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**Program and Budget Committee**

**Twenty Fifth Session**

**Geneva, August 29 to September 2, 2016**

FINANCIAL MANAGEMENT REPORT FOR THE 2014/15 BIENNIUM

*prepared by the Secretariat*

1. The Financial Management Report (FMR) of the World Intellectual Property   
Organization (WIPO) for the 2014/15 Biennium is transmitted to the Program and Budget Committee (PBC) in accordance with Regulation 6.7 of the Financial Regulations and Rules (FRR) which requires that the FMR be transmitted to all the interested States.

2. It is to be noted that the FMR is not subject to an external audit.

3. The following decision paragraph is proposed.

*4.* *The Program and Budget Committee recommended to the Assemblies of the Member States of WIPO to approve the Financial Management Report for the   
2014/15 Biennium (document WO/PBC/25/11).*

[FMR for the 2014/15 Biennium follows]

World Intellectual Property Organization

**FINANCIAL MANAGEMENT REPORT FOR THE 2014/15 BIENNIUM**

**PREFACE**

2014/15 recorded increases in most income streams when compared with those of the previous biennium, despite global economic conditions which remained erratic and uncertain throughout the period.  With the exception of the Hague System, income streams exceeded budgeted amounts.

The Organization generated a surplus of 133.1 million Swiss francs against budget during the biennium. Expenditure against the amounts allocated from reserves for various projects totaled 40.3 million Swiss francs and IPSAS adjustments, made to align WIPO’s result on a budgetary basis to its result in accordance with IPSAS, amounted to 22.5 million Swiss francs. The overall result of the Organization was therefore a surplus of 70.3 million Swiss francs.

This financial management report shows the Organization’s results for the 2014/15 biennium by means of a comparison with the budget and with the results against budget for the previous biennium. It also gives details of the Organization’s financial performance during 2014/15 and of its financial position at the end of both 2014 and 2015 in accordance with IPSAS.



Francis Gurry

Director General

**Financial Management Report**

**2014/15**

This financial management report is expressed in Swiss francs and shows the financial results of WIPO and the unions administered by WIPO[[1]](#footnote-1)\*.

The first pages provide a summary of the results which show surplus income of 133.1 million Swiss francs (pre IPSAS) and also the situation of the different unions, as well as those of the reserves and the main provisions. This summary is followed by details of the financial performance of the Organization during the biennium and of its assets and liabilities at the end of both 2014 and 2015. In accordance with WIPO’s introduction of IPSAS in 2010, the Organization now produces a set of financial statements, which is subject to an external audit, for each year of the biennium. Copies of the audited financial statements, together with the accompanying reports from the External Auditor, are available as separate documents from the Organization.

The financial information is followed by details regarding the contributions for the 2014/2015 biennium. The distribution of 388 million Swiss francs to the Member States during the biennium under the Madrid and Hague Agreements is explained in a separate chapter.

For the sake of transparency, the trust funds allocated by the Member States have been treated as a fully-fledged entity, independent of WIPO’s accounts and are presented in a separate chapter.



Francis Gurry

Director General

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# KEY FINANCIALS AND OTHER PARAMETERS



# SUMMARY OF RESULTS BY UNION

The summary of the financial results by Unions, including the closing balances of the Reserves and Working Capital Funds (RWCF), is shown in Table 1 below.

The overall surplus on an IPSAS basis amounted to 70.2 million Swiss francs for the 2014/15 biennium. The total Reserves and Working Capital Funds amounted to 279.1 million Swiss francs at the end of the biennium.

## Table 1 Reserve and Working Capital Funds by Union at end 2015

*(in thousands of Swiss francs)*



*\*Any differences in numbers from the financial statements are due to rounding*

*\*\*Reserve and Working Capital Funds (RWCF)*

*\*\*\*The Madrid Union has assumed the financing of the Hague Union's contribution of 3 million Swiss francs to the IT Modernization Program of the Madrid and Hague registration systems. The amount will be reimbursed by the Hague Union to the Madrid Union as soon as the level of reserves of the Hague Union so allows.*

Table 2 