

WIPO



WO/PBC/11/5

ORIGINAL: English

DATE: May 3, 2007

WORLD INTELLECTUAL PROPERTY ORGANIZATION

GENEVA

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PROGRAM AND BUDGET COMMITTEE

**Eleventh Session
Geneva, June 25 to 28, 2007**

REVISED BUDGET FOR THE 2006/07 BIENNIUM

Document prepared by the Secretariat

The Revised Budget for the 2006/07 Biennium is enclosed.

The Program and Budget Committee is invited to recommend to the Assemblies of WIPO Member States the adoption of the Revised Budget for the 2006/07 biennium as proposed in the present document.

REVISED BUDGET FOR THE 2006/07 BIENNIUM

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EXECUTIVE SUMMARY

The financial situation of the Organization remains healthy, with revised estimates for income in the 2006/07 biennium at 595.1 million Swiss francs (12.1% over the initial estimates for the period and 13.8% higher than actual income for 2004/05) and revised estimates for expenditure at 562.1 million Swiss francs (5.9% over the initial estimates and 10.0% over actual expenditure in 2004/05).

On the basis of the above figures, a surplus of 33.0 million Swiss francs is projected for the 2006/07 biennium, which would bring the total level of the reserves of the Organization (Reserve and Working Capital Funds) to an estimated amount of 159.9 million Swiss francs by the end of 2007. This is 53.2% above the average target level of approximately 18%¹ of biennial expenditure, as established by the Member States in the year 2000¹, and 13.8% above the target level of 25% of biennial expenditure recommended by the External Auditor in his report on the accounts of the 2004/05 biennium.

Higher than initial estimates for the level of income are mainly due to higher than originally estimated workload in the PCT system (additional 47,300 applications) and the Madrid system (additional 5,371 applications, 7,424 registrations and 4,305 renewals). Demand for the services of the Organization therefore continues to grow.

The revised budget for 2006/07 proposes an overall increase of 5.9% in expenditure over the initial budget, for a 12.1% increase of the corresponding income. The revised budget for 2006/07 responds to the following needs:

- to reflect the higher than initially estimated workload in PCT and Madrid operations in a proportionate increase in the number of posts under the flexibility clause (a total of 49 posts) (4.4 million Swiss francs);
- to make provisions to progressively cover the long term liabilities of the Organization for separation from service and After-Service Health Insurance (ASHI) at a rate equivalent to 6% of biennial staff expenditure (16 million Swiss francs);
- to reflect higher than originally estimated mandatory adjustments dictated by the International Civil Service Commission (ICSC) (3.0 million Swiss francs) and increased cost of short-term employees (2.3 million Swiss francs);
- to request the creation of two additional posts to reinforce the activities of the Internal Audit and Oversight Division (IAOD) (Program 24);
- to request the creation of three additional posts to support the Project for Upgrading the Security Standards of the Organization (document WO/PBC/11/12) (Program 29);
- to reflect the cost of the measures adopted by the Director General in 2007 to realign the benefits and entitlements of short-term employees to those of fixed-term staff (all programs except Program 31) (0.9 million Swiss francs);
- to budget the cost of the meetings and servicing of the Provisional Committee on Proposals Related to a WIPO Development Agenda (PCDA) under Program 3 (the decision to convene the PCDA was taken by the 2005 Assemblies after the draft Program and Budget for 2006/07 had been finalized; the cost was thus provisionally funded from unallocated resources) and to cover the cost of additional activities under this Program, at the request of the Member States, including the WIPO International Strategic Seminars

¹ During the 35th Series of Meetings in September-October 2000, the Assemblies of the Member States of WIPO approved (A/35/15, paragraph 151(b)) target levels for RWC funds as a percentage of estimated biennial expenditure as follows: (i) contribution-financed Unions - 50%; (ii) PCT Union - 15%; (iii) Madrid Union - 25%; and (iv) Hague Union - 15%. The overall average of these reserves as a percentage of WIPO's current 2006/07 revised budget results in a target level of 18.6%.

on the Use of IP for Economic, Social and Cultural Development (five in 2006 and five foreseen in 2007) (approximately 2.0 million Swiss francs);

- to budget the cost of the meetings and servicing of the Audit Committee under Program 23 (the decision to establish the Audit Committee was taken by the 2005 Assemblies after the initial draft Program and Budget for 2006/07 had been finalized; the cost was thus provisionally funded from unallocated resources) (0.6 million Swiss francs);
- to cover additional costs for outsourcing, to selected contractors, translation in the PCT (approximately 10.0 million Swiss francs) as a result of higher than initially estimated workload;
- to cover additional costs for translation in the Madrid sector, as a result of higher than initially estimated workload (by recruiting external translators under Special Service Agreements (SSAs) (2.6 million Swiss francs);
- to reflect savings in a number of areas, including rental and maintenance of premises (–5.0 million Swiss francs) and cost of consultants (–2.0 million Swiss francs); further savings are apparent in the procurement of goods and services as a result of more stringent procurement procedures. However these are more difficult to quantify;
- to reflect the reduction in the budget of Program 31 (The New Construction) (–3.1 million Swiss francs) in light of the revised time schedule for the start of the construction of the new building; and
- to reflect lower than budgeted cost for the desk-to-desk assessment (approximately –0.1 million Swiss francs).

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

	2004/05 Actual	2006/07 Initial Budget	2006/07 Revised Budget	Difference Revised vs. Initial Budget	
				Amount	%
INCOME					
Contributions	34.4	34.5	34.5	0.0	0.0%
Fees					
PCT System	400.6	398.0	445.3	47.3	11.9%
Madrid System	60.8	81.5	87.3	5.8	7.1%
Hague System	5.0	5.5	4.9	-0.6	-10.4%
Lisbon System	0.0	0.0	0.0	0.0	-
Total Fees	466.5	485.0	537.5	52.5	10.8%
Other Income	21.8	11.5	23.1	11.6	100.9%
TOTAL INCOME	522.7	531.0	595.1	64.1	12.1%
EXPENDITURE					
Personnel Expenditure	368.4	353.9	381.1	27.2	7.7%
Non-personnel Expenditure	142.8	171.8	179.3	7.5	4.3%
Unallocated	0.0	5.3	1.7	-3.6	-67.6%
TOTAL EXPENDITURE	511.2	531.0	562.1	31.1	5.9%
SURPLUS/(DEFICIT)	11.5	0.0	33.0	33.0	-
REGISTRATION ACTIVITIES					
Number of PCT Applications	259,210	258,000	305,300	47,300	18.3%
Number of Madrid Registrations and Renewals	71,390	96,000	107,729	11,729	12.2%
Number of Hague Registrations and Renewals	10,028	10,600	10,182	-418	-3.9%
PERSONNEL					
Total Employees Headcount	1,262	1,350*	1,290**	-60	-4.4%
Total Regular Budget Posts	915	935	989	54	5.8%

* initial estimate for the total number of employees as of December 31, 2007

** revised estimate for the total number of employees as of December 31, 2007

I. INTRODUCTION

1. At their 2006 session the Assemblies of WIPO adopted a new mechanism to further involve Member States in the preparation and follow up of the Program and Budget of the Organization (document A/42/14, paragraph 187(ii)). One of the elements of this new mechanism is that the Program and Budget Committee shall review, in the second year of the biennium, the proposed revised budget for the biennium, for recommendation to the Assemblies in the same year.

2. The present document was prepared by the Secretariat as a follow up to the adoption of this new mechanism. It reflects continued efforts to improve and streamline the format of presentation while providing enhanced transparency and concise data presentation as a basis for decision making to Member States.

