

## **Program and Budget Committee**

**Twentieth Session**  
**Geneva, July 8 to 12, 2013**

### **CAPITAL MASTER PLAN**

*Document prepared by the Secretariat*

1. At their meeting of September 2010, the Assemblies approved the policy on the use of the Organization's Reserves<sup>1</sup>. This policy sets out the principles underlying any proposal for the use of the reserves of the Organization and states that such use "should be for extraordinary, one-time expenditures, such as capital expenditures and strategic initiatives under the agreed Strategic Goals, and not for recurring, operational activities of the Organization".
2. The Program and Budget Committee, during its eighteenth session in September 2011, considered and took note of WIPO's capital planning and management framework<sup>2</sup>. In this context, capital expenditures and investments were defined as the "purchase of fixed assets, or the costs of major renovations or upgrades of assets, such as buildings, equipment, vehicles or larger information technology projects, which are implemented with the aim of enhancing the efficiency of the administrative and financial support structure to enable WIPO to deliver its programs (Strategic Goal IX) beyond a single financial period".
3. The question of mid- to long-term capital investment for major renovations and upgrading of premises and their surroundings has had to be considered in recent years by a number of United Nations (UN) Agencies, in particular the UN in New York, the UN Office at Geneva (UNOG), the World Trade Organization (WTO), the International Labour Organization (ILO), etc. It has therefore become a UN-wide issue of relevance and interest as ageing buildings, facilities and systems are in more and more urgent need of attention.

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<sup>1</sup> Please see document A/48/9 Rev. - Policy on Reserve Funds and Principles Applied in Respect of the Use of Reserves.

<sup>2</sup> Please see document WO/PBC/18/16 – WIPO's Capital Planning and Management Framework.

4. Furthermore, initiatives for renovations and upgrading of buildings can provide the opportunity for reducing the environmental footprint of UN activities, thus contributing to achieving a UN-wide objective of “Greening the Blue” – an initiative pursued under the auspices of the Chief Executives Board (CEB), with the ongoing involvement of the High-Level Committee on Management (HLCM) and United Nations Environment Programme (UNEP).

5. While the aforementioned documents indicated how capital expenditures are financed by the Organization and the manner in which WIPO’s capital expenditure projects are implemented, they did not provide an indication of the magnitude or nature of such projects foreseen or how these would be managed and implemented in a strategic, integrated and proactive manner.

6. Within the context of the Secretariat’s continued pursuit of the further improvement of financial management and controls, and building upon the results of the initiatives for strengthened management of financial resources launched under the Strategic Realignment Program, the first view of a detailed and sustainable Capital Master Plan (CMP) has been drawn up for the Organization, covering the following three biennia, from 2014 to 2019.

7. The CMP provides the basis for a rolling six-year plan covering the Organization’s capital expenditures needs in respect of information and communications technology (ICT), buildings and safety and security related projects, with assigned priorities as well as resource estimates for both one-off investments costs, as well as the recurring cost implications of the project for the regular budget. The CMP will be reviewed and updated regularly, in order to ensure that it remains relevant and accurate as a planning tool. The Assistant Director General for Administration and Management is responsible for the regular review and update of the CMP.

8. The purpose of the CMP is threefold: (1) to make capital investments in order to ensure that WIPO remains fit for purpose; (2) to reduce the need for reactive and emergency repairs; and (3) to eliminate or mitigate environmental, security, health and/or safety risks.

**Overall summary of Capital Master Plan requirements submitted 2014-2019**  
*amount in thousands of Swiss francs*

	2014	2015	2016	2017	2018	2019	TOTAL
ICT related projects	1,150	1,514	2,029	705	-	-	5,397
Buildings related projects	1,960	6,650	14,700	12,600	-	-	35,910
Safety/Security related projects	100	100	1,274	332	100	-	1,907
<b>TOTAL</b>	<b>3,210</b>	<b>8,264</b>	<b>18,003</b>	<b>13,637</b>	<b>100</b>	<b>-</b>	<b>43,214</b>
<i>Recurring cost implications for the regular budget</i>	76	94	825	1,510	1,470	1,397	5,372

9. The CMP overall reflects resource estimates for capital expenditure projects totaling approximately 43.2 million Swiss francs over the next six years, with estimates for expenditures indicated by year. In compiling the CMP, care has also been taken to ensure that all projects give due consideration to the implications of project implementation on recurring costs, i.e. on the Organization’s operating budget. These costs have also been included above.

