700
	Subtotal Miscellaneous	29,674	37,000
Total	230,226	323,182	

8. Q: What are the costs for the External Offices under Program 20?

A: The following table shows the resource breakdown under Program 20, which also covers the distribution of the budget for WIPO's external offices:

<i>(in thousands of Swiss francs)</i>	Program Unit	2012/13 Budget		
		Personnel	Non-personnel	Total
20 External Offices and Relations	Program Management	916	450	1,366
	New York Office	1,051	880	1,931
	Non-Governmental Affairs	874	320	1,194
	IGO & Partnerships	1,319	450	1,769
	Singapore Office	1,848	548	2,396
	Rio de Janeiro Office	1,145	510	1,655
	Tokyo Office	401	200	601
	Total	7,554	3,358	10,912

9. Q: What is the budget breakdown of Program 21 in the proposed 2012/13 Program and Budget?

A: The following table shows the resource breakdown under Program 21:

<i>(in thousands of Swiss francs)</i>	Program Unit	2012/13 Budget		
		Personnel	Non-personnel	Total
21 Executive Management	Office of the Director General	9,337	1,258	10,595
	Legal Counsel	3,331	260	3,591
	Office of the Ombudsman	473	43	516
	Strategic Realignment	-	262	262
	Ethics Office	473	50	523
	Assemblies Affairs & Doc. Div.	1,063	155	1,218
	WIPO lex	1,744	500	2,244
	Total	16,420	2,528	18,948

10. Q: What is the budget breakdown of Program 9 in the proposed 2012/13 Program and Budget?

A: The following table shows the resource breakdown under Program 9:

(in thousands of Swiss francs)	Program Unit	2012/13 Budget			Funds-in-Trust Resources Estimated to be Available for Programming in 2012/13
		Personnel	Non-personnel	Total	
9 Africa, Arab, ASPAC, LAC, LDCs	Program Management	6,011	1,490	7,501	
	Africa	3,043	2,400	5,443	3,339
	Arab	3,424	2,400	5,824	
	Asia & the Pacific	4,284	2,400	6,684	8,770
	Latin America & the Caribbean	3,272	2,400	5,672	575*
	LDCs	2,478	1,500	3,978	
	Total	22,512	12,590	35,102	12,684

*Discussions are currently under way with the Government of Brazil with respect to a bilateral agreement to establish a new FIT Brazil. The FIT Brazil, currently in the process of closure, amounted to approximately 3 million Swiss francs for a period of four years.

11. Q: How was the 4.7 per cent increase calculated? What is the breakdown of the 4.7 per cent increase in the budget?

A: Assumptions used for the Program and Budget 2012/13:

On the Income side:

- The 4.7 per cent growth in income in 2012/13 from 2010/11 is based on the “base case” for international registration systems (Annex IV of PB 2012/13). Base case has always been used for income projections for the biennial program and budget. The income growth is primarily due to higher budget-to-budget forecasts under PCT, Hague, Arbitration and Other income, offset by lower budget-to-budget forecasts for Madrid and Interest income. Major assumptions are highlighted below:

Projected growth in the international registration systems

PCT

Increase in PCT fee income by 7.7 per cent compared to the 2010/11 budget levels (budget-to-budget) due to the projected increase in the number of IAs by 10 per cent budget-to-budget. Year-to-year changes in IA numbers are shown below:

	2009	2010	2011	2012	2013	2014	2015
PCT Filings	155,397	163,700	174,500	180,800	187,200	193,500	199,600
Growth	-4.8%	5.3%	6.6%	3.6%	3.5%	3.4%	3.2%

Forecasts for 2011 to 2015 reflect that PCT filings have returned to their long term growth path following the 2009 decline prompted by the financial crisis. In 2010, mainly due to strong filing growth from East Asian countries, PCT filings recovered to their pre-crisis levels. The first few months of 2011 have seen continued growth. The economic slowdown associated with the Japanese earthquake has not had any noticeable impact on filing growth, so far.

The Secretariat’s filing forecast is based on an econometric model that takes into account historical filing trends and the expected growth of the world economy; the latter is based, in turn, on the gross domestic product forecasts published by the International Monetary Fund.

Madrid

Slightly lower forecast of Madrid fee income budget-to-budget (-1.5 per cent). This reflects the fact that the 2010/11 budget estimates were prepared early 2008, prior to the full impact from the financial crisis. On a year-to-year basis, Madrid R&R are expected to continue to grow in years 2011-2015, albeit at a slightly lower rate.

