

BUREAUX INTERNATIONAUX  
RÉUNIS POUR LA PROTECTION  
DE LA PROPRIÉTÉ INTELLECTUELLE  
GENÈVE, SUISSE

# BIRPI

UNITED INTERNATIONAL  
BUREAUX FOR THE PROTECTION  
OF INTELLECTUAL PROPERTY  
GENEVA, SWITZERLAND

## CONFÉRENCE DIPLOMATIQUE DE STOCKHOLM, 1967 DIPLOMATIC CONFERENCE OF STOCKHOLM, 1967

GROUPE DE TRAVAIL: ARRANGEMENT ADMINISTRATIF (Genève, 20-26 mai 1964)  
WORKING PARTY ON AN ADMINISTRATIVE AGREEMENT (Geneva, May 20 to 26, 1964)

### INTRODUCTORY REPORT

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BACKGROUND AND OBJECTIVE

(1) The Permanent Bureau of the International Union for the Protection of Industrial Property (Paris Union) and the Permanent Committee of the International Union for the Protection of Literary and Artistic Works (Berne Union) have decided, in a joint meeting held in October 1962, to set up a working party to start the preparatory work for a diplomatic Conference to revise some of the administrative clauses of the existing conventions and other agreements administered by BIRPI and draw up an "administrative convention."<sup>1)</sup> The Government of Sweden accepted to act as the inviting power of the diplomatic conference which is now scheduled to take place in Stockholm in 1967.

(2) The main objectives pursued by an administrative agreement would be "that the supervisory functions of the Swiss Government should be transferred to an Assembly of the Member States of the Unions, and the system of contributions of Member States towards the expenses of BIRPI should be modernized" (Resolution 9 (1) of the 1962 meeting referred to in paragraph (1) above; "BIRPI" means the United International Bureaux for the Protection of Intellectual Property).

(3) Direct control by the Member States and improved finances should allow BIRPI - or rather the organization which is planned to take its place under the tentative name of International Organization for Intellectual Property - to become a worldwide forum for intellectual property matters, to be of assistance in establishing the protection of intellectual property in countries where it is not protected, to develop the existing systems by making the protection of intellectual property better, cheaper and easier, and to sponsor the establishment of new systems for similar ends.

(4) The prerequisite for all this appears to be the establishment of a truly international organization. The present trends and experience in the question of how best to organize an intergovernmental agency are reflected by the basic instruments of the specialized agencies of the United Nations. It would therefore seem to be the most advisable that the diplomatic instrument establishing the International Organization for Intellectual Property should be patterned on the basic instruments of such agencies as much as the nature of things allow it. Following the example of the

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<sup>1)</sup> The following States were invited to designate representatives in the Working Party: Czechoslovakia, Germany (Federal Republic of), France, Hungary, Italy, Japan, Mexico, Sweden, Switzerland, Tunisia, United Kingdom, United States of America.

specialized agencies of the United Nations would also be in line with the internal reorganization of BIRPI, since the new staff and financial regulations of BIRPI, promulgated in 1963, already closely follow the systems prevailing in the specialized agencies of the United Nations.

#### ORGANIZATION OF THE PRESENT INTRODUCTORY REPORT

(5) The sole objective of the present introductory report is to facilitate the discussions of the Working Party.

(6) Paragraphs 11 to 55 of the present paper deal with the draft of the Administrative Agreement prepared by BIRPI after consultation and in cooperation with experts appointed by the Swedish Government as prospective host of the Stockholm Conference. The draft administrative agreement is contained in document AA/I/3. The present paper summarizes the draft and briefly comments upon some of its provisions.

(7) Paragraphs 56 to 59 of the present paper deal with the question of the relations between the future Organization and the United Nations.

(8) Paragraphs 60 and 61 deal with the question of the provisional application of the Administrative Agreement once the diplomatic conference of Stockholm has adopted it.

(9) Of course, the solutions of the two questions referred to in the two preceding paragraphs depend largely on what will be the contents of the Administrative Agreement when it is adopted. Consequently, at the present time, they are mainly mentioned for memory; their detailed consideration could probably only take place at future preparatory meetings when thoughts on the Administrative Agreement itself will have become more crystallized.

(10) Paragraphs 62 to 65 outline the task of the Working Party for which the present paper was prepared. They also outline the present plans concerning the continuation of the work which should culminate in the adoption of the Administrative Agreement by the diplomatic conference at Stockholm.