10. As noted in the summary table above, projects have been categorized under the headings of “ICT related projects”, “Buildings related projects” and “Safety/Security related projects”. The most significant portion of the total amount of capital expenditures foreseen for the next three biennia is for Buildings related projects, totaling an estimated 35.9 million Swiss francs, and representing 83 per cent of foreseen needs. Of course, the maintenance of buildings and fixtures requires regular review and intervention, which is accommodated out of operating

expenses from the regular budget. However, there is a need for certain investments over time also, in order to address the use and ageing of buildings. The CMP foresees certain major refurbishment and other works required on WIPO's buildings.

11. In order to manage the implementation of projects in time, as well as to ensure that funding is requested and committed at a reasonable pace, all projects are assigned a priority, which will be a key consideration in assessing their readiness for implementation and need for funding. Priorities have been assigned to projects according to the following categories:

(a) **Priority A:** Projects in this category will require immediate and urgent implementation, either due to their strategic importance for the Organization, or as a result of the high risk they may represent for maintaining operations, security, health and/or safety of staff and properties.

(b) **Priority B:** Projects in this category will be relatively important to implement, as they may address efficiency issues, environmental concerns, and/or generate cost efficiency gains. If not implemented, they represent medium high risk to security, health and/or safety. There may be increased costs due to deferral of works.

(c) **Priority C:** Projects in this category will be those which are low risk to security, health and/or safety if not implemented. They may represent the introduction of technology that will increase cost efficiency over the long term.

12. On the basis of the above, and in accordance with the principles and approval mechanism to be applied for the use of reserves, as approved by Member States at their forty-eighth series of meetings (September 20 to 29, 2010), the following Priority A projects are proposed for funding from available Reserves (above the target level).

<b>Capital Master Plan 2014-2019 - Initial Funding Proposal</b>									
Amount in thousands of Swiss francs									
Items	Priority	2014	2015	2016	2017	2018	2019	TOTAL CMP	TOTAL recurring
<b><u>ICT related projects</u></b>									
Security enhancement: data encryption and user management	A	150	350	200	-	-	-	700	
<i>recurring costs estimated per annum, as a result of completion of investment proposed</i>		-	-	250	450	410	360		1,470
Enterprise Content Management (ECM) Implementation	A	1,000	874	194	-	-	-	2,068	
<i>recurring costs estimated per annum, as a result of completion of investment proposed</i>		76	94	575	585	585	585		2,500
<b>Sub-total ICT related projects</b>		<b>1,150</b>	<b>1,224</b>	<b>394</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,768</b>	
<i>recurring costs estimated per annum, as a result of completion of investment proposed</i>		76	94	825	1,035	995	945		3,970
<b><u>Buildings related projects</u></b>									
Renovation of the Facades and cooling/heating installation on PCT building	A	1,000	3,000	2,000	-	-	-	6,000	
Deployment of Geneva Lakewater ("GLN") cooling system to AB and PCT Buildings	A	200	550	-	-	-	-	750	
Arpad Bogsch Building – phase 1 of basement renovation (resizing of data center and renovation of the printshop)	A	460	500	-	-	-	-	960	
Arpad Bogsch Building – replacement of certain windows	A	300	-	-	-	-	-	300	
<b>Sub-total Buildings related projects</b>		<b>1,960</b>	<b>4,050</b>	<b>2,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>8,010</b>	
<b><u>Safety/Security related projects</u></b>									
Safety and Fireprotection measures	A	100	100	100	100	-	-	400	
<b>Sub-total Safety/Security related projects</b>		<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>-</b>	<b>-</b>	<b>400</b>	
<b>Total One-off cost by year</b>		<b>3,210</b>	<b>5,374</b>	<b>2,494</b>	<b>100</b>	<b>-</b>	<b>-</b>	<b>11,178</b>	
<i>Total Recurring cost by year</i>		76	94	825	1,035	995	945		3,970

13. Each of the projects included on the list above has been described in further detail in the Annex to this document and provides:

- A description of project objectives and expected results;
- The contribution of the project to the Organization's expected results;
- An overview of the resources required for project implementation by year; and
- An indication of the proposed reporting mechanism to Member States on the specific projects.