3. In order to avoid redundancy, this document does not develop any medium-term scenario for income or expenditure on the basis of the revised budget estimates. These are developed in the proposed Program and Budget for 2008/09 (document WO/PBC/11/6). Attention is also drawn to the complementary information contained in document WO/PBC/11/3 (Program Performance Report for 2006).

4. The document is organized as follows. An executive summary and an update on the main financial parameters of the Organization appear on pages 4 and 5. Following the Introduction, Part II provides revised estimates for income, and updated information on expected evolution of demand for services under the PCT, Madrid and Hague systems in the current biennium. Part III provides revised estimates for expenditure, and elaborates on proposed adjustments to personnel and non-personnel expenditure. Post variations are reviewed in Part IV. An analysis of the main variations at the program level is provided in Part V. The revised financial overview for the 2006/07 biennium is shown in Part VI.

II. REVISED ESTIMATES FOR INCOME

5. Table 2 below shows revised estimates for income as compared to the initial budget for the 2006/07 biennium and to actual figures for the 2004/05 biennium. The income for the 2006/07 financial period is estimated to be 595.1 million Swiss francs, or 12.1% higher than in the initial budget and 13.8% higher than the actual income in the 2004/05 biennium. This increase is mainly due to higher than estimated fee income from PCT and Madrid services, and higher than estimated bank interest and miscellaneous income, as partly off-set by lower than estimated fee income for the Hague system and sale of publications.

Table 2. Revised Income Estimates for 2006/07
(in millions of Swiss francs)

	2004/05 Actual	2006/07 Initial	2006/07 Revised	Difference	
				Amount	%
Contributions	34.4	34.5	34.5	0.0	0.0%
Fees					
PCT	400.6	398.0	445.3	47.3	11.9%
Madrid	60.8	81.5	87.3	5.8	7.1%
Hague	5.0	5.5	4.9	-0.6	-10.4%
Lisbon	0.0	0.0	0.0	0.0	-
<i>Sub-total, Fees</i>	<i>466.5</i>	<i>485.0</i>	<i>537.5</i>	<i>52.5</i>	<i>10.8%</i>
Arbitration	2.5	2.0	2.8	0.8	40.0%
Publications	4.4	3.6	3.0	-0.6	-16.7%
Interest	8.9	4.0	13.1	9.1	227.5%
Miscellaneous	6.0	1.9	4.2	2.3	121.1%
TOTAL	522.7	531.0	595.1	64.1	12.1%

6. Table 3 below shows revised estimates for demand for services (workload) under the PCT, Madrid and Hague systems, as compared to the initial estimates for the 2006/07 biennium, and actual figures for the 2004/05 biennium.

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

	2004/05 Actual			2006/07 Initial			2006/07 Revised			Difference		
	2004	2005	2004/05	2006	2007	2006/07	2006	2007	2006/07	2006	2007	2006/07
PCT												
IAs filed	122,609	136,601	259,210	126,000	132,000	258,000	147,500	157,800	305,300	21,500	25,800	47,300
Madrid												
Applications	29,473	33,565	63,038	34,400	35,400	69,800	36,471	38,700	75,171	2,071	3,300	5,371
Registrations	23,379	33,170	56,549	33,600	34,500	68,100	37,224	38,300	75,524	3,624	3,800	7,424
Renewals	7,345	7,496	14,841	13,700	14,200	27,900	15,205	17,000	32,205	1,505	2,800	4,305
Hague												
Registrations	1,415	1,137	2,552	1,500	1,600	3,100	1,143	1,150	2,293	-357	-450	-807
Renewals	3,591	3,885	7,476	3,700	3,800	7,500	3,889	4,000	7,889	189	200	389

7. As Table 3 shows, based on current estimates, a total of 305,300 PCT applications are expected to be filed in the 2006/07 biennium (47,300 more than initially estimated). For Madrid, it is estimated that 75,171 applications will be filed with the International Bureau by the end of 2007 (5,371 more than initially estimated), leading to a total of 75,524 international registrations (7,424 more than initially estimated). A total of 32,205 trademark renewals are forecast (4,305 more than initially estimated).

8. This higher than originally estimated workload in the PCT and Madrid systems has triggered an upward adjustment in the volume of resources allocated to the corresponding Programs on the basis of the flexibility clause adopted by the Assembly of the PCT Union and the Madrid Union in 1989. The financial impact of the flexibility clause on the revised budget for the 2006/07 biennium is illustrated in Part III below. For an analysis of the evolution of demand in these areas in the medium term, please refer to the Draft Program and Budget for 2008/09.

III. REVISED ESTIMATES FOR EXPENDITURE

9. Annex I shows the revised budget for 2006/07 by Objects of Expenditure. It also shows that the proposed increase in expenditure in the revised budget is 31.1 million Swiss francs or 5.9% higher than the initial budget. This compares with an estimated increase in income of 64.1 million Swiss francs (12.1% over the initial estimates).

PERSONNEL EXPENDITURE

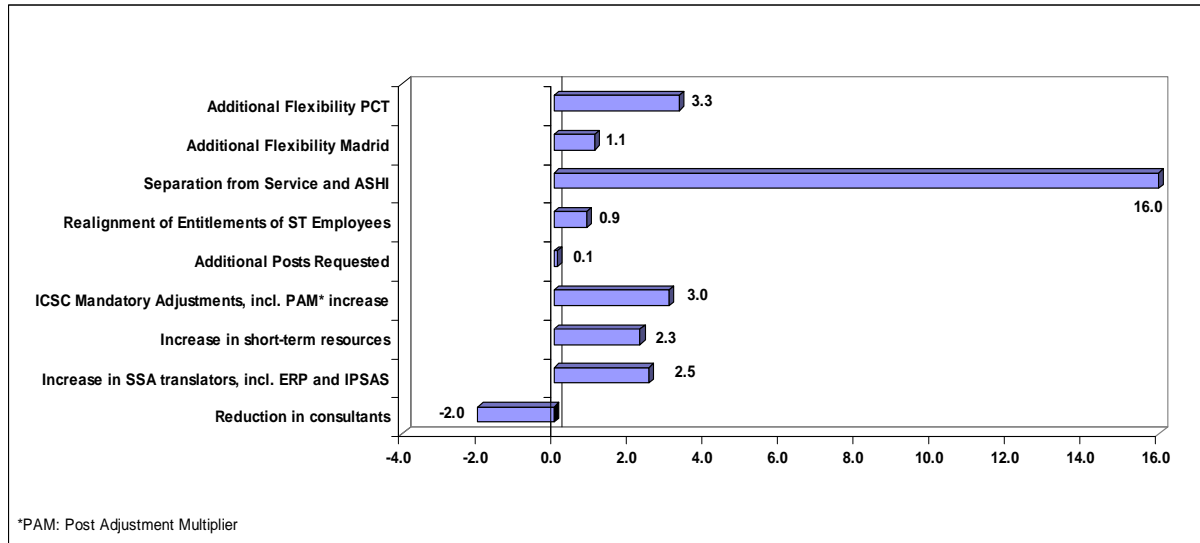
10. As Annex I shows, personnel expenditure is proposed to increase from 353.9 million Swiss francs to 381.1 million Swiss francs (an increase of 7.7% over the initial budget). In considering these upward adjustments, it should be stressed that the overall number of employees of the Organization (headcount) is envisaged to remain largely stable over the biennium (from 1,276 employees at the end of 2005, to an estimated total number of approximately 1,290 employees at the end of 2007). The rationale and financial implications of the proposed increase in personnel expenditure are developed in further detail below. The increase of 27.2 million Swiss francs (difference between Initial and Revised Budget) is further illustrated in Chart 1 below.