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Registrations	37,224	38,471	40,985	35,925	37,533	40,900	42,100	43,500	44,900	46,000
Renewals	15,205	17,478	19,472	19,234	21,949	21,900	21,300	22,000	25,000	27,000
Registrations + Renewals	52,429	55,949	60,457	55,159	59,482	62,800	63,400	65,500	69,900	73,000
% growth over previous year	28.90%	6.71%	8.06%	-8.76%	7.84%	5.58%	0.96%	3.31%	6.72%	4.43%

The Hague

Increase in Hague fee income by 3.8 million Swiss francs (+51 per cent) due to forecasted increases in the numbers of registration and renewals by 45 per cent budget-to-budget. Year-to-year changes in R&R are shown below.

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Registrations	1,143	1,147	1,522	1,681	2,216	2,900	5,000	7,500	9,300	10,000
Renewals	3,889	4,205	3,152	2,748	2,783	2,700	2,800	2,500	2,400	2,500
Registrations and Renewals	5,032	5,352	4,674	4,429	4,999	5,600	7,800	10,000	11,700	12,500
% growth over previous year	0.2%	6.4%	-12.7%	-5.2%	12.9%	12.0%	39.3%	28.2%	17.0%	6.8%

Estimates for the period 2011 to 2015 take into account a gradual increase in membership in the Hague system expected for the years to come, including some of the world's largest sources of design filings and countries whose national regimes are likely to encourage users to file single-design applications as opposed to multiple ones.

The growth in registrations from 2008 to 2010 as compared to previous years was the result of the accession of the European Union (EM) to the Geneva Act that took effect on January 1, 2008 combined with promotional activities undertaken throughout 2010.

Expenditure:

The net increase of 4.7 per cent in the budget reflects a 4.2 per cent increase in personnel and 5.5 per cent increase in non-personnel resources.

Personnel: The 4.2 per cent increase in personnel resources is the result of the re-costing impact of posts and short term positions. The post increase takes into account the ICSC adjustment, and common staff costs, contribution to the provision for after service employee benefits, including ASHI, step increases and the impact of re-classifications done in the previous biennium. In addition, the litigation compensation provisions, provisions of accident insurances and closed pension fund contribution changes are also taken into account. Included also are the provision for short term conference staff. An additional amount has also been set aside for the regularization and reclassification of staff.

Details on the increase of non-personnel: Refer to paragraph 28 of the Program and Budget document for detailed explanations.

12. Q: What happens if the 4.7 per cent increase in revenue is not realized?

A: The Organization has several mechanisms by which it is able to adjust its expenditure levels if the budgeted income does not materialize.

- The flexibility formulas are the mechanism which enables the levels of financial resources allocated to the global IP protection systems (PCT, Madrid, and Hague) to be varied to

reflect unbudgeted variations in the total volume of registration activities. Refer to Appendix C of the proposed Program and Budget 2012/13 for more details.

- The Organization may adjust the maximum amount of the appropriations that it would be prudent to make available for allocations taking into account the likely levels of income from fees and other factors (per Financial Rule 105.2).
- As per WIPO Financial Regulation 5.5, the Director General may make transfers between programs up to certain limits when such transfers are necessary to ensure the proper functioning of the services.
- The Director General may also submit a revised budget for consideration by Member States.

13. Q: What are the statutory staff increases and why do these need to be addressed? Is WIPO obliged to follow recommendations of the ICSC?

A: Statutory staff increases are all increases in salary scales and the benefits and allowances established by the ICSC. The latest salary related policies and decisions are approved by the UN General Assembly under the recommendation of the ICSC for general application throughout the UN system. As WIPO participates in the UN common system of salaries and allowances, the Secretariat has the obligation to apply the proposed increases and modification in the remuneration scales.

14. Q: How is depreciation and inflation addressed in the P&B?

A:

- Depreciation is not a factor under the budgetary basis of accounting (i.e., 2012/13 expenditure budget does not include depreciation). Under budgetary principles (i.e., modified accrual basis) all transactions reflect the full purchase price of goods and services delivered. Depreciation is charged under IPSAS (International Public Sector Accounting Standards) as part of financial reporting.
- Inflation – personnel costs take into account the latest scales of salaries, allowances and pensionable remuneration published by the ICSC. In addition, the increases relating to the steps and anticipated increases in the common staff cost are also factored in. Exchange rates and Post Adjustment used are the published figures from the ICSC. Non-personnel costs reflect various elements of known or estimated increases expected over the next biennium, including contractual rate increases, inflation, etc.