14. The total estimated cost of the above projects is approximately 11.2 million Swiss francs out of the total 43.2 million CMP, which are proposed to be funded from available reserves. Additional recurring costs of 3.97 million Swiss francs are envisaged to be required to be funded from the regular budget of the Organization over the next three biennia. For those projects to be implemented in 2014-15 and where there are recurring costs in the same biennium, these are already included in the 2014-15 Program and Budget proposals.

15. As of the end of 2012, it is estimated up to 20 million Swiss francs will be available above the target level, after funding of all previously approved and continuing reserve projects. This level is not foreseen to be eroded over the coming biennium. Details of the utilization and availability of reserves will be provided to the PBC for its meeting in September 2013.

16. The rolling review of the CMP will ensure that all projects included on the CMP are kept under close review, with new projects reviewed thoroughly for compliance with the definition of capital expenditures as well as eligibility for financing from reserve funding. Subject to availability of reserves, it is proposed that further proposals for funding projects on the CMP would be submitted to Member States for their approval in the coming years.

*15. The Program and Budget Committee is invited to:*

*(i) endorse the principles under which projects have been and will be included in the Organization's Capital Master Plan, as set out in the present document; and*

*(ii) recommend to the Assemblies of the Member States of WIPO to approve the funding of the projects presented in the Annex to this document, for a total estimated amount of 11.2 million Swiss francs, subject to the availability of reserves for this purpose.*

[Annex follows]

## CAPITAL MASTER PLAN PROJECT PROPOSALS FOR RESERVE FUNDING

1. Security enhancement: data encryption and user management
2. Enterprise Content Management (ECM) Implementation
3. Renovation of the facades and cooling/heating installation of the PCT building
4. Deployment of Geneva Lake water ("GLN") cooling system to AB and PCT Buildings
5. Arpad Bogsch Building – phase 1 of basement renovation (resizing of data center and renovation of the printshop)
6. Arpad Bogsch Building – replacement of certain windows
7. Safety and Fire Protection Measures

## Capital Master Plan Project Proposal for Reserve Funding

<b>1. Project: Security enhancement: data encryption and user management</b>
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### 1. Project objectives and expected results:

This project serves three primary objectives – protecting the essential data, enabling more cost-effective sourcing options, and holistically managing user access rights.

WIPO has already taken multifaceted approaches in protecting confidential information. These approaches include traditional perimeter defense mechanisms, security information and event management system, intrusion detection and prevention etc. However, in response to increasingly sophisticated security threats, information security best practices have now also put emphasis on protecting the source directly.

In addition, having cost-effective sourcing options available is a necessity in today's world of information technology management, which expects diversified and rapidly changing competencies on the one hand and the ability to quickly mobilize the workforce in respond to changing business priorities on the other. However, the increase of sourcing options also brings the increase of information security exposures.

Enterprise data encryption technologies can provide effective solutions in response to these two challenges. Such solutions complement other information security measures by encrypting the data source. They also allow more flexibility in choosing cost-effective service providers by keeping the encryption under tight control while enabling the service providers to perform their support functions.

Effective access rights management further compliments the investments in enterprise data encryption solutions. Traditionally, access rights management is focused on systems. That is, given a system, it should be clear who has access to what. This mechanism can be effective when number of users and software applications are relatively small.

However, it is expected that, as WIPO continues to enhance its online services, number of users will steadily increase in the coming years. Investments are needed for solutions that focus the access rights management on users. That is, given a user, it should be clear what access rights the user has across the entire spectrum of the systems.

In future, technologies may become even more mature to manage access rights according to users' roles within and across complex systems, such as ERP. At present, it is difficult to forecast where and how such technologies will evolve. Therefore this has not been included as part of the scope of this project.