THE DRAFT AGREEMENT

Generally

(11) The Draft Agreement (document AA/I/3) follows the traditional pattern of the basic instruments of international organizations, the main points being: objectives (article 1), membership (article 3), organs (articles 5 to 8), finances (article 9), and final clauses (articles 14 to 20). The traditional pattern is also followed as to the trinity of the organs: general conference, executive board, secretariat (articles 6, 7 and 8).

(12) The objectives are, of course, peculiar to each organization.

(13) As to finances, the solution proposed would maintain the so-called class-and-units system. This is a system not followed by the majority of the specialized agencies of the United Nations. But it is not unknown to them since the International Telecommunications Union (ITU) and the Universal Postal Union (UPU) also have a class-and-unit system.

(14) The feature of the proposed draft which differs most from existing examples is constituted by articles 11 and 12 dealing with the independence and the revision of what are called the "technical conventions". This expression means the Paris Convention, the special agreements concluded under it (establishing "separate" or "restricted" Unions), the Berne Convention, and all other treaties in whose administration BIRPI plays to-day - and the International Organization for Intellectual Property, once it is established, will play - a role. The greatest care has been taken that the independence of these conventions, agreements and treaties should not be affected by the Administrative Agreement: the States members of the Paris Union will be the only States entitled to revise the Paris Convention, according to the procedure which they establish themselves. The same is true of the Berne Union, the Madrid Union, The Hague Union, and all the other conventions and agreements administered by BIRPI.

Name of the Organization

(15) "International Organization for Intellectual Property" has been proposed as a term already used in the name of BIRPI. But other names might be considered too. For example: "International Organization for Industrial Property and Copyright", or "International Organization for Patents, Trademarks and Copyrights",

"International Patent and Copyright Organization," which probably would be names containing words more familiar to the general public than the words "intellectual property" are. These names, however, would have the disadvantage of not clearly covering some of the categories of the subject matters of protection with which BIRPI deals, and some of them may seem somewhat long.

#### Article 1

(16) This article is largely self explanatory. The three categories of beneficiaries of neighbouring rights (performers, recorders, broadcasters) would be covered by the word "performers" in par.(1)(i), and by the words "industries and services which utilize or disseminate literary and artistic works" in par.(1)(iii). Breeders of new varieties of plants would be covered by the words "inventors ... in the field of ... agriculture" in par.(1)(ii).

(17) The international registration service of trademarks (Madrid Union) would be covered by par.(2)(iii). The same provision would cover also the international registration service of industrial designs (The Hague Union).

(18) Par.(2)(v) is mainly intended as a general reference to activities for the benefit of industrially less developed countries.

#### Article 2

(19) "Plant Convention" is perhaps not a very happy expression - except that it is brief. That Convention was concluded in 1961 at Paris but "Paris Convention" being the traditional name of the "General" Convention of the Paris Union signed in 1883, this designation cannot be given also to the 1961 Convention on new varieties of plants.

#### Article 3

(20) Items (i) and (ii) provide that any State which is party to a convention, agreement or treaty, whose administration is or will be entrusted (even if only in part, as it is the case with the Rome Convention on neighbouring rights) to the Organization, may become member of the Organization. Such States may or may not be members of the United Nations or its specialized agencies. The question of which countries may become parties to the conventions, agreements and treaties administered by the Organization would be governed not by the Administrative Agreement but by the said conventions, agreements and treaties, and all States which have become party to them have the right to become members of the Organization.

(21) Item (iii) provides that, in addition to countries coming under the definition of items (i) and (ii), any State member of the United Nations or any of its specialized agencies may become a member of the Organization. There are two main reasons for such a provision.

(22) One is that the Organization should be a forum of discussion open to practically all the countries of the world. If it is not such an open forum, the Organization fails to fulfil its global mission and may lead to a situation in which other organizations - not specialised in intellectual property matters - would deal with tasks which, by their nature, **should** be dealt with by the Organization specialised in intellectual property. Furthermore, opening the Organization also to countries which are not yet members of the conventions, agreements and treaties administered by it is likely to lead, ultimately, to adherence by such countries to such instruments. By being members of the Organization, they have an opportunity to learn about intellectual property and may benefit by technical-legal assistance useful, for example, in drawing up their domestic laws in this field or organising their national patent office. Since such laws and such an office may be prerequisites of their adherence to the Paris Convention, adherence to it - as is seen - may considerably be facilitated by their first becoming members of the Organization. Naturally, it is expected that eventually each member of the Organization will become party to one or more, if not all, the Conventions, agreements and treaties administered by the Organization.