15. Q: Is it not risky to reduce the provisions for the ASHI?

A:

- ASHI provisions cover the potential future (long term) liability for After Service Health Insurance for retired staff members. The Organization has been setting aside provisions on its balance sheet for a numbers of years now, in line with the availability of financial resources.
- The reduction in the ASHI from 6 per cent to 2 per cent has been used as a measure to address the potential risks currently seen in the global economy, putting caution on the base case income envelope projected for 2012/13. The future pick-up in the projected income levels would first and foremost be proposed to be utilized to increase this provision at the appropriate time.

- It is noted that a similar approach was taken in two earlier biennia, i.e. in 2004/05 as well as 2006/07, where increases in the ASHI provisions were proposed within the context of the approval of the biennial financial statements to the extent that the surplus for the respective biennium allowed this.

16. Q: Why does expenditure have to grow to match the level of revenue?

A: WIPO did not match expenditure growth to revenue growth, rather, it has contained expenditures within the context of preparing and presenting a results based program and budget proposal, while addressing the following strong upward pressures on expenditures.

International registration systems

- Growth in the international registration systems needs to be serviced (e.g. Asian languages)
- Promotion of the international registration systems to expand geographical coverage and use
- Improving service delivery (ICT)

Other priorities

- Progress in IP normative areas
- IP global infrastructure
- Servicing growing demands in development services
- Strategic ICT investments
- Increased support costs (mainly premises and security)

17. Q: The UN has agreed to a 3 per cent efficiency decrease across the board – will WIPO do the same?

A: WIPO earns over 90 per cent of its revenues from fee-based services. No increase has been envisaged in respect of assessed contributions (i.e. zero nominal growth). WIPO has presented a results based program and budget proposal to its Member States and governing bodies for their consideration and approval, in line with the projected resource envelope for 2012/13. Please also refer for further details to question 24 above.

18. Q: Why does Table 1 show zero income from the Lisbon system?

A: The budgeted fee income for the Lisbon system is ten thousand Swiss francs. Since the figures in Table 1 are in millions of Swiss francs, the income for the Lisbon system would be 0.01 million Swiss francs.

19. Q: What is the distribution of resources to the Regional Bureaus?

A: Details are under preparation and will be made available during the meeting of the PBC.

20. Q: What is the justification for the large increase in the budget for Global Challenges?

A: Of the total increase of 1.2 million Swiss francs, 400 thousand Swiss francs relate to personnel cost increases, which are primarily related to re-costing. Of the remaining 800 thousand Swiss francs:

- 350 thousand Swiss francs are dedicated to IP and competition policy for which there were no separate budget provisions in 2010/11.
- The other increases are mainly linked to technology platforms, increased participation in processes on global policy issues such as climate change, food security and global health (i.e. WIPO's increased participation in seminars and meetings in the above).

DEVELOPMENT SHARE AND TECHNICAL ASSISTANCE

21. Q: As a result of mainstreaming development, what are the proposed resource flows from Program 9 to Programs 1, 2, 3, 14 and 15 respectively?

A: Please see the following charts:

Mainstreaming of Expected results I.4, IV.2 and IV.5
(legislative advice, IP office modernization, TISCs and TTOs)

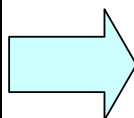
Expected Result No. and Description	Budget by Expected Result and Program* <i>(in thousands of Swiss francs)</i>												Total by Expected Result
	Prg. 1	Prg. 2	Prg. 3	Prg. 4	Prg. 9	Prg. 10	Prg. 11	Prg. 13	Prg. 14	Prg. 15	Prg. 17	Prg. 20	
I.4 Tailored and balanced IP legislative, regulatory and policy frameworks	1'611	1'744	1'733	-	3'433	1'249	-	-	-	-	-	-	9'769
IV.2 Enhanced access to, and use of, IP information and knowledge by IP institutions and the public to promote innovation and increased access to protected creative works and creative works in the public domain	3'207	-	3'595	750**	-	-	-	1'135	7'038	-	-	-	14'974
IV.5 Enhanced technical and knowledge infrastructure for IP Offices and other IP institutions leading to better services (cheaper, faster, higher quality) to their stakeholders	-	-	3'673	-	3'690	1'522	-	-	-	7'813	-	135	16'832

* Excerpt from Annex IX

** Amounts refer to the approximate net transfers of resources (personnel and non-personnel) from Program 9 to Programs 1, 2, 3, 14 and 15 for the delivery of Expected Results I.4, IV.2 and IV.5. It should be noted that the amounts were already earmarked for these Expected Results before the transfer from Program 9. The respective performance indicators provide a regional breakdown of some of the transferred amounts.

