

Program and Budget Committee

Nineteenth Session
Geneva, September 10 to 14, 2012

PROGRAM PERFORMANCE REPORT FOR 2010-2011

Addendum

At its 19th session (September 10 to 14, 2012), the Program and Budget Committee (PBC), requested that comments made by Member States in respect of the Program Performance Report (PPR) for 2010-2011 be reflected in the report of the PBC as well as annexed to the PPR 2010-2011. In accordance with this decision, the said comments made by Member States are reproduced in the present document.

[Comments made by Member States
on the PPR 2010-2011 follow]

COMMENTS MADE BY MEMBER STATES DURING THE DISCUSSION OF THE PROGRAM PERFORMANCE REPORT FOR 2010-2011 (DOCUMENT WO/PBC/19/2) AT THE 19TH SESSION OF THE PROGRAM AND BUDGET COMMITTEE.

CHAIR: This is agenda item 8, Program Performance Report for 2010-11, IOAD Validation Report of the PPR 2010/11 and presentation on IP and Global Challenges. The document WO/PBC/19/2 contains an overview of WIPO's organizational performance during the biennium 2010-11 achieved with resources approved in the 2010-11 Program and Budget. So I would like now to give the floor to the Secretariat to present this item.

SECRETARIAT: Thank you Mr. Chair. The Program Performance Report for the biennium 2010-11 is the end of biennium report, as opposed to the progress report that we present midway through the biennium. It measures the achievement of the expected results and closes the performance loop which starts with the planning in the Program and Budget, continues with implementation during the biennium, and then finishes with the assessment of achievements. A number of improvements have been introduced in this report compared to the past biennia. First of all, we now have a summary review of the main achievements in the biennium but by strategic goal, providing a more strategic overview. We also have a more succinct summary of the achievements by Program. We have a detailed reporting on the implementation of the Development Agenda, in a separate section under each Program based on the improvements that we introduced in the last Program Performance Report. We have a more transparent reporting on the utilization of resources, based on the comments received from Member States at the previous sessions of the PBC. For the first time, we have a full report on the implementation of the Funds-in-Trust in Annex II of the document. This is the first time that we are trying to give you a report in a comprehensive manner of achievements irrespective of the source of funding, so both funded from the regular budget and extra budgetary resources. Finally, the overall presentation of the report has been improved, for example, the performance data tables.

CHAIR: Thank you. I would like to hear the presentations of both reports and then discuss them together. WO/PBC/ 19/3, which is the IAOD validation report on the Program Performance Report 2010-2011, the Director of IAOD, please.

SECRETARIAT: Thank you. IAOD has carried out a validation of the PPR based on a sample of performance indicators, chosen in a random manner. The objective of the validation was to check independently the reliability and the authenticity of the information that the report contains on the implementation of Program and also the implementation rate of the recommendations contained in previous validation reports. We also assessed the appropriation level by people responsible for the Program and for process tools found in the Programs, particularly result-based management tools. The main results of this validation exercise, within the limits dictated by the sampling, are as follows: The strong points were respect of the deadlines, effective and efficient collection of data and the implementation rate. We also founds points which could be improved upon: the relevance of data, the insufficiency or imprecision of data regarding implementation and the process which was found within the Program, This enabled us to draw up reports more than managing Programs. So there was an issue of appropriation of the tools, handling the tools, managing the tools and of results-based management to make these tools useful and to be used properly by the management. Indeed there have been improvements in the report in terms of layout, performance indicators, quality of reference data as well as definition of objectives. Follow-up of indicators is still considered by the managers as being an administrative task. It has not yet become a tool to help improving the management for most of my colleagues, and I'm including myself in that. The improvement of the appropriation level, mastery levels is still possible. The training and the reinforced follow-up of the staff could lead us to this greater mastery, and as I pointed out, we have looked at all these

recommendations of the previous validation report to see whether they were implemented, or are being implemented. At the end of the report you will find recommendations, which are also in the summary at the beginning of the report, on the need to strengthen the quality of the data as well as the use of the indicators and the tools to manage the programs. Then to increase the support given to results-based management, follow-up with the staff by organizing more workshops, and in order to facilitate the validation we are trying to establish in advance the deadlines for handing in the reports and the consolidated reports without undue pressure of time management. It should also be noted that these validation reports on the implementation of results-based management and the management of programs covers different cycles. Therefore, recommendations made at the end of the 2010/11 cycle are made at a time when the document for the 2012/13 biennium has already been discussed and approved. The Program and Budget for 2012/13 already represents quite a bit of headway and improvement if we compare it to the previous document. It is a constantly evolving improvement process.

CHAIR: Thank you very much for this. Now I would like to start with general comments. And recognize the United States of America who wants to make a general comment on the Program Performance Report. Welcome, sir, please.

UNITED STATES OF AMERICA: Mr. Chairman. The United States thanks the Secretariat for providing the Program Performance Report for 2010-2011 and the IAOD Validation Report on the PPR, contained in documents WO/PBC/19/2 and WO/PBC/19/3, respectively. While my comments are not necessarily specific to the PPR and the validation thereof, I would like to make some general comments regarding WIPO's role and its importance to the United States, and to address some recent activities that have raised our concern with respect to how the Organization provides technical assistance to Member States. In addition, Deborah Lashley-Johnson from the United States Patent and Trademark Office will address a specific concern regarding an expert panel report on IP and Health. The challenges of protecting intellectual property require a strong partnership with international organizations whose comparative advantages lie in their global reach and inclusiveness. That is why the United States wants to ensure that WIPO remains a viable organization that continues to promote the protection of intellectual property throughout the world, not only for United States companies and individuals, but for all those whose creativity produces intellectual property of one kind or another. But part of remaining a viable partner is ensuring that the resources provided by Member States and fees collected from the businesses, institutions, and individuals of Member States have an appropriate level of oversight, accountability, and transparency. This is why the United States is very concerned that WIPO conducted technical assistance projects and transferred United States -developed technology to countries subject to UN Security Council sanctions without the knowledge of the United States, other Member States, or the appropriate UN Security Council sanctions committees. The United States is primarily concerned with three questions: what happened, how to correct it, and how to prevent it in the future. We believe that WIPO and Member States need to consider very seriously ways to improve oversight, transparency and accountability mechanisms, and to put in place safeguards that ensure Member States and the relevant UN Security Council sanction committees are properly consulted in the future before projects in countries subject to UN Security Council sanctions are approved. The United States welcomes that WIPO has made available on line the recently completed Independent External Review Report on Technical Assistance Provided to Countries Subject to United Nations Sanctions. We are studying the report and its recommendations. We look forward to hearing how the Organization plans to implement the recommendations in a timely and meaningful manner, as well as any other steps it plans to address the serious issues raised in the report. In our own review of the situation, we believe that WIPO needs to put in place new comprehensive and durable safeguards that:

- Require the WIPO Internal Audit and Oversight Division to conduct a monthly review of projects or other assistance intended for States subject to Security Council sanctions,

and the External Auditors Office follow up with a quarterly review and an annual report to all Member States at the WIPO Assembly.

- Follow through with the commitment to verify the end-use of the equipment already shipped to certain countries subject to U.N. Security Council resolutions.

This issue has also made apparent the importance of sound whistleblower protection policies. The United States position has been very clear across all UN organizations. Whistleblowers should be able to report in good faith concerning suspected fraud and/or corruption without fear of reprisal. When reprisals are taken or threatened, whistleblowers should have an effective recourse mechanism. The United States would like to commend the Secretariat on the work done so far on the new Whistleblower Protection Policy, and we look forward to its approval and implementation at the October meeting of the Coordination Committee. However, in the meantime, it is vitally important for the Director General to provide assurances, in writing, to all WIPO employees that they may discuss these transfers now being reviewed without fear of reprisal of any kind. The United States is committed to working directly with the Director General and Secretariat to ensure that the Organization is transparent and accountable, responsive to Member States, and abides by established international rules and regulations, particularly when there are questionable transactions involving countries subject to UN Security Council sanctions.

CHAIR: I thank the United States of America. As regards the second statement that you alluded to, would you want to take it now?

UNITED STATES OF AMERICA: Thank you, Mr. Chairman. The United States strongly supports WIPO's important efforts to help countries develop national IP strategies to meet national needs and to increase economic growth. National IP strategy documents formulated by governments with input from the private sector and universities, research institutions, state choices as to how to use IP to promote and strengthen scientific and technological research, development and commercialization. Over the years, WIPO has provided incredible support in the form of technical assistance, expertise, comparative data, and the IP audit tool which is a questionnaire that can be used prior to the development of an IP strategy to assess the existing support infrastructure and preconditions for IP asset development and management. It responds to the question, where are we, in order to help define where we want to go. Further, WIPO's Development Agenda aims to ensure that development considerations form an integral part of WIPO's work, in particular the WIPO General Assembly's adoption of a set of 45 Recommendations and the creation of the Committee on Development and IP have sought to enhance the development dimension of the Organization's projects and activities. While the United States is deeply supportive of WIPO's role in assisting countries to develop national IP strategies, and the growing and needed role of WIPO to help address IP and development issues, we were deeply concerned about a project entitled, 'WIPO Framework for Designing National IP Strategies for Development'. While this project appears to indicate that it is related to a number of ongoing and approved Development Agenda projects, this project was not vetted or approved by Member States, notably in the CDIP. Further, an expert group panel considering IP and Health charged with the responsibility to develop and draft a report, has already been selected without Member State discussion. From this Delegation's point of view, this process is highly irregular. The selected experts are apparently under an SSA contract and to be paid remuneration and travel costs. We believe that Member States should be given the opportunity to discuss the project before any further work on the report is undertaken. The work so far commissioned by WIPO, we hope, will be retained by WIPO until the project is approved by Member States. We look forward to seeing a project proposal on this at the future CDIP meeting.

CHAIR: I thank the United States of America and give the floor to France, please, sir.

FRANCE: Thank you, Mr. Chairman. Allow me a few remarks on the general approach in these two documents which we consider very positive. My knowledge of the Organization does allow me to assess the performance in all Programs. I just have a brief question. Is it planned that each and every one of the Committees in fact uses the elements present in this report to carry out an exercise of self-assessment. We find that the main report of the Secretariat is very difficult to use because it is a very voluminous document. We are trying to see how each and every one can learn from this work, and feed into the next budgetary cycle. The second question relates to the sampling within each Program in the Validation Report: the findings were based on a sampling? Furthermore, we would like to comment on the amounts in this report which are very important. There seems to be a bit of a hazy picture as regards the sections on the reference amounts used to evaluate the evolution. It is a transitory problem that we have here and in other documents too because sometimes the resources have been transferred, it seems, beyond the ceilings of certain permissible rules. The auditor's report says that there was one Program which was concerned, so we consider that this is a transitory problem, but which we will have to watch out for the future, so that these transfers are tracked properly and we understand correctly what is taken as a reference. The third question relates to the reporting on development. What I have seen is that there is a rather interesting effort to try to quantify the impact on development, in each and every Program. This is interesting, even if the exercise is a bit of a virtual one. The problem is that there are inconsistencies in the definition and characteristics in some Programs which quantify development when considering the new definition because some development-related elements are not taken into account. So we continue to have inconsistencies which is of concern. My Delegation's next point refers to the validation by the internal auditor. We consider this to be good practice and note that it appears that this exercise has not yet been carried out in another organization here in Geneva. We consider the exercise useful and the practice should therefore be continued. We would be interested in seeing how this work is used, in particular the analysis of the quality of the data and the evaluation criteria, which are applied to each Program. The validation exercise is part of the good practices which we would like to be able to share with other organizations. For WIPO we expect this document to be a key document for the forthcoming cycle. The report flagged an important and decisive point regarding the uptake and use of results-based management approaches and practices. The data criteria and evaluation must be tools to assist a person managing his Program, not just a list of tasks. We are able to bring about this cultural change. We note that the reform is really ongoing, and consider that the whole credibility of result-based management is based on whether these techniques are mastered or not. This is the point that is the most decisive point as far as general comments are concerned.

CHAIR: Thank you, France. Brazil.

BRAZIL: Thank you Mr. Chairman. I'm taking the floor on behalf of the Development Agenda Group. Firstly, the DAG would like to take this opportunity to thank the Secretariat for preparing the document WO/PBC/19/2; the Program Performance Report for 2010-11. The report contains a large volume of information, which is very useful for Member States to follow the activities of the Organization. DAG also welcomes document WO/PBC/19/3; the Validation of the Program and Performance Report 2010-2011, prepared by IAOD. This document is a necessary tool to better understand the information provided in the PPR and presents to Member States useful analysis and relevance and accuracy of the indicators of the PPR. We took positive note of the fact that this is the third validation exercise undertaken by the IAOD since 2008. DAG encourages this practice. We also note that IAOD considers the 2012-2013 Program and Budget of much better quality than the previous one, and that further refinements is expected to be made in the next exercise. As regards the PPR, it is noted that the PBC is invited to recommend the approval of the document to the assemblies of the Member States of WIPO. Given the nature of the document and due to some considerations that follow, it is the view of the DAG that the PBC should recommend to the General Assemblies to take note of the contents of the PPR. With regards to the nature of the document, the PPR is basically a self-assessment undertaken by Program managers of the performance of the Organization, as

explained in the first paragraph of the introduction. It serves the purpose of reporting to Member States within WIPO's results-based management framework - RBM. We recognize the value of the document as a major accountability tool for Member States. However, we consider that the PPR is not a document to be approved by Member States, since it would imply agreement with all aspects of the assessment presented in the report. This is not by its nature a document that has been negotiated among Member States. Our view is that it is more appropriate to take note of it. DAG members have some observations regarding the presentation of the Programs, which will be presented during the discussion of the document. Considering the document as a whole, it is noted that the IAOD identifies some strengths and some limitations to the report. Some of the strengths are time lines of reporting on the individual PPRs, the efficiency of data collection and ease of access to performance data. Some of the limitations are partial and relates to the relevance of the performance data, coupled with a lack of sufficiency and comprehensive of the data. DAG has also noticed that in some cases baselines have been changed, and we are not familiar with the exact reasons for this. It is not explained in the report in all cases, so this raises some concerns. In addition, the narrative of the Development Agenda implementation is very different among the programs which equally raises concerns. There should be a more elaborate analysis on how the Development Agenda is being implemented following the mainstreaming of DA recommendations in all areas of WIPO's work. Regarding document WO/PBC/19/3, page 15, the authors provide a table of validation findings, based on a methodology which uses random sampling. According to the information in the table, only 27 per cent of the Programs provided performance data considered as relevant or valuable. Regarding the criteria of comprehensiveness, 42 per cent of the Programs partially met the criteria, while 10 per cent did not meet the criteria. The IAOD Validation Report highlights examples of good practices for each of the criteria. The DAG encourages this good practice to be taken as models to be followed in all Programs. Lastly, IAOD makes recommendations in part six of the document that should help the Secretariat in improving the quality and reliability of the PPR. The DAG encourages the adoption of such recommendations. Regarding the recommendations of past validation reports, the IAOD provided a follow-up on the status of the implementation, which is part seven of the report. Out of the 11 recommendations, eight are classified as partially implemented. We would like to get verification from the Secretariat on what measures are being taken in order to fully implement them. In this context, we want to highlight the importance of recommendation seven. We welcome the fact that there is evidence of improvements regarding the monitoring of the Program and Budget. However, regarding the MTSP it is worrisome that 97 per cent of the respondents were not aware of the development of monitoring tools for tracking progress.

CHAIR: Thank you, Brazil. I would like to take all the general comments now, since we do not have many. And then tomorrow morning, we will resume with the Secretariat giving response to the general comments. Egypt please.

EGYPT: Thank you, Chair. The African Group would like to refer to its opening statement. The Group appreciates the work of the Secretariat in compiling this document, the Program Performance Report for 2010-2011. It would like to take note of this document, which is a self-assessment report by WIPO program managers prepared without previous consultation or participation from Member States. The African Group also supports the remarks expressed by the Delegation of Brazil on behalf of the DAG, and also takes positive note of the remarks expressed by the Delegation of France. Lastly, I would like to highlight the recommendations in the report by the internal auditor.

CHAIR: Thank you, Egypt. Republic of Korea.

REPUBLIC OF KOREA: Our Delegation would like to thank the Secretariat for the preparation of this document. We note with satisfaction the positive improvements that have been made in respect of the ownership of the result framework and use of the result framework for internal

monitoring, as contained in the IAOD Validation Report. From our own experience with results based management we fully understand that this kind of exercise is by nature a work in progress. It means that there are always room for improvements. In this respect we note that some of the indicators need further refining in order to appropriately measure performance. My Delegation would wish to know what the mechanism is to define indicators and set targets, and whether IAOD is involved in the validation of indicators. Secondly, let me refer to the IAOD Validation Report. Recommendation 2 highlighted that management of the result frameworks to support decision-making processes still needs to be improved. One way of addressing this could be the introduction of a rating system for every Program's expected results and activities. This would contribute to a better alignment of Programs to the goals of WIPO. Lastly, I would like to take this opportunity to reiterate the statements made by our Delegation during the last CDIP meeting that WIPO as a U.N. agency, should observe all U.N. regulations, including U.N. security regulations.

CHAIR: Thank you very much. South Africa, please.

SOUTH AFRICA: We would like to align ourselves with the statement made by the African Group and the DAG. We also note how the report has improved in terms of its presentation and the content. So we thank the Secretariat for those improvements. My Delegation would also like to thank the WIPO Secretariat for providing us with assistance in terms of a number of activities at the country level, because throughout the document South Africa has been one of the recipient countries. We have two, three observations. Some have been mentioned by the members of the DAG. One is with reference to baselines. We would appreciate a detailed explanation of why the baselines were changed. We understand of course that there are instances where baselines were given from 2009, for instance, and in some instances there was TBD - "to be determined". But there are instances where baselines were established but have been changed and we would appreciate an explanation of that. Secondly, each Program has a section entitled implementation of the Development Agenda. However, this section has been reduced to only concern the implementation of DA projects. In this regard, we want to stress that the DA is not only limited to implementing DA projects. It is about implementing the DA as a whole, as the framework. We acknowledge that there are certain Programs which did elaborate on this but in general we wanted to make this observation. Because it would be useful to actually go into detail as to how a Program has implemented the Development Agenda, or not. There is a repeated reference throughout the Programs to a sentence which reads: "The design, planning and implementation of activities undertaken by the Program were informed by the relevant DA recommendations". We would appreciate if this sentence could actually be elaborated on. Our third observation is with regard to details in terms of information. There are instances where we appreciate knowing more in terms of where certain activities have taken place. In some instances we find that certain beneficiaries are listed and in some instances they are not. We would appreciate if some additional details could be provided.

CHAIR: Pakistan, please.

PAKISTAN: Thank you, Chair, I'll take less than two minutes. First I'd like to align myself with the statement made by the Delegation of Brazil on behalf of the DAG. The Secretariat needs to be thanked for the document and we appreciate the improvements that have been made. We also thank the IAOD for pointing out improvements that have been made and for pointing out weaknesses and limitations. We believe it is important to build upon those weaknesses in terms of improvements with regard to the PPR and we therefore look forward to the next PPR.

CHAIR: Thank you, Pakistan. China, please.

CHINA: Our Delegation would also like to thank the Secretariat for their hard work in preparing the Program Performance Report for 2010-2011, and IAOD for the Validation Report. As explained by the Secretariat, this Program Performance Report has many improvements of

which we are highly appreciative. In our view, the Validation Report by IAOD objectively reflected some issues. This shows that WIPO has strengthened the implementation and management of the Programs and its determination to improve transparency. We welcome this. We hope that in future, when evaluating implementation, WIPO would actively take into account the recommendations made in the Validation Report.

CHAIR: Thank you, China. Australia please.

AUSTRALIA: Australia is pleased with the progress the Organization has achieved in the period 2010-2011. We support the use of WIPO's results based management framework and the reporting mechanisms contained in the Program Performance Report for 2010, 2011. We note the recommendations in PBC document 19/3 and look forward to the response from the Organization on issues raised in the report. Australia supports WIPO's Strategic Realignment Program to change office culture and strengthen business office systems and policies within WIPO. We have some questions on the methodology used in the Validation Report but will save those for tomorrow.