(23) The other reason for item (iii) is that should one day the Member States and the United Nations find it desirable that the Organization be recognized as a specialised agency of the United Nations, the existence of a provision like the one contained would be necessary, since one of the prerequisites of recognition is that the Organization must admit to membership any country - wishing to become a member - which is a member of the United Nations. Furthermore, if some countries members of the existing Specialised Agencies were excluded from the right to become members in the Organization, then such countries could look for a forum for their intellectual property problems only in the existing Specialised Agencies and not in the future International Organization for Intellectual Property.

#### Article 4

(24) This article is self-explanatory.

Article 5

(25) This article follows the established practice. Of course, other designations could be used too. For example, "General Assembly" instead of "General Conference," "Governing Body" instead of "Executive Board," and "Office" instead of "Secretariat."

Article 6

(26) This article follows the usual pattern, except that the ordinary sessions of most organizations are yearly. The draft provides for an ordinary session every third year. The system of less than yearly sessions is not unknown to Specialised Agencies. For example, UNESCO has ordinary sessions only once in every two years.

Article 7

(27) This article follows the usual pattern as far as the jurisdiction and procedure of the Executive Board are concerned (pars. 3 to 7).

(28) The proposed composition of the Executive Board (par.2) is designed to take into account a feature of the Organization which distinguishes it from other intergovernmental organizations, namely that its principal function is to administer international treaties. This is why the draft proposes that the members of the Executive Board be elected from rosters and that the rosters be so constituted as to secure seats on the Executive Board to all the different categories of States members of the various treaties.

(29) Taking as an example the situation of the various treaties at the beginning of 1964, there would be:

18 States on the roster referred to in par.(b)(i), since this is the number of the States which are members of all three of the following Unions: Paris, Berne and Madrid <sup>2</sup>);

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<sup>2</sup>) Austria, Belgium, Czechoslovakia, France, Germany, Hungary, Italy, Liechtenstein, Luxembourg, Monaco, Morocco, Netherlands, Portugal, Rumania, Spain, Switzerland, Tunisia, Yugoslavia (18).

- 25 States on the roster referred to in par.(b)(ii), since this is the number of the States which are members of the Paris and Berne Unions without being members of the Madrid Union <sup>3)</sup>;
- 18 States on the roster referred to in par.(b)(iii), since this is the number of the States which are members of the Paris Union without being members of either the Madrid Union or the Berne Union <sup>4)</sup>;
- 9 States on the roster referred to in par.(b)(iv), since this is the number of the States which are members of the Berne Union without being members of either the Madrid Union or the Paris Union <sup>5)</sup>.

(30) As to the other rosters, only imaginary examples can be given: first, since the Rome Convention and the Plant Convention (see par.(b) (v) and (vi)) are not yet in force; second, since all other instruments whose administration is entrusted to BIRPI (see par.(c)), that is, the Hague and Nice Agreements, and the Agreement of 1891 on the prevention of false indications of source, are instruments which can be adhered to only by Paris Union members, and such members already appear in rosters (i), (ii) or (iii); and, third, since today only Paris and Berne Union members participate in BIRPI and thus the category referred to in par.(d) of the draft does not yet exist.

(31) As it is proposed that one fourth of the number appearing on each roster be elected (par.(f)) and if the present situation is taken as basis (although it is most likely that it will have changed by the time the Agreement will come into force), then, the Executive Board would consist of a total of 16 States, according to the following breakdown:

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<sup>3)</sup> Australia, Brazil, Bulgaria, Canada, Ceylon, Congo (Brazzaville), Denmark, Finland, Greece, Holy See, Iceland, Ireland, Israel, Ivory Coast, Japan, Lebanon, New Zealand, Norway, Poland, Senegal, South Africa, Sweden, Turkey, United Kingdom, Upper Volta (25).

<sup>4)</sup> Central African Republic, Chad, Cuba, Dominican Republic, Haiti, Indonesia, Iran, Laos, Madagascar, Mexico, Nigeria, Rhodesia & Nyasaland, San Marino, Syrian Arab Republic, Tanganyika, United Arab Republic, United States of America, Viet Nam (18).