2012/13 Mainstreaming of Expected Result IV.2

Strategic Goal IV: Coordination and Development of Global IP Infrastructure
Updated and globally accepted system of international classifications and WIPO standards to facilitate access, use and dissemination of IP information among stakeholders in the world <i>Proposed Budget 12/13: 6,932</i> <i>Development share: 1,213</i>
Enhanced access to, and use of, IP information and knowledge by IP institutions and the public to promote innovation and increased access to protected creative works and creative works in the public domain <i>Proposed Budget 12/13: 14,974</i> <i>Development share: 12,478</i>
Increased dissemination of digitized patent collections of national/regional offices of WIPO Member States <i>Proposed Budget 12/13: 1,210</i> <i>Development share: 302</i>
Timeliness of Patentscope updates regarding PCT applications <i>Proposed Budget 12/13: 2,159</i> <i>Development share: 540</i>
Enhanced technical and knowledge infrastructure for IP Offices and other IP institutions leading to better services (cheaper, faster, higher quality) to their stakeholders <i>Proposed Budget 12/13: 16,832</i> <i>Development share: 16,540</i>

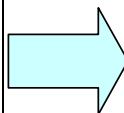


Responsible and Contributing Programs	Performance indicators	Baselines	Targets	Proposed budget 2012/13 (thousands Swiss francs)
Program 13	No. of different users per quarter/system (Patentscope/Global Brand Database)	Tbd end 2011	Tbd end 2011	1,135
Program 13	No. of languages in which cross-lingual search is available	5	9	
Program 14 Program 9 Program 10	No. of national TISC networks launched	10 national TISC networks launched (1 quarter 2011): Africa (3) Arab region (3) Asia and Pacific (1) Latin America and the Caribbean (2) Certain Countries in Europe and Asia (1)	22 additional national TISC networks launched: Africa (9) Arab region (2) Asia and Pacific (3) Latin America and the Caribbean (4) Certain Countries in Europe and Asia (4)	7,038
Program 14 Program 9 Program 10	No. of users serviced by TISCs per quarter and country	Tbd by end 2011	Tbd by end 2011	
Program 14	No. of users of the value-added information services (technology search service, Patent Landscape Reports and ICE)	Tbd by end 2011	Tbd by end 2011	
Program 14	% of recipients satisfied with the value-added information services (technology search service, Patent Landscape Reports and ICE)	n/a	70%	
Program 1 Program 9 Program 10	No. of Member States that have developed their IP framework and established TTOs	Framework pilot project adopted and funding committed	8 TTOs	3,207
Program 3	No. of trusted intermediaries (TIs) and rights holders (RHs) having joined the TIGAR system network, including from developing countries and LDCs	4 TIs and 3 RHs	10 new TIs and 4 new RHs	3,395
Program 3	No. of copyright protected works distributed among TIs and made accessible to VIPs across borders through the TIGAR system network	Not yet started	The availability of at least 300 books or titles	
Program 3	No. of entities making data available to the IMR	n/a	At least 5 large entities	
Program 3	No. of commercial users of IMR	n/a	At least 20	

Total: 14,974

2012/13 Mainstreaming of Expected Result IV.5

Strategic Goal IV: Coordination and Development of Global IP Infrastructure
<p>Updated and globally accepted system of international classifications and WIPO standards to facilitate access, use and dissemination of IP information among stakeholders in the world <i>Proposed Budget 12/13: 6,932</i> <i>Development share: 1,213</i></p>
<p>Enhanced access to, and use of, IP information and knowledge by IP institutions and the public to promote innovation and increased access to protected creative works and creative works in the public domain <i>Proposed Budget 12/13: 14,974</i> <i>Development share: 12,478</i></p>
<p>Increased dissemination of digitized patent collections of national/regional offices of WIPO Member States <i>Proposed Budget 12/13: 1,210</i> <i>Development share: 302</i></p>
<p>Timeliness of Patentscope updates regarding PCT applications <i>Proposed Budget 12/13: 2,159</i> <i>Development share: 540</i></p>
<p>Enhanced technical and knowledge infrastructure for IP Offices and other IP institutions leading to better services (cheaper, faster, higher quality) to their stakeholders <i>Proposed Budget 12/13: 16,832</i> <i>Development share: 16,540</i></p>