CHAIR: Thank you, Australia. Islamic Republic of Iran, please.

IRAN (ISALMIC REPUBLIC OF): Thank you, Mr. Chairman. When the Delegation of the United States of America spoke, my Delegation was absent, so I reserve my right to comment tomorrow morning. We are surprised to learn, however, that WIPO's technical assistance to Iran has been a violation of the U.N. sanctions. Somebody who knows basic international law would realize that this statement is a purely political statement, which would jeopardize the whole WIPO technical environment. So my Delegation's country and other developing countries would like the technical assistance of WIPO to continue, in accordance with the 45 recommendations, especially article 5, which request WIPO that general information about these technical assistance should be published with detailed information, would be confidential and it would be with consent of the concerned Delegation or the concerned country that unfortunately in this case has not been applied.

CHAIR: Thank you, Islamic Republic of Iran. Germany.

GERMANY: Just a proposal for future program performance reports. We have a big problem in the budgetary process. We decide on a budget, without knowing the result of the old one. We decide in September for 2012/13 and now we find out about 2011. It would be helpful to have a list, or a column, containing both financial and results information for 2012/13 in the PPR. This would allow Member States to assess the extent to which issues identified in 2010/11 have already been taken on board for 2012/13 and whether we are going in the right direction.

CHAIR: This is the last speaker. I'm sure that the Secretariat has taken note of the very interesting questions and proposals and suggestions that were tabled this evening. Tomorrow morning we will start by giving the Secretariat the floor to answer all these questions.

CHAIR: Good morning, dear Colleagues, Excellencies. As you know last night we finished with the general remarks and now it's the turn of the Secretariat to answer these general remarks concerning Programs and their performance following which we will take questions concerning particular programs. We will not be taking them Program by Program only if there's a request. That is more efficient so if there's a request concerning a certain Program, we will take it accordingly. So I will now with your permission like to give the floor to the Secretariat to answer to the general remarks yesterday.

SECRETARIAT: Thank you, Chair and good morning to everybody. I'll try to group the questions coming from various delegations.

The Delegation of France mentioned the use of the PPR in the work of the WIPO committees whether that would be useful. We thank France for the suggestion. Because we would welcome the use of the PPR more extensively in substantive terms in the other committees, as well, as it would help inform decision making and would ensure a wider use of this document than is currently the case.

There were several suggestions from the Delegations of France and Germany and questions about how to improve the link between the Program Performance Report and the Program and Budget discussions. In this context let me recall that the annual Program Performance Report, which covers the first year of the biennium, is submitted in time to inform the Program and Budget discussions for the following biennium. This annual Program Performance Report covers progress made in the first year of the biennium.

The Delegation of Germany has made specific suggestions of how this can be further improved. We have taken due note of that and we will look into which improvements we could make in this regard.

Several Delegations mentioned the sections on the implementation of the Development Agenda. One concern raised was in respect of the consistency of the reporting across all Programs. We have taken due note of Member States concerns and will work on improving that in future Program Performance Reports. However, just to recall, that the inconsistencies across Programs are partly due to the ongoing efforts of mainstreaming development throughout all the substantive work of the Organization and therefore across all Programs so it's work in progress. We have some very good examples already in this Program Performance Report, for example Program 4, but we can definitely do better and we will address this going forward. On this subject, the Delegation of France also mentioned the link between the substance as reported under the Programs and development expenditure as is mentioned in Annex 1 of the document. We would like to draw your attention to the fact, as it is mentioned in Annex 1, that we have considerably refined the way that we are estimating development expenditure compared to past biennia and it will therefore be easier to track and link the substance and the expenditure in the future. Also, 2012-13 is the first biennium where we have a results-based budget and for each of the results we have the development share which we didn't have in the past so the link between the substance and the resources has become more apparent and easier to track for going forward. The Delegation of South Africa mentioned that the sections on the implementation of the Development Agenda are concerned mainly with the implementation of Development Agenda projects. We have taken duly note and will make sure that the implementation of the development recommendation more broadly is better addressed in the relevant sections under each of Programs. In this context, let me draw your attention to Program 8 which is the Program concerned with the coordination of the Development Agenda in this Organization. The reporting under this Program includes an overview of how the Development Agenda implementation is progressing throughout the whole Organization.

There was one observation made by the Delegation of France regarding the Validation Report on the difference between managing for results versus reporting for results. Changing the culture to a results-based culture in the Organization takes time and it's difficult to do from one day to the other. But I just want to highlight that while there is still a lot of progress to be made, the Validation Report points out that 16 programs now out of the 31 we have have reported that they are using the results framework for internal management purposes, which should be compared with six programs that reported so in the validation exercise in 2008-09. So basically we have moved from 20% of the Programs to currently 52% of the Programs. So I think we have made good progress and we acknowledge the fact that we need to further improve this in going forward.

The Delegations of Brazil, on behalf of the DAG, Egypt on behalf of the African Group and South Africa raised the point of approving the PPR versus noting the Program Performance Report. Just to recall that the Program Performance Report at WIPO has consistently been

approved by Member States along with the financial reports - so two sides of the same coin - the resource side and substantive side. It should be noted however that there's no statutory requirements for approving the PPR in the Financial Regulations and Rules. However, the PPR is an integral part of the Results-Based Management framework of the Organization and it's a principal accountability tool for reporting to you Member States on organizational performance. Approving the PPR contributes to the strengthening of the Results-Based Management framework in the Organization and it is best practice if you look across other Organizations. In this context, I draw your attention to a JIU report from 2006, which is still very relevant, on improving the implementation of results-based management in the UN system. Recommendation 6 of that report recommends the approval of the PPR in order to close the loop from the Program and Budget and assessing performance.

The Delegation of Brazil observed that the Program Performance Report is based on a self assessment rather than an independent assessment or evaluation exercise. Let me recall that this was exactly the reason why the practice of validating the biennial Program Performance Report was instituted so that the Validation Report, by an independent entity, would give assurance to Member States that the information contained in the report and the factual evidence on which the Program Performance Report is based is valid. Also, the practice of independent validation of the Program Performance Report is unique in the UN system. We are the only Organization - to my knowledge -- with this practice in order to provide the necessary assurance to Member States. In summary therefore, the Secretariat is of the view, if we may express a view on this, that not approving the Program Performance Report would weaken the accountability framework by not closing the performance management loop and the current Results-Based Management implementation efforts.

To the question regarding baselines from the Delegation of Brazil, on behalf of DAG, and South Africa I would like to illustrate this with a slide. The baselines in any given Program and Budget are determined at the time when we prepare the Program and Budget. Taking the example of 2012-13, the baselines when we prepared the Program and Budget were determined somewhere towards the middle of year 2011. However, the baselines should reflect the situation at the end of 2011 because they provide the benchmark against which we are measuring performance during a biennium. So therefore, we have instituted a practice that after the approval of the Program and Budget we launch an baseline update exercise so that we have the baseline updated to reflect the situation at the end of 2011. What is also important to note in this context is that in those cases where we have consistent indicators from one biennium to the next, the performance data at the end of one biennium, for example as we have now reported in the Program Performance Report for 2010-11 will form the baseline for the upcoming biennium in this particular case 2012-13. This explains why some of the baselines in the PPR are not necessarily the same as in the Program and Budget. It should be noted that the setting of the baselines is work in progress because as we get more experience with collecting performance data and we should therefore, with time, be in a better position to estimate the baselines at the end of the biennium so we expect to see less updates in the future that we currently have.

The Delegation of the Republic of Korea enquired about the mechanism for defining performance indicators, baselines and targets in the Program and Budget. This process is an iterative process between the program managers and the central facilitating unit which is the Program Management and Performance Section. Program managers are the custodians of the substance on the performance indicators and we provide quality assurance to ensure that the indicator is indeed an indicator. Efforts are also devoted to defining data collection mechanism, this also relates to one of the recommendations in the IAOD Validation Report, because we are very much trying to ensure that for every indicator we have well defined data collection mechanisms.

CHAIR: I thank the Secretariat for these explanations and there's one more question that Mr. Favatier, the Controller, will respond to regarding the transfers.

THE CONTROLLER: Thank you, Mr. Chairman. I would like to respond to the concerns raised by the Delegation of France in particular regarding the policy of transfers. I would like to say that we're very careful to respect the transfer rules. We have a very transparent policy on these budget transfers. And during the course of the biennium in the documents you will find the information about the transfers. In the 2010 Program Performance Report, for example, you'll find a table that sets out this information on budget transfers. And when we submit the budget for the next biennium, you'll see a similar table. There's also another table on transfers in the Program Performance Report at the end of the biennium. In respect of our transparency policy, in terms of respect for the transfers, I would also refer you to the Financial Management Report which is document WO/PBC/19/5. And in particular Table 3 in that document where you can see the information in relation to the budget adopted and the transfers that have been approved. At the bottom of this table we refer to the rule which governs the transfers and I'll read it out for your information. "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 5% of the amount corresponding to the biennial appropriation of the receiving Program, or to 1 % of the total budget, whichever is higher, when such transfers are necessary to ensure the proper functioning of the services (Regulation 5.5 of the Financial Regulations and Rules". This transfer policy and the rules that govern it are issued by or approved by the External Auditor and I would refer you to the External Auditor's report which is in Document WO/PBC/19/6 and in particular Paragraph 23 of that report which says "the checks carried out by my colleagues showed that budgetary transfers between Programs were performed in accordance with the applicable internal regulations".

CHAIR: Thank you. Director, IAOD please.

DIRECTOR IAOD: Thank you, Mr. Chairman I'll be very brief. I simply wanted to begin by thanking the Delegations for their positive approval of the work that was done by the internal audit process - it is not part of its core mandate to validate the Program Performance Report - but we have nothing against it of course. It is a customary practice for audit institutions at the national level to validate the Program Performance Reports. It gives us an overall view of the Programs of the Organization and the way in which they are being implemented. The Committee mentioned yesterday a concern regarding the sampling of indicators for each Program. We have reviewed each Program. And therefore, the Validation Report conclusions take account of the fact that this is based on a sample and we have chosen certain indicators which may not be the most significant for a particular Program.

With respect to Results-Based Management, I can only confirm what you have just heard that we have made progress; further progress is possible. And it is very useful to use a third party for audit on a regular basis to look at the indicators and assess performance. There were Delegations that commented on the changes in the baselines. Let me say that as we have heard, as the environment changes, we have to take account of this. And that can lead to changes in the baselines. At times there's a lack of documentation explaining the changes. And sometimes we find that a bit perplexing. The Delegation of Brazil mentioned the recommendation of our previous report on follow-up for the MTSP. And the question of whether or not there was a tool that would help us in the follow-up. We in the audit section, we will, as soon as the tool is available, make use of it for the implementation.

The recommendations contained in this report as well as in the other reports that we submit to the WIPO management, will be followed up on a regular basis, every two to three months. But as explained by the independent advisory body we are constantly devising new tools for follow-up in order to have a more interactive approach. The possibility of assigning a new mission to

the Internal Auditor was mentioned. But if your Committee and the Member States entrust us with a new mission, you must also be willing to fund this new mission. Thank you.

CHAIR: I thank the Director of IAOD. And give the floor to Germany.

GERMANY: Regarding the explanations on the transfers. I compared a few documents and have more questions on the policy of transfers. Not on individual transfers. We have a Program and Budget document for 2012-13 approved in September last year. There the transfers were mentioned in March-April because the first draft of the budget comes out in the spring. If you take this list and compare it now with the PPR, the PPR tells the actual transfers at the end of the year. And then you see all kind of combinations: that transfers have increased, have been lowered and sometimes they have increased and the expenditure is less than the original budget so my question is: How is this process working? There are transfers not used at the end and sometimes the level of usage is below the original transfer provision. So I assume that there is a policy and a process including maybe the level of ADGs/DDGs because of the regulation of 1% and 5%. The question is what are the criteria on the approval of transfers.

I also had the question when I look at the Program and Budget 2012-13 about the baselines and targets, which are indicated as TBD, to be determined. The baselines refer to the end of the 2011, so the Secretariat determines them in the spring of 2012. And some of the targets are already in the document that was approved. The question is when are Member States informed of the changes? The Secretariat explained that there is a process for updating targets and baselines, so I don't know how many of the targets in the document are still valid and how many are already adjusted. This we will only learn about next year. So is there a way to indicate this in the Program Performance Report?

CHAIR: Thank you Germany, Any further questions before I give the Secretariat to take up in a comprehensive manner. Australia, please.

AUSTRALIA: Thank you Mr. Chair. This is a question for the Director of IAOD and relates to the Validation Report. First I would like to thank you for a very useful report. And it certainly helped us in reviewing the PPR. My question relates to the difference between numerical and qualitative indicators. If you go through the PPR there is quite a big diversity of Programs in WIPO and some of those Programs can more easily and more appropriately be measured with numerical data or numerical indicators whereas others it's less easy and less appropriate. I think development-related Programs are one area where that's the case because you could for example show that you've held seven workshops. But that doesn't necessarily mean that those workshops have been effective or that they have resulted in kind of sustainable development outcomes. So that's probably an area where numerical indicators are not so appropriate. Looking through the criteria that you use to evaluate the Programs it appears there may be a bit of a bias towards numerical indicators or at least there may be a tendency on the part of program managers to use numerical indicators because it's a lot easier to demonstrate, easier to collect and they are more accessible. You can compare them more easily. They are easier to verify. So this may well be a question that you are dealing with internally. But I would welcome your perspectives on it.

SPAIN: Thank you, Chairman, I have a brief general comment and then some specific questions on specific Programs. So could you tell me if now is the time to ask these questions?

CHAIR: As soon as we finish with all of the general comments then we get into the specific programs. So give the general comment.

SPAIN: Thank you, Chairman. We also want to congratulate the Secretariat for the document and highlight the importance of Results Based Management and the use of objectives and

goals. Now, we would like all of this to be as up to date as possible as was expressed by Germany and we would also like as much clarity as possible. When we go through these documents which are quite long we need to be able to clearly see comparisons with previous years and also to identify whether or not the objectives are being met. And I would like to add an additional comment, which I'm not saying is happening, but we shouldn't be afraid to think about whether some objectives have not been met because it is precisely through the failure to meet certain objectives that we can see our way forward and identify those areas where we need to make additional efforts.

PERU: In line with what we have just heard from Spain I think it would be very useful for Member States to have detailed information on for example the amounts by region and by country for development assistance. We need to have some kind of a table that gives us a comparison and a breakdown. That is very important and should be done by Program so we can see how these moneys are being used. And this also would be very useful within the general report.

UNITED KINGDOM: Thank you, Chair. This is an excellent report that is very helpful and shows steady gains across many Programs. This document will always be a work in progress as performance indicators and performance data constantly evolve. The Validation Report does have some disappointments in it, however, in particular only eight Programs meet all the relevant valuable criteria. In reference to what my Australian colleague mentioned earlier we also believe there's a temptation to measure what we can measure sometimes rather than what is relevant. If the performance indicators do not reflect what the users and owners of the data think is important then it will always be difficult. As pointed out, measures need to be agreed and relevant to the managers concerned where possible.

CHAIR: The Secretariat please.

THE SECRETARIAT: Thank you, Mr. Chairman. As regards the question concerning transfers, it is true that the policy which we have regarding transparency of these transfers means that during the biennium with the various reports that we produce, we give the status of the transfer. And the status of course develops throughout the biennium and this is the reason why the figures change. Concerning the question regarding substance or procedure, i.e. what are the criteria for carrying out a transfer, obviously we follow the rule that has been defined. That is the Article 5.5 of the financial regulations which states that the basic criterion for these transfers is to ensure the smooth running of the services. More particularly, the need for these transfers in order to attain the results or goals of the Organization as endorsed during the Program and Budget process.

CHAIR: Thank you. Secretariat please.

SECRETARIAT: Thank you, Chair. To the question from the Delegation of Germany regarding the baselines, the exercise of updating the baselines and those baselines which are indicated in the Program and Budget as "to be determined". Just to clarify, the 'to be determined' baselines are also updated in the baseline exercise.

I do recognize the fact that it might be difficult for Member States to see exactly which baselines have been updated versus those which have not been updated. So maybe we could think about a way of making that clearer in the first Program Performance Report of the biennium, submitted in September of the first year, i.e. information on the updated baselines versus the original baselines as in the Program and Budget. That could facilitate the work of the Committee.

The Secretariat welcomes the excellent suggestion from the Delegation of Spain as regards comparisons to previous years. We are actually trying to do that already to some extent by

including more graphics in the report which are not only confined to the biennium but goes across. This is still work in progress but it would be extremely helpful to have an indication of the evolution of the performance data over time.

Several Delegations had questions regarding indicators which were addressed to the Director of Internal Oversight. But just to say that the refining of the indicators, as was the case with the expected results, is work in progress. However, if we compare the indicators in the Program and Budget 2010-11 and those in the Program and Budget 2012-13 I think we can already see a considerable improvement of the indicators. That does not mean that more work is not needed, and indeed this will be one of our focus for the next Program and Budget to review the indicators and improve them to the extent possible. As regards qualitative versus quantitative indicators, this indeed depends on the nature of the Program. For example, in the normative areas it is extremely difficult to define quantitative indicators. When it comes to capacity building, which was the example that was highlighted, I believe it is actually possible, not in terms of the number of training programs implemented, because that is an output and we try to move more and more towards outcome indicators, but in terms of the percentage of participants who were satisfied, who learned in those events, who are using their knowledge and skills in the institutions and the impact that it is having on the institutions, So in many cases where we think it is not possible to have quantitative indicators we actually can while also focusing on quality.

The Delegation of Peru mentioned that a breakdown of development expenditure by countries and regions would be useful. In this context I would kindly refer you to the Q&A on development expenditure, in particular Question 3, which was also raised during the informal consultations. At this point we do not have the breakdown by countries and/or the regions, but we will look into the feasibility of this within the context of the implementation of the ERP.

CHAIR: Thank you. Director of IAOD, please.

DIRECTOR, IAOD: Thank you, Mr. Chairman. I would like to thank the Delegates of the United Kingdom and Australia for the questions they raised on indicators, quantitative versus qualitative. We do use quantitative indicators a lot for quite simple reasons, first of all because they are easier to collect data on in the first place and secondly because quantitative indicators are easier reference points. So if you want to compare with last year and so on, we look at quantitative indicators. It has already been mentioned that quantitative indicators are indicators where the Director of the Program has full responsibility for them. If you take into account the workshops the Director of the Program can say: I've organized ten training workshops. That's easy to check. But if you look at it more qualitatively how many people are satisfied with this training? Did this have any impact on the National Intellectual Property institution? Well that requires a further effort on collecting information and also you have to base yourself on answers given by a third party. And the Director has no control over this and we'll have to depend on what is said by third parties and we have discussed this with directors of programs when we were trying to investigate this. And I would conclude by saying that it is a real change of culture. We have dealt with a lot of things product by product. That is to say, how many products have emerged rather than the results concerning the quality of the results. So the change in culture takes a long time.

If I look at my own Program, we had quantitative indicators, ten reports, 15 reports, 1 report. That's fine. But I don't think you care how many reports came out but the impact they may have on the management of the Organization. And when I put this as a performance indicator, collecting information concerning performance indicators becomes more complicated than just to measure how many reports have been produced.

CHAIR: Thank you, fair enough. But impact is still important and Australia's point is valid. We can now enter into the details of certain Programs. So please raise your concerns or questions concerning certain Programs. All program managers are sitting in the back row. They will

respond as soon as questions have been collected. Please, Spain, you had a question on a specific program.

SPAIN: Thank you. My question relates to Program 27 on Conference Services. We had 38 million Swiss francs expenditure in 2008/09 which was reduced to 35 million Swiss francs in 2010/11. This is a significant saving taking into account that the number of meetings compared to the previous period has doubled. And there's also the question of documents. We would appreciate more detail about how these savings were obtained. For example, it seems that there was a reduction in mailings. The savings are important but on other items and in other areas I have not seen significant savings. Clarification is needed whether similar efforts have been made on other budget lines such as travel, communications, electricity, and absences related to illness. The savings in these areas are much more subtle and I would like some help in understanding how in one budget line there have been significant savings and in others where potentially there could be significant savings there have not been.