### 2. Contribution to biennial Organizational result

#### *IX.1 Effective, efficient, quality and customer-oriented support services both to internal clients and to external stakeholders*

Implementing data encryption and user management would enhance WIPO's ability to respond to increasing information security threats, while allowing more cost-effective sourcing options to be considered and increasing number of user access rights to be comprehensively managed.

### 3. Financial and human resources required for project implementation by year

Items	Budget Costs <i>in thousands of Swiss francs</i>						TOTAL
	2014	2015	2016	2017	2018	2019	
1. License, license maintenance	35	130	130				295
2. Encryption appliance, hardware	65	150	40				255
3. Consulting	30	20	10				60
4. Project Management	20	50	20				90
<b>Total requested for funding</b>	150	350	200	-	-	-	700
<b>Recurring costs, to be included in respective biennial regular budgets</b>			250	450	410	360	1,470

### 4. Reporting mechanism to Member States:

The project will be reported on through progress reports to PBC and Assemblies.

### 5. Reserve funding criteria<sup>3</sup> met?

Principle 1: amounts available in the Reserves above the target level required

Principle 2<sup>4</sup>: use is for extraordinary, one-time expenditures, such as capital expenditures and strategic initiatives (not to be used for recurring, operational activities)

Principle 3: projects and initiatives may be outside the biennial financial period (cross biennia or multiple biennia in duration)

<sup>3</sup> Please see "Policy on the Reserve Funds and Principles Applied in Respect of the Use of Reserves" (A/48/9 Rev.)

<sup>4</sup> Please also see "WIPO's Capital Planning and Management Framework" (WO/PBC/18/16) – "*capital expenditures and investments are defined as the purchase of fixed assets, or the costs of major renovations or upgrades of assets, such as buildings, equipment, vehicles or larger information technology projects, which are implemented with the aim of enhancing the efficiency of the administrative and financial support structure to enable WIPO to deliver its programs beyond a single financial period.*"

## Capital Master Plan Project Proposal for Reserve Funding

### **2. Project: Enterprise Content Management (ECM) Implementation**

#### **1. Project objectives and expected results:**

The project is to introduce a central enterprise repository to store documents. This will enable users to work together (collaborate) on document creation, to search and access information more easily, and will allow documents to be linked to transactions in the ERP system.

The integration between the ERP and an Electronic Document Management System (EDMS) was approved by Member States as part of the ERP portfolio (WO/PBC/15/17), and the allocated funds have been utilized to acquire the necessary licenses, establish an infrastructure for the pilot and gather detailed requirements. The work to implement the full solution and integrate the same with the ERP system will be done as part of this proposed ECM Implementation project, which will result in a comprehensive and enterprise wide content management solution being put in place by the end of 2016.

The ECM implementation will in the first year, provide a sustainable hosted environment with internal resources to support the projects and the solution. This will include the introduction of content management technology to integrate with the existing desktop, thus providing the Organization with an improved ability to collaborate on documents, with version control and check-in / check-out capabilities. At the same time the integration to the ERP will start to be introduced, by integrating the existing content already available in financial and procurement transactions and making this available for users to search / access through the ECM. The feasible level of integration across the suite of ERP modules and the ECM is currently under investigation through the ERP portfolio with the assistance of Oracle, the implementation partner, and the outcome of this work will drive the future integration approach. As the PeopleSoft human resources solution is established, the integration with ECM will also be built, starting the concept of an electronic personnel file for each staff member and beginning the process of moving from a paper to an electronic based system of record.

During the second year, workflow capabilities would be introduced to enable documents, internal and incoming, to be electronically routed / approved and archived. Also, the integration between ECM and the email system would be established, to provide email filing and archiving capabilities, helping to reduce the burden currently being placed on the email system. As the PeopleSoft human resources solution grows, the integration to the ECM will continue to be established, building on the personnel file concept. Additionally, in year two, the integration to the Enterprise Performance Management solution within the ERP will be established, thus allowing the programmatic and budget information to be accessible through the ECM.

In year three, the integration to PeopleSoft human resources would be completed, as the human resource implementation progress completes, thus making all human resources documents securely available. Additionally, the ECM would be integrated to the business process management tool used at WIPO, Metastorm, to enable documents, such as travel related documents, to be accessible.