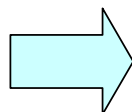
Responsible and Contributing Programs	Performance indicators	Baselines	Targets	Proposed budget 2012/13 (thousands Swiss francs)
Program 15 Program 9 Program 10	No. of Offices with fully automated versus partially automated IP administration systems provided by WIPO	Africa (14) Arab (13) Asian and Pacific (7) Latin America and the Caribbean (12) Certain Countries in Europe and Asia (4)	Africa (4) Arab (4) Asian and Pacific (4) Latin America and the Caribbean (7) Certain Countries in Europe and Asia (4)	
Program 15 Program 9 Program 10	No. of Offices with IP data online in WIPO databases	20	40	7,813 3,690
Program 15 Program 9 Program 10	No. of Groups of Offices participating in a common platform	1	3	1,522
Program 15 Program 9 Program 10	No. of Offices processing PCT and Madrid data with the support of WIPO supplied systems	5	20	
Program 3 Program 20*	No. of Institutions using WIPO copyright infrastructure systems (WIPOCOS and GDA)	20 CMOs equipped with WIPOCOS (end 2011) Eight Copyright Offices using GDA (end 2011)	40 CMOs equipped with WIPOCOS 15 Copyright Offices using GDA	3,673
Program 3 Program 20*	% of Governments that report positively on the effectiveness and governance of copyright institutions in the country	td	80% of countries that requested and received technical assistance in this area	135

*External offices

Total: 16,832

2012/13 Mainstreaming of Expected Result I.4

Strategic Goal I: Balanced Evolution of the International Normative Framework for IP
Enhanced cooperation/greater consensus among Member States on further developing balanced policy and normative frameworks for the international patent system, trademarks, industrial designs, geographical indications, copyright and related rights, TK, TCEs and GRs <i>Proposed Budget 12/13: 15,256</i> <i>Development share: 7,263</i>
Evidence-based decision making on copyright issues <i>Proposed Budget 12/13: 2,754</i> <i>Development share: 2,754</i>
Tailored and balanced IP legislative, regulatory and policy frameworks <i>Proposed Budget 12/13: 9,769</i> <i>Development share: 9,530</i>
Increased protection of State emblems and names and emblems of International Intergovernmental Organizations <i>Proposed Budget 12/13: 556</i> <i>Development share: 37</i>



Responsible and contributing Programs	Performance indicators	Baselines	Targets	Proposed budget 2012/13 (thousands Swiss francs)
Program 3 Program 9 Program 10	No. of countries that have initiated legislative reform in the area of copyright and related rights	19 countries received WIPO legislative advice in 2010/11 (March 2011)	18 countries	
Program 1 Program 9 Program 10	No. of requests for and types of legislative advice related to patents, utility models, trade secrets and integrated circuits	In 2010, 12 comments were provided to Member States	25 comments on drafts prepared by Member States and 10 draft laws prepared by the Secretariat	
Program 1 Program 9 Program 10	No. of countries which found WIPO's legislative advice related to patents, utility models, trade secrets and integrated circuits useful	Not available	90%	1,733 <i>(Program 3)</i>
Program 1 Program 9 Program 10	% of countries which found the provided information concerning the legal principles and practices of the patent system, including the flexibilities existing in the system and the challenges it faces, useful	Not available	90%	1,611 <i>(Program 1)</i>
				1,744 <i>(Program 2)</i>
Program 1 Program 9 Program 10	% of satisfied participants in targeted workshops/seminars held on specific patent-related questions	Not available	90%	3,433 <i>(Program 9)</i>
				1,249 <i>(Program 10)</i>
Program 2 Program 9 Program 10	No. of Member States having received legislative advice in the area of trademarks, industrial designs and geographical indications	No. of Member States having received legislative advice in 2010/11	Legislative advice provided to 10 Member States and/or Regional Groups of Member States	
Program 2 Program 9 Program 10	No. of countries providing positive feedback on the usefulness of the provided legislative advice in the area of trademarks, industrial designs and geographical indications	Data not available	70%	
Total:				9,769

22. Q: What does Technical Assistance consist of?

A: WIPO technical assistance, or development activities, consist of a wide range of services mainstreamed across all Strategic Goals and delivered by many Programs of the Organization. Development activities include, but are not limited to:

- legislative advice related activities in the field of patents, utility models, trademarks, geographical indications, copyright and related rights, traditional knowledge (TK) and traditional cultural expressions (TCEs) as well as enforcement delivered by Programs 1, 2, 3, 4, 10 and 17;
- training and capacity building delivered by Programs 1, 4, 8, 9, 10, 11, and 17;
- enhancing access to and use of IP information and knowledge delivered by Programs 1, 3, 9, 10, 13 and 14;
- enhancing technical and knowledge infrastructure delivered by Programs 3, 9, 10 and 15;
- development of national innovation and IP policies and strategies delivered by Programs 9 and 10;
- strengthened cooperation mechanisms, programs and partnerships in LDCs delivered by Program 9; and
- economic analysis delivered by Program 16.

23. Q: How has the development share been derived? Based on which definition?

A: The development share has been derived by applying the definition of development expenditure bottom-up, to all high level activities defined by Program Managers as part of their Program and Budget proposals. (Definition: "*expenditure is qualified as development expenditure only where the beneficiary is a developing country and the equivalent expenditure is not available for developed countries*"). The total development share as illustrated in the Results Framework (page 9) and Table 9 (page 20 in the English version of the Program and Budget document) is an aggregation of development expenditure by results defined at the individual Program unit levels.

24. Q: How can the 19.2 per cent development expenditure for 2010/11 be compared with the proposed 21.7 per cent development expenditure for 2012/13? Are the two figures based on the same definition of development expenditure?

A: The definition is not new but has been refined by adding the exclusivity clause "*...and the equivalent expenditure is not available for developed countries*". The 2012/13 development expenditure figure as a percentage is therefore a more conservative estimate than the 2010/11 comparison.

25. Q: How will Member States be able to identify what portion of the mainstreamed development activities is earmarked for them?

A: The development share represents the portion of the budget available for activities directly benefitting all developing countries, LDCs and certain countries with economies in transition in all regions. A number of performance indicators provide a breakdown of baselines and targets by region, i.e. the results planned to be achieved in each region. (Example: Performance Indicators

related to TISCs (page 93 in the English version of the Program and Budget document) and IP Office modernization (page 97 in the English version of the Program and Budget document))

26. Q: At a time when Developing countries need more support from WIPO, how does one explain the reduction in the budgets for Programs 9 and 11?

A: One of the objectives of the 2012/13 biennial planning process has been the mainstreaming of development across all Strategic Goals and all relevant Programs of the Organization in line with DA recommendation 12¹. This is evidenced by the fact that all Strategic Goals and 40 out of 60 expected results have a development share.

In particular, two expected results: a) strengthening IP institutions (IP office modernization, Technology and Innovation Support Centers (TISCs) and Technology Transfer Office (TTO s)); and b) legislative advice; have been mainstreamed into the relevant specialized Programs which are responsible for delivery of services, in close coordination with the Regional Bureaus, the Certain Countries in Europe and Asia (CCEA) and the least Developed Countries (LDC) Divisions.

The Regional Bureaus, CCEA and LDC Divisions remain the program units primarily responsible for the two expected results related to National IP Strategies and Capacity Building and for the planning and coordination of the delivery of services to developing countries, LDCs and countries with economies in transition in accordance with the Country Plans.

Given the overall financial envelope, the decrease in the proposed budget for Program 9 reflects the above described mainstreaming approach. However, the nature of the activities and related expenditure remains unchanged. In this context, it is recalled that the overall share of development expenditure is proposed to increase by 16.9 per cent to 140.5 million Swiss francs, of which Program 9 represents 35.1 million Swiss francs (please also refer to answer to question 8).

No decrease is proposed in the budget for Program 11 (WIPO Academy) in 2012/13 as compared to 2010/11.

27. Q: Why have the Development Agenda projects not been calculated as part of development expenditure (Table 9)?

A: DA projects have, for the first time, been mainstreamed in all relevant Programs and the related budgets in line with the Budgetary Process for Projects Proposed by the CDIP for the Implementation of DA Recommendations, approved by the WIPO Assemblies in 2010². In order to facilitate the comparison of the 2012/13 with the 2010/11 development expenditure figures, the proposed budget related to DA projects is shown in a separate column in Table 9. The total proposed development expenditure, including DA projects, amounts to 146.9 million Swiss francs. Table 8 provides an overview of the resources proposed to be allocated to DA projects.