CHAIR: Thank you, Spain. Italy.

ITALY: Thank you, Mr. Chair. I refer to the Program 30 on SMEs. Looking at the indicators, four out of ten performance indicators have been discontinued and two partially achieved, which adds up to more than half of the indicators. This probably has to do with the way these indicators were developed. Last year in the context of the budget approval, we have noticed an improvement and more streamlined indicators. I would like to simply stress what we encourage WIPO to renew its effort in this crucial area of providing support to SMEs which is very important particularly for development countries.

CHAIR: Thank you. Brazil.

BRAZIL: Thank you, Mr. Chairman. I just have a question of clarification. I know that we are discussing Programs. And only those Programs that have comments will be discussed here. My suggestion would be to follow the sequence of the document so if there are comments on a specific Program, we discuss this Program and all Delegations that have comments on that Program can make them. If there are no question on a particular Program we can go to the next one.

CHAIR: Thank you, Brazil. This is the case if there are many issues on these Programs. So how many Delegations have Program specific questions? If there are like seven or eight then it would be more efficient not to take them Program by Program. But if there are like 30 then we should proceed Program by Program. Could Delegations by show of hands indicate whether they have Program specific comments? On Program 1, for example, two, three, four, five, six. Since we have around six it is better to take these instead of proceeding Program by Program. That would be more efficient. So Brazil please, do you have specific Program related comments?

BRAZIL: Thank you, Mr. Chairman, actually the Development Agenda Group (DAG) has comments on several Programs. Some members of the DAG will comment on specific Programs. For instance, we would like to comment on Programs 1, 2, 3, 4, 8, 11, 17, 22 and 30. So we have a number of Programs. Can we start sequentially? The Delegation of Algeria will make comments on Program 1.

ALGERIA: My comments concerning Program 1 are on behalf of the DAG and the African Group. I would like to thank the Secretariat for their excellent work in presenting this Program. Our comments are probably due to the fact that the Program has been presented so clearly. So it has helped us understand what we want to know. We would like the Program to better reflect the reality of the activities of the SCP. I would like to refer you to page nine where we are talking about examining the SCP at the present time. Our respective groups feel that we have

to further clarify the fact that the Committee has not achieved the same amount of progress on all questions. Some matters have been completed. Others have not. We are talking about the performance of the Committee. It is stated that the Committee has achieved certain amount of progress in certain questions, for example the quality of patents, opposition systems, the relation between patent advisors and their clients, but it says there is no progress with regard to the question of patents and health. I think it is more than necessary to clarify the progress that has been achieved by the Committee on certain questions but has not been achieved in the case of other questions, which are of equal importance to the SCP.

My second comment refers to the fifth paragraph concerning all the assistance given by the Patent Division to Member States. I would like the Secretariat to clarify whether all the seminars and technical assistance given to countries is moving towards a balanced system of IP within the DAG and the African Group, We are rather concerned about the fact that all these seminars are promoting a very limited view of the future of IP. Perhaps we would like to have further details about the modules or questions which are examined at those seminars so that we have a much clearer vision of the IP system which is being promoted during these seminars.

My third and last comment concerns the tables, in particular expected result no. 1, and the performance indicator concerning the increase in the number of discussions on the legal practices in patent systems. As far as our Group is concerned, there is a certain amount of contradiction here. It says that the SCP or the decisions of Member States on certain questions, we have seen from this that the SCP is not yet able to identify questions of common interest. And when we asked the Secretariat to say what the status is they say fully achieved but it also says very clearly that the SCP has not been capable of identifying questions of common interest. This is a very clear contradiction and we would like an explanation.

CHAIR: Thank you very much Algeria on behalf of the DAG and the African Group.

SOUTH AFRICA: My Delegation is also presenting on behalf of the DAG and the African Group. The comments we have are more on clarity. In paragraph 5 of Program 1, there is a mention there of the Program providing legislative assistance and policy advice to Member States. We note that some of this is confidential. However, because we are told that we need to approve this document, there is here a mention of the policies including flexibilities. We would like more clarity on the nature of flexibilities that were provided. As we understand, also, in the following paragraph that greater awareness was made on the legal principles and practices of the patent system. We would appreciate more information on that. Moving on to the performance data, there is a reference under performance indicators that there is a greater number of Contracting Parties to patent-related WIPO administered treaties. The baseline for the Paris Convention is 173. The performance data over the biennium is 174. So we want to understand whether we can truly say that there was a greater number of Members in terms of the Paris Convention because our understanding is there is only one so does that constitute fully achieved? The same applies to the Budapest Treaty where the baseline is 72 and then the performance data is 75. The increase is three, and again, this has been rated "fully achieved". But our understanding is that "greater number" should be above that. We would like clarity on whether we can say that it is fully achieved or partially achieved. As regards the PLT, there is an overlap of performance indicators with the PLT mentioned twice. We note that in the 2010/11 Program and Budget it is reflected like that, we just want to have clarity as to why do we have the PLT as a stand alone performance indicator under the third expected result and then also included in the performance indicator under the first expected result. The results are the same, the baseline is 22 and the performance is 30, and it is "fully achieved" so there is an overlap which perhaps in the future we want to avoid unless there is an explanation as to why the PLT is reflected in both places.

CHAIR: Thank you South Africa on behalf of the DAG and African Group. Who else within the DAG would like to continue? Please.

BRAZIL: Thank you, Mr. Chairman. Our next comment will be on Program 2 and again I will pass the floor to Algeria on this Program.

ALGERIA: Thank you, Mr. Chairman. On Program 2 which has to do with trade marks, industrial designs and geographic indications. Our comments are somewhat similar to those referring to Program 1 because there as well there were technical assistance and seminars for developing countries. We would like to know in greater detail the content of these seminars and other activities in order to assess the value of the image given to the current IP system. In respect of the implementation of the Development Agenda under Program 2, it mentions studies that were reviewed in the CDIP. We would like in this Program, similar to the practice in other Programs, to have details on the recommendations and resolutions that came out of the CDIP in respect of the studies reviewed. In Program 2, it is reported that the CDIP looked at a report without however referring to the comments of the Members or at least summarizing the views that were expressed whereas in Program 1 there are details given on the recommendations that were made by the Committee. We therefore suggest to the Secretariat to add information enabling us to learn about the recommendations that came out of the Committee in respect of the studies that were presented by the trademarks industrial design and geographical indications sections to the Committee.

BRAZIL: Thank you Mr. President. We will now make comments on Program 3 on copyrights and related rights. First of all we are pleased to see the wide range of activities that occurred out of this Program during the past biennium. The SCCR has produced achievements during the period and we recognize the hard work of the Secretariat in preparing the documentation and the logistics for all of the meetings carried out during the period. There was much activity. Regarding the performance data it is our view that while they provide significant information on the quantitative side, they do not provide the same level of information regarding the qualitative side. This maybe a comment that is also applicable to many other Programs. Member States are informed, for instance, that all of the objectives regarding the contribution to the development or the international copyright and related rights policy and legal framework and global copyright infrastructure were met. However, it is not possible for us to evaluate the content of this contribution. One of the performance indicators refers to the increased number of Member States that have benefited from legislative advice on various copyright and related rights issues. Again there is no means to check if activities under this performance indicator are conducive to a balanced global copyright system. Along the same line, regarding the expected result increased awareness of the capacity of Member States regarding copyright and related rights, one of the performance indicators refers to the number of meetings, conferences and seminars by organization and country where WIPO was invited to disseminate information related to copyright and related rights. Again it is not possible to evaluate the kind of information that has been disseminated and there seems to be no evaluation on the content. We have also taken note that the Validation Report prepared by the IAOD singles out the performance indicator "decisions and requests resulting from the SCCR". It concludes that the performance indicator is not necessarily meaningful and specific enough to report against the expected result. Its formulation and purpose are not necessarily clear; it continues counting the number of decisions rather than reporting on the quality of decisions. That does not necessarily indicate that the program is achieving its expected result.

CHAIR: Thank you, Brazil. DAG still has points on other Programs. We will have the program manager comment on Program 1 taking into account all of the remarks of DAG and other groups.

BRAZIL: Thank you, Mr. Chairman. I would like now to make some comments on Program 4 on TK, TCEs and GRs. While there is significant volume of activities reported under this Program, achievements in the 2010-2011 biennium actually reflects actions and decisions of Member States. Nevertheless, it is worth mentioning the efforts made by the Secretariat in facilitating

IGC meetings, the initiatives towards fundraising for the WIPO Voluntary Fund for accredited indigenous and local communities, the dissemination of information on TK and the informational sessions to brief Delegates before the formal sessions. As in the case of Program 3, DAG refers to the orientation of the capacity building and other technical assistance which does not allow for the evaluation of the content of the said activities. As regards Program 8 on Development Agenda coordination, some comments were made not only by the DAG but also by other Delegations in the general statements. We have taken positive note of the activities undertaken in relation to the expected result “enhanced understanding of the DA by Member States, IGO, Civil Society and other stakeholders”. The report refers to a brochure named “WIPO Development Agenda - An Overview”, however there is no further information about the brochure and its contents so we would like to request more details on this. On performance data in general, this has already been mentioned by other Delegations. There is lack of information on how the DA recommendations are effectively being implemented in all Programs. The first performance indicator states that all WIPO activities are undertaken in line with the DA principles. It is rated as fully achieved. This can lead to the understanding that the Development Agenda has been fully mainstreamed in all areas of WIPO’s work. Our view is that this is work in progress. As can be seen, for instance, in the discussions regarding inclusion of the PBC and the CWS in the list of relevant bodies in the context of the coordination mechanism. In the Validation Report prepared by the IAOD, there is an analysis of the performance indicator “recommendations resulting from monitoring and evaluation are successfully being implemented”. The authors state that the data gathered for this performance indicator is not relevant to enable effective reporting. This is an example of an area of improvement to be done in the reporting in respect of this Program. Now on my list is Program 11 and I pass the floor to Algeria.

ALGERIA: Thank you. First a general comment on Program 11 the WIPO Academy. Our main concern where we need certainty is that the Academy gives courses or provides information and experiences adapted to the vision that encompasses all of the Members’ views on IP. So we need to know in greater detail the way in which this is related to the Development Agenda. We do not know exactly what is involved here. And therefore, we need some clarification so that we can be certain that all of our concerns have been taken into account. Secondly and in greater detail, on the performance data table and in particular the first expected result, where it speaks of a satisfaction rate and it states “fully achieved”. I would like to know how the Secretariat was able to assess the satisfaction level of professionals or those who took the courses. When it says that the satisfaction rate was fully achieved, what did the Secretariat do to be able to ascertain the level of satisfaction of the participants? How did the Secretariat managed to assess that satisfaction, so that we can take advantage of this for upcoming activities. There is also mention of an increase in geographical representation of the cooperation partners. We would like greater detail on this increase, what precisely is meant? Does it mean that there were more partners and from which regions? How is this geographical representation established?

CHAIR: Thank you, Algeria, Brazil.

BRAZIL: Thank you, Mr. President we still have comments on Programs 22 and 30. On Program 22, which is Finance, Budget and Program Management, we would like to highlight, as one of the main achievements in this period, the implementation of the International Public Sector Accounting Standards, IPSAS, within the given timeframe. It is also noted that the WIPO 2011 financial statements received an unqualified audit opinion. Regarding the budgeting process, DAG considers that there is a need to enhance Member States’ participation in the budgeting process. One possible way to achieve this is to review the calendar of meetings. This was one of the suggestions made by the DAG in the exchange of views on WIPO’s governance. Finally, we acknowledge the fact that the WIPO Secretariat started to describe development oriented expenditure. This is a definition that still needs to be further refined in

order to be more precise and our Group looks forward to contributing to this discussion during this session of the PBC.

We still have comments on Programs 30 and 17. Program 17, Algeria has comments on it and Program 30, India has comments on it. I thank you.

ALGERIA: Thank you. On Program 17 which is Building Respect for IP. On this Program I really would like to have the views of the Secretariat on the first paragraph because it says that the decision to continue the work program of the Committee underscored efforts and commitment for an inclusive approach from WIPO in respect of building respect for IP. On this matter, the African Group and the DAG were present. The decision was taken to continue the work of the eighth session because there was no agreement on the future workplan and not because we were satisfied with the previous work program. What clearly happened was there were a number of proposals on the table in the Committee. There was a lack of agreement as to which proposal to put forward for the upcoming program budget. And therefore, there was a discussion regarding the extension of the current work program. So the interpretation that has been given by the Secretariat of this agreement is somewhat confusing. And we really would like to have much more clarification on this particular point. Secondly, in the third paragraph, it says that in all activities, the Program ensures that the socioeconomic and development-oriented concerns as well as the balance between private rights and the public interest were adequately reflected and addressed. Now, we want to know specifically how the Division responsible for Program 17 ensured that all of these activities took into account the balance between private rights and public interest.

CHAIR: Thank you, Algeria on behalf of DAG. And DAG's last point by India. Please, India.

INDIA: Thank you, Mr. Chair. I also thank the Secretariat for preparing the PPR and IAOD for preparing the Validation Report. We appreciate the number of activities taken up under the Program helping national Offices and SME support institutions in assisting entrepreneurs and SMEs in using the IP System. We also note the large number of Training for Trainer programs and the regional and sub regional forum for SMEs, including two national fora organized in India in 2010-11. We note that the activities under this Program are an important and key contributor to the use of IP for enhancing innovation and development in the SME sector, particularly in the developing countries where the SME sector is very important. The Program Performance Report, however, appears more of a report enumerating the quantitative indicators or achievements rather than focusing on the impact of these activities in order to measure the expected results that have been achieved. This has already been raised by several Delegations. We would also note that the performance data in this Program is well designed. But many of the data is not available. So we would like to know why some of the projected activities were discontinued such as assistance to SME support institutions. The Validation Report of IAOD indicates that the performance data as reported in this Program was relevant and valuable. However, the performance data needs to be strengthened with feedback to be solicited by the participants of WIPO events to SME support institutions on the impact of activities. Further, it also states that the performance data is not sufficient to enable a sound assessment of activities undertaken for achieving the expected result and to analyze the satisfaction level of SME support institutions. Therefore, in future we would like to request the implementation assessment of the Program. These elements need to be taken into account.

CHAIR: Thank you, India on behalf of DAG. Germany please.

GERMANY: Thank you very much. I had two issues on Program 20 as well as Program 23. I will start with Program 20 on External Offices. Since 2010, WIPO was to look into the issue of establishing new external offices. It was a top priority to come to a decision in the General Assembly in 2011. The document before us reads that this issue is "discontinued" - not followed-up. Clarification is sought as to why this issue from top priority comes to a standstill.

On Program 23, I would like to raise the issue of training. Nobody contradicts that training is valuable for the staff as well as for WIPO. But when you look at the starting point, one of the findings of the IAOD report on human resources states that 16 staff members out of 21 in the Human Resources Department have had no training for the last 10 years except for languages. So that raises some concerns, which might be shared by the Director of IAOD, regarding the training issue at large in WIPO. When you look into Program 23, Human Resources, and you look into the last two, three, biennia it can be noticed that resources allocated for training amounted to one per cent - about 4 million. And actual expenditure is 1.4 and 1.6 million. So there should be resources in the system to do some training. What is more disturbing is that in the PPR for Program 23, it states that the PMSDS, the new performance system, is aimed at identifying training needs and that actual needs identified amounts to 1,500 with no resources available to address these. So when does the Secretariat address these issues? How much resources are needed and where does it come from? And have some transfers already been made? We cannot wait until 2014-15 to address this key issue of training. It needs to be addressed in the current biennium.

CHAIR: Thank you, Germany. Republic of Korea.

REPUBLIC OF KOREA: Thank you, Chairman. Let me draw your attention to Programs 5 and 6. The performance indicator "The number of applications" is related to the expected result "Use of the PCT system". Basically, I understand that these statistics are very important to WIPO, but actually this indicator strongly depends on outside factors like economic situation, innovative behavior, etc. So an increase or decrease in the number of applications may be dependent only to a very small extent on WIPO effort. These types of performance indicators, therefore, need to be complemented by performance data measuring actual activities conducted by WIPO. This should not be interpreted as discouragement for the use of these indicators, rather we would like to take the responsibility and invest further in this direction. My second point concerns the performance data for almost every Program: the performance data is presented in a very condensed manner. For comparison, let me draw your attention to Annex 2 of the PPR for 2011-11, page 139 which explains the activities conducted under the FITs. This information is more understandable. So my question is whether more detailed information could be made available to Member States like in the format for the FITs.

CHAIR: Thank you, South Korea. Peru, please.

PERU: Thank you. Our question concerns Program 23. It is reported that there was a creation of a certain number of posts, 156 posts, and then it talks about geographical origin with an indicator "number of professionals recruited from underrepresented regions". This has varied between 3 and 5. With a total of 6 people recruited out of 156, how does the traffic light system work? How has this been achieved when you have such a low percentage of people coming from countries of low representation? This concerns members of GRULAC and others.

CHAIR: Thank you, Peru. South Africa.

SOUTH AFRICA: Thank you, Mr. Chairman. Just to indicate that we will take the floor often because we have many comments about the Programs. I'm still on Program 2 here. There is a statement in the last paragraph on page 12 that the design, planning and implementation of activities are undertaken in accordance with the relevant DA recommendations. My Delegation has a different view on this because we had to request for a study to take into account Development Agenda recommendation 15. So we do not know how this can be reflected as true and we would like more clarification from the Program manager in terms of how Recommendation 15 was taken into account when discussing a treaty for the protection of industrial design. Regarding the second performance indicator on page 13.

The performance indicator refers to at least 10 ratifications but we know there were only nine States becoming parties during the biennium. The performance rating is fully achieved - is this consistent with target? Nine States compared to the target of ten? Is that "fully achieved"? Perhaps it could be rated as achieved. On Program 3, we note in paragraph 2 that there is no precision as regards the challenges and strategies. We note that in the Program and Budget 2010/11 there are consistently strategies and then challenges. In the PPR, only achievements have been highlighted, and only the achievement in terms of the VIP discussions in the SCCR. In the future we should also highlight the challenges, because other issues are very important as well. In terms of exceptions and limitations we need to know why there was no progress. We would also request precision in terms of language used. My Delegation would appreciate if, in the future, the Secretariat could be clear that what we are pursuing in terms of the protection of broadcasting is a treaty. Just like in the case of the VIP you say it is an international instrument. So for us it was a workplan towards a treaty for the protection of broadcasting organizations - it is not clear to us what is meant by "protection of broadcasting organizations". It could be a discussion. So we just want to be clear that it is a treaty. As regards the performance data on page 18, we note that there is only reference to performance indicators No. 1, 2, 3 and 4. As regards the indicator "decisions and requests resulting from SCCR" we would appreciate more information because it is really abstract to say that 20 decisions and requests from action resulting from the SCCR were addressed. We would request to have more content on that. Concerning the performance indicator which not only refers to the visually impaired persons but also to categories suffering from other disabilities, it has been rated as having been fully achieved. However, the performance data only refers to visually impaired persons. There is no reference to categories suffering from other disabilities. We would therefore request more information from the Secretariat as to how this was fully achieved. Moving on to Program 4, paragraph 32, just to highlight my Delegation's request yesterday to further elaborate the sections dealing with the implementation of the Development Agenda. On page 21, there is an example of what we were referring to so we thank and commend this particular Program for actually doing what we expected in terms of highlighting how the Development Agenda has been implemented as outlined in the Program and Budget. Not just one sentence saying we are implementing this. Then we also have questions on page 23 under Program 4 as regards vacant posts. A clarification would be helpful because it impacts expenditure due to posts being vacant and some being transferred. For this Delegation this is an important Program which needs to be assisted if there are problems in terms of filling posts.

CHAIR: If you have any other comments please provide them now for all Programs. Once we finish, the Program managers will come here. I give the floor to Hungary.