Through the above prudent phased approach the ECM will gradually become the single place where users can go to securely access documents.



## 2. Contribution to biennial Organizational result:

This project contributes to goal IX, an efficient administration and financial support structure to enable WIPO to deliver its Programs.

## 3. Financial and human resources required for project implementation by year

Items	Budget Costs <i>in thousands of Swiss francs</i>						TOTAL
	2014	2015	2016	2017	2018	2019	
<b>1. Hosting</b>							-
UNICC Hosting	470	470					940
<b>2. Ongoing Support</b>							-
Additional Resource	210	210	100				520
<b>3. Implementation Costs</b>							-
ERP Integration	220	94	94				408
<b>4. Introduction of content management technology</b>	100						100
<b>5. Electronic routing of incoming and internal documents and integration with electronic records and archives</b>		70					70
<b>6. Utilization of ECM for email filing and archive</b>		30					30
<b>Total requested for funding</b>	1,000	874	194	-	-		2,068
<b>Recurring costs, to be included in respective biennial regular budgets</b>	76	94	575	585	585	585	2,500

**4. Reporting mechanism to Member States:** the ECM project will be reported through progress reports to the PBC and Assemblies

## 5. Reserve funding criteria<sup>5</sup> met?

Principle 1: amounts available in the Reserves above the target level required

Principle 2<sup>6</sup>: use is for extraordinary, one-time expenditures, such as capital expenditures and strategic initiatives (not to be used for recurring, operational activities)

Principle 3: projects and initiatives may be outside the biennial financial period (cross biennia or multiple biennia in duration)

<sup>5</sup> Please see "Policy on the Reserve Funds and Principles Applied in Respect of the Use of Reserves" (A/48/9 Rev.)

<sup>6</sup> Please also see "WIPO's Capital Planning and Management Framework" (WO/PBC/18/16) – "*capital expenditures and investments are defined as the purchase of fixed assets, or the costs of major renovations or upgrades of assets, such as buildings, equipment, vehicles or larger information technology projects, which are implemented with the aim of enhancing the efficiency of the administrative and financial support structure to enable WIPO to deliver its programs beyond a single financial period.*"

## Capital Master Plan Project Proposal for Reserve Funding

### 3. **Project: Renovation of the facades and cooling/heating installation of the PCT Building**

#### 1. Project objectives and expected results:

The project objectives are twofold: (i) a complete replacement of the false ceiling installation for the cooling and heating system in the upper floors of the PCT Building, and (ii) a major renovation of all the facades of that Building. It has been determined in recent years that the minor low-scale reactive repairs – in case of breakdowns and un-controllable excessively high or low temperature inside the offices – which have been ongoing for about 10 years, were no longer sustainable. Furthermore, a number of components of the current installation are no longer available on the market and spare parts can no longer be purchased, which would in the short-term put at risk the viability of the whole cooling and heating installation in the Building. The wasted energy consumption caused by the defective systems and installations is significant and will only continue to increase year after year. A technical audit of the cooling and heating installation had been carried out in 2011; a technical audit of the facades is being carried out during the first semester of 2013.

The expected results of the renovation are fully operational and reliable cooling and heating installation and facades, and significant energy consumption reduction by eliminating the current wastes.

#### 2. Contribution to biennial Organizational result:

The expected result is: Effective, efficient, quality and customer-oriented support services both to internal clients and to external stakeholders.

#### 3. Financial and human resources required for project implementation by year

Items	Budget Costs <i>in thousands of Swiss francs</i>						TOTAL
	2014	2015	2016	2017	2018	2019	
<b>1. Construction-related costs</b>							-
Construction-related costs	450	1929	1190				3,569
<b>2. Honoraria</b>							
Project Pilot	21	62	41				124
WIPO-mandated engineers	150	450	300				
<b>3. External and internal resources</b>							
Additional external resource at 100%	144	144	144				432
Internal Backfill at 100%	145	145	145				435
<b>4. Fees (Permits / taxes / documents)</b>							
Fees	20	60	40				120
<b>5. Miscellaneous and Unforeseen</b>							
	70	210	140				420
<b>Total requested for funding</b>	<b>1,000</b>	<b>3,000</b>	<b>2,000</b>	<b>-</b>	<b>-</b>		<b>6,000</b>
<b>Recurring costs, to be included in respective biennial regular budgets</b>							

#### 4. Reporting mechanism to Member States:

Progress reports will be presented on the basis of the model used since 2006 to present progress reports on recent major construction projects to the PBC and Assemblies.