28. Q: Why do some Expected Results in the table show zero amounts for Development share?

A: Some expected results benefit all WIPO Member States including developing countries. The strict application of the development expenditure definition (§ 30, page 20 in the English version of the Proposed Program and Budget 2012/13) implies that those expected results which

¹ Development Agenda Recommendation 12 : To further mainstream development considerations into WIPO's substantive and technical assistance activities and debates, in accordance with its mandate.

² A/48/5/Rev.

benefit the broader membership, and not exclusively developing countries, have therefore not been included in the overall estimated development expenditure.

29. Q: When you say the share for Development has gone up - on what basis did you make the comparison?

A: In the Proposed Program and Budget 2012/13, the share of development expenditure increases from 19.4 per cent to 21.7 per cent as compared to the previous biennium. This represents an increase of 20.3 million Swiss francs i.e. from 120.2 million in 2010/11 to 140.5 million under the Proposed Program and Budget 2012/13 – an increase of 16.9 per cent.

The development share has been derived by applying the definition of development expenditure (§ 30, page 20 in the Proposed Program and Budget 2012/13). The definition is not new but has been refined by adding the exclusivity clause “...and the equivalent expenditure is not available for developed countries”. The 2012/13 development expenditure figure of 140.5 million Swiss francs is therefore a more conservative estimate than the 2010/11 comparison.

30. Q: Why is there a significant reduction in the proposed budget for Development Activities in support of “Economics and Statistics”?

A: The reduction in the proposed development share for Program 16 is a technical rather than substantial reduction which is explained by the following:

(i) Applying the definition of development expenditure to Program 16, has resulted in the statistics related activities not being considered as part of the development share in 2012/13 because they benefit all WIPO Member States and not exclusively developing countries (in 2010/11 these activities were considered development activities);

(ii) The economic studies related activities directly benefitting developing countries are implemented as part of DA project “IP and socio-economic development” and therefore shown in a separate column in Table 9.

31. Q: Why is there a significant increase in the proposed budget for Development Activities in support of “Services for Access to Knowledge”?

A: The increase in the proposed budget for development activities in support of “Services for Access to Knowledge” reflects the overall increase in demand and therefore in the proposed budget for Program 14 aimed at enhancing access to and use of IP information and knowledge. Services under this program include the creation of TISCs, technology search services, aRDI and ASPI, Patent Landscape Reports (PLRs), and ICE (International Cooperation on Examination).

32. Q: How and when will Member States participate in elaborating Country Plans? How will country plans be elaborated? Does this mean that all Member States must have a national IP Strategy?

A: Country Plans would aim at enhancing the involvement of Member States in the planning process, in particular the annual workplans. The development of Country Plans will be based on consultations and a strategic dialogue between the Secretariat and Member States on needs at the country level. The Country Plan, which will provide the overall framework for delivery of development activities to a country within a biennium, will be a jointly agreed document between the country and WIPO. The planning and review process will allow for flexibility to ensure that priorities can be addressed as they emerge during implementation.

The country planning approach represents a shift from the current request-driven approach to a more strategic needs driven approach. The Development Sector (Regional Bureaus) will be the lead within the Secretariat for coordinating the development of the Country Plans both internally with the specialized sectors and externally with Member States.

A national IP strategy is not a prerequisite for a Country Plan. However, in case a national IP strategy does exist, the Country Plan will focus on determining which elements of the strategy could be advanced with WIPO's assistance within the given planning period.

33. Q: How is development cooperation monitored in the new Service Delivery Model?

A: The Development Sector (Regional Bureaus) are the custodians of the Country Plans within the Secretariat. The Regional Bureaus will be responsible for coordinating the planning and implementation and for monitoring and assessing delivery of development activities by all Sectors in accordance with the plan.

34. Q: The change to a new Planning and Delivery Model leaves the impression that there has been an overall reduction in the budget in support of Development. Can this be explained better?

A: The Planning and Delivery Model ensures that development activities are delivered in a coherent and consistent way through an optimal use of the technical expertise of the specialized Sectors combined with the "intelligence" of the Regional Bureaus about countries/regions and associated needs. The implementation of the model would imply some redistribution of resources between the Regional Bureaus and the substantive sectors, as a result of the mainstreaming of the two Expected Results related to legislative advice and strengthening of IP institutions. In overall terms the budget in support of development is proposed to be increased by a total of 20.3 million Swiss francs i.e. from 120.2 million in 2010/11 to 140.5 million under the Proposed Program and Budget 2012/13 – an increase of 16.9 per cent.