HUNGARY: Thank you very much Mr. Chair. Regarding Program 10, Hungary, on behalf of the Central European and Baltic States would like to take this opportunity to thank the Secretariat for its efforts and welcome the various initiatives in this Program in the countries concerned especially with regard to national IP strategies, legislative reform, modernization of IP infrastructure and IP training. We would also like to express our support for Program 30 on SMEs and urge to continue initiatives in this field especially the efforts to strengthen the role of innovative SMEs in our region.

CHAIR: Thank you, Hungary, Egypt.

EGYPT: Thank you very much, Mr. Chairman. My question is one of clarification. Should we wait for the Secretariat's presentation on Program 18 before making our comments? We also have comments concerning the Program 20: External Relations and External Offices. We would like to know the status of the negotiations carried out by the Organization with regards to these external offices? For example we have no external office in Africa, so we would appreciate a clarification on that issue. We also would like clarification concerning the development of criteria and information about the extent to which this Program contributes to

the implementation of development programs, particularly since the Committee on Standards is discussing the implementation of recommendations.

CHAIR: I thank Egypt for their comments. Republic of Korea, please.

REPUBLIC OF KOREA: Thank you Chairman. With regard to Program 9, let me recall the discussion at the fifth session of the CDIP in April 2010. Two proposals for development of technology and support for planned strategy development were approved by Member States. At the time, many Delegations expressed the view that these projects should be limited to the mandate of WIPO and then efforts should be made to collaborate with other UN organizations or NGOs. These projects are now either finished or in the final stages, so our Delegation would request for an opportunity to learn from the experiences gained so far. And lastly, our Delegation would like to thank each manager for their efforts in implementing these two projects.

CHAIR: Thank you, Republic of Korea. That was my last speaker; any other speakers? If not, I would like to invite the Program manager of Program 1, to come to the podium, please, to answer the questions followed by other Program managers.

SECRETARIAT: Thank you, Mr. Chairman. The Delegation from Algeria mentioned several points. Firstly, how one could better reflect the reality of the activities in the SCP and the related request that we improve this type of reporting in the future. The Secretariat has taken due note of this comment and request and will certainly do all efforts in order to satisfy the Delegation in the future. Secondly, the question related to paragraph 5 on the work on legislative advice, seminars, etc. and on whether this is pursued in a balanced manner. Allow me to provide some explanations on the work being done. It consists of seminars, comments on draft laws and elaboration of new draft laws, missions on legislative advice, all done only on demand by our Member States. We are then also asked to participate in national and regional seminars to speak on different topics that relate to patents, for example, utility models, etc. And there we often speak only on one topic. I'll give you one example. Recently we were asked to speak on the patentability of software. What we do is to explain the situation and we give examples of what is done in different parts of the world. We certainly do not try to influence countries to go in one or the other direction because this is not our role here in WIPO. But we explain what other countries and other regions do. Let me, also, remind a bit of background. First of all, one of our main objectives in this work is to try to identify how IP can be useful. How IP can be useful to an individual country or how sometimes it perhaps cannot be useful. Let me also remind that we do that work on demand only and as we were reminded, I think by the Delegation of South Africa legislative assistance, is confidential. But what I can give you is a few principles that guide our work. First of all, one of our main principles is to attempt to take into account the situation of the individual country. And that is how we approach the question of flexibilities as well: we look at the country and at the flexibilities for example when we have a question, then we look at that country, we tell that country you can do this or that or that. We don't tell them where to go. But what we are trying to do is to show the country, or to have the country realize, what its objectives are, where it wants to go. And give them different possibilities that the country can choose in order to achieve those objectives. Balance is extremely important for us. This is also evident through the work that we do on flexibilities, both in legislative advice to countries as well as in seminars that we hold in various countries where, as an example, we do not give our position on flexibilities, but we attempt to bring countries together to explain to each other how they use flexibilities and what the result was of those flexibilities so that countries can learn from each other. We are also asked sometimes to speak on issues like open innovation, which we do regularly, or Open Source, etc. So we do all of these things. And we certainly do not advocate for more IP but we try to see how IP in the individual case can be or cannot be useful for the objectives of a country. Coming to the third question of the Delegation of Algeria, I think we will have to look at it more closely. But it seems to me that the possible contradiction could come from the fact that in one column we have the

baseline and that was a certain situation understood at a given point in time. And then we look at the situation how it is two years later. And then we can or cannot identify some achievements. And I think that is one of the reasons why we have different results in the different columns. But we will certainly look much more closely to see whether we can avoid this type of contradictions if they are real. The Delegation of South Africa raised a question about the nature of flexibilities that we look at. This is a question which is not easy to reply to because again, it's an individualized matter which depends on the requests that come to us. But in principle we are looking at the international legal framework by which an individual country is bound. And then we are trying, depending on the country situations and wishes and objectives, to give to them and to indicate the flexibilities that they have in the existing international legal framework under the treaties by which that country is bound. So that is how they can implement their obligations in perhaps different manners under that framework. In terms of what types of flexibilities we address, again this depends on the demand and the requests by Member States. The second question raised was about greater awareness. This is not an easy one to measure and I think there are certainly discussions and a way to look at this in order to perhaps make such a criteria more measurable. But what we have been doing at least in the two years that we are looking at here in the PPR is looking at what we are doing in the SCP, looking at what we were doing in the CDIP, looking at what we are doing regarding legislative advice and all of these legislative missions that we do. And we hope, and of course it is difficult to say whether we achieve that or not, but we hope through these discussions to increase the awareness of IP so that countries are then in a better position to decide in which direction they wish to go. And then finally, on the treaties, the text would allow to say that the improvement of one Contracting Party to a treaty means achieved. I would certainly agree that this is also something we have to review, in particular, because whether countries adhere to our treaties or not is not really in our hands. This is really a matter for countries to decide also on the length of the process that they need to adhere once they want to adhere. And so it is probably something that we will have to revisit for future documents. One Delegation mentioned earlier that we have to be careful not only to measure the measurable but also what is relevant and I think this is certainly part of the reflections that we are going to do or already are doing in the Secretariat. The Patent Law Treaty, indeed it is mentioned twice because it can of course be considered to be a part of the enhanced cooperation among Member States to a certain extent and then it was taken on board, also, as a specific result. In the future, we should avoid these doubles - there is no real good reason beyond that to have the PLT mentioned twice.

CHAIR: Any rebuttal on Program 1 before we thank the manager of Program 1. Algeria, please.

ALGERIA: Thank you very much, Mr. Chairman. And I would like to thank the Secretariat for this information which is very satisfactory. But my first comment reflecting reality, I think it should be done here now in this report. I think it is something obviously that applies in the future. But it should also apply to this report because it is a question of taking note of the reality. And it should apply to this report, too.

CHAIR: Thank you, Algeria. Noted. With this we thank the Program 1 manager and give the floor to the Director of Program 2, please, sir.

SECRETARIAT: Thank you, Mr. Chair. I noted comments and questions concerning Program 2, from the Delegations of Algeria and South Africa. As regards the first comment from the Delegation of Algeria, namely, the reference to the implementation of the Development Agenda and more particularly the contribution of the Program to the trademark component of DA project 16 20 01, that resulted in quite a voluminous report which was presented to the CDIP, but because the CDIP could not deliberate on it, it is still pending. This is why we could not report on any follow-up. This is also why the report is as was presented and not examined or discussed. So the report was completed. It has been presented but there was not enough time

to discuss it because of the heavy agenda of the CDIP. Concerning the second question, namely to obtain more information on, in particular, one activity that has been referred to in that report, namely a worldwide symposium that was organized by the Program in cooperation with the Government of Peru, I just would like to give some background by clarifying that this type of event, whenever we organize it here or not, all Member States are being invited to it. They all receive invitations and the program well in advance of the meeting so it is already on the record what the program is going to be plus the speakers. And then, the presentations that are being made at the symposium, as the case is here, are being published on the Web site, translated into several languages and compiled into a PDF document. It is all available and in case there is more information needed I'm more than happy to guide various Delegations to the various sources. Concerning the two observations made by the Delegation of South Africa, one also referring to the implementation of the Development Agenda and, in particular, a study that has been requested by the Standing Committee on the Law of Trademarks, Industrial Designs and Geographical Indications which will be presented at the forthcoming session of the SCT that will start next week. I would like to briefly refer to the history of that study, It was commissioned at the last session of the SCT but prior to that the Secretariat had also prepared an information document, a background document namely document SCT 26/4, that summarized in about 15-20 pages how the SCT, with respect to the work on industrial designs and practice. It addressed recommendations and was discussed at the 26th session last year. Based on the general assessment, the Committee moved forward and asked for a more specific study on the possible effects of the implementation of the project. So there has been a two tier process and there was indeed quite a well documented deliberation on the implementation of the Development Agenda recommendations through the SCT in the area of industrial designs. It could have been mentioned to and referred to in that document but it is in the document SCT 26/4. And finally, the last point whether nine out of ten is fully achieved or not in terms of the ratification of the Singapore treaty, I would like to refer to the general introduction on page 1 of the document that explains the traffic light system. The methodology applied uses a rating of "fully achieved" when the performance data suggests 80 per cent or greater achievement. Nine out of ten amounts to 90 per cent and this is why the rating is "green".

CHAIR: Thank you, Sir. Are there any rebuttals on Program 2 before we take Program 3? If not, the Secretariat please.

SECRETARIAT: Thank you very much. The first question related to whether there was perhaps too much quantitative performance indicators as opposed to qualitative performance indicators in Program 3. We believe that this is a fair point. We understand that there are some considerable difficulties about firstly identifying relevant qualitative indicators and then thereafter objectively measuring them. We realize there is a problem in doing this. But nevertheless, we appreciate that it is important to have qualitative information and therefore we will do what we can to provide that information to Member States. The second issue related to challenges within the Program. Again, we could be more specific in relation to the challenges which the Program are facing and we would be pleased to provide further information in this regard. Thirdly, in relation to VIP, and in particular whether there should be some reference in the performance data to other categories suffering from disabilities. We will simply say that within the baselines, the baseline for this particular performance indicator actually only referred to the visually impaired persons. And for that reason the performance data equally only refers to the visually impaired persons. That being said, within the 42 countries mentioned in the performance data, there were of course certain countries that were also doing work to improve access to other categories suffering from disabilities. The fourth question related to broadcasting. Our information is that as we stand today, the wording within the PPR is correct. In other words, at this stage, we are looking at the workplan for broadcasting organizations. Of course the workplan can lead to further instruments in due course. But at this particular stage, it is actually the workplan which is currently being discussed.

CHAIR: Thank you, sir. Are there any rebuttals for Program 3? South Africa.

SOUTH AFRICA: Thank you, Mr. Chairman. I thank the Secretariat for their reply provided with regard to our questions. However, I am hesitant to agree with the explanation given when it comes to the performance indicator. The performance indicator in the Program and Budget 2010/11 and also reflected in the PPR includes other categories suffering from disabilities. So if we are saying that this is fully achieved and there is no enumeration on that then I disagree and then with respect to the baselines, the baselines have to change. They can be amended because of events unfold and developments happen. So here there should be at least the report on that latter part where there is a mention of other categories suffering from disabilities, because it's not only limited to VIP, and then we're told that the rating is fully achieved. Regarding the workplan for Broadcasting Organizations and that it could end up as an instrument. My Delegation participates and is very passionate about the issue of the protection of broadcasting. We are talking about the treaty, so we are just requesting a precision when talking about the end-product of the workplan, because we do not want any ambiguity because these documents are very important to us. So they have to have reliable information. We have already decided that it was a treaty. So that is the point that we wanted to emphasize.

CHAIR: Thank you, South Africa. Secretariat please.

SECRETARIAT: Thank you very much Mr. Chairperson. We agree with the points of the South African Delegation. We can of course provide further information in relation to other categories suffering from disabilities. Secondly, in relation to broadcasting, it is correct that this is what we are working towards and we could perhaps be more specific in relation to that particular point.

CHAIR: If there's nothing else we have the Republic of Korea, please, sir.

REPUBLIC OF KOREA: Thank you, Chairman. Our Delegation has a very minor question regarding the clarification of current emerging issues on copyright. The third performance indicator refers to the number of co-authored papers. My Delegation is wondering why you choose this indicator rather than just the number of papers.

CHAIR: Brazil.

BRAZIL: Thank you, Mr. Chairman. Basically it is a follow-up. We thank the Secretariat for detailing and providing information on Program 3. And we took note that the Secretariat will try to improve the qualitative analysis or qualitative assessment for the next exercise. Just one more suggestion: we have a number of indicators relating to the number of meetings, number of decisions, number of conferences. One possible way to explore qualitative information is to give some feedback to Member States on the content of these meetings and seminars. It is important for us to know, not only the number of activities being carried out, but also what is inside the concept of these activities.

CHAIR: Thank you, Brazil. Secretariat please.

SECRETARIAT: Thank you very much Mr. Chairperson. In response to the Delegation from the Republic of Korea, the reference to co-author is meant to be a precision. It does not necessarily mean that we cannot take the word out but the idea was to try to provide some sort of specificity about the papers involved. We also thank the Delegation from Brazil for the constructive comment which we have duly noted and will make sure is taking into account in the future.

CHAIR: We would like to thank the Secretariat and go to Program 4.

SECRETARIAT: With regard to the question and comments made by the Delegation of Brazil on behalf of the DAG. The first comment related to the first paragraph in the text of the PPR. I really want to apologize if we in that text gave the impression that we were trying to take credit

for the achievements of Member States. This was certainly not our intention. We just wanted to reflect the positive developments in that respect and the reality, which I think is rather positive, thanks to the efforts undertaken by all Member States and all members of the Intergovernmental Committee. It also in a way is related to the way the expected result and the performance indicator, the very first one on page 22 is phrased. The expected result talk about the stronger international legal and policy framework protecting TK and TCEs and so on. The performance indicator talks about an adoption of an international instrument. This is certainly beyond, far beyond the capacity of the Secretariat. So in this respect one might say that the PPR even measures the performance of Member States which so far has been very good and thank you for that. To the question related to the content of our technical assistance activities. All our technical assistance activities are demand driven. We do not have one size fits all approaches. It depends on the needs and requests of individual Member States. With regard to the legislative advice some examples are provided on page 21, for example ARIPO. With regard to other capacity building activities, my Colleague will be able to provide you with some more illustrative examples which hopefully will give you an idea of our approach in this area. However, we are in no way pushing any specific approach there. Nothing has emerged on the international level which we could in a way promote specifically. Our work is focused on building local capacity, providing options, identifying issues that will have to be addressed if a country decides to strengthen its protection framework for traditional knowledge and traditional cultural activities. Before I ask the permission of the Chair for Mr. Wendland to provide some further details, I just quickly wanted to respond to the question raised by the Delegation of South Africa concerning the vacant posts referred to on page 23. This is not a reflection of any specific problem. It is really just an indication why some of the funds were not fully spent in the biennium. And the fact that a post was vacant in the beginning of the biennium resulted mainly from the fact that a new Director, Mr. Wendland, was appointed early in 2010 and then we undertook a small restructuring in the Program which did not lead to any reduction in efficiency. So Mr. Wendland.

THE SECRETARIAT: Mr. Chair, thank you. Just to add very briefly that the kinds of assistance activities we undertake comprise four main kinds. We make a lot of presentations to Delegations coming to WIPO and at meetings outside of Geneva. Last year, for example, we made 60 different presentations to various groups. We also provide assistance to countries that are seeking advice and assistance in developing national policies and national laws. We organize larger events, regional and international meetings such as the meetings in St. Petersburg, Muscat and New Delhi, mentioned in the PPR and we offer training courses as well. And as Mr. Wichard pointed out, this is an unsettled area and we are deeply conscious that there are very diverse views on the issues and our efforts are factual and descriptive and we try to build capacity by identifying the issues and the options and nothing more than that.

CHAIR: Thank you, sir. Any rebuttals on Program 4? South Africa, please.

SOUTH AFRICA: Thank you, Mr. Chairman and I thank the Secretariat for the reply also to our question. Just for future references, when we refer to post vacancies, can we be clear as to how many we're referring to? In other Programs posts have also been cited without indicating the number. So I would appreciate if we also indicate that for future purposes, thank you.

CHAIR: Noted.

SECRETARIAT: Thank you, point taken.

CHAIR: Okay. If there are no other points, thank you. And now we go to Program 5 which is the PCT system.

THE SECRETARIAT: Thank you, Mr. Chair. I believe there is one question on Program 5 from the Delegation of the Republic of Korea. The question raised the issue of whether the work, the

PCT record copies should be considered a performance indicator as they are reflected in the relevant table on page 25 of the report. I believe the Delegation of the Republic of Korea is right. Record copies are not really considered performance indicators. In the annex on page 29, and I quote: "As background for the performance indicators, it is useful to consider the evolution of [inter alia] PCT workloads". So we included the record copies just as background information. They are not really our performance indicators because we do not control the number of record copies that come in. They have crept into the table under the heading "performance indicator". And perhaps upon reflection that should not have been the case. So in sum, we agree they are not technically speaking performance indicators. They are just provided as background information. We are constantly refining the performance indicators to make them as meaningful as possible.

CHAIR: Thank you, sir. Are there any rebuttals? South Africa.

SOUTH AFRICA: Thank you, Mr. Chairman. I did not have the time to pose my questions. There are pertinent questions related to this particular Program. On page 26, the first performance indicator, refers to regular contents with PCT applicants worldwide. We see all regions identified there except for Africa so our question is: Is there no contact with the African region? Under expected result two and then the third performance indicator, we note that the figures are in percentages. In the future we would request also the exact figures of the number of respondents because in the report we only have percentages. It is unclear how many people responded. On page 27, the second expected result. The performance data related to the second performance indicator reads: "Delegations of Member States represented at the 2010 and 2011 sessions of the PCT Working Group expressed their appreciation for the preparatory work for the sessions by the Secretariat, including the informal briefing sessions held in the run-up to the meetings, and for the quality of the working documents submitted for the consideration of the Working Group". Does this qualify as performance data since this is being done all the time? At a session, appreciation is being expressed to the Secretariat for preparing documents. So does that mean it has to fall under performance data and then it is considered fully achieved? This could in fact be replicated in all Programs. We also note that on page 28, it says that some of the funds were not used because of the departure of a number of staff because of the VSP. We request further details on how many from the PCT left due to the VSP program.

CHAIR: Thank you, South Africa. South Africa has a good point regarding the lack of contacts with Africa.

SECRETARIAT: The specific performance indicator talks about regular contacts with PCT applicants worldwide. So of course this covers only applicants. We have of course many contacts with Africa in terms of capacity building and training in the context of the PCT but this indicator purely talks about applications filed by companies and individuals. I do not know for sure whether there was not a single contact with an African applicant and I would therefore have to go back to verify and come back to you with the required information. But the main point is that this is specifically focused on individuals and companies that file applications and in no way implies that there is no contact with Africa in terms of the PCT. In fact, I think those Delegations followed the discussions in the context of the PCT roadmap. We place a great emphasis on creating the right relationships with African countries so that everybody engaged in the PCT process can correctly evaluate its usefulness and its advantages and disadvantages. But Mr. Chair, if there is precise information required, I would be delighted to come back to the issue maybe this afternoon or tomorrow.

CHAIR: Thank you. Because of course if there is not even one single applicant from Africa, this is also very serious. And I am waiting for you to ascertain that. But if that is the case, that is also important to keep in mind and that in itself would be serious. Is there any rebuttal on this issue? Republic of Korea.

REPUBLIC OF KOREA: Thank you Mr. Chairman. Basically we agree to use the current performance indicator to measure the performance conducted by WIPO. Actually, what I would like to highlight is for WIPO to take the responsibility to increase the use of PCT applications so that more people could benefit from the global system operated by WIPO. So, in this regard, as I mentioned earlier, in the performance data, maybe more information could be provided, including on customer service announcements, promotional activities, etc.