- Flexibility Adjustments for PCT (36 posts) and Madrid (13 posts) – 4.4 million Swiss francs;
- Financial liabilities for Separation from Service and ASHI – 16.0 million Swiss francs;
- Realignment of the Benefits and Entitlements of Short Term Employees – 0.9 million Swiss francs;
- Additional Posts – 0.1 million Swiss francs;

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- ICSC Mandatory Adjustments – 3.0 million;
- Increase in the cost of short-term resources – 2.3 million Swiss francs;
- Increase in SSAs – 2.5 million Swiss francs; and
- Reduction in consultants – reduction of 2.0 million Swiss francs.

Chart 1. Personnel Cost Changes Reflected in the 2006/07 Revised Budget
(in millions of Swiss francs)



Flexibility Clause Adjustments

11. The flexibility clause allows for the reflection of unbudgeted increases of workload under the PCT, Madrid and Hague Systems, with proportionate increases in the number of posts in the corresponding Programs. For the PCT, it allows also the creation of posts in the Programs providing common services directly affected by the increase of workload in the PCT (on a 1:4 ratio). In view of the increase of demand in the PCT system (18.3% over the initial budget estimate), and of the Madrid systems (12.2% over the initial budget estimate), a total of 49 additional posts are reflected in the Revised Budget for 2006/07, for a total additional cost of 4.4 million Swiss francs.

12. The estimated cost of the additional posts (4.4 million Swiss francs) is based on an assessment of the likely occupancy rate in the 2006/07 biennium (most positions are still under recruitment at present). It is also based on the assumption that, following the required competition process, a number of these new posts may be attributed to individuals who are already on the payroll of the Organization under short-term contracts.

13. The proposed allocation of 49 posts is shown in Table 4 below. As Table 4 shows, of the total 49 posts, 36 are proposed for the PCT and 13 for Madrid. Of the PCT posts, 9 are for common services (that is, 27 were used directly in PCT).

Table 4. Flexibility Post Allocation for 2006/07

	Flexibility Posts		
	Core	Admin	TOTAL
16 Administration of the PCT System	27	-	27
18 Madrid, The Hague and Lisbon Registration	13	-	13
23 Budget Control and Resource Mobilization	-	2	2
25 Human Resources Management	-	1	1
26 Financial Operations	-	1	1
27 Information Technology	-	2	2
28 Conference, Language, Printing and Archives	-	1	1
30 Travel and Procurement	-	2	2
TOTAL	40	9	49

14. The Secretariat has decided to limit the application of the flexibility clause to take into account efficiency gains in the administration of the PCT system by means of the automation of processes and the re-engineering of procedures. Therefore, a flexibility post was created for every 583 additional applications (as compared to the initial estimate), instead of every 242 additional applications, as established by the PCT Assembly in 1989.

Financial Liabilities for Separation from Service and After-Service Health Insurance (ASHI)

15. The revised budget introduces a provision (at 6% of biennial staff expenditure) to cover the long-term financial liabilities of the Organization for benefits to be provided for particular categories of staff members at the time of their separation from service (e.g., repatriation grant, payment for accrued leave, other termination benefits, etc.) and after-service medical benefits for staff members in the form of insurance premiums for the medical and accident insurance plan (ASHI). This is in line with the actuarial evaluation carried out by an independent consultant as of December 31, 2005. As indicated in the 2004/05 Financial Management Report (page 8), the Secretariat will commission an additional study, before the end of the 2006/07 biennium, in order to update these December 2005 calculations.

16. The cost of the above is reflected in an upward adjustment to personnel expenditure in the amount of 16.0 million Swiss francs.

Realignment of the Personnel Benefits of Short-Term Employees

17. The Outline of the Director General dated November 27, 2006, drew the attention of the Member States to the situation of WIPO's short-term general service employees (document WO/PBC/IM/3/06/3, paragraph 56). Contracts for short-term general service employees initially began to be used to cater to the resource requirements generated by the exceptional growth of the Organization and its workload, particularly in the PCT, during the nineties. During this time WIPO recruited many employees, without the commensurate ability to create regular posts to accommodate the same. The ensuing period of budgetary constraints has continued to aggravate this situation, with the result that, currently, there are 232 individuals employed by the Organization on short-term general service contracts. Approximately two-thirds of these individuals have now been employed by WIPO for over five years and a quarter over seven years. In some cases, the length of employment has now exceeded ten years.

18. In October 2006 the Director General established a dedicated Internal Task Force² with the following terms of reference: in a first phase, to identify the gap between the remuneration and benefits of short-term employees versus fixed term staff, and to propose measures to close this gap; and, in a second phase, to formulate recommendations for the possible regularization of short-term employees through regular budget posts.

² The Task Force comprises two members of the Staff Council, a member of the Human Resources Management Department, a member of the Controller's Office, and a member of the Legal Counsel's Office.

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19. Upon conclusion of the first phase of its work, the Task Force recommended a number of measures to reduce the gap between the remuneration and benefits of short-term employees and those of fixed term staff. Following extensive discussions and consultations, the Director General approved a number of measures, including:

- annual within-grade step increase: An annual within-grade step is to be awarded to short-term General Service employees as of May 1, 2007;
- language allowance: Language allowance is to be granted to eligible short-term General Service employees, with retroactive effect from January 1, 2007;
- contract break: The current mandatory break required between two consecutive contracts was reduced from nine days to seven days as of April 1, 2007; and
- training grant: Eligibility for training grants will be extended to short-term General Service employees on the same basis as that offered to fixed-term staff as of the academic year 2006/2007.

20. The financial implications of the above for the 2006/07 biennium are estimated to total 0.9 million Swiss francs.

Other Adjustments

21. *Additional Posts:* Following the approval of the Internal Audit Charter and the appointment of the Internal Auditor, it is proposed to reinforce the activities of Program 24 (Internal Oversight) by allocating two additional posts to the Internal Audit and Oversight Division. The cost of these posts for 2007 is estimated to be approximately 0.1 million Swiss francs, on the assumption that they will be filled later in the year due to the timing of the recruitment process.

22. Pending the approval, by the Member States, of a Project for Upgrading the Security Standards of the Organization (document WO/PBC/11/12), it is proposed to allocate three additional posts for security management (Program 29). Member States' attention is drawn to the fact that, in light of the urgency of addressing the security issues identified within the Organization, three posts have been allocated to Program 29 on a temporary basis in the second half of 2006 out of the initially approved number of regular posts (935) for this biennium. Member States are therefore requested to consider the retroactive approval of these three posts as new regular budget posts for the Organization, which will be allocated to Programs which are in need of these resources.

23. *ICSC Mandatory Adjustments:* The 62nd session of the International Civil Service Commission (ICSC) approved, in March 2006, a 2.7% increase in the Post Adjustment Index for Switzerland, effective April 1, 2006. A further 1.1% increase of the Post Adjustment Index has been approved effective April 1, 2007. The implementation of these decision results in an increase of 2.9 million Swiss francs for the biennium.

24. According to resolution A/RES/61/239, adopted by the UN Assembly on December 22, 2006, a number of changes were approved to come into effect in respect of benefits and entitlements of fixed-term staff. The impact of these is not expected to be material in financial terms for WIPO. However, the increase dictated by the International Civil Service Commission (ICSC) in respect of the change in the level of pensionable remuneration for staff in the Professional and higher categories with effect from November 1, 2007 (1.7%), is estimated to increase personnel costs by 0.06 million Swiss francs in 2007.

25. It should also be noted that the salary scales for General Service staff are currently under review by the ICSC, and a decision on changes to these is expected later on this year (June or July 2007), which may require further adjustments to the personnel expenditure estimates for the biennium.