<sup>5)</sup> Congo (Leopoldville), Dahomey, Gabon, India, Mali, Niger, Pakistan, Philippines, Thailand (9).



4 elected from the 18 Paris-Berne-Madrid members;  
6 " " " 25 Paris-Berne (without Madrid) members;  
4 " " " 18 "Paris only" members;  
2 " " " 9 "Berne only" members.

(32) If one imagines that, in addition to what is described above, the other rosters provided in the draft would also have members, and that, for example, there would be:

5 States on the "Rome only" roster (par.(b)(v)),  
1 State on the "Plant only" roster (par.(b)(vi)),  
3 States on the future treaty X roster (par.(c)), and  
10 States on the roster referred to in par.(d),

then the Executive Board would consist of a total of 21 States, according to the following breakdown:

4 elected from the 18 Paris-Berne-Madrid members.  
6 " " " 25 Paris-Berne (without Madrid) members;  
4 " " " 18 "Paris only" members;  
2 " " " 9 "Berne only" members;  
1 " " " 5 "Rome only" members;  
1 serving as the only "Plant only" member;  
1 elected from the 3 "X only" members;  
2 " " " 10 "Par.(d) Roster" members.

(33) The reason for which the Hague and the Nice Unions are not specially mentioned in the provisions in which the criteria of constitution of different rosters are laid down is that these are Unions of minor financial interest or administrative problems (each of them had around 50,000 francs receipts in 1962) and their members are anyway necessarily members of the Paris Union. Although the last argument is applicable to the members of the Madrid Union as well, in view of its incomparably higher financial and administrative position (approximately twenty times more income in 1962 than either in the Nice or The Hague Unions), it seems to be reasonable to treat membership in the Madrid Union as one of the criteria according to which the rosters are constituted.

(34) According to par.(2)(h) of the draft, members of the Executive Board would serve from one ordinary session of the General Conference to the next ordinary session, that is, approximately for a term of three years. However, a limited number of the members could be reelected. The limit is to be understood as

a maximum: no percentage of the members would have to be reelected, but, within the stated limit, some may be reelected. The limit is two-thirds for each group elected from any given roster if the group has 2 members or more. Thus, for example, if the roster had 20 members at the last election, and thus 5 members were elected from it to the Executive Board, 3 could be reelected. In other words, the minimum proportion of new members would be one third at every new election.

(35) The decision as to which members should be reelected and which should not be reelected would be taken by voting until the maximum number of "reeligibles" is attained. In actual practice, the General Conference would probably set up a Nomination Committee which could agree on and propose a complete list, and the General Conference could adopt, by a single vote, the list as proposed.

#### Article 8

(36) This article follows the usual pattern.

#### Article 9

(37) As already stated, this article preserves the class-and-unit system.

(38) The number of classes proposed is six, that is, the same as today in the Paris and Berne Unions.

(39) The criterion for grouping the States is their membership in the Paris and the Berne Unions. Subject to a minor exception concerning the Plant Convention, membership in the other Unions was not taken into account for the following reasons. The Madrid and The Hague Unions have income of their own, derived from the registration fees. They should be self supporting (see par.3(a)), so that expenses on their behalf are covered by other sources than contributions by States. The Nice Convention, in its present form, provides for contributions by Member States (approx. 70,000 francs per year). It is proposed that being member of the Nice Union should not influence the amount of the contributions of a member State because of the relatively little work this Union causes to the Secretariat and because its members contribute anyway as members of the Paris Union. The situation is somewhat different with the Plant Convention because its members are not necessarily members of the Paris Union too. The proposal is to provide for a slight supplement in contributions by States parties to the Plant Convention (see last sentence of par.(2)(a)).

On the other hand, the Rome Convention is not considered as a factor in the establishment of the unit system since it does not provide for any contributions by the States parties to the Convention and because its administration is not expected to cause too heavy a burden to the Secretariat.

(40) At the present time, the ceiling of the Paris Union contributions is 900,000 Swiss francs, and that of the Berne Union contributions is 400,000 francs, that is, the ratio between the two is  $2\frac{1}{4}$  to 1. The proposed units would change this ratio to  $1\frac{1}{2}$  to 1, since, although the Berne Union generally causes less work than the Paris Union, the Paris Union certainly does not - as the present ratio would indicate - cause twice or more than twice the work the Berne Union does.