#### 5. Reserve funding criteria<sup>7</sup> met?

Principle 1: amounts available in the Reserves above the target level required

Principle 2<sup>8</sup>: use is for extraordinary, one-time expenditures, such as capital expenditures and strategic initiatives (not to be used for recurring, operational activities)

Principle 3: projects and initiatives may be outside the biennial financial period (cross biennia or multiple biennia in duration)

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<sup>7</sup> Please see "Policy on the Reserve Funds and Principles Applied in Respect of the Use of Reserves" (A/48/9 Rev.)

<sup>8</sup> Please also see "WIPO's Capital Planning and Management Framework" (WO/PBC/18/16) – "*capital expenditures and investments are defined as the purchase of fixed assets, or the costs of major renovations or upgrades of assets, such as buildings, equipment, vehicles or larger information technology projects, which are implemented with the aim of enhancing the efficiency of the administrative and financial support structure to enable WIPO to deliver its programs beyond a single financial period.*"

## Capital Master Plan Project Proposal for Reserve Funding

### 4. Project: Deployment of Geneva Lake Water (“GLN”) cooling system to AB and PCT Buildings

#### 1. Project objectives and expected results:

The Geneva Lake Water (“GLN”) cooling system – which is a system created a few years ago, managed by and made operational by the local energy provider (*Services Industriels de Genève* — SIG) through which cool water is drawn from the deep waters of the Lake Geneva and brought to the northern bank of the City of Geneva to be used for producing the cooling capacity for a variety of administrative buildings in the area of Place des Nations. WIPO has been, since a few years ago, one of the first clients amongst the UN Agencies to enter into an agreement with the SIG to reserve the capacity required for all its buildings (including the then-construction projects). As of the end of 2013, the following buildings of the WIPO Campus will have been fully connected to the GLN system for cooling: the New Building (operational since 2011), the GBI and GBII Buildings (operational by mid-2013), the New Conference Hall (integrated during the construction phase and operational by end-2013). The only two buildings left to be connected to the GLN system are the AB Building and the PCT Building, which are the subject of this particular feature of the Capital Master Plan Project. This project objectives and expected results are to (i) complete the deployment of an improved technological solution in building maintenance relating to cooling installations already implemented in more than half of the volume concerned in the WIPO Campus; (ii) anticipate the need to replace the classical cooling machines in the two remaining buildings by doing so before the installations break down (which is what happened to the installation in GBII in 2011); (iii) reduce the maintenance cost of the installations compared to the cost of maintenance of classic cooling installations; and (iv) upgrade this type of the technical installations and equipment with more environmentally friendly solutions.

#### 2. Contribution to biennial Organizational result:

The expected result is: Effective, efficient, quality and customer-oriented support services both to internal clients and to external stakeholders.

#### 3. Financial and human resources required for project implementation by year

Items	Budget Costs						TOTAL
	in thousands of Swiss francs						
	2014	2015	2016	2017	2018	2019	
<b>1. Construction-related costs</b>							-
Construction-related costs	156	429					585
<b>2. Honoraria</b>							
WIPO-mandated engineers	30	83					113
<b>3. Miscellaneous and Unforeseen</b>							
	14	39					53
<b>Total requested for funding</b>	200	550	-	-	-		750
<b>Recurring costs, to be included in respective biennial regular budgets</b>							

#### 4. Reporting mechanism to Member States:

Progress reports will be presented on the basis of the model used since 2006 to present progress reports to the PBC and Assemblies on recent major construction projects.