26. *Increase in Cost of Short-Term Resources:* An upward budgetary adjustment of 2.3 million Swiss francs is proposed to reflect the higher than originally estimated unitary cost of these resources as well as the higher than originally budgeted need for translation services. This is because the

amount of official documents to be translated in the six working languages of the Organization in the current biennium is considerably higher than originally estimated. This need has been addressed by hiring temporary translators under short-term contracts (TTs).

27. *Increase in SSAs and Reduction in Consultants:* Focused efforts have been made to reduce the number of consultancy contracts in favor of SSAs, which is reflected in a reduction in the budget for consultants (2.0 million Swiss francs) and an increase in the budget for SSAs (2.5 million Swiss francs). The increase in the cost of SSAs is primarily due to the need to absorb the translation needs of the higher than originally estimated workload in the Madrid sector. To address such need a number of external translators were recruited under SSAs. The increase is also due to the cost of the resources required to support the preparatory work to be undertaken for WIPO's planned ERP project (0.8 million Swiss francs) and IPSAS (0.1 million Swiss francs) implementation. It is to be noted that while consultants are remunerated on a monthly basis, SSAs are remunerated on an output basis.

NON-PERSONNEL EXPENDITURE

28. Proposed adjustments to non-personnel expenditure are shown in Annex I. These adjustments mainly aim at re-allocating resources across the various objects of expenditure in view of actual spending patterns and revised resource requirements.

IV. POST VARIATION

29. Proposed post variations by Program and category are shown in Annexes II and IV. As these annexes show, out of 54 additional posts, 49 are under the flexibility clause (Programs 16, 18, 23, 25, 26, 27, 28 and 30), two are for Internal Oversight (Program 24), and three are for security upgrading (Program 29).

30. In terms of category, there are 33 additional posts for the General Service category (GS), and 21 additional posts in the Professional category (P). The total number of posts for the Special and Higher Categories (D1, D2, Assistant Director General, Deputy Director General and Director General) remains unchanged in each respective category, with the exception of one D2 post that has been re-classified at ADG level for the period from December 1, 2006, to November 30, 2009, as per the decision of the Coordination Committee (document WO/CC/54/3 Corr., paragraph 77(i)).

V. PROGRAM VARIATION

31. The proposed revisions at Program level (including for posts) are shown in Annex II. The proposed Revised Budget by Program and Union is shown in Annex III. Highlights of the rationale for the proposed revisions at program level are given overleaf.

32. As illustrated by Table 5 overleaf, the resources allocated to cooperation with developing countries are proposed to be increased under the revised budget by 4.6 million Swiss francs (6.3%).

Table 5. Comparison of Resources for Cooperation with Developing Countries
(in millions of Swiss francs)

Program	2006/07 Initial Budget	2006/07 Revised Budget	Difference	
			Amount	%
3 Strategic Use of IP for Development	12.3	17.8	5.4	43.8%
4 Use of Copyright in the Digital Environment	2.6	2.0	(0.6)	(23.5)%
6 Africa, Arab, Asia and the Pacific, Latin America and the Caribbean Countries, LDCs	37.6	38.3	0.6	1.6%
8 Business Modernization of IP Institutions	4.8	4.5	(0.3)	(7.2)%
9 Collective Management of Copyright and Related Rights	2.1	1.7	(0.5)	(21.6)%
11 WIPO Worldwide Academy	14.3	14.4	0.1	0.4%
TOTAL	73.9	78.5	4.6	6.3%

Program 1 (Public Outreach and Communication): The proposed change amounts to a slight increase, with no change in regular budgeted posts. As a result of structural streamlining, the activities related to Awards Services have been transferred from Program 6 to this Program. The related changes in overall resource levels have not been material.

Program 2 (External Coordination): As a result of structural streamlining, the activities related to extrabudgetary mobilization (previously under Program 23) were transferred to this Program, together with the activities related to NGO Affairs (previously under Program 5), and the Industry Advisory Commission (previously under Program 22). This involved the transfer of one related post from the respective programs into Program 2, together with the financial resources required to carry out the activities and fund the post.

Program 3 (Strategic Use of IP for Development): The increase in the number of regular budget posts (10 posts) has been effected to reflect the transfer to this Program of activities related to Innovation Promotion and Legislation for Public Policy, and the University Initiative, as well as the establishment of a new division in charge of Creative Industries, and the increased activities related to the use of IP for economic development, small- and medium-sized enterprises and IP and new technologies. Also, following the decision of the 2006 Assemblies in respect of the Development Agenda, the Secretariat had explained that the resources required for the servicing of the Provisional Committee on Proposals Related to a WIPO Development Agenda (PCDA) would initially be made available from existing flexibilities, but would be allocated to Program 3 in the revised budget. Additional resources have also been allocated to this Program to finance, upon requests from Member States, the WIPO International Strategic Seminars on the Use of IP for Economic, Social and Cultural Development (five in 2006, and five foreseen in 2007).

Program 4 (Use of Copyright in the Digital Environment): The reduction of two regular posts and the corresponding reduction of financial resources is the result of internal reorganization as well as savings in resources required for the delivery of program outputs.

Program 5 (IP and Public Policy): Following the transfer of activities related to NGO Affairs, this Program has only one post assigned to it, and financial resources have also been correspondingly reduced.

Program 6 (Africa, Arab, Asia and the Pacific, Latin America and the Caribbean Countries, LDCs): The decrease of three posts is due to internal reorganization (in particular, the transfer of the activities related to Innovation Promotion to Program 3), which reflects the re-focusing of the objectives of Program 6 as compared to Program 3. This is also reflected in the proposed Program and Budget for 2008/09. Financial resources have been slightly increased to reflect the additional demand for activities in the developing countries.

Program 7 (Certain Countries in Europe and Asia): The proposed increase in financial resources is primarily the result of increased activities in the countries of the region.

Program 8 (Business Modernization of IP Institutions): The activities of this Program have necessitated the allocation of one additional regular post, with the corresponding financial resources. This has, however, been offset by efficiency gains achieved in non-personnel expenses, resulting in an overall decrease in the financial resources required by the Program.

Program 9 (Collective Management of Copyright and Related Rights): The decrease in the number of posts (one post less) is due to internal re-organization. In spite of this, the Program will be able to deliver a higher level of activities than originally planned.

Program 10 (IPR Enforcement): Following the third session of the Global Conference on Combating Counterfeiting and Piracy in January 2007, the resources of the Program have been increased to meet accelerating demand for activities. Consultancy services are backing the program in addition to regular budgeted posts.

Program 11 (WIPO Worldwide Academy): The additional activities assigned to this Program, related to Distance Learning and Outreach, have been absorbed with a lower number of posts than initially envisaged. Internal reorganization has resulted in the transfer out of four regular posts, as offset by the provision of consultancy resources. There are no significant variations in the level of resources allocated, as the incremental demand has been satisfied within the initially allocated level of resources due to efficient work.

Program 12 (Law of Patents): A slight decrease in non-personnel resources is offset by an adjustment in personnel costs, resulting in an overall stable budget.

Program 13 (Law of Trademarks, Industrial Designs and Geographical Indications): The reduction in the number of posts initially budgeted in this Program is explained by internal reorganizations.

Program 14 (Law of Copyright and Related Rights): The proposed financial resources for this Program currently do not include the financial resources necessary to hold a diplomatic conference in 2007. Should Member States decide to hold a conference before the end of the biennium, the costs will be covered from a transfer from currently unallocated resources.