(41) The units charged to a State member to the Paris and the Berne Unions would be approximately 10% less than the mathematical total of the units charged to two States each of which is member only of one of these Unions. The reason is that dealing with States members of both Unions allows some economies for the Secretariat (travel, publications, documents, etc.).

(42) The total number of the units depends on the number of the States in each group and class (see Annex A for a computation of this total) whereas the value of each unit depends, of course, on the amount of the budget expenditure to be borne by contributions (see Annex B for a comparison with the present situation). Taking into account the present trend of rising costs and the general increase in BIRPI's activities, a sum of \$ 1,000 per unit would probably not be too far from reality in 1967; thus the yearly contributions of any given State would be:

between \$ 4,000 and \$ 27,000 if it is a member of both the Paris and the Berne Unions;  
" \$ 3,000 and \$ 18,000 if it is a member of the Paris Union only;  
" \$ 2,000 and \$ 12,000 if it is a member of the Berne Union only;  
" \$ 1,000 and \$ 6,000 if it is not a member of either the Paris or the Berne Unions.

(43) The right of the Madrid Agreement countries to control the fees charged for the international registration of trademarks is safeguarded by paragraph (3)(a). The same applies to other registration services (ibidem).

(44) The single contribution of the Registration Services to the revolving fund corresponds roughly to their expenses in one year (paragraph 5). If the revolving fund is not sufficient, the Organization would have to continue to ask the Swiss Government to advance funds if there is a temporary shortage in liquidity. This is done today on the basis of Article 13 (10) of the Lisbon text of the Paris Convention, and Article 23 (5) of the Brussels text of the Berne Convention. These provisions would be maintained also as far as the control of the accounts by the Swiss Government is concerned.

Article 10

(45) This article follows established precedents.

Article 11

(46) This article is mainly designed to make absolutely clear the principle referred to in the introduction, to wit, that the Paris Convention, the Madrid Agreement and other agreements concluded under the Paris Convention, the Berne Convention, the Rome Convention and the Plant Convention are not affected by the Administrative Agreement. Consequently, except those purely administrative provisions which are enumerated in the Annex to Article 15 of the Draft, all provisions of these Conventions and Agreements will remain as they are.

Article 12

(47) This article is mainly designed to state expressly the above principle in connection with the revision of the Technical Conventions: the revision of these Conventions will be a matter within the exclusive jurisdiction of their respective members rather than all the members of the Organization.

Article 13

(48) This article follows established precedents.

Article 14

(49) This article follows the usual pattern.

Article 15

(50) Article 15 and its Annex provide that certain administrative and financial provisions of the existing conventions and agreements shall be replaced by the new provisions of the Draft. This will have to take the form of a revision of the existing conventions and treaties, to be effected simultaneously with the adoption of the Administrative Agreement, i.e., by the diplomatic Conference of Stockholm. The provisions which set up the Conference of Representatives of the Paris Union (Paris Convention, Lisbon text, Article 14(5)) and the Committee of the Directors of the National Industrial Property Offices of the States Members of the Madrid Union (Madrid Agreement, Nice text, Article 10) are among the provisions enumerated in the Annex to Article 15. These and other bodies (for example, the Permanent Bureau of the Paris Union, the Permanent Committee of the Berne Union, the Committee of Experts of the Nice Union) could and should be newly constituted as "Technical Committees" within the meaning of the Administrative Agreement.

Article 16

(51) This article follows the usual pattern.

Article 17

(52) Paragraphs (1) and (2) follow the usual pattern. Paragraph (3) gives certain rights - without imposing any obligations - to States which will accept the Administrative Agreement only after its entry into force among the first twenty Paris or Berne Union members accepting it: these States (i.e., the States slower in acceptance) would lose their vote in the General Conference only five years after the entry into force of the Agreement. They would, however, not be eligible for membership in the Executive Board. Of course, if they accept the Administrative Agreement at any time during this five-year period, their right to vote would be uninterrupted, and they would become eligible for membership in the Executive Board.

Article 18

(53) This article is self-explanatory.

Article 19

(54) This article is self-explanatory.

Article 20

(55) This article follows established precedents.

RELATIONS WITH THE UNITED NATIONS

(56) The resolution setting up the Working Party asks that "the relations with the United Nations should be among the questions to be examined."