35. Q: What does the move to a strategic needs-based approach mean in practice?

A: A move towards a strategic needs-based approach through the formulation of Country Plans aims at enhancing the involvement of Member States in the workplanning process. While Member States currently provide input to the Program and Budget process through consultation and input to the Program and Budget questionnaire, the latter input generally reflects a statement of needs and preferences not a process of planning and prioritization. The latter is intended to be addressed and strengthened through the country planning process. (Please also see answer to question 14)

DEVELOPMENT AGENDA PROJECTS

36. Q: Some Development Projects are not reflected in the table detailing Development Agenda Projects – why?

A: Three types of DA projects have been included in the proposed Program and Budget 2012/13 (Table 8):

- i) projects approved by the CDIP for which implementation continues in 2012/13
- ii) projects currently under consideration in the CDIP

- iii) projects being completed in 2011, with a 2nd phase subject to evaluation of phase 1 and approval by the CDIP

Projects which have no regular budget implications for the biennium 2012/13 are not included in Table 8. Such projects comprise:

- i) projects with planned completion in 2011
- ii) projects financed from the reserves (for which implementation will continue to be supported from the reserves in 2012/13 as per the approved project documents)

37. Q: What happens if CDIP projects that are subject to approval are not approved?

A: In case DA projects included in Table 8 are not approved by the CDIP, the Secretariat will be guided by the Committee as to the use of those funds for subsequent DA projects to be considered in future CDIP sessions to be held during the biennium.

RESULTS FRAMEWORK

38. Q: Why are the expected results for Madrid and Lisbon not separate?

A: The merger of the expected results for the Madrid and Lisbon systems is due to the relatively small amount of resources devoted to administering the Lisbon system and the difficulty in separating the administrative and support costs for Lisbon from those of the Madrid system.

PROGRAM CHANGES

39. Q: Why have SMEs moved to Program 1?

A: SMEs, which represent over 90% of global business activity, but which also do not use the IP systems as much as they could to extract value from their innovative capacities, has been placed under Program 1 to effectively address this felt need. Further, it is expected that an increased understanding/capacity of SMEs to successfully use IP to support innovation and commercialization would be best served by placing it under Program 1. The use of innovative strategies would assist SMEs in enhancing their competitiveness.

OTHER ISSUES

40. Q: When you say no new posts, how are you going to address new language requirements deriving from the new language policy?

A: The resources provided to the Language services in 2012/13 represent a 12 per cent increase compared to 2010/11 allocation levels. The available resources for 2012/13 would allow the start of the phased implementation of the new language policy coverage in six languages. Additional resources will also be made available to this Program through internal re-deployment. Under the new business model, the Secretariat is also proposing to increase the volume of the outsourced translation work from 30 per cent to about 45 per cent in 2012/13.

41. Q: How will the 60 posts for regularization be implemented in 2012/13 and how will the balance of regularization requirements be addressed?

A:

- In accordance with the strategy endorsed by Member States, WIPO will be utilizing the 156 posts approved in principle under the regular budget, over a period of five years, starting from January 1, 2012. As noted in the strategy, the creation of these posts is subject to the availability of budgetary funds and Member State approval within the context of the approval of the proposed program and budget. In the proposed Program and Budget for 2012/13, a provision of 2 million Swiss francs has been set aside in the 2012/13 budget for the regularization of 60 staff in next biennium. The proposed regularization is headcount neutral, as the long-serving temporary employees who are regularized are not replaced.
- The remaining regularization will be over the period of three years after 2012/13, and additional posts will be created in the coming biennia, subject to availability of budgetary funds for this purpose. A proposal for the number of such posts to be used for the regularization of long-serving temporary employees and the amount of funding would be provided as part of the budget proposals submitted to the Program and Budget Committee in the biennium to follow.

42. Q: What are the efficiency gains that have resulted from automation?

A: Please refer to Annex VI of the proposed Program and Budget for 2012/13 – Indicators of PCT Operations.

43. Q: Why is the budget for Consultant Contracts no longer detailed in Table 7?

A: WIPO Consultants as well as short-term labor contracts (SLCs) are included under the “Short-term Professional” category. The change has been introduced in preparation for the alignment with the revised contract forms which are expected to be introduced under the contract reform process currently underway. The categories of Short-term Professional and Short-term General Service have been introduced under personnel expenditure and the new “Short-term Professional” category covers the current contract forms of SLC and WIPO Consultant.

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