#### 5. Reserve funding criteria<sup>9</sup> met?

- |  |                                     |
|--|-------------------------------------|
| Principle 1: amounts available in the Reserves above the target level required   | <input checked="" type="checkbox"/> |
| Principle 2 <sup>10</sup> : use is for extraordinary, one-time expenditures, such as capital expenditures and strategic initiatives (not to be used for recurring, operational activities) | <input checked="" type="checkbox"/> |
| Principle 3: projects and initiatives may be outside the biennial financial period (cross biennia or multiple biennia in duration)   | <input checked="" type="checkbox"/> |

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<sup>9</sup> Please see "Policy on the Reserve Funds and Principles Applied in Respect of the Use of Reserves" (A/48/9 Rev.)

<sup>10</sup> Please also see "WIPO's Capital Planning and Management Framework" (WO/PBC/18/16) – "*capital expenditures and investments are defined as the purchase of fixed assets, or the costs of major renovations or upgrades of assets, such as buildings, equipment, vehicles or larger information technology projects, which are implemented with the aim of enhancing the efficiency of the administrative and financial support structure to enable WIPO to deliver its programs beyond a single financial period.*"

## Capital Master Plan Project Proposal for Reserve Funding

### 5. Project: *Arpad Bogsch Building — phase 1 of basement renovation (resizing of data center and renovation of printshop)*

#### 1. Project objectives and expected results:

The existing data center located in the basement of the AB Building needs to be resized in order to correspond to its updated and reduced purpose of a computer room for servicing the AB Building only. The resizing is expected to free a significant floor surface area which will subsequently become available for enlarging the current printshop in need of renovation.

#### 2. Contribution to biennial Organizational result:

The expected result is: Effective, efficient, quality and customer-oriented support services both to internal clients and to external stakeholders.

#### 3. Financial and human resources required for project implementation by year

Items	Budget Costs <i>in thousands of Swiss francs</i>						TOTAL
	2014	2015	2016	2017	2018	2019	
<b>1. Construction-related costs</b>							-
Construction-related costs	359	390					749
<b>2. Honoraria</b>							
WIPO-mandated engineers	69	75					144
<b>3. Miscellaneous and Unforeseen</b>							
	32	35					67
<b>Total requested for funding</b>	460	500	-	-	-		960
<b>Recurring costs, to be included in respective biennial regular budgets</b>							

#### 4. Reporting mechanism to Member States:

Progress reports will be presented on the basis of the model used since 2006 to present progress reports on recent major construction projects to the PBC and Assemblies.

## 5. Reserve funding criteria<sup>11</sup> met?

- Principle 1: amounts available in the Reserves above the target level required
- Principle 2<sup>12</sup>: use is for extraordinary, one-time expenditures, such as capital expenditures and strategic initiatives (not to be used for recurring, operational activities)
- Principle 3: projects and initiatives may be outside the biennial financial period (cross biennia or multiple biennia in duration)

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<sup>11</sup> Please see “Policy on the Reserve Funds and Principles Applied in Respect of the Use of Reserves” (A/48/9 Rev.)

<sup>12</sup> Please also see “WIPO’s Capital Planning and Management Framework” (WO/PBC/18/16) – “*capital expenditures and investments are defined as the purchase of fixed assets, or the costs of major renovations or upgrades of assets, such as buildings, equipment, vehicles or larger information technology projects, which are implemented with the aim of enhancing the efficiency of the administrative and financial support structure to enable WIPO to deliver its programs beyond a single financial period.*”

## Capital Master Plan Project Proposal for Reserve Funding

### 6. **Project: Arpad Bogsch Building — replacement of certain windows**

#### 1. Project objectives and expected results:

The windows on the South façade of the AB Building have suffered from their sunniest and warmest exposure over the past few decades, with the consequence that their thermic qualities have significantly deteriorated. In addition, for a number of the same windows as well as for yet other windows elsewhere on the facade, there has been a color degradation of the blue shade (turning to a variety of pink and purple shades) due to the ageing of the gas components filling the space between the layers of glass.

The replacement of these windows will reduce the energy consumption required mainly for cooling the offices concerned in warm weather periods. It will also allow for a needed aesthetic improvement for the AB Building which is one of Geneva's landmark buildings.

#### 2. Contribution to biennial Organizational result:

The expected result is: Effective, efficient, quality and customer-oriented support services both to internal clients and to external stakeholders.