Program 15 (Traditional Knowledge, Traditional Cultural Expressions and Genetic Resources): The increase in financial resources is explained by increased demand for substantive and logistical support for national, regional and interregional policy processes, at the request of Member States, in relation to the protection of traditional knowledge (TK), traditional cultural expressions (TCEs) and genetic resources (GEs).

Program 16 (Administration of the PCT System): The increase indicated in the number of posts under this Program is the result of the allocation of the flexibility posts, which is, in turn, a consequence of the higher than estimated number of applications under the PCT. A significant part of the increase in financial resources is due to the increased volumes of outsourced translation work for PCT-related documents, due to higher than expected workload, resulting from certain rule changes that came into effect in 2004 and the need to engage in other language-related activities, notably terminology. Additional resources were also required for the PCT Information Systems area.

Program 17 (PCT Reform): The addition of one regular post was required for the delivery of activities under this Program. The financial impact of this increase has been offset by a decrease in the corresponding consultancy costs.

Program 18 (Madrid, The Hague and Lisbon Registration Systems): The increase in the level of financial resources is primarily due to the allocation of the flexibility posts, which is, in turn, related to the higher than estimated number of applications under the Madrid system. The activities under the Program required additional resources for short-term staff and SSAs for the provision of translation services. The increase is moderated to some extent by the transfer of the International Registrations' IT Systems to Program 27, offset by higher expenditure on Information and Promotion.

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Program 19 (Patent Information, Classification and IP Standards): The addition of one regular post was required for the delivery of activities under this Program. The financial impact of this increase has been offset somewhat by a decrease in funds for short-term staff, but higher expenditures are expected for the biennium in the area of Patent Information, Classification and IP Standards, including related IT Operations and Support.

Program 20 (International Classifications in the Field of Trademarks and Industrial Designs): Slight reduction of financial resources was due to efficiency gains.

Program 21 (Arbitration and Mediation and Domain Names Policies and Procedures): Higher expenditure is expected as a result of higher than estimated demand for the Domain Name Dispute Resolution Activities. Resources have been increased accordingly.

Program 22 (Direction and Executive Management): Lower expenditure levels have resulted primarily from not having held the Policy Advisory Commission. The budget is proposed to be adjusted accordingly.

Program 23 (Budget Control and Resource Mobilization): The proposed increase is mainly related to the decision of the 2005 Assemblies to charge to this Program the cost of the Audit Committee (this was decided after the initial budget had been finalized) and the request for the resources to cover the estimated cost of outside expertise in respect of the introduction of IPSAS and the initial phase of the planned project for the introduction of an enterprise resource planning (ERP) system for the Organization. Extrabudgetary resource mobilization activities, together with one regular post, have been transferred out to Program 2, and another post has been transferred to Program 6. The transfers of the two posts have been compensated for by the allocation of two posts under the PCT flexibility clause.

Program 24 (Internal Oversight): The increase in regular posts for this Program reflects the proposal of the Director General to create two new posts for the Internal Oversight and Audit Division, to strengthen the implementation of the WIPO Internal Audit Charter. It is also proposed to increase resources for activities to be outsourced, pending filling of the new posts.

Program 25 (Human Resources Management): The activities under this Program have necessitated the allocation of two additional posts (one of which is sourced from the flexibility posts), with the corresponding increase in financial resources. The latter has been partly offset by lower costs due to the transfer of the Ombudsman's activities to Program 22. The increased demand on the Program is linked to the preparation and monitoring of the desk-to-desk assessment project and the elaboration of a revised human resource policy for the Organization. The revised budget of this Program includes an amount of 0.3 million Swiss francs to cover the expenditure that may be incurred by the Organization in 2007 following the judgment of the Administrative Tribunal of the International Labour Organisation (ILO) in respect of the WIPO (closed) Pension Fund.

Program 26 (Financial Operations): The activities under this Program have necessitated the allocation of three additional posts (one of which is sourced from the flexibility posts), with the corresponding increase in financial resources. This is directly linked to the additional income from PCT and Madrid, which creates additional workload for the Finance Department.

Program 27 (Information Technology): The activities under this Program have necessitated the allocation of five additional posts (two of these are sourced from the flexibility posts to reflect the increased workload in respect of the PCT IT activities), with the corresponding increase in financial resources. Upward adjustments have also had to be made to the level of financial resources in order to absorb the IT activities related to the Madrid, The Hague and Lisbon systems transferred from Program 18.

Program 28 (Conference, Language, Printing and Archives): The reduction in regular posts reflects increasing reliance on outsourced services for translation. One additional post was created under the flexibility clause for PCT.

Program 29 (Premises Management): The increase in number of posts, including three security posts, is slightly offset by decrease in short-term resources. Initial estimates for rental costs have been revised down due to the ability to relocate staff, as of July 2, 2007, into owned premises, vacating the Giuseppe Motta premises.

Program 30 (Travel and Procurement): The Program activities required the allocation of seven additional posts (two of these are sourced from the flexibility posts, to reflect the increased workload in respect of PCT activities) following the comprehensive reform of the procurement system of the Organization in 2006. The lowering of thresholds, above which international tender and request for proposals (RFP) is required, has significantly increased the time and resource requirements for processing the relevant procurement requests. The cost of the Travel Unit remains stable.

Program 31 (The New Construction): A significant budget reduction was necessitated by the change in the timelines for the start of the planned construction work. This has resulted in lack of interest expenses, as well as lower expenditures for the project Pilot.

VI. REVISED FINANCIAL OVERVIEW FOR 2006/07

33. The revised financial overview for the 2006/07 biennium is shown in Table 6 below. As Table 6 shows, the financial situation of the Organization remains healthy, with revised estimates for income in the 2006/07 biennium at 595.1 million Swiss francs (or 12.1% over the initial estimates for the period) and revised estimates for expenditure at 562.1 million Swiss francs (or 5.9% over the initial estimates).

34. As Table 6 also shows, a surplus of 33.0 million Swiss francs is expected at the end of 2007, thus bringing the total level of the reserves of the Organization (Reserve and Working Capital Funds) to 159.9 million Swiss francs³. This figure is 55.5 million Swiss francs above the average target level of approximately 18% of biennial expenditure, as established by the Member States in the year 2000 (104.4 million Swiss francs). It is also above the target level of 25% of biennial expenditure recommended by the External Auditor in his report on the accounts of the 2004/05 biennium (this hypothetical 25% target being 140.5 million Swiss francs).

35. For a discussion of the mid-term financial scenario of the Organization, and the possible utilization of the surplus expected to be generated in the 2006/07 biennium, please refer to the proposed Program and Budget for 2008/09 (document WO/PBC/11/6).

Table 6. Revised Financial Overview for 2006/07
(in millions of Swiss francs)

	2004/05 Actual	2006/07 Initial	2006/07 Revised	Difference	
				Amount	%
Income	522.7	531.0	595.1	64.1	12.1%
Expenditure	511.2	531.0	562.1	31.1	5.9%
Surplus/(Deficit)	11.5	0.0	33.0	33.0	-
Reserve*	126.9	100.8	159.9	59.1	58.6%
Reserve Target	92.0	95.6	104.4	8.8	9.2%
Reserve Balance	34.9	5.2	55.5	50.2	962.4%

*Reserves and Working Capital Funds (RWCF)

[Annexes follow]

³ This amount includes the estimated surplus of the Madrid Union for the 2006/07 biennium. The Madrid Union Assembly is the competent body to determine whether this surplus should be wholly or partly distributed to Member States of the Union or allocated to investments for the Madrid system. A proposal to this effect will be submitted to the Assembly of the Madrid Union in September 2007.