SECRETARIAT: There were some further questions from the Republic of South Africa, Mr. Chair, if you agree I will continue replying to those. The third point was with respect to the feedback from Member States on the quality of the proposals. I believe this is a valid point. The Secretariat, my colleagues who work actively with the PCT Working Group and other colleagues have struggled for a long time to come up with a meaningful performance indicator to try to capture whether the work at these Working Groups succeeds or does not succeed. Of course this tends to be a challenging process with many policy and sometimes political issues. So it is very hard to define a performance indicator that would capture whether something went well or not. Because it is so difficult this one was inserted. Is it really meaningful? I agree that reasonable minds can differ on the question. Perhaps Ms. Bachner can add to that.

CHAIR: If you want.

SECRETARIAT: Thank you Mr. Chair. I think this is definitely one of those indicators that can be repeated across all Programs and we would have the same performance data on them. May I just draw your Program and Budget for 21/2013; the indicator is not there anymore. It's replacement looks much more at measuring what enhancements are actually being made so we have improved the indicator in the current Program and Budget.

CHAIR: Thank you for that. Please continue.

SECRETARIAT: Thank you. There was a last question regarding how many people left the PCT through the VSP. I do not have the precise answer at my disposal now. We do know that quite a few people left. The best thing I can do is look at the number and get back to you. The second question on page 26, I do apologize but it did escape me if you would be so kind as to repeat it.

SOUTH AFRICA: I was referring to the presentations provided on the third performance indicator related to the second expected result - noting that in addition to the percentages it would be useful to get exact figures because if we are saying that 74 per cent of the respondents were satisfied, we do not know out of how many. It could be five people out of which then three have indicated that they were satisfied.

SECRETARIAT: That will be included in subsequent PPRs. To respond to the question from the Republic of Korea, the answer is next year's PPR, because in this year's PPR the focus is very much on the IB operational part. We should look broader at the performance of the PCT system. As our methods and our methodologies mature we have in the next version of the Program and Budget a number of what we believe are meaningful indicators to judge how the system is evolving. So I think next year we would be very interested if you find this new version meets your concerns.

CHAIR: Thank you very much. And now we proceed with Program 6.

SECRETARIAT: Thank you Mr. Chair. We welcome the comments from the Republic of Korea and we will certainly consider those comments as we continue to improve our performance indicators and indeed as we learn more about our Results-Based Management. In the meantime, I would like to point out that more granular performance information is provided in the

Annual Summary Reports we produce for both Madrid and the Hague and that information is updated monthly on our Web sites.

CHAIR: Any rebuttals on this? Now we go to Program 8 Development Agenda Coordination.

SECRETARIAT: Thank you very much Excellency. The first question was in respect on the brochure on the Development Agenda. This brochure was prepared by the Secretariat and was presented in November 2010 at the meeting of the CDIP. Some brochures are still available and can be provided to Delegations. The second question related to the performance indicator reporting that all WIPO activities are undertaken in line with DA principles. This is of course work in progress, but this performance indicator relates to that particular Program as opposed to the whole Organization. And as far as the Development Agenda Coordination Division is concerned, their responsibility is to ensure in the drawing up of the Program and Budget document and also the PPR that all activities in all of the other Programs within the Organization integrate the Development Agenda principles within them. And so the Development Agenda Coordination Division systematically goes through all of the activities implemented or proposed to be undertaken by all Programs ensuring that Development Agenda principles are incorporated within them. This also applies when evaluating the Programs as reported in the Program Performance Reports, ensuring again that in evaluating them that Development Agenda principles are incorporated. And so they have done this systematically. So as far as that Program is concerned, they fully achieved what they were required to do.

CHAIR: Thank you very much. Any rebuttals? South Africa.

SOUTH AFRICA: Thank you, Mr. Chairman. On page 47, regarding the postponement until the next biennium of the international conference on the integration of development into IP policy making, we understand that this conference is likely to take place next year. My Delegation seeks clarification as to exactly how much resources has been earmarked for this conference.

CHAIR: Thank you, South Africa, the Secretariat.

SECRETARIAT: There is no specific amount earmarked for the international conference. But sufficient resources are available within the Program.

CHAIR: Thank you, Secretariat. If there are no further rebuttals we go to Program 11 which is the WIPO Academy.

SECRETARIAT: Let me start by addressing three issues that were raised by the Delegation of Algeria. The first one pertained to the process of inclusion of the Development Agenda content or recommendations within the courses or training programs organized by the Academy. In this respect there are at least three areas that we can count: professional training, distance learning courses and master courses with universities. As regards professional training, activities are organized together with partner institutions. In our contribution and in what we request from our partner institutions is the systematic inclusion of the different set of principles included in the Development Agenda. In connection with the distance learning courses, we started the process in 2010-11. It is centered on the learner and are run together with tutors. So we rely on the interaction between tutors and students. This allows us to develop content material that is being included by an expert as a model for a distance learning course. We started with the courses on copyright, the advanced copyright course, trademarks, patents and patent search. And we are still in the process of developing the content material so as to include it in the distance learning courses. Regarding the masters programs we have been including all different elements that could be linked to the Development Agenda, such as the economic impact of IP, flexibilities, public domain, new ways of licensing works, issues related to the protection of TK and folklore, access to patent information, etc. The second point raised was the question regarding the satisfaction of our participants. It is the first performance indicator. We are using

evaluation forms that are given to the students in our professional training programs, master programs, distance learning courses and summer courses also. At the end of the course they provide us information on the level of satisfaction. And this is how we collect the information. The third point is linked to the fourth expected result i.e. increased geographical representation of key cooperation partners at the network of IP academies. During the period under review, there were three new partners who joined the network of IP academies: the Centre of IP Education of Macedonia, the Nigeria Copyright Institute and the Pakistan IP Office.

CHAIR: Okay. Are there any rebuttals on the WIPO Academy? I see Oman. Please.

OMAN: I would like to ask you a few questions concerning the coverage of the courses, distance learning and the increase in the number of modules being proposed in the various languages of the Organization. As far as coverage is concerned, it is stated that the objectives has been achieved. However, some of the programs have not yet been translated into Arabic. So I seek clarification on how things have progressed with regard to the translation of these courses into Arabic in particular. My Delegation would also like to comment on the cooperation between the Sultan of Oman and the Academy on a number of courses, including a course organized in Arabic for the first time with Oman. We would have liked to see further developments in the future so that these courses are extended to all countries that require them particularly through the means of remote teaching, which makes it possible for many institutions and enterprises to participate in these courses.

CHAIR: Thank you.

SECRETARIAT: There are 13 distance learning courses. Some of them are short, some longer. It could be a few hours or 50 hours or 100 hours, so different content. We have got six UN official languages. We have been, and still are, in the process of updating the courses in accordance with the Development Agenda. And we have a policy to update courses every two years. Taking this into account, this is a massive amount of work to keep the content of distance learning updated and available in different languages and on top of that we are developing new content and we are running the courses. So in the biennium 2010/11, we translated, as is indicated in the performance indicator, four new courses in new languages, and the DA-101 is now available in Arabic. We also establish a priority for the translation of the courses according to the use of the languages. In this process we are identifying which languages are more used, to prioritize the translation of the courses. As a result, we are now advancing with the translation of the courses into Arabic. This process started in 2010/11 and is currently ongoing. But it should be acknowledged that it is extremely difficult to keep all the courses updated in all languages at all time.

CHAIR: Thank you, sir. Republic of Korea.

REPUBLIC OF KOREA: Our Delegation has some very quick questions. It sounded like your Program provide sit-down training courses so my question relates to the learning methodology in these courses - is it interactive?

CHAIR: Thank you Republic of Korea. South Africa, please.

SOUTH AFRICA: On page 68, under budget transfers we would like to understand the rationale for the reduction of short-term employees. Was there no need for additional staff or were the short-term employees regularized?

CHAIR: Thank you, South Africa. Secretariat.

SECRETARIAT: All the courses are quite practical and interactive with dynamic forums facilitated by tutors. In the forums, the practical needs or cases that the participants themselves

have are discussed. So it is not just a course where you are read a text, it is extremely lively. In the model platform, there are forums created for each of the chapters of the models. And you can upload or download different kind of individual text content that is linked to the training material so the discussions are extremely lively and completely linked to some of the specific projects that people are facing.

REPUBLIC OF KOREA: Are there some training programs where participants are given lectures and then complete assignments as homework while applying the principles given during the lectures.

SECRETARIAT: We do have in our face-to-face training activities a practical training in the Office in different fields of the IP administration. And we also have one specific course that is linked to the development of a specific IP development project for a country. This course is organized together with the Swedish Government and is divided in two segments. The first one contains a broad explanation on how to design a project linked to the development and IP in a developing country or an LDC. Eight months later, when participants have been able to start the implementation of their project, experiences among all the participants of the courses are shared in terms of the challenges encountered, new developments, achievements, etc. To the question from the Delegation of South Africa about the difference in approved budget and final expenditure as regard short-term staff. The difference is indeed due to the fact that some of the short term personnel initially budgeted could be regularized during the biennium.

CHAIR: Thank you very much, any rebuttals, Oman.

OMAN: I would like to thank the Secretariat for the explanations provided. I am fully aware of the difficulties involved in translating all the present courses in the distance learning program. But I would nevertheless like you to take into account the quality of these courses. The courses make it possible to communicate with all societies so that we get a greater understanding of the subjects covered by these courses and therefore the courses need to be translated into all of the languages and should receive necessary financial backing.

CHAIR: Thank you. I would like to thank Oman. And I'm sure this will be noted by the Secretariat.

SECRETARIAT: I totally agree with Oman's comment. And we have the policy to translate the courses not only into the UN languages, which would be the case of Arabic, which is a priority for our translation, but also to other languages, in which Academy courses have already been translated, like Portuguese, Croatian and Vietnamese. Now we started with the specific translation into Arabic and Ethiopian so we are extremely concerned and focused on translating the context of the distance learning courses into other languages, also beyond UN languages to facilitate the access to everybody.

SECRETARIAT: We also would like to draw the attention to the fact that we now a language policy for the Organization and under this language policy, the six languages of the UN, including Arabic, have an equal standing. And indeed when we look at distance learning, the policy that we try to do is to make available all the models in all of the UN languages. Of course, the more we offer courses in Arabic, the more persons in the Arab world will be interested and will connect with our distance learning because this is not driven by Member States but by the market, the Internet. So indeed, in order for more students or persons to use the system in Arabic, we need to make sure that the content is also available in the Arabic language. It is as usual an issue of resources. You know the issue from the point of view of the language policy. But indeed we also have requests to go beyond languages of the United Nations system. And we do. The first objective is to complete all available models, the standard models in all languages. And whenever we update the content, it is a constant exercise where we try to keep them up to date in all languages. This biennium, hopefully, we will

do better in the sense of putting at the same level more and more models in terms of language diversity.

CHAIR: Thank you very much. With this we close the debate on Item 11 which is the WIPO Academy. We now go to Program 17 which is Building Respect for IP.

SECRETARIAT: There were two questions raised by the Delegation of Algeria on behalf of the DAG. The first related to the paragraph which describes the work in the Advisory Committee on Enforcement where the Delegation was not in agreement with the way we were phrasing the last sentence of the first paragraph, which says that the agreement to continue the work underscored WIPO's efforts as well as the commitment of Member States to nurture an inclusive approach in WIPO's activities related to building respect for IP. It is correct that various proposals for future work were discussed at the last Advisory Committee on Enforcement. But then in the end an agreement was reached to continue work on the basis of the work program which had been established at the sixth session. And this work program was considered, still is being considered as a balanced work program which takes account of the various concerns of all Member States including work on statistical data. Also it includes work on the consumer motivations as well as alternative efforts to combat counterfeiting and piracy so in a way it is perhaps too diplomatic a way to describe the situation in the ACE. I think it is still, while being a diplomatic description of the situation in the ACE, an accurate description but I would be happy to consider alternative proposals to phrase that. With regard to the question concerning technical assistance. The question was more specifically on how the technical assistance activities were taking account of the balance between private rights and the public interest. A general statement is always correctly to say well, our technical assistance obviously is demand driven; it is not one size fits. But we do not do the very same thing for each and every country, it depends in each case on the individual requests and also the situation of the individual Member State. What we provide is always just issues and options. We do not push any specific agenda. We provide, for example, when we provide legislative advice, the requesting country with the options that are available, including of course all of the flexibilities which are provided under, I think, it is Section 3 of the TRIPS Agreement. With regard to the meetings, which we organize together with Member States in the relevant countries, we propose Member States to include items which are very much also discussed in the Advisory Committee. This includes items such as statistical issues, statistical means of measuring the scope and impact of counterfeiting and piracy, consumer motivations for the reasons behind counterfeiting and piracy, flexibilities issues such as strategic cooperation among agencies but also the involvement in the way the rights holders participate in the enforcement processes.

SECRETARIAT: Mr. Wichard has succinctly described what we try to do in our awareness and education and training programs. We bring in the whole concept of growing respect for IP and we rely on the discussions and information from the Advisory Committee. So we will start off by describing how to achieve an enabling environment within which to respect IP rights. And each and every issue which we discuss, we will do it in the balanced way. Like, for example the disposal of goods. Again, we will rely on the discussions in the Advisory Committee and we will look at the possibility of charitable use, if possible. Otherwise, we will consider and propose options of recycling or eco-friendly, environmentally friendly disposal. For this reason we also connect with members like, for example, UNEP, the organization for the environment of the UN, to see to what extent one can cooperate and give guidance rather than just making bonfires and destroying the goods. So the rationale is always to take into account and to give effect to the spirit of the recommendation 45 of the Development Agenda.

CHAIR: Any rebuttals on this point? Algeria, please.

ALGERIA: Thank you very much. And I thank the Secretariat for their clarification. I'm pleased with the response to my comment, my second comment. I realize that it is at the request of Member States that a particular seminar or other event is organized. With respect to the

response to my first question, I continue to think that the way in which paragraph 1 has been presented, in particularly the last sentence, does not actually represent the situation in the ACE. The current work program, as I recall, was followed more or less. But it is not really an indication that the members of the Committee are fully satisfied. We simply manage to reach agreement to continue with the work of the Committee. So I would ask the Secretariat to give us a more factual presentation of the situation. In effect the Committee continues to work on the basis of its work program as approved at the sixth session and will consider developing a new work program because that is a better reflection of the actual situation.

OMAN: My Delegation would like to comment on the awareness of IP. We are currently cooperating with WIPO in order to develop a strategy on IP and creativity. Basis on our experience, we have seen that it is quite important to teach the concepts of IP in schools. For that reason we feel that it is important for the Organization to develop a project to teach IP in programs that would be taught as of primary school level because the children of today are the adults of tomorrow. And if we instill these concepts in them early enough, then this will have a positive impact on the future, even if that requires a great deal of time. Nonetheless, we feel that in that way the concept underlying IP will become very much anchored in the minds of these children as they move toward adulthood.

SECRETARIAT: In response to the Delegation of Algeria, we will take a look at the sentence and propose a redraft which is a bit more toned down in that respect. I would like to take this opportunity, also, to encourage all Member States to prepare for the discussion on future work at the next session of the Advisory Committee on Enforcement which will take place in late December. So the item will be again on the agenda and as Member States you will also be judged with regard to the work of that Committee so I can just encourage you all to prepare for that. On the suggestion of Oman, concerning awareness raising, also including primary school children, we thank you for this proposal, we will certainly continue our work in this area which we have started already to a certain extent. With the support from the Republic of Korea we are currently preparing a video which would use a video character called Proro which is specifically addressing school children of that age.

CHAIR: The United States of America please.

UNITED STATES OF AMERICA: We appreciate the Secretariat's presentation and the response. I am just having a little bit of difficulty following what the Algerian Delegation is asking for. I think the last sentence in the first paragraph is a fairly concise and accurate reflection of what happened in the ACE. So I guess I would welcome whatever proposal and we will take a look at whatever the proposal the Secretariat has. But again, I think this reflects what the outcome of the ACE was. I also note that we did have a few difficulties in kind of moving forward on discussions on future work but again, it is accurate.

CHAIR: I thank the United States of America and give the floor to South Africa.

SOUTH AFRICA: My Delegation just would wish to thank Program 4 for actually providing that link between the Development Agenda and what they are doing as activities. This is clearly articulated in page 83 on the implementation of the Development Agenda. Just to follow up on the first question from the Delegation of Algeria on behalf of the DAG, on the performance data, the last performance data on page 84, in relation to the issue that relates to the global Congress, the sixth global Congress, that this debate was brought onto an international stage between private rights and public interests. I just want further clarification because I also participated. I do not recall such interaction to that extent. I also remember that we did not have participation from consumer organizations. However, when I look under the performance indicators it talks about inviting the civil society and other interested organizations. The participation of the civil society and panels, I did not see that happening; industry, yes, of course and to a certain extent Government. So my Delegation seeks clarification: inviting the civil

society and other interested organizations was this actually achieved? The performance rating is indicated as fully achieved and, yes, we hosted the Congress but in terms of the participation in the panels, especially because the panels were very important in the discussions?

CHAIR: The Secretariat please.

THE SECRETARIAT: The topic of the global Congress was building respect for IP. That already reflected for the first time a broad and more inclusive approach. Also, if you recall, the panels which had been in a way championed by WIPO, all were also reflective of the issues that are in line with the DA Recommendation No. 45. One panel dealt with the issue of IP enforcement and sustainable development, one with issues of corporate social responsibility, another one with competition issues. In all these sessions we also made sure that the panels reflected a balanced approach. I would request my colleague to provide further details.

THE SECRETARIAT: You will recall that in each and every panel we had a complete balanced approach, for example in the panel on ACTA in which we made sure that the concerns of the developing world were well articulated, with the assistance I think of India, who provided us with an expert. Now it was really a very ambitious task to find agreement with diverse partners to make sure that each panel reflected balance and a 360 degree viewpoint. Immediately I cannot mention directly the representatives of civil society but this is changing now. In the previous biennium and before, we had problems getting the cooperation from consumer groups to attend our activities. It is our priority to make sure that we have balance, that we have all-around approaches. And we could always liaise with you for example to help us in the future in this regard.

CHAIR: Thank you, this ends the debate on Program 17. When we resume we will be dealing with Program 20 on External Offices and Relations.

CHAIR: Good afternoon. As you recall there were some questions concerning cooperation with Africa in Program 5. The Secretariat please.

THE SECRETARIAT: The question related to the first performance indicator on page 26. How come there is no reference to Africa? Does this imply there was no contact with African applicants or potential applicants during the period? The answer is that there was actually quite a lot of contact. I have looked at the figures and during the relevant period there were about 17 seminars organized in Africa where users attended. And these users would typically be inventors, attorneys, companies, entities who were using the PCT or planning to use it. The legitimate question is, why is this not mentioned in the performance data? The explanation is a coordination issue on our side. The seminars in Africa are organized by the International Cooperation Division. This performance indicator "regular contact with PCT applicants worldwide" is handled by the Legal Division. And we did not put the two together. Because these meetings were organized by the Cooperation Division they were not mentioned. This is of course unfortunate and we apologize for this lack of coordination. But we will rectify this in the future.

CHAIR: Thank you. Please rectify the report. With this we go to Program 20 External Offices and Relations. The Secretariat, please.