(57) As the result of negotiation between the Secretariat of the United Nations and BIRPI, and in conformity with the unanimous opinion expressed by the Interunion Coordination Committee of BIRPI in November, 1963, the possibilities of a working agreement between the two Secretariats are currently being examined. Such working agreement would essentially provide for mutual representation at meetings of common interest, and exchange of documents and information. A preliminary condition of concluding this working agreement is that the Economic and Social Council of the United Nations instruct the Secretary General of the United Nations accordingly. The Council might take up the question at its summer session of 1964.

(58) The contemplated working agreement would not confer on BIRPI the status of a specialized agency of the United Nations.

(59) It is not within the terms of reference of the Working Party to pronounce on the question of whether the future International Organization for Intellectual Property should seek such a status. The provisions of the draft agreement do not seem to exclude the seeking of such a status should it, at some time in the future, become desirable and feasible. On the other hand, the draft does not contain a provision which is included in the charters of most of the specialized agencies of the United Nations, to wit, a clause providing that the Organization is to be brought into relationship with the United Nations according to the provisions of the U.N. Charter dealing with specialized agencies.

PROVISIONAL APPLICATION OF THE AGREEMENT

(60) If the planned schedule is adhered to, the administrative agreement would be adopted in 1967. It might, however, take several years after 1967 for the 20 countries which are required to become bound by it to put the Agreement into effect to effectuate ratification or such other steps which will make them bound by the Agreement.

(61) This is obviously much too long a period for the Member States to take over de facto control of the Organization, and for the finances to continue to be governed by the antiquated budgetary provisions of the present Conventions. This is why it is proposed that a resolution, the draft of which constitutes document AA/I/4, be adopted by the Stockholm diplomatic conference. The effect of the resolution would be that the new Organization would start functioning, on an interim basis, from the beginning of the year following the diplomatic conference. All States would, during this interim period, have the same rights as if the Agreement were already in force. On the other hand, and because it would be impossible to impose obligations on States at variance with the provisions of the Conventions and Agreements whose revisions they have not yet ratified, the resolution would expressis verbis provide that as far as their financial contributions are concerned, they are merely invited to contribute according to the new system. States unwilling to follow the invitation could go on contributing on the old basis. This solution of invitation has several precedents in the history of the Paris and Berne Unions. In fact, the present ceilings of contributions in both Unions are the result of invitations and voluntary action, and are higher than the ceilings written into the last revisions of the Paris and Berne Conventions.

#### TASK OF THE WORKING PARTY AND FUTURE PROCEDURE

(62) The task of the Working Party is to prepare the work of the Committee of Experts which is scheduled to meet in the autumn of 1964 in Geneva and to which all members of the Paris and Berne Unions will be invited.

(63) It is recommended that the Working Party examine the draft agreement and the draft resolution contained in documents AA/I/3 and 4, making such changes in them as it might decide to make. If the Working Party does not itself have the time to approve an explanatory statement or report accompanying the new drafts, BIRPI will prepare and submit one directly to the invitees of the Committee of Experts.

(64) The new drafts and other papers which will emerge from the Working Party will be transmitted to all the Member States of the Paris and Berne Unions as part of the preparatory papers for the Committee of Experts.

(65) It is likely that one or more preparatory meetings will take place, in 1965 and 1966, between the Committee of Experts of 1964 and the Stockholm Diplomatic Conference of 1967.

A N N E X A

At the end of 1963, the Member States of BIRPI would belong to the following Groups and Classes under Article 9 (2a) of the Draft (each State is put in the Class into which it belongs in the Paris Union) :

Group (i) : Parties to the Paris and Berne Conventions  
(43 States):

- Class I : France, Germany, Italy, United Kingdom (4)
- Class II : Canada, Japan\* (2)
- Class III : Australia, Belgium, Brazil, Poland, Sweden, Switzerland (6)
- Class IV : Czechoslovakia, Denmark, Finland, Ireland, Netherlands\*, Norway, Portugal\*, Rumania, South Africa, Spain\*, Turkey\*, Yugoslavia (12)
- Class V : Bulgaria, Greece\*, Hungary\*, Israel, New Zealand\*(5)
- Class VI : Austria, Ceylon, Congo (Brazzaville), Holy See, Iceland, Ivory Coast, Lebanon, Liechtenstein, Luxembourg, Monaco, Morocco, Senegal, Tunisia, Upper Volta (14).