ANNEX I

2006/07 Revised Budget, by Objects of Expenditure
(in thousands of Swiss francs)

	2006/07 Initial Budget	2006/07 Revised Budget	Difference	
			Amount	%
A. Personnel Resources				
Posts	292,110	315,684	23,574	8.1%
Short-term Employees	45,394	48,556	3,162	7.0%
Consultants	12,600	10,587	(2,013)	-16.0%
Special Service Agreements	3,799	6,304	2,505	66.0%
Total, A	353,903	381,131	27,228	7.7%
B. Non-personnel Resources				
<i>Travel and Fellowships</i>				
Staff Missions	8,123	11,863	3,740	46.0%
Third-party Travel	18,023	23,725	5,702	31.6%
Fellowships	3,752	4,980	1,228	32.7%
<i>Contractual Services</i>				
Conferences	5,321	5,934	613	11.5%
Experts' Honoraria	2,654	2,035	(619)	-23.3%
Publishing	5,865	1,956	(3,909)	-66.6%
Other	36,806	51,082	14,276	38.8%
<i>Operating Expenses</i>				
Premises & Maintenance	64,412	55,435	(8,977)	-13.9%
Communication & Other	7,523	10,839	3,317	44.1%
<i>Equipment and Supplies</i>				
Furniture & Equipment	10,409	3,883	(6,526)	-62.7%
Supplies & Materials	8,952	7,577	(1,376)	-15.4%
Total, B	171,840	179,309	7,469	4.3%
C. Unallocated	5,257	1,702	(3,555)	-67.6%
TOTAL	531,000	562,142	31,142	5.9%

2006/07 Revised Budget and Number of Posts by Program
(in thousands of Swiss francs)

	2006/07 Initial Budget	2006/07 Revised Budget	Difference Revised vs. Initial Budget		2006/07 Initial Budget (No. of posts)	As at End February 2007 (No. of posts)*	Difference (No. of posts)
			Amount	%			
1 Public Outreach and Communication	13,280	13,428	148	1.1%	25	25	-
2 External Coordination	10,743	10,935	192	1.8%	14	15	1
3 Strategic Use of IP for Development	12,347	17,759	5,412	43.8%	22	32	10
4 Use of Copyright in the Digital Environment	2,608	1,995	(613)	(23.5)%	5	3	(2)
5 IP and Public Policy	1,608	743	(865)	(53.8)%	2	1	(1)
6 Africa, Arab, Asia and the Pacific, Latin America and the Caribbean Countries, LDCs	37,649	38,250	601	1.6%	49	46	(3)
7 Certain Countries in Europe and Asia	4,530	5,015	485	10.7%	8	8	-
8 Business Modernization of IP Institutions	4,843	4,495	(348)	(7.2)%	6	7	1
9 Collective Management of Copyright and Related Rights	2,114	1,656	(458)	(21.6)%	4	3	(1)
10 IPR Enforcement	2,966	3,113	147	5.0%	7	5	(2)
11 WIPO Worldwide Academy	14,327	14,382	55	0.4%	17	13	(4)
12 Law of Patents	2,996	3,001	5	0.2%	5	5	-
13 Law of Trademarks, Industrial Designs and Geographical Indications	4,954	3,806	(1,148)	(23.2)%	8	4	(4)
14 Law of Copyright and Related Rights	5,683	5,919	236	4.2%	8	8	-
15 TK, Traditional Cultural Expressions and Genetic Resources	4,649	5,889	1,240	26.7%	6	7	1
16 Administration of the PCT System	144,445	161,312	16,867	11.7%	337	348	11
17 PCT Reform	2,301	2,577	276	12.0%	4	5	1
18 Madrid, The Hague and Lisbon Registration Systems	41,949	47,569	5,620	13.4%	100	113	13
19 Patent Information, Classification and IP Standards	5,459	6,924	1,465	26.8%	15	16	1
20 International Classifications in the Field of Trademarks and Industrial Designs	1,270	1,123	(147)	(11.6)%	3	3	-
21 Arbitration and Mediation Services and Domain Names Policies and Procedures	6,519	7,013	494	7.6%	13	13	-
22 Direction and Executive Management	13,977	12,855	(1,122)	(8.0)%	26	27	1
23 Budget Control and Resource Mobilization	4,513	6,444	1,931	42.8%	10	10	-
24 Internal Oversight	1,781	2,060	279	15.6%	5	7	2
25 Human Resources Management	15,725	17,085	1,360	8.6%	37	39	2
26 Financial Operations	11,265	12,027	762	6.8%	30	33	3
27 Information Technology	38,978	43,710	4,732	12.1%	46	51	5
28 Conference, Language, Printing and Archives	40,800	41,815	1,015	2.5%	84	78	(6)
29 Premises Management	58,751	56,268	(2,483)	(4.2)%	25	30	5
30 Travel and Procurement	8,082	9,758	1,676	20.7%	14	21	7
31 The New Construction	4,631	1,515	(3,116)	(67.3)%	-	-	-
Total	525,743	560,440	34,697	6.6%	935	976	41
Unallocated	5,257	1,702	(3,555)	(67.6)%	-	13	13
GRAND TOTAL	531,000	562,142	31,142	5.9%	935	989	54

* These figures formed the basis for the personnel cost calculations for the 2006/07 Revised Budget. The Secretariat has undertaken to cease the practice of transferring individuals with their posts across programs upon completion of the desk-to-desk assessment. Pending the consideration and approval of any recommendations to be presented from this assessment, the internal redeployment of staff with their posts has continued to be approved by the Director General on a selective basis. Accordingly, the end 2007 allocation of posts and related personnel costs by program may change compared to the table presented above.

ANNEX III

2006/07 Revised Financial Overview, Income and Budget by Union

Table III/1. 2006/07 Revised Financial Overview by Union
(in thousands of Swiss francs)

	CF Unions		PCT Union		Madrid Union		Hague Union		Other		Total	
	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%
RWCF, End 2005	21,760		87,746		17,053		355		41		126,955	
2006/07 Income	36,489		456,083		92,361		5,605		4,572		595,110	
2006/07 Expenditure	35,855		432,265		83,497		5,110		5,415		562,142	
Surplus/Deficit	633		23,818		8,864		495		-843		32,968	
RWCF, End 2007	22,393		111,564		25,917		850		-802		159,923	
RWCF, Target	17,928	50.0	64,840	15.0	20,874	25.0	767	15.0	-	n/a	104,408	18.6
Balance	4,465		46,724		5,043		84		-802		55,514	

*Reserves and Working Capital Funds (RWCF)

Table III/2. 2006/07 Revised Income by Union
(in thousands of Swiss francs)

	CF Unions		PCT Union		Madrid Union		Hague Union		Other		Total	
	Amount	% of union	Amount	% of total	Amount	% of total	Amount	% of total	Amount	% of total	Amount	% of total
Contributions	34,500	94.6	-	-	-	-	-	-	-	-	34,500	5.8
Fees	-	-	445,300	97.6	87,273	94.5	4,927	87.9	10	0.2	537,510	90.3
Interest	1,059	2.9	9,883	2.2	1,988	2.2	108	1.9	62	1.4	13,100	2.2
Publications	430	1.2	400	0.1	2,100	2.3	70	1.2	-	-	3,000	0.5
Other Income	500	1.4	500	0.1	1,000	1.1	500	8.9	4,500	98.4	7,000	1.2
TOTAL	36,489	100.0	456,083	100.0	92,361	100.0	5,605	100.0	4,572	100.0	595,110	100.0

Tables III/1-3 show estimated income, expenditure, and overall results by Union, respectively. Adjustments to the methodology for calculating these shares are under preparation for the Program and Budget for 2008/09 (document WO/PBC/11/6) and will be presented in further detail in that document. However, it was considered that the mechanical application of the current methodology (as presented in the Program and Budget for 2006/07 (Publication No. 3603/PB0607)), which was approved in the context of the approval of the 2002/03 Program and Budget, may result in inaccuracies for the indicative calculation of results by Union for this current biennium. Accordingly, some minor changes are proposed in this revised budget in order to more objectively and transparently reflect the principles underlying the applied methodology.