THE SECRETARIAT: There were two interventions this morning on this issue of External Offices. The Delegations of Germany and Egypt had intervened on the subject. Now, allow me, to recall that over the last couple of years several WIPO Member States have expressed an interest in hosting External Offices. But in the absence of a policy, the matter was discussed in the 2010 General Assembly say for guidance. It was agreed at that Assembly that a process, a consultative process would be initiated with Member States. In accordance with the decision of the Assembly of 2010, the Director General held two rounds of consultations with Ambassadors

and Member States. The first meeting was on the 13th of December in 2010. The second on the 16th of June, 2011. At the General Assembly discussion it had been agreed that as part of the consultative process we would focus on what needs and purposes may be served by these External Offices. What functions should External Offices perform? And what is the cost-benefit analysis of performing those functions through external offices compared to performing similar functions from headquarters? Clearly, the evolution of a policy and the establishment of external offices is a complex process and would require extensive consultations with our Member States. In the course of the two consultations that I mentioned, the Director General had informed Member States of his intention to examine the ways and means to enhance the role of existing WIPO External Offices, the offices in Rio, in New York, in Singapore and Japan. Particularly with a view to improving the services that they provide. In this context, I am pleased to inform Member States that the Director General has started a regular process of consultations with all these External Offices and to date has held four video conferences with the Offices. The last being last week. And the Director General intends to remain actively engaged with the External Offices with the view to reaching conclusions on how to improve their functioning. In keeping also with the commitment that the Director General made during the course of his consultations with Member States, a 24-hour customer service was launched in July this year. Ambassadors were informed of this service during the briefing on the SRP, Strategic Realignment Program later. In simple terms, what is the 24-hour customer service? It is basically that from anywhere in the world, at any given time, our customers would be able to access some basic information about WIPO and we have been making efforts to improve this service. So this is the state of play on this matter. And at the end I think we also need to be cognizant of the current economic environment in the context of establishing new offices. Of course, this remains in the hands of the Member States for advice and guidance.

CHAIR: I thank Mr. Prasad on this briefing on the External Offices. What is not clear is what the current state of play is as regards the process, the criteria for selecting these offices. In 2010 there was a meeting and in 2011 there was a meeting. What is the latest on this issue? What is the situation now? Are there studies on this? I remember at a certain stage there was an effort to get Member States' criteria, etc. And this ebbed down. What is the current situation on this issue?

SECRETARIAT: It is quite clear that we will continue to have to consult with our Member States and I think the interim period since the last consultation has been utilized, basically as I mentioned about the video conferencing, in trying to understand what exactly the role and the services that these offices have been performing. I am very sure the Director General would in the near future again convene a meeting of Ambassadors and would continue the consultation process.

EGYPT: My Delegation is just seeking clarity on the last statement made, that we have to take cognizance of the current economic situation with respect to the new Offices. Is it to be understood from this statement that the Secretariat has already taken a decision that the current economic situation is not conducive to open new Offices? Is this a decision that has already been taken by the Secretariat? Or is it as you have kindly alluded to that the issue is still open for consultation on it? The second aspect of this is of course that the current economic situation is only one consideration among others. What about the other considerations that have been elaborated upon by the WIPO document in this regard?

CHAIR: Thank you, Egypt. Germany, please.

GERMANY: The reason I raised the question was to seek clarification whether there had been some development on this issue, because when I consider the performance rating "discontinued" it means that there is a stop. So the performance rating should rather have been yellow or maybe red.

CHAIR: Thank you, Germany. Algeria?

ALGERIA: I am taking the floor on this Program specifically on the last elements of information conveyed by the Secretariat. I want to be quite sure I truly understood the state of play, of progress of this project relating to the creation of a new office. The Secretariat is always in consultation with Member States to establish or drop a document which would be submitted to the same Member States to be able to make a decision about the possibility of opening or not new external offices. I want to know whether my understanding was sound. Secondly, I would like to know specifically about the content of these consultations; what are the questions asked by the Member States. My Delegation personally was not associated with any consultation on this topic. We did say a couple of times that we were interested, that we would be happy to welcome an external office of WIPO in Algeria.

CHAIR: Thank you, Algeria. The Secretariat, the floor is yours.

THE SECRETARIAT: Responding to Egypt, let me assure you that the Secretariat will never take a decision on this without the guidance and consultation and the advice we receive from Member States. It will be a Member State decision. There is no question of the Secretariat having taken any decision. It is just that the process is ongoing. I agree with the Delegation of Germany, the performance rating should not have been discontinued. It is definitely still evolving and should not be discontinued. To the Delegation of Algeria, we are not in any consultation on a one-on-one basis. What I meant by consultations, were the open consultations to which all WIPO Member States, all Ambassadors were invited to. We have not had any one-on-one consultations and we are not at the stage of documents. So there is nothing to share at this moment.

CHAIR: Thank you, Secretariat. South Africa.

SOUTH AFRICA: We are interested in this issue of External Offices and we are aware that the consultations were at the Ambassadors level. The question is, when were the last consultations among the Ambassadors? Because the discussions at the level are about developing a policy on External Offices?

SECRETARIAT: I already mentioned that we had the last meeting on June 16, 2011. The one earlier was December 13, 2010. During that meeting the Director General said he would try and check out the kind of services the existing offices are providing, trying to explore the ways and means to improve those services, to enhance their role, which I mentioned that we are doing through our regular video conferencing with these offices. There is also a commitment to provide a 24-hour customer service which has been done and that is what is happening in the interim. We have still not had the next round of consultations. Probably that is what should happen at an appropriate time.

CHAIR: Thank you, Secretariat. Algeria, please?

ALGERIA: I still have no answer as to the content of these consultations. Could you just tell us on a preliminary basis what comes out of these consultations? Do we know, for example, where an office could be opened or not? Just more specific information about the contents of these consultations.

SECRETARIAT: These consultations, as I said, are open consultations with Ambassadors where we receive advice from Ambassadors on various issues, which we did. If you want to know the detailed interventions, we probably have a record somewhere which we would be happy to share. I cannot recall what each and every Ambassador said. Of course, it is about locations, it is about what would be beneficial, what would be the costs involved, what would be the geographical breakup. These are the comments that come up during such consultations.

CHAIR: Thank you. South Africa, please.

SOUTH AFRICA: I thank the Secretariat for its reply. We have a comment on this. When are we likely to have a decision on the policy itself? Because this issue has been coming up for quite some time. And it was elevated to Ambassador level and now we learn that the last meeting was held in June, which means over a year ago, June 2011. When are we likely to have that policy? Because it has to come to an intergovernmental forum, the right intergovernmental forum, so that we can start discussing the contents of the policy. That is what we are interested in, not only discussions at the Ambassador level. When are we likely to do that?

SECRETARIAT: I would not be in a position to give you the exact timing of when the policy will be finalized, but suffice to say it will be finalized, it will be evolved and finalized and approved by Member States.

We will get back to you on the next steps that we intend to take on this. But I am not in a position to tell you exactly when the policy will be finalized. It is part of a consultative process. The consultative process can take its own time. I am not in a position to tell you if it will be done at the end of this year or next year, but we will revert to you and to our Member States and seek guidance from them.

CHAIR: Thank you. If there are no more rebuttals on this, this ends discussion on Program 20. We now go to Program 22.

SECRETARIAT: Concerning the point raised by DAG regarding the participation of Member States in the elaboration of the budget, I would like to recall that in 2006 a mechanism has been put in place to involve Member States in the elaboration of the budget. This mechanism consists of the questionnaire which is sent to the Member States for their input which is taken into account in the preparation of the first draft. This is followed by a series of briefings. Following the establishment of this mechanism, we have also put in place several tools, for example the Q&A, which is a way of informing Member States and facilitate their participation in the budget process. Another point raised related to the need for more clarification on development expenditure. Currently we rely on the existing definition of Development Expenditure but this is a subject which is going to be taken up under agenda item 9. I would like to take this opportunity to reassure you that we always try more and more to involve Member States into the budget process and for us this is a continuing process. And all input that we receive from Member States in this respect is very appreciated and we try to extensively to take them into consideration.

CHAIR: Thank you. We now go to Program 23 Human Resources Management and Development.

SECRETARIAT: Thank you very much, Mr. Chair. I believe there were three questions relating to training and the use of additional posts that were created to accommodate temporary staff. Concerning training, in 2011 we had an allocation of some 920,000 Swiss francs for training allocated to HR. This represents about just less than half a per cent of the total amount that is spent on salaries. For this amount, about 1,680 staff, or 20 units have been delivered to staff. That means that some people had more than one training and others did not have training. It covered a range of different training topics. We have broken this down into strategic and corporate training. Then individual training needs identified through the performance management system. Then there was some job and career related training. Now, what the 920,000 allocation does not include is training that has been allocated, for example, for IT or for special projects. I think that we probably need to do a better job in consolidating these amounts to give a more comprehensive picture of what is invested in training and who benefits from it. Regarding the question about the 156 posts that were created to accommodate long serving

short-term staff. You may recall from earlier discussions which took place in 2010, that WIPO has grown a problem internally by having a number of staff on very long-term short contracts which do not attract benefits. You effectively had two categories of staff: One who had all the staff benefits with salary and dependency benefits; and another category that did similar type of work that did not have these benefits. In order to remedy this, I think the Coordination Committee agreed that WIPO should establish over a five-year period 156 posts starting in 2012. So in 2012, 30 posts have been established and of these, 18 have already been filled and 12 are in the process of being filled. Some are currently advertised. Others will be advertised. We will do the same in 2013 until we have really fixed the problem of these long serving temporary employees. I think there is a comprehensive paper on this that gives the details and background. This establishment of posts has nothing to do with the issue of geographical balance which is another matter that has to be addressed. I think that when you look at our performance indicators you will see that we have undertaken to hire a certain number of staff from Eastern Europe and Central Asia. This was only partially achieved. I think that we need to do more work in 2013 to look again at our geographical balance. In this regard we will add some capacity to the Human Resources Department because this needs quite a lot of research and targeted interventions and then monitoring so we can achieve it.

CHAIR: Thank you. Germany.

GERMANY: The key issue is the 1,542 training needs identified through the PMSDS followed by the information that there are no resources to address these. How much will it take to address this issue? And where will the resources come from? There is the possibility of transfers. We can not wait until 2014-15 to settle this issue.

SECRETARIAT: The training might be groupable. I do not know that you can just equate the needs to training one-on-one. There could be training intervention which addresses several needs.

CHAIR: Any further remarks? Peru, please.

PERU: I thank the Secretariat for the clarification. One point of concern is the issue that has been acknowledged that much more work is needed to achieve geographical balance. I would like to know, therefore, what plans are in place to work with Member States to achieve geographical balance? And following on from that, it seems that we are acknowledging there is an absence of clarity about this issue and I do wonder whether there is any intent to clarify them. I feel there is lack of clarity on geographical balance at this time.

CHAIR: Thank you, Peru. The Secretariat.

SECRETARIAT: One of the first things that will be needed is to come up with the human resource strategy that will include the issues of geographical balance. We do not have this at the moment. This needs to be done. It needs to be done in a consultative process and we will have to revert to you with answers.

CHAIR: Thank you. Germany.

GERMANY: I am not totally happy with the conclusion that we have to wait until next time. We can not wait. At least I would request the Secretariat to include the question in the Q&A with some answers for this session and not for the PBC next year.

CHAIR: Secretariat wishes to take the floor.

SECRETARIAT: What is important is that the PMSDS allows us to understand what needs to be done. It also allows us to group training needs. We place emphasis on group training rather

than individual training. There are different pockets where we have these funds available. Sometimes it is IT-related training. Other training might be very specific training or others lend themselves for grouping. It is a question of getting these requirements together and prioritizing with the funds available to ensure that we cover the maximum number of training needs. Of course, it is not a perfect world. Nobody is saying we have everything to do for everybody. There certainly are people who may not be able to get the training that they require. The important thing is that they are recognized and addressed as we move forward. That is the intention here and that is what we are trying to do. I think we will get there and it will be part of the new human resource strategy.

CHAIR: Okay, we will get there. Egypt.

EGYPT: Egypt and the African Group would like to congratulate the new director and wish her well in her task. I would like to endorse and support the statement made by Peru on the principle of geographical distribution. This is important for Africa and we would appreciate if as part of the next reporting on this we could have more information and an indication of how this principle is being observed. The second point is regarding the section on the implementation of the Development Agenda recommendations. There is a reference, as part of progress or achievement, to the development of the WIPO code of ethics. In this regard we would like to refer to the joint proposal by the African Group and DAG Group on a code of conduct as well. We would like to refer to this point and we would appreciate if this issue is being explored by the new director.

CHAIR: Thank you, Egypt. Pakistan.

PAKISTAN: The new director of the HR department has raised our hopes a lot with regard to the new HR strategy, which we foresee to be developed. We also understand this is going to take care of a lot of issues that have been raised during the course of the last few days in the Committee. Specifically coming back to what my colleague from Peru had mentioned and also supported by Egypt, we also believe that it is important that the issue of geographical balance or distribution is adequately reflected in the performance indicators. We believe it is very important that there is a track of how the things are developing in this regard. And having it in the performance indicator would be one of the tools by which we would be able to keep track.

CHAIR: Thank you, Pakistan. South Africa.

SOUTH AFRICA: I think there are developments on one of these performance indicators, but we are not clear as to what those developments are. We note that there was an indicator on page 122 which is discontinued. This is distribution of staff according to years of tenure. We would like to seek clarification on that.

CHAIR: The Secretariat please.

SECRETARIAT: I think there maybe a slight confusion about the use of rating "discontinued" in the traffic light system. May I kindly refer you to page 1 of the document. The "discontinued" label is used in two cases. Either when the performance indicator was deemed not a good performance indicator after all to measure performance, or because the performance data on the indicator was not available. One issue raised earlier in this respect was in Program 30 and in Program in 21. It does not necessarily mean that the work has not been taken place. For example, in the case of SMEs, it does not imply that the work on supporting SME support institution did not take place. However, it has not been possible to obtain the performance data as regards the satisfaction of the SME support institution on the performance indicator which relates to this particular result. The work however has taken place. I hope this clarifies.

CHAIR: Thank you. South Africa.

SOUTH AFRICA: I thank the Secretariat for that clarification. However, my question was related to what the specific reason has been in this particular case for discontinuing the indicator?

CHAIR: Okay.

SECRETARIAT: I need to look into what the exact reason was for discontinuing the indicator and revert to the Committee.

CHAIR: Thank you, please get back to us. If there are no further questions, we will proceed with Program 27 Conference and Language Services.

SECRETARIAT: The Delegation of Spain had raised an issue about savings or under utilization of resources during the biennium 2010-11. There are three main reasons for under utilization of resources. One, we had overestimated the amounts we will have to pay to CICG for organizing a few meetings. Because those amounts were not required, there were savings on that front. The second reason, as mentioned in the PPR, is that we had done some negotiations with the companies responsible for mailings. As a result we were able to bring down the prices by 18 per cent which resulted in some savings. The third reason relates to the adoption and implementation of our computer-assisted translation tools (CAT). As you are aware, during the biennium 2010-11, WIPO was considering a new language policy in consultation with Member States, the entire process of which took about a year and a half. It was only in October 2011 that the Member States of WIPO approved the language policy. Within the last biennium there was also some consideration on adopting some new CAT tools but we decided to take a holistic view of the entire issue after the adoption of the language policy. Now, while considering these CAT tools, we thought we would look at all the different aspects, the translation environment, the terminology database and also at workflow environment. The workflow environment is important because our outsourcing rates are going up. There would have to be greater contact with the external translators. At the same time we also wanted to harmonize the use of such tools with the other sectors of the house like the PCT and Madrid who also use some of these tools to do their own translation work. So we decided to defer the adoption of these tools to the biennium 2012-13. For the last few months we have been very intensively testing some of these different translation tools in the market and hopefully during this biennium we would be able to adopt those tools and enhance the productivity of the language services. The workload of the language service has been going up very significantly and that is why we have been looking at some of these technological tools to ensure that our productivity increases and we are able to contain the utilization of financial resources and use them most optimally. These are the main reasons for under utilization of some of our resources in the biennium 2010-11.

CHAIR: Thank you. Germany.

GERMANY: A short follow up question goes beyond WIPO. When you negotiate new services for phone and mail, do you do it individually as an organization or collectively with other organizations in Geneva?

SECRETARIAT: I was talking about mailing service which we do individually. When you look at some of the other services, we do it collectively with other U.N. agencies.

OMAN: Thank you. I would like to call attention to the expected result regarding greater efficiency in conference translation and documentation and in paragraph 2 regarding the establishment of an effective language policy in order to cover all the meetings and all documentation. And it says in the end that the table, that it has been fully achieved. I would like to point out that the effectiveness and the quality has been affected. I am speaking from my knowledge of the Arabic language here. Documents are always late affecting the time available for capitals to review and for us to get timely input. There has not been a modernization of

language tools that can help the capitals understand matters fully. I receive many queries and questions regarding some sites which are only in the other languages and not in Arabic. Therefore, we consider that “fully achieved” is not entirely correct.

CHAIR: Thank you.

SECRETARIAT: If we look at the performance indicator it concerns the development of an effective policy. What we achieved in the biennium 2010-11 is the development and adoption of a policy. If you look at the language policy and the transition period as determined by the Member States, the complete language coverage for all public documents generated by WIPO will take about four to five years. What we have done in 2011 is to extend the six language coverage to two Committees to which they were not extended earlier. On first January 2012 we extended to three more Committees. During the current biennium we will have it extended to all the main bodies of WIPO except the PCT Union Assembly and the Coordination Committee to which we will be extending sometime next year. As decided by Member States we are not extending coverage to the working groups during the current biennium. Member States wanted us to come back during 2013 to report on our experience with regard to the six language coverage and then propose whether the languages would be extended to the working groups also. So what we have achieved in 2010-11 is development and adoption of the policy. The implementation would be over a certain period as determined by the Member States.

CHAIR: Thank you. Spain.

SPAIN: We thank the Secretariat for providing further information. We appreciate that further efforts have been made to cut certain costs. That said, we do believe there should be additional savings through the use of software, but we want to complement that with ongoing efforts elsewhere. The Secretariat should increase efforts to reduce the volume of documents. There are many, very, very lengthy documents. Of course, along with the document comes the more expensive translation. As the Delegation of Oman indicated, and given my experience this year, on certain occasions the quality of the documents has left something to desire. We do very much note the efforts to extend the language policy, but sometimes the coverage may be patchy. There may be problems encountered by the Secretariat to keep to the rule of providing documents two months in advance of a meeting. This has not always been the case. We have also seen certain cases where documents have only provided a summary. This leads us to believe that in the case of a very lengthy document the policy provides for a shorter document. And yet we see long original documents here. We therefore do appreciate the efforts involved. This is a complicated process, but there is some space for further improvements. In addition, we would hope to see efforts towards savings extended to other areas. We wonder where those can be achieved. I know it is early days, but we would like to see this level of ambition being extended to other areas such as travel, communication, electricity because we see that it indicates in those areas continue to be fairly marginal, at least in this document.

CHAIR: Thank you, Spain. I just wanted to ask Mr. Rai, what is the cost of the translation of one page into one language, from English to French?

SECRETARIAT: If we outsource the work, because some of it is done in house and some of it is out-sourced, this year because of the increasing workload as a result of the adoption of the policy, we have been outsourcing almost 68 per cent of our total translation work. When we outsource a document it costs us 26 centimes a word. 330 words is average. This would be about 80 Swiss francs or so.

CHAIR: How much?

SECRETARIAT: 80 Swiss francs per page when we outsource a document.

CHAIR: And when you in-source?

SECRETARIAT: Actually when you talk about the cost of translating a page, it becomes very difficult to make a proper assessment. Until now the calculation has been done taking into account the total cost of providing language services and dividing that by the number of pages. It is not just the cost of translating a page. The UN in New York has been working on coming up with a specific formula on this. When we outsource work, the total cost on translating is not just what you pay to the external translator because other administrative tasks are involved. When a page is received from the external translator, it has to be revised by a senior editor in the Secretariat or a translator. When he revises a page received from outside, the time spent on that is taken away from time he would have spent on translating a document. The average rate that we worked out for the last biennium, was 213 Swiss francs by page which has decreased from 226 Swiss francs in the previous biennium. It is a formula that we are working on to calculate the exact cost on translating a page.

CHAIR: Thank you. In the WTO the cost per page for translation is 350 to 400 Swiss francs. They are beginning now to outsource translation because when you do it in-house it is very expensive. When you do as the Secretariat explained, the cost goes down tremendously. Egypt.

EGYPT: The Delegation of Egypt would like to support the Delegation of Oman and I would like to thank the Secretariat for this explanation. I have a question of clarification. WIPO translators have to revise the work which have been outsourced and this increases the cost. In order to reduce these costs, could WIPO consider certifying specific external contractors according to a quality standard in translation, so that there would not be a need to revise the work internally? As far as interpretation is concerned, the policy is to provide interpretation in the six official UN languages in the formal meetings. What is the policy for informal meetings?