#### 3. Financial and human resources required for project implementation by year

Items	Budget Costs <i>in thousands of Swiss francs</i>						TOTAL
	2014	2015	2016	2017	2018	2019	
<b>1. Construction-related costs</b>							-
Construction-related costs	234						234
<b>2. Honoraria</b>							
WIPO-mandated engineers	45						45
<b>3. Miscellaneous and Unforeseen</b>							
	21						21
<b>Total requested for funding</b>	300	-	-	-	-		300
<b>Recurring costs, to be included in respective biennial regular budgets</b>							

#### 4. Reporting mechanism to Member States:

Progress reports will be presented on the basis of the model used since 2006 to present progress reports on recent major construction projects to the PBC and Assemblies.



## 5. Reserve funding criteria<sup>13</sup> met?

- Principle 1: amounts available in the Reserves above the target level required
- Principle 2<sup>14</sup>: use is for extraordinary, one-time expenditures, such as capital expenditures and strategic initiatives (not to be used for recurring, operational activities)
- Principle 3: projects and initiatives may be outside the biennial financial period (cross biennia or multiple biennia in duration)

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<sup>13</sup> Please see “Policy on the Reserve Funds and Principles Applied in Respect of the Use of Reserves” (A/48/9 Rev.)

<sup>14</sup> Please also see “WIPO’s Capital Planning and Management Framework” (WO/PBC/18/16) – “*capital expenditures and investments are defined as the purchase of fixed assets, or the costs of major renovations or upgrades of assets, such as buildings, equipment, vehicles or larger information technology projects, which are implemented with the aim of enhancing the efficiency of the administrative and financial support structure to enable WIPO to deliver its programs beyond a single financial period.*”

## Capital Master Plan Project Proposal for Reserve Funding

### 7. Project: Safety and Fire Protection Measures

#### 1. Project objectives and expected results:

On the basis of a safety and security audit carried out by a specialized institute at the request of the Secretariat, a number of recommendations related to safety and fire protection measures need to be implemented in the older WIPO buildings in order to bring the relevant compliance level of those buildings to the updated compliance level (note that the New Building and the future New Conference Hall are excluded from this Project since the technical specifications already reflect the updated compliance level).

#### 2. Contribution to biennial Organizational result:

The expected result is: An environmentally and socially responsible Organization in which WIPO staff, delegates, visitors and information and physical assets are safe and secure.

#### 3. Financial and human resources required for project implementation by year

Items	Budget Costs <i>in thousands of Swiss francs</i>						TOTAL
	2014	2015	2016	2017	2018	2019	
<b>1. Construction-related costs</b>							-
Construction-related costs	78	78	78	78			312
<b>2. Honoraria</b>							
WIPO-mandated engineers	15	15	15	15			60
<b>3. Miscellaneous and Unforeseen</b>							
	7	7	7	7			28
<b>Total requested for funding</b>	100	100	100	100	-		400
<b>Recurring costs, to be included in respective biennial regular budgets</b>							

#### 4. Reporting mechanism to Member States:

Progress reports will be presented on the basis of the model used since 2006 to present progress reports to the PBC and Assemblies on recent major construction projects.

**5. Reserve funding criteria<sup>15</sup> met?**

- Principle 1: amounts available in the Reserves above the target level required
- Principle 2<sup>16</sup>: use is for extraordinary, one-time expenditures, such as capital expenditures and strategic initiatives (not to be used for recurring, operational activities)
- Principle 3: projects and initiatives may be outside the biennial financial period (cross biennia or multiple biennia in duration)

[End of Annex and of document]

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<sup>15</sup> Please see “Policy on the Reserve Funds and Principles Applied in Respect of the Use of Reserves” (A/48/9 Rev.)

<sup>16</sup> Please also see “WIPO’s Capital Planning and Management Framework” (WO/PBC/18/16) – “*capital expenditures and investments are defined as the purchase of fixed assets, or the costs of major renovations or upgrades of assets, such as buildings, equipment, vehicles or larger information technology projects, which are implemented with the aim of enhancing the efficiency of the administrative and financial support structure to enable WIPO to deliver its programs beyond a single financial period.*”