Income, as reflected in Annex III/2, has been allocated to Unions on the following basis:

- Estimated contributions and fee income are entirely attributed to the respective Union generating the income.
- Estimated interest income is allocated to Unions on the basis of the relative ratio of the sum of (i) the opening reserve balance for the Union and (ii) the income estimated to be earned in the current biennium for the Union to (iii) the total income estimated to be earned (less the interest).
- Estimated income from publications is attributed to the respective Unions on the basis of their expected share of the sale of publications.
- Specific elements of other income, where the source of income is clearly attributable to one specific Union, are allocated to that Union, and the balance is allocated to the Unions on an equal share basis.

The following are the underlying principles in respect of the changes currently being proposed for the allocation of expenditures.

- The methodology applied to derive the overall estimated Union expenditures for 2006/07 in the initial budgets rests on the key principles of (i) aggregating “bottom-up” Program expenditures as proposed, in order to derive the share of each out of the total; (ii) establishing overall Union expenditure estimates at a level which ensures that the minimum target reserve levels are met for each Union as defined in document A/35/15, paragraph 151(b); and (iii) attributing shares of three groups of expenditures to each Program and Union from the derived Union total for: *Management and Support* related activities, *Union Specific* activities and *Other* activities.
- For the revised calculation of expenditures by Program and Union, the Program keys used in the initial budget for 2006/07 were maintained at their initial budget levels for the allocation of *Management and Support* related activities, as well as the *Union Specific* activities (i.e., these keys were not re-calculated as was the practice in previous biennia).
- The principle for the allocation of expenditures under *Other* activities⁴ is proposed to be modified to ensure a more equitable distribution of these expenditures, driven by the respective Unions’ “capacity to pay”. This is defined as the difference between (i) the respective Union’s projected available resources (reserves plus income earned in the biennium), and (ii) the Union’s other allocated expenses and minimum reserve requirements (“reserve target floor”). The reserve target floor’s calculation is based on the reserve requirements of the prior biennium’s expenditures.

The above-proposed adjustment in methodology presents the following advantages over the mechanical application of the methodology used in the initial budget to the revised budget figures.

- The allocated Union expenditures are derived as the sum of the allocated expenditures by Programs, rather than as a pre-defined overall Union expenditure estimates which is then distributed to Programs. This presents a more objective and transparent calculation methodology which, nevertheless, remains consistent with the principles of allocation endorsed by Member States within the context of the approval of the 2002/03 Program and Budget.
- The allocation of *Other* activities across Unions is driven by the “capacity to pay” of the respective revenue-generating Unions, thus establishing a mechanism to ensure that required target reserve levels are met as required by Member States and that these expenditures are allocated in line with the revenue-generating capacity of Unions.

Member States’ attention is drawn to the fact that this methodology continues to remain a simple tool to provide indicative estimates of expenditure by Union, based on the approved principle of maintaining reserve target levels for each. It is not an accounting tool and therefore will not reflect actual results of Unions; these results could significantly deviate from accounting results, if the expenditures of Unions were recorded at the transaction level by Program and Union.

⁴

calculated as the total of the costs for Programs 3, 4, 6, 7, 8, 9, 10, 11 and 15, totaling 92.6 million Swiss francs

2006/07 Revised Budget by Program and Union
(in thousands of Swiss francs)

	Contribution-financed Unions			PCT Union			Madrid Union			Hague Union			Other			Total		
	Amount	% of prog	% of union	Amount	% of prog	% of union	Amount	% of prog	% of union	Amount	% of prog	% of union	Amount	% of prog	% of union	Amount	% of prog	% of union
1 Public Outreach and Communication	916	6.8	2.6	10,609	79.0	2.5	1,602	11.9	1.9	154	1.1	3.0	148	1.1	2.7	13,428	100.0	2.4
2 External Coordination	746	6.8	2.1	8,475	77.5	2.0	1,469	13.4	1.8	125	1.1	2.5	120	1.1	2.2	10,935	100.0	1.9
3 Strategic Use of IP for Development	1,265	7.1	3.5	13,980	78.7	3.2	2,493	14.0	3.0	-	-	-	20	0.1	0.4	17,759	100.0	3.2
4 Use of Copyright in the Digital Environment	142	7.1	0.4	1,571	78.7	0.4	280	14.0	0.3	-	-	-	2	0.1	0.0	1,995	100.0	0.4
5 IP and Public Policy	51	6.8	0.1	576	77.5	0.1	100	13.4	0.1	8	1.1	0.2	8	1.1	0.2	743	100.0	0.1
6 Africa, Arab, Asia and the Pacific, Latin America and the Caribbean Countries, LDCs	2,724	7.1	7.6	30,112	78.7	7.0	5,369	14.0	6.4	-	-	-	44	0.1	0.8	38,250	100.0	6.8
7 Certain Countries in Europe and Asia	357	7.1	1.0	3,948	78.7	0.9	704	14.0	0.8	-	-	-	6	0.1	0.1	5,015	100.0	0.9
8 Business Modernization of IP Institutions	320	7.1	0.9	3,539	78.7	0.8	631	14.0	0.8	-	-	-	5	0.1	0.1	4,495	100.0	0.8
9 Collective Management of Copyright and Related Rights	118	7.1	0.3	1,304	78.7	0.3	233	14.0	0.3	-	-	-	2	0.1	0.0	1,656	100.0	0.3
10 IPR Enforcement	222	7.1	0.6	2,451	78.7	0.6	437	14.0	0.5	-	-	-	4	0.1	0.1	3,113	100.0	0.6
11 WIPO Worldwide Academy	1,024	7.1	2.9	11,322	78.7	2.6	2,019	14.0	2.4	-	-	-	17	0.1	0.3	14,382	100.0	2.6
12 Law of Patents	204	6.8	0.6	2,796	93.2	0.6	-	-	-	-	-	-	-	-	-	3,001	100.0	0.5
13 Law of Trademarks, Industrial Designs and	260	6.8	0.7	-	-	-	3,503	92.0	4.2	44	1.2	0.9	-	-	-	3,806	100.0	0.7
14 Law of Copyright and Related Rights	5,919	100.0	16.5	-	-	-	-	-	-	-	-	-	-	-	-	5,919	100.0	1.1
15 TK, Traditional Cultural Expressions and Genetic Resources	419	7.1	1.2	4,636	78.7	1.1	827	14.0	1.0	-	-	-	7	0.1	0.1	5,889	100.0	1.0
16 Administration of the PCT System	3,750	2.3	10.5	157,562	97.7	36.5	-	-	-	-	-	-	-	-	-	161,312	100.0	28.7
17 PCT Reform	176	6.8	0.5	2,401	93.2	0.6	-	-	-	-	-	-	-	-	-	2,577	100.0	0.5
18 Madrid, The Hague and Lisbon Registration	-	-	-	-	-	-	44,620	93.8	53.4	2,711	5.7	53.1	238	0.5	4.4	47,569	100.0	8.5
19 Patent Information, Classification and IP	473	6.8	1.3	6,451	93.2	1.5	-	-	-	-	-	-	-	-	-	6,924	100.0	1.2
20 International Classifications in the Field of Trademarks and Industrial Designs	77	6.9	0.2	-	-	-	1,034	92.0	1.2	12	1.1	0.2	-	-	-	1,123	100.0	0.2
21 Arbitration and Mediation Services and Domain Names Policies and Procedures	4,473	63.8	12.5	-	-	-	-	-	-	-	-	-	2,540	36.2	46.9	7,013	100.0	1.2
22 Direction and Executive Management	877	6.8	2.4	9,964	77.5	2.3	1,726	13.4	2.1	146	1.1	2.9	141	1.1	2.6	12,855	100.0	2.3
23 Budget Control and Resource Mobilization	440	6.8	1.2	4,995	77.5	1.2	865	13.4	1.0	73	1.1	1.4	71	1.1	1.3	6,444	100.0	1.1
24 Internal Oversight	141	6.9	0.4	1,596	77.5	0.4	276	13.4	0.3	23	1.1	0.5	23	1.1	0.4	2,060	100.0	0.4
25 Human Resources Management	1,166	6.8	3.3	13,242	77.5	3.1	2,295	13.4	2.7	194	1.1	3.8	188	1.1	3.5	17,085	100.0	3.0
26 Financial Operations	821	6.8	2.3	9,321	77.5	2.2	1,615	13.4	1.9	138	1.1	2.7	132	1.1	2.4	12,027	100.0	2.1
27 Information Technology	1,193	2.7	3.3	40,336	92.3	9.3	1,385	3.2	1.7	316	0.7	6.2	480	1.1	8.9	43,710	100.0	7.8
28 Conference, Language, Printing and Archives	2,854	6.8	8.0	34,212	81.8	7.9	3,914	9.4	4.7	375	0.9	7.3	459	1.1	8.5	41,815	100.0	7.4
29 Premises Management	3,841	6.8	10.7	46,811	83.2	10.8	4,358	7.7	5.2	642	1.1	12.6	617	1.1	11.4	56,268	100.0	10.0
30 Travel and Procurement	666	6.8	1.9	7,562	77.5	1.7	1,311	13.4	1.6	111	1.1	2.2	107	1.1	2.0	9,758	100.0	1.7
31 The New Construction	103	6.8	0.3	1,174	77.5	0.3	203	13.4	0.2	17	1.1	0.3	17	1.1	0.3	1,515	100.0	0.3
Total	35,739	6.4	99.7	430,946	76.9	99.7	83,268	14.9	99.7	5,091	0.9	99.6	5,396	1.0	99.7	560,440	100.0	99.7
Unallocated	116	6.8	0.3	1,319	77.5	0.3	229	13.4	0.3	19	1.1	0.4	19	1.1	0.3	1,702	100.0	0.3
TOTAL	35,855	6.4	100.0	432,265	76.9	100.0	83,497	14.9	100.0	5,110	0.9	100.0	5,415	1.0	100.0	562,142	100.0	100.0