SECRETARIAT: The language policy last year did not cover interpretation. We don't have a new policy on interpretation, but the practice we have been following, for all Committee meetings like this one and for the General Assemblies, and other Assemblies also, is to provide interpretation in the six official languages of the WIPO. For informal meetings, there is no policy. It all depends on what is asked for or what is decided for that specific meeting. In most cases it depends on what the members really seek from the Secretariat. To the extent possible, as interpreters are available, we try to make them available as required by the Member States.

SECRETARIAT: I wish to take this opportunity to compliment and to focus on what the Delegation of Spain said in terms of shorter documents. It is music to our ears to hear Member States requesting shorter and more crisp documents. It allows us to do that much more for you in terms of documentation. We heard earlier on requirements for language support in other areas. We heard about translation of courses in the Academy. All of this will actually take us further in other areas and speed up this language policy. I know a lot of Member States do not want to hear this, but for just one meeting, which I shall not name, the verbatims from one session amounted to 460 pages which had to be translated. So you know, you can imagine the size that verbatims take in the overall. That was just for one session. We will get to discuss efficiencies when we get to Agenda Item 13. One of the items there is conferences and documentation. Maybe at that point we will engage on how we can make better use of the resources of the Organization.

CHAIR: Thank you, Secretariat. Germany.

GERMANY: I want to compliment Mr. Sundaram and point out that he forgot one word, shorter and less. Resources could be saved and used in other places, but I understand there are limitations?

SECRETARIAT: I would like to respond to that point. It also came up for discussion when we were discussing the policy last year. The entire policy is based on the WIPO Secretariat having a core group of translators and revisers within the house. Even if you decide to outsource a very significant part of the work, there is no way we will be able to handle our workload without this core group within the house. Today we have a total of less than 15 or 18 translators/revisers in some of the sections. In the language sections, we do not even have three translators/revisers. There is a whole lot of documentation which has to be translated within the house; confidential documents, treaties, laws, internal circulars. These documents can never be outsourced. We can never be sure about the kind of quality we are going to get from an external translator. When we were discussing the language policy last year, we said that next biennium we will raise the rate from 35 per cent to 45 per cent. The Member States wanted us to have a higher percentage of outsourcing. That is driven by circumstances. We had no option but to go beyond the 45 per cent we fixed ourselves for the outsourcing. Now the outsourcing is 65 per cent. Even if it goes up tomorrow, you would still have enough work for the core group of translators within the house. And if anything, I think we need to strengthen one or two sections so we are able to turn out better quality of documentation because the Member States also told us last year to try to go for a higher level of outsourcing without compromising on quality. At the end of the day, when we sit in room A and somebody tells us that the quality of the document is not good, it is our responsibility, it is not the responsibility of the external translators. The Secretariat is validating the documents before it is shared with Member States and that is our responsibility.

CHAIR: Thank you. China.

CHINA: I would like to thank the Secretariat for having provided clarifications. Our Delegation appreciates the fact that the Secretariat has done much work to be able to supply documents in all the official languages. We noted that progress has been made in this field. However, up until now we see, for example, that for the current meeting, there are still no documents in Chinese. Some documents do not have a Chinese version. So we hope in the future WIPO will continue to improve on this.

CHAIR: Now, with this I would like to finish Program 27. Questions on Program 30 were raised on behalf of DAG. But I think the Secretariat explained about this issue of discontinued. Is India satisfied? India is satisfied. Thank you, India. We now go to Program 18, which is IP and global challenges. I would like to invite the Secretariat to give us a presentation on this issue.

SECRETARIAT: I find it rather encouraging that this Committee has decided to leave the best thing for the end of the discussions on the Program Performance Report. I am happy to provide you with an overview of the activities of Program 18, global challenges, throughout the last biennium. I want to take a step back and ask how WIPO got involved in the area of IP and global challenges. We can go back to 1974. At the time when the agreement between WIPO and the United Nations was concluded. According to this agreement WIPO is responsible for promoting trade of intellectual activity and transfer of technology to accelerate cultural and social development. We want to incentivize and facilitate development. It provides for the development of WIPO's work. To address this function at the international level has, however, become increasingly complex. But also increasingly important. This is largely due to at least two important developments on the international level, namely firstly the development towards a knowledge society and secondly globalization. Largely as a result of these two developments, IP has become increasingly interconnected with a other policy areas. And these include highly important areas of public policy which we may call these global challenges, climate change, food security, public health; challenges which unfortunately disproportionately affect developing and least developed countries. Since we are the U.N. agency with a mandate in IP, obviously we approach these challenges from an IP perspective. We asked how the IP system can be used to address these public policy issues. The Development Agenda has provided us with a strengthened mandate to also address these issues from a development perspective. So WIPO

has addressed the interface between IP and some of these challenges at least for some time already, notably under the old Program 5, life sciences. Only in 2008, Members agreed to develop a specific program to address all these global challenges and look at the interface between those challenges and the IP system. In 2008-2009 the Global Challenges Division was established and in the last biennium, 2010-2011, it became fully operational. The Program and Budget for the last biennium calls upon WIPO, through this Program, to undertake at least three key tasks which are listed up there. First, active cooperation to act as a catalyst for partnerships and collaborations for the use of IP as a policy tool to promote innovation and transfer of key technologies. In tackling global challenges. Second main task is to contribute to the international policy dialogue on the intersection between IP and global public policy issues. And as the only U.N. agency with a mandate in IP, we have an obligation to contribute our distinct experience and expertise to these debates. Thirdly, to provide neutral and fact-based information for policymakers and Member States to close the information gap. The Program and Budget also identifies the three areas on which we should focus our work, public health, climate change and food security. The document which you have in front of you, WO/PBC/19/2, gives you full details of the results of the work in 2010 and 11. I will just highlight a few areas of the work undertaken in this past biennium and will give you a brief update on what happened afterwards until date. So looking first at the area of public health. I want to focus in particular on a project, which is WIPO Re:search launched in October 2011 after quite some preparation work. The objective of this platform is to facilitate the sharing of information in the fight against neglected tropical diseases, tuberculosis and malaria. As you know, these, predominantly affect the poorest in large numbers. The United States Congressional research estimates that 2 billion people worldwide are at risk of contracting NTD, more than 1 billion are affected with one or more. According to estimates more than half a million are believed to be killed by an NTD every year. There is very little research, medicines, diagnostics, vaccines are nonexistent or outdated. In a way it is an example of market failure. The market has not set the right incentives for producing this type of innovation research and development. So here we have then acting as a catalyst for cooperation and partnerships in research and development to develop medicines, vaccines and diagnostics to combat these NTDs, malaria and tuberculosis. We hope through WIPO Re:search we can build bridges between providers and users all over the world. Providers would be those willing to share valuable IP in the wider sense, including know how, manufacturing processes, regulatory data, compounds, compound libraries, and so on, anything that can be useful for others to take on and use in order to develop vaccines, medicines or diagnostics. To do so, to make this material available free of charge for the research and development. Users include medical research centers and academia in developing and least developed countries, especially anyone who can use this material to develop relevant medicines and so on. The consortium comprises institutions from all relevant sectors all over the world including the private sector, major pharmaceutical companies. The next slide tell you where we stand today. There are some happy developments in this area. But first I also wanted to quickly highlight another important aspect of work which is on the trilateral consortium between WHO, WIPO and WTO in the area of public health. It has become increasingly apparent that IP, health and trade, as far as public health is concerned, have important policy overlaps which need to be managed. In order to ensure policy consistency and coherence between these various aspects, WHO, WIPO and WTO have started to cooperate increasingly closely. One example for this cooperation are the technical symposia which we jointly organize on access to medicines. We have organized two in the last biennium, one dealing with pricing and procurement practices and the other on patent information and freedom to operate. Feedback which we have received on these events was largely positive. There are positive developments with regard to WIPO Re:search. Since the launch last October, about a year ago, WIPO Re:search has grown from 30 members to 50, from all five continents today. And through WIPO Re:search, important technology transfer agreements have been concluded which will facilitate research into novel treatments for chagas, sleeping sickness, schistosomiasis and tuberculosis. We are planning to hold the first meeting of partners in late October. The work with WHO and WTO continues. The trilateral collaboration continues. We are currently collaborating on a publication on medical innovation which examines the

intersection between public health, IP, and trade. We plan to launch it before the end of this year. Now, moving to a second global challenge, climate change. Throughout the last biennium we have prepared the ground for the development of a green technology platform which aims at facilitating innovation and transfer of green technologies. The idea in a nutshell is to enhance market transparency, providers of technology can indicate in a database technology packages which they are willing to share. Not just patents but whole packages of technologies. They indicate the conditions under which they would be willing to do so. Transfer agreements are then negotiated individually. On the other hand, potential uses can also indicate their technology needs so that the system can develop into a green technology broker or match-making system. We would also in the next event facilitate transfer of expertise which we will provide in partnership with other IGO and NGO partners. This would involve assistance with drafting contracts, needs assessment, dispute resolution and accessing finance, quite an important aspect. The idea ultimately is to tie three elements together: technology, needs and financing, hopefully creating markets and getting technology transfer going. We have also organized a conference on innovation and climate change in the last biennium which I think some of you have attended. The objective there was to bring together people from government, academia, IGO, civil society and industry to explore strategies and try to identify tools to provide knowledge transfer in developing green technologies. It was a stimulating brainstorming exercise. For those of you who are interested, all the presentations are available on our website. The third aspect was cooperation or engagement in climate change that has involved working with a growing number of partners which are listed up here. Most importantly, probably still is the UNFCCC, the Secretariat which manages climate change, and WIPO has been participating in various UNFCCC organized site meetings with certain agencies including on technology knowledge transfer. I want to emphasize that all our participation in these events and these discussions has been at the invitation of the UNFCCC Secretariat. We have not participated in the negotiating process. We are very conscious of the fact that we are a resource and not a party. In recent developments, a brief update on WIPO green following the last biennium. So this platform has entered the pilot phase. We have a database with some basic features. We have consolidated and expanded our collaboration with partners in industry, IGOs and civil society. We have some technology uploads. And indication of needs. We have started to develop a framework for a dynamic partnership having supporting systems hopefully to create some dynamic in the otherwise rather passive database. The third area in which we have been active, although to a much smaller extent so far, is food security. We have started exploring how WIPO can contribute to the collective search for ways of addressing the challenge of securing sufficient quality food for all through enhanced innovation in particular because innovation is what needs to drive enhancement of productivity. There are FAO statistics that shows that agricultural production needs to increase by 60 per cent over the next 40 years to meet demand. On the other hand, however, arable land is estimated to increase only by five per cent. This additional production will have to come from increased productivity. That means also that it is important to strengthen agricultural innovation systems at all levels. We cannot do all that. But we have started to explore what WIPO can actually do in this area, how we can contribute to this challenge from an IP perspective. In the last biennium we organized a seminar on how the private and public sectors use IP to enhance agricultural productivity. We brought together agricultural centers and cooperating farmers from various countries, NGOs and the private sector; they were all participating. The report is on the website and we issued a publication last November which is also available on our website. For those interested, hard copies are also still available. Quick update. Building on the seminar last year, we have so far identified East Africa, in particular Tanzania, an area where the technology to improve agricultural productivity could be tested. We held the first informal brainstorming session with potential partners in May 2012. We have discussed the possibility of a case study which would be something active and real which would hopefully produce tangible results through the active participation of a number of different groups who can contribute to enhancing agricultural productivity through new collaborative approaches. However, unfortunately, I have to say that we are still in a rather tentative and informal stage. We are lagging behind climate change and public health. This brings me to the end of my brief overview. I wanted to give you

an idea how we are developing the work program. We have done this based on the guidance you have given us notably through the Program and Budget. We are grateful for the support that many of you have provided to us in general terms and with regard to individual projects. And we very much look forward to continuing this work and to collaborating with you.

CHAIR: Thank you. The floor is open. France.

FRANCE: I thank the Secretariat for this presentation which was very clear. It is a young Program. So it is useful to have an update of this kind. It is interesting as well to see how the Program is evolving. I just wanted to remind you of the importance of a systemic vision behind all this as far as my Delegation is concerned. WIPO is first and foremost an agency in partnership with other agencies. So they have a systematic duty to identify the best cooperation on topics which involve a vision of IP. What we often see is a risk of dilution if we want to participate in everything because there is an IP dimension to it. Perhaps it is not the best way to approach this topic because fortunately IP today is taken into account by all the specialized agencies, all the people involved in development, even the humanitarian sector. IP is there. So we really have to have the reflection of saying in what sector WIPO can have added value for itself as an organization and for the whole system. What interests us at the start is the capacity of the UN system and all the international organizations to be able to give full value to the IP dimension with WIPO, or without WIPO. The important thing is that we have the best construction at the end. That is extremely important. The second point on this Program: rendering account and accountability, is extremely delicate because you are fundamentally involved with partnerships. Then to be able to quote involvement with WHO, we know that governmental partnerships are really difficult. You have to keep a watchful eye out with the aim of having maximum efficiency for all these partnerships. There is a risk of redundancy at different levels. There is a temptation for any agency or particular domain to say it is the best place at a given point in time. That is a reflex which we do not wish to see in the organizations. It is not because there is an IP tag that WIPO is necessarily the best placed agency to act. On the other hand, when it is the best place it is very useful that it can impose its leadership so that the partnership can identify WIPO as being the lead agency on this project for us Member States. It also begs the question on the follow-up of these partnerships because of our manpower constraints. It is difficult for us to follow the interagency initiatives if we do not fully understand the distribution of the roles, particularly when it is on a sensitive political issue where the positioning of the various fora is rather different regarding health, medication, drugs. We do not have the same positions within WHO, WIPO and the Economic Commission for Europe or even in other fora. We have to be extremely careful there. We really have to facilitate the follow-up by the Member States.

CHAIR: Thank you, France.

EGYPT: My Delegation speaks on behalf of the African Group and the DAG. We would like to thank the Secretariat for Program 18. The African Group and the DAG consider this Program of high importance because of the key policy issues which are of significant interest to developing countries, especially food security, public health and climate change. Having reviewed the PPR on Program 18 for 2010-011, the DAG and African Group would like to make the following remarks. The report states that the design, planning and implementation of activities undertaken by the Program were guided by the relevant DA recommendations. While such a statement is welcomed and appreciated, there is not sufficient explanation or elaboration on exactly which recommendations were followed or which ones guided the Program, how this guidance was ensured and what were the specific results or outcomes which the Program achieved last year to address the challenges of food security, public health and climate change in developing countries based on the forums and seminars and case studies that have been presented. Secondly we note that one performance indicator has been partially achieved; the indicator which relates to the number and scope of new policy tools and studies and patent information analyses and data tools. However, the performance data does not explain what

exactly was not achieved in this performance indicator. What were the reasons? How will WIPO address this in the future to ensure that the indicator is fully achieved? Thirdly, on the budget and actual expenditure, we note that the expenditure has significantly increased beyond the approved budget as regards personnel resources. The approved budget for posts was 3,464 thousand Swiss francs, but expenditure amounted to 5,860 thousand Swiss francs. The approved budget for short-term employees was 411 thousand Swiss francs. The actual expenditure was 560 thousand Swiss francs. Approved budget for consultants was 269 thousand Swiss francs. Actuals were 1,528 thousand Swiss francs. Internships, approved budget was zero. Actual expenditure 62 thousand Swiss francs. The DAG and the African Group seek further clarification on this issue because the explanation provided is insufficient, the report states that the increase is due to the redeployment of staff for the strengthening of innovation promotion and technology transfer and IP and global challenges related activities. Another question is the extent to which experts from developing countries were recruited for the additional posts, short-term positions, consultants and internships. Last but not least, and also having in mind the remarks expressed by the Delegation of France regarding responsibility and accountability and the importance of the Program activities, there is a need for a proper platform to report on. Given the fact that the BPC reviews the PPR once a year and given the important activities conducted by this Program, the African Group and the DAG requests more frequent reporting by the Program manager to the appropriate WIPO Committee. In this context we would like to suggest that given the fact that the Program was engaged in the implementation of four DA projects, it seems appropriate to make the required additional reporting on Program 18 to the CDIP. In addition, it also seems appropriate that such additional reporting could be to the SCP because of the integral substantive relationship between the Program activities and the international patent system. This would also give the chance to national experts and officials on patent issues to be present and make use of the activities that the Program is implementing.

CHAIR: I thank Egypt on behalf of the African Group and the DAG and give the floor to the Republic of Korea, please.

REPUBLIC OF KOREA: My Delegation congratulates the Secretariat on the recent accomplishment through the WIPO Re:search project. We also note some progress made on the online platform for match making for Korean technologies. Generally speaking we found this fascinating. However, from your presentation it appears that you tried to publicize your platform through a public conference. So in this connection I would like to request additional information on which actual measures you deploy to entice both sides of demand and supply to ensure the use of the platform?

CHAIR: Thank you, Korea. South Africa?

SOUTH AFRICA: I also would like to thank the Program manager for presenting the developments regarding implementing of this particular Program. My Delegation appreciates the presentation and wish to reiterate that it is very important for us to be kept apprised of this Program. It deals with three major issues and one particular is on green technology. As you pointed out, there have been developments in other fora on green technology. My country hosted the conference last year as you reported. So it is important that we are kept apprised and in addition to the oral report we would appreciate a written report, separate from the PPR, detail by detail, what challenges you are having, what you are doing. I have one question which we have not had the opportunity to discuss at WIPO. And we believe that it is something that could be touched upon either in the CDIP or SCP. How do we define green technology and how do we facilitate knowledge transfer. There is a debate out there about the meaning of agricultural technology. Do we have an indicative list to indicate what we mean when we are talking about agricultural technology and how do we facilitate the transfer of knowledge? My Delegation would also encourage expediting the work on food security. It is very important for development. There are issues we can touch upon which are cross cutting. We would encourage more work on that and if the Secretariat could keep Member States apprised

through reports, that would be appreciated, either quarterly or annually.

CHAIR: Thank you, South Africa. Pakistan, please.

PAKISTAN: We would like to thank the Secretariat and request a copy of the presentation. We also share the view of South Africa that it is better if we could have written information. My Delegation fully agree with the Delegation of France on the point that WIPO has a special responsibility since these are sensitive issues. But we do see that the Secretariat has been prudent enough with regard to how it takes part in the international fora on these sensitive issues. There was a reference to the green technology platform and the health platform in the PPR on page 89. My Delegation would appreciate more precise information regarding these two issues, because we would like to be more clear how this is progressing and how it affects our work in the Organization. Lastly, with regard to food security we have seen that there has been one seminar, but definitely there is going to be more activity. WIPO can have activities in collaboration with UPOV and FAO. Two broad areas could be: the development of a database on the plant varieties which have increased productivity and which are available in the public domain; second idea could be bringing together the right holders on the plant varieties together with the private and the public sector. These two areas could be explored further to see how this can help us in understanding this sensitive issue.

CHAIR: Thank you, Pakistan. Brazil.

BRAZIL: I am taking the floor in my national capacity. First I would like to thank the Secretariat for the presentation. My Delegation attaches great importance to the issues being carried out under this Program. We also think that it is a good practice in terms of accountability to have this information session to Member States. We recall that it was decided in the last session of the PBC that these activities would be reported to Member States during PBC sessions and as already suggested by other Delegations, it would be useful also to have the presentation in written form made available along with the other PBC documents so that Member States have the opportunity to read and be familiar with these documents before the sessions.

CHAIR: Thank you, Brazil. United States

UNITED STATES OF AMERICA: I have a question for the Delegation of Egypt. I question the value added of the extra reporting to the CDIP and SCP on Program 18. I think it would be helpful to get further clarification on that point.

CHAIR: Thank you, the United States of America. Australia.

AUSTRALIA: Australia is also very supportive of this Program. We think that it is a very important Program and we welcome WIPO's active engagement on these issues. As part of that support I would like to inform members that Australia has recently established a trust fund. We will be providing some financial support for the WIPO Re:search program and more specifically it will be facilitating the hosting of LDC or developing country research in laboratories to assist with that program.