Group (ii) : Parties to the Paris Convention only (18 States):

- Class I : United States (1)
- Class II : - (0)
- Class III : Mexico (1)
- Class IV : Indonesia, Iran, United Arab Republic (3)
- Class V : - (0)
- Class VI : Central African Republic, Chad, Cuba, Dominican Republic, Haiti, Laos, Madagascar, Nigeria, Rhodesia & Nyasaland, San Marino, Syrian Arab Republic, Tanganyika, Viet-Nam (13)

Group (iii): Parties to the Berne Convention only (9 States)

- Class I : - (0)
- Class II : - (0)
- Class III : - (0)
- Class IV : India (1)
- Class V : - (0)
- Class VI : Congo (Leopoldville), Dahomey, Gabon, Mali, Niger, Pakistan, Philippines, Thailand (8).

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\* The following States belong to a different Class in the Berne Union; the number after their name indicates the Class in the Berne Union: Greece VI, Hungary VI, Japan VI, Netherlands III, New Zealand IV, Portugal III, Rumania V, Spain II, Turkey VI.



Group (iv) : Parties to neither the Paris nor the Berne  
Conventions (0)

None at the end of 1963.

Multiplying the applicable unit values (1 to 27)  
with the number of States in each class of each Group,  
the total number of units is 647.

A N N E X     B

Here follow some examples to allow comparisons, for the 12 States participating in the Working Party, with the present situation. All figures are approximative. The "present situation" is computed on the basis that all States accept the 900,000 francs ceiling in the Paris Union and the 400,000 francs ceiling in the Berne Union.

As to the future situation, it is assumed that the States remain in the same classes in which they are today and that the ceilings of the contributions remain unchanged except that the ceiling in the Berne Union is raised from 400,000 to 600,000 francs (in order to establish the 1:1½ ratio with the Paris Union) and the ceiling in the Nice Union is rounded up to 100,000 francs (from the present 70,000). Thus the total ceiling --which includes a 50% raise in the Berne Union-- would be 1,600,000 francs (Paris 900,000 + Berne 600,000 + Nice 100,000).

On this basis, the value of each unit in the new system would be  $1,600,000 : 647 = 2,500$  francs (in round figure).

A Paris-Berne State in Group I (France, Germany, Italy, the United Kingdom) would have to pay  $27 \times 2500 = 67,500$  francs. Today the contribution of each is approx. 70,000 francs : Paris 43,000 + Berne 22,000 + Nice 5,000.

A Paris-Berne State in Group II (Japan) would have to pay  $22 \times 2,500 = 55,000$  francs. Today Japan pays 34,000 francs in the Paris Union and 3,000 francs in the Berne Union (since it belongs to Class VI in the Berne Union; if it belonged to Class II, it would pay 18,000 francs).

A Paris-Berne State in Group III (Sweden, Switzerland) would have to pay  $18 \times 2,500 = 45,000$  francs. Today the contribution of each is approx. 50,000 francs : Paris 34,000 + Berne 13,000 + Nice 3,000.

A Paris-Berne State in Group IV (Czechoslovakia) would have to pay  $14 \times 2,500 = 35,000$  francs. Today it would pay approx. 28,000 francs : Paris 17,000 + Berne 9,000 + Nice 2,000 (if it contributed on the basis of the 900,000 Paris Union ceiling and the 400,000 Berne Union ceiling).

A Paris-Berne State in Group V (Hungary) would have to pay  $9 \times 2,500 = 22,500$  francs. Today it would pay approx. 15,000 francs : Paris 9,000 + Berne 5,000 + Nice 1,000 (if it contributed on the basis of the 900,000 Paris Union and 400,000 Berne Union ceilings, and if it belonged to the Nice Union).

A Paris-Berne State in Group VI (Tunisia) would have to pay  $4 \times 2,500 = 10,000$  francs. Today it pays 8,000 francs : Paris 5,000 + Berne 3,000.

A "Paris only" State in Group I (United States) would have to pay  $18 \times 2,500 = 45,000$  francs. Today it pays approx. 43,000 francs.

A "Paris only" State in Group III (Mexico) would have to pay  $12 \times 2,500 = 30,000$  francs. Today it pays approx. 26,000 francs.