ANNEX IV

2006/07 Revised Posts by Program

	End 2007 Initial Approved					As at End February 2007 Revised **					Difference				
	DG/DDG/ ADG*	D	P	G	Total	DG/DDG/ ADG	D	P	G	Total	DG/DDG/ ADG	D	P	G	Total
1 Public Outreach and Communication	-	1	15	9	25	-	1	13	11	25	-	-	(2)	2	-
2 External Coordination	1	2	8	3	14	1	4	7	3	15	-	2	(1)	-	1
3 Strategic Use of IP for Development	-	3	13	6	22	-	3	19	10	32	-	-	6	4	10
4 Use of Copyright in the Digital Environment	-	2	3	-	5	-	1	2	-	3	-	(1)	(1)	-	(2)
5 IP and Public Policy	-	1	1	-	2	-	-	1	-	1	-	(1)	-	-	(1)
6 Africa, Arab, Asia and the Pacific, Latin America and the Caribbean Countries, LDCs	1	5	28	15	49	1	5	26	14	46	-	-	(2)	(1)	(3)
7 Certain Countries in Europe and Asia	-	1	5	2	8	-	1	5	2	8	-	-	-	-	-
8 Business Modernization of IP Institutions	-	1	4	1	6	-	1	4	2	7	-	-	-	1	1
9 Collective Management of Copyright and Related Rights	-	-	3	1	4	-	-	2	1	3	-	-	(1)	-	(1)
10 IPR Enforcement	-	1	4	2	7	-	1	3	1	5	-	-	(1)	(1)	(2)
11 WIPO Worldwide Academy	-	1	10	6	17	-	1	7	5	13	-	-	(3)	(1)	(4)
12 Law of Patents	-	-	3	2	5	-	-	3	2	5	-	-	-	-	-
13 Law of Trademarks, Industrial Designs and Geographical Indications	-	1	4	3	8	-	-	3	1	4	-	(1)	(1)	(2)	(4)
14 Law of Copyright and Related Rights	1	1	3	3	8	1	1	4	2	8	-	-	1	(1)	-
15 TK, Traditional Cultural Expressions and Genetic	-	-	6	-	6	-	-	5	2	7	-	-	(1)	2	1
16 Administration of the PCT System	1	5	125	206	337	1	2	127	218	348	-	(3)	2	12	11
17 PCT Reform	-	1	2	1	4	-	1	3	1	5	-	-	1	-	1
18 Madrid, The Hague and Lisbon Registration Systems	1	3	37	59	100	1	2	41	69	113	-	(1)	4	10	13
19 Patent Information, Classification and IP Standards	-	-	8	7	15	-	-	9	7	16	-	-	1	-	1
20 International Classifications in the Field of Trademarks and Industrial Designs	-	-	2	1	3	-	-	2	1	3	-	-	-	-	-
21 Arbitration and Mediation Services and Domain Names Policies and Procedures	-	-	8	5	13	-	-	8	5	13	-	-	-	-	-
22 Direction and Executive Management	2	7	13	4	26	1	3	17	6	27	(1)	(4)	4	2	1
23 Budget Control and Resource Mobilization	-	1	7	2	10	-	1	7	2	10	-	-	-	-	-
24 Internal Oversight	-	1	3	1	5	-	1	4	2	7	-	-	1	1	2
25 Human Resources Management	-	1	17	19	37	-	1	18	20	39	-	-	1	1	2
26 Financial Operations	-	1	8	21	30	-	1	9	23	33	-	-	1	2	3
27 Information Technology	-	1	33	12	46	-	1	35	15	51	-	-	2	3	5
28 Conference, Language, Printing and Archives	-	2	31	51	84	1***	1	29	47	78	1	(1)	(2)	(4)	(6)
29 Premises Management	-	1	7	17	25	1	1	11	17	30	1	-	4	-	5
30 Travel and Procurement	-	-	6	8	14	-	1	9	11	21	-	1	3	3	7
31 The New Construction	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Unallocated	-	-	-	-	-	-	8	5	-	13	-	8	5	-	13
TOTAL	7	44	417	467	935	8	43	438	500	989	1	(1)	21	33	54

* DDG and ADG may have more than one program under their supervision. However, for budgeting purposes, the post each of them occupies is shown under one program only.

** The Secretariat has undertaken to cease the practice of transferring individuals with their posts across programs upon completion of the desk-to-desk assessment. Pending the consideration and approval of any recommendations from this assessment, the internal redeployment of staff with their posts has continued on a selective basis. Accordingly, the end 2007 allocation of posts and related personnel costs by program may change compared to the table presented above.

*** A D2 post has been re-classified at ADG level for the period from December 1, 2006 to November 30, 2009, as per the decision of the Coordination Committee (WO/CC/54/3 Corr., paragraph 77(ii)).

[End of Annex IV and of document]