CHAIR: Thank you, Australia. Switzerland.

SWITZERLAND: Our Delegation would like to thank the Secretariat for the information provided with regard to Program 18 as well as the other Programs that we had information on this morning. Our Delegation fully supports the activities undertaken under this Program. As was agreed last year, we have received information on this and other Programs and as such our Delegation does not believe that there is a need for further reports in addition to what has been indicated in the Program Performance Report 2010-2011. Indeed, the intention behind this report is to provide that necessary detail. We have that necessary detail and see no reason to

go beyond that. This was very much the essence of the agreement we reached last year. With regard to the notion of addressing this issue in other Committees, this was an issue which was also discussed last year, and it was agreed that the PBC was the right forum to discuss this Program and the activities to be undertaken as part of the ordinary budget and reporting process.

CHAIR: Thank you Switzerland. Germany.

GERMANY: Our Delegation wish the experts to continue activities under this Program. Regarding the budget: the 2010-11 approved budget amounted to 5.3 million Swiss francs. The transfers added 10 million Swiss francs and for the new biennium we have allocated only 6 million Swiss francs. 4 million Swiss francs less. How can you expand activities with less resources?

CHAIR: Thank you, Germany. Egypt.

EGYPT: On the question raised by the Delegation of the United States. We of course welcome this presentation and reporting to the PBC. However, in addition to this reporting we see the value and rationale for additional reporting, not just once a year as is now the case when discussing the PPR. We propose CDIP because on page 87 there is clear statement that Program 18 was engaged in the implementation and preparation of a number of DA projects. I think there are four projects. And of course the CDIP is the forum to discuss the DA projects. It therefore makes perfect sense for the Organization to report as part of this program for the CDIP. We also suggested the SCP because several of the issues being discussed in the IP system: food security, climate change as well as public health relate to the patent system and those issues are discussed in the SCP. In the PBC I see no experts on climate change, public health or food security. It makes sense that those experts will come to address the SCP. They get to benefit from this information presented and will lose this benefit by only limiting the discussions on this program into the Program and Budget Committee.

CHAIR: South Africa.

SOUTH AFRICA: We fully endorse the reply provided by the colleague from the African Group on why we want additional reporting on these issues. We appreciate very much the information which was given to us, but if you think about it, these issues have not been thoroughly discussed. Hence, some of us have been requesting clarifications on some issues, on some of the terminology, what it means to WIPO and how WIPO is interfacing on it. This is in essence what Egypt has explained as their rationale behind our support for this. In terms of our proposal for additional reporting, the Delegation of Switzerland stated that we had agreed last year not to have additional reporting. That is inaccurate. We did not agree on that point. I just wanted to clarify. We did agree that yes, as a compromise, the Program could report here in the PBC. As for the presentation, we appreciate the information and request more detailed information, on a regular basis, in order to understand what the Program is all about and which developments are taking place. So I do not think that it is advisable only to rely on the PPR and the oral report that is provided to us. The information that is given is very important and we wish to have an impact on what the program is doing. For example, the Delegation of Pakistan has provided some useful ideas in terms of the interface between the Program and FAO and UPOV. Those are some of the input we can provide to add additional value to the Program. That is the rationale behind having reports which could also be transmitted to our capitals.

CHAIR: With your permission I would like to close the discussion on this issue. I have China on my list. Before China takes the floor, I have been informed that all documents are available in Chinese. Please, China.

CHINA: Yesterday when I got the documents, actually there were some documents missing in

Chinese. But now that we have all documents in Chinese, I thank the Secretariat for their effort. On Program 18, we highly appreciate WIPO's efforts on IP and global challenges. However, given the importance of this topic we think only discussing it in PBC will not allow all Member States to fully participate in the Program. Therefore, we think that it is necessary to discuss this issue in other WIPO committees, including the CDIP.

CHAIR: The Secretariat please.

SECRETARIAT: I want to thank all Delegations all their interventions. Thank you, particularly, also to those Delegations like France who have indicated the sensitivity of the area in which we are active when we talk about the interface between IP and global challenges. We are very much aware of all these risks, of the risk of dilution, the risk of lack of policy cohesion, the risk of lack of consistency of approaches and redundancy. And we want to ensure Member States that we are not only aware of those risks but that we are working actively to avoid them. We are working both in Program 18, as well as in Program 20, which is in charge of external relations to ensure this type of consistency to avoid duplication. We also avoid generating activities in areas just because others are also doing it, and we have been liaising with the other agencies to decide which is the best area in which to go ahead. In the areas of platforms, WIPO Re:search and WIPO GREEN, we felt we are the ones who could take the matter forward best. So in those areas we have taken the lead. In other areas we just contribute to activities at the WHO, most of which are reported in the PPR as well, and at the WTO and other fora. The point regarding partnerships and vigilance is also well taken. Getting involved with different partners, is actually a project in the area of Program 20, which concerns the development of guidelines for partnership with the private sector. This is currently being addressed within WIPO. On the issue of reporting, we are of course willing and prepared to report wherever and whenever Member States request us to do so. If Member States feel that we can contribute to the discussions in the CDIP or in the SCP we will be happy to do so. We have started to organize briefings in the margins of these types of meetings, I believe it was either the CDIP or the SCP where we have organized briefing on the activities of the IP and global challenges program. We are planning to continue to provide these briefings and regular updates to all those Member States who are interested in it. We have also started to organize or provide new informal fora for discussion. We have done two already and plan to do probably another one this year. Those are also fora where individual issues concerning the interface between IP and global challenges can be discussed and, if necessary, the activities of the Program can also be scrutinized. We are also always happy to answer any questions which Member States may have individually. As far as the written report is concerned, we would be happy to do so. The reason for not doing it this time was that we felt that we are already doing quite systematic reporting in the PPR and provide explanations according to the expected results and performance indicators. This should hopefully shed light on our activities in a digestible format. I would like to note that it is also a matter of resources, both on our end as well as your end because you would have to read those papers and we will have to translate them. If Member States wish, we will be happy to provide a written report to the next PBC. Then on the question why one of the indicators was only partially achieved. If I remember correctly, the reason was that we did not do four externally commissioned policy studies. We focused all our energy on the development of these platforms, WIPO Re:search and WIPO GREEN. We felt this is where we can deliver tangible results, not just additional policy and information material. So we focused first on these practical platforms rather than doing these external studies. As regards expenditures, there are three divisions which are active in this Program. One is the IP and Global Challenges Division which carries out the work which I have reported on. Secondly, we have sub-Program 18.2 which deals with innovation and technology knowledge transfer which has its home in the Innovation and Technology Sector. Sub-program 18.3 looks at the interface between IP and competition policy. This structure took effect in 2010. This is the reason why probably the original budget allocations did not reflect what was actually necessary in order to implement all the work to deliver on the expected results. I would be happy to give you a list of the transfers. But the real reason is that the Program de facto was only fully resourced in 2010.

To the question from the Republic of Korea about how we entice participation in WIPO GREEN. Well, this is actually a crucial question. We would be happy to also engage in some discussion if you have additional ideas. So far we have worked both through industry associations as well as with partners - IGOs and programs within the UN system including the UN global compact which is a channel into the private sector - in order to generate interest. We have also participated in a number of meetings, in particular of meetings where potential industry partners were participating in order to promote the platform. We would be happy to participate in any such forum which you feel may be interested in receiving information on WIPO GREEN and perhaps also with a view to enhancing participation in this Program. I thank the Delegation of Pakistan for its suggestions in the area of food security which we will be happy to take up. Collaboration between the public and private sector is actually something which we are considering, albeit in an early stage, with regard to the activity which I briefly alluded to, the activity in Tanzania. This may involve participation of different actors from the private and public sector in order to focus on one specific problem in one country. Also the database on public domain plant varieties is a good one. We will certainly be happy to discuss this further with UPOV. I also thank the Delegation of Australia and the Government of Australia for its generous contribution of the funds in trust. It is a very positive indication of support that through this fund the Government of Australia is participating in the fight against neglected tropical diseases, malaria and tuberculosis by funding research in laboratories of pharmaceutical companies and other research institutions. So thank you for that.

CHAIR: Thank you. Pakistan.

PAKISTAN: I thank the Secretariat for all the responses. I also requested more details with regard to the green technology platform and the health platform. This information is not needed immediately, but could maybe be provided in written form to Member States so that we can better grasp the situation.

SECRETARIAT: Those platforms referred to in the text are actually WIPO GREEN and WIPO Re:search. I would be happy to provide additional information bilaterally. All this information is also available on the website.

CHAIR: Thank you. This is action time on the first document WO/PBC/19/2. The Committee is invited to recommend the approval of the document with the technical amendments / revisions to the Assemblies of the Member States of WIPO.

EGYPT: The African Group have noted the preference to note the report. I wonder if we can proceed according to this request.

BRAZIL: The same request has been made by the DAG.

CHAIR: The Secretariat informed the Committee that in the past the PPR has been approved. On the other hand, there is no statutory requirement for approval. So we can go either way. The Secretariat preferred approval. We are willing to go with the Members with the requirements.

SECRETARIAT: During the last couple of days Member States have expressed a wish to strengthen governance, accountability and internal controls. One of the examples of good governance would be to approve such a report in order to allow for greater accountability within the Organization. And our motivation is very much to strengthen result-based management. I think noting the report would actually weaken that perspective. However, we are very much in your hands.

FRANCE: My Delegation wishes to give a very, very clear point of view on this topic. As far as France is concerned, we heard the answer from the Secretariat and it exactly corresponds to the philosophy of the PBC. It is our impression that we have dealt with the report, things have

been clarified and we have made a certain amount of comments so that we are now in a position to validate it. And simply taking note, considering that we are in the PBC, would take away the credibility of the whole results chain that we are trying to establish. It is to take advantage of this that we are here in the PBC. There is a preference for just taking note according to what we have heard. But I am not sure that makes a considerable difference. On the one hand we have a direct weakening of the credibility of the Secretariat and the PBC because this is a performance report, and it is one of the flagship reports of the PBC, and on the other hand we also have a preference which makes me a little uneasy.

CHAIR: Thank you, France. Brazil.

BRAZIL: On behalf of the DAG, some quick remarks regarding the Secretariat's intervention. We thank the Secretariat for the explanation and we welcome the information provided in the PPR. We are not dismissing the information. We welcome the information provided and we have engaged in the whole session today in providing feedback to it. There are points that some members of the DAG identified, some questions, some issues and we actively are engaged in trying to understand and trying to propose improvements or changes for the next PPR. So we do not deem this information or this report unnecessary or a minor accountability tool. My Delegation this morning pointed out that this report is an accountability tool to Member States. So this is how we see the importance of this report. I do not know exactly what is the practice in other organizations, but we also think it is a very welcome practice to have the IAOD check the document. They have explained it, the methodology. It is a simple methodology and 10 per cent of indicators are screened. We have found the remarks and observations made by IAOD very useful to us. We know there are some improvements to be made. Some observations made by the auditor. This we have also taking into consideration. And so this is just to say that it is not something that we think is not important or not necessary to have. On the issue of approving it, our point of view has been expressed in earlier interventions. To approve this document would be to agree with everything that has been put in it. Approval would put us in a position where we are agreeing with some information that we have already explained that we are not so comfortable with. So this is our main point. We welcome the information. I think it is necessary to improve it. We have made many interventions regarding how to improve the document, but we are not in a position to approve a document which is so large. Another point. The information provided in the report is based on a self assessment of the Secretariat. We are not against self assessment of the Secretariat. It is important to have this. We welcome the words and information provided by the Secretariat but we do not feel that it is necessary for us to approve the information provided by the Secretariat because this has not been negotiated with Member States. It is different, for instance, for the Program and Budget, which itself is a voluminous document. In that case, we have some information first and then interact during the PBC session. It was my first participation in a meeting of WIPO last year during the PBC session. I had the opportunity and privilege to discuss all the Programs involved. So it required much more attention from Member States, much more interventions and much more work involved. So we do not think it is necessary for us to change or to negotiate each and every sentence or information provided in this report. So we said that we welcome it, we take note of it. But it is a different stance than approving the report. I hope this clarifies a little bit our position.

CHAIR: Thank you, Brazil. Switzerland.

SWITZERLAND: My Delegation wishes to endorse what was said by the Delegation of France. We also think that the logic of this whole exercise that we have engaged in goes along the lines of approving. The Committee has this document and it is normal that these evaluations are made by the Secretariat and it was validated. Today we had detailed conversations, there were questions, remarks which were taken into account. We understand that certain points will be amended, modified following these remarks. The Secretariat has reacted to what Delegations said.

At this juncture, this document for us is ready to be adopted. It is the work of our Committee to adopt these kind of reports just as we adopt the accounts. So we really do not see the concept of having to negotiate every line and full stop in this report. We recognize the validity of this information with the amendments that have been requested. For us, this document is ready to be adopted.

CHAIR: Thank you, Switzerland. Algeria.

ALGERIA: My Delegation endorses the statement made by Delegation of Brazil on behalf of DAG. I would like to clarify things fully. I do not fully share the interpretation made by certain Delegations regarding the link between taking note of this report and governance within WIPO. I think that these are two issues which are totally distinct. It would be preferable to take note of this document because it has been highlighted several times that the report was prepared based on a self-assessment by the Secretariat. Taking note of this report does not mean that we do not have trust in the Secretariat or that we do not value the information in the report. Not at all. We are committed to an exercise of strengthening and perfecting this document, but we do think it is useful to take note of it. Because it was done without including the Member States. And we just had one day to discuss it. My Delegation continues to have some concerns with certain paragraphs in the report. So from my Delegation's perspective the adoption would be more difficult than taking note of it. For us, adoption implies a negotiation process and therefore my Delegation would rather take note.

CHAIR: Thank you, Algeria. Russia please.

RUSSIA: Our Delegation wish to point out that that the report indeed is prepared by the Secretariat but based on the Program and Budget. In that Program and Budget we adopted strategic objectives and defined the different results, performance indicators, etc. The PPR is submitted to us and contains the report of the Secretariat on the performance of the Program and Budget that we adopted in 2009. During the debate on this report, information has been provided, clarifications were given about the various activities so we think this document should be approved.

CHAIR: I thank the Russian federation. Germany.

GERMANY: My Delegation aligns itself with the remarks of Russia and Switzerland. The PPR and the figures are twins, somehow, two sides of the same coin. Noting it would send a signal in-house that this document is a second class document. In the future, nobody will put so much effort into a second class document. It is first class and should be approved and very closely linked to the financial statements.

CHAIR: Thank you, Germany. France.

FRANCE: Just to say that among comparable organizations, WIPO would stand isolated. This document on performance is a document dealing with the past and by refusing to adopt it, in all other fora, if we do not adopt, it means that we do not approve of it. I understand the specificities of WIPO and the very, very positive comments except Algeria and Brazil means that there is an appreciation of the work but is we specifically look at what is being done in practice, it is a clear-cut sign that this document is judged bad or unacceptable, unfortunately. Secondly, this document is accompanied by a validation report by the internal auditor. It is of remarkable quality and is very critical. The two go hand-in-hand. WIPO is the only agency that has that kind of validation document and this corresponds exactly to what we are expecting as a process of checks and balances. We have an independent actor, the internal auditor, who has expressed an independent point of view on the report.

CHAIR: Thank you. Japan, please.

JAPAN: This Delegation would like to echo the interventions made by the Delegations of France, Switzerland and the Russian Federation. We should bear in mind that Member States here in the PBC have spent the whole day discussing the report provided by the Secretariat in detail.

CHAIR: I will give you a compromise because we can go on forever between DAG and the African Group insisting on one, and other members insisting on the other. What we have done today, and I have consulted with the Secretariat on this, is that we have reviewed this report. Noted, as some Members have said, might be a bit - I don't want to say negative, but noted, maybe it does not reflect that engagement. Members want some more, but they do not want to go to the extent of approval because this is not their document. They have not negotiated. So one possible compromise would be "reviewed and noted". Reviewed would indicate that Members have actively engaged in discussing this document and, therefore, it is not that they have noted. No, they have actually looked at the report Program by Program. So a possible compromise would be to say that the PBC reviewed the content of the document and recommended that the Assemblies take note of it.

SWITZERLAND: Thank you for your efforts to try to find a compromise, Mr. Chairman. We need to adopt this document. We reviewed, fine, but the final decision is to take note and that is not sufficient. As was explained, in other organizations we adopt these kind of documents. This proposal is not sufficient for us.

CHAIR: Thank you. Egypt.

EGYPT: We welcome the compromise. I suggest ensuring that the word "review" captures all the remarks being made, the interventions, requested clarifications and requests that were presented during this discussion. It is our understanding that this should be understood within the concept of "reviewing" because we would also to put these interventions and statements as part of the record of this document. So we can go along with this proposal.

CHAIR: Thank you, Egypt. Germany.

GERMANY: I guess review is better than take note. Take note would be here, this, thank you, just take note. Review implies a bit more activity. We cannot have an internal definition. This document is written by third-parties, read by third-parties. They do not know our definition - is it also review or take note. My Delegation is not agreeing to take note. We agree to the financial figures, but not how they were derived because that is a contradiction. The implication is that we cannot also approve the financial statements. We take note of them.

CHAIR: Thank you, Germany. United States of America.

UNITED STATES OF AMERICA: I am just turning to one of the comments made by the Delegations of Algeria and Egypt that we have not had a chance to negotiate the PPR. That is not our role. Our role is to approve the PPR as a self assessment by the Secretariat of the work that the Organization carries out. We would not accept a review in a note or note standing alone. We are here to approve the document and that is what we are ready to do.

CHAIR: Thank you, United States. Italy.

ITALY: We associate ourselves with what has been said by the Delegations of Germany, France and the United States of America.

CHAIR: Thank you. Zimbabwe.

ZIMBABWE: My Delegation wishes to associate itself with this second scenario. Mr. Chairman, we are approving a document. We learned the hard way when we said approved. It became a reference document and each time we tried to raise objection to certain things it was mentioned that we Member States had approved this in this document. So as mentioned by the African Group and DAG, until we negotiate, it is difficult for us to come to an understanding of what we approve or not approve in any document. As practice stands, we already have a testament by the auditors. They raised a number of issues which we have also raised. And until the point that we have clarity, we take note of the reasoning, we take note of that. How would we know how the Secretariat want to remedy the corrections? Our interpretation of this document was that there was a discussion. When we are assured or guaranteed that all inputs have been incorporated into the document, then probably we could consider approving. So far, based on general comments, we are being told to approve the document. How do we know whether our comments and suggestions will be factored into the document? How do we know that the document we are approving really reflects what we have been discussing the whole day?

CHAIR: I hope as coordinators you will discuss this issue. As regards the IAOD Validation report on the Program Performance Report 2010-2011 the PBC is invited to take note of the contents of this document. Agreed. The third action is the reporting on Program 18. The PBC is invited to take note. Thank you. Germany please

GERMANY: To give a different perspective, the PPR is history, it is a self assessment by staff. And we ask questions, request additional explanations. But we cannot change the past. The past is past. It has gone by. There is no information in the PPR about how you will implement the Programs in the future. That is in the Program and Budget, which we approve. So it really make no sense to hold the decision up now. It is history and we say okay, we are agreeing to what you were doing. Therefore, I do not see any reason why we can not approve it.

CHAIR: Thank you, Germany. As I said, I hope the group coordinators can deal with this issue. Brazil.

BRAZIL: Just reflecting on what has been said by the Delegation of Germany. Of course, the report analyzes the past but it is a managerial analysis with some qualitative analysis stating "achieved" or "not achieved". This kind of evaluation is subjective. So this is different in nature from financial statements because when a number is presented it is difficult to have this kind of subjective evaluation. So this self assessment from the Secretariat is a managerial interpretation of what happened. So there is a space for people not to be comfortable with everything that has been said. So that is trying to make my earlier intervention a little bit more clear.

CHAIR: As I had said I will keep it to the coordinators. If you can think of another formula than I just thought of, you can say you reviewed positively, reviewed positively and took note, reviewed with appreciation, took note. I think I will leave it up to you.

[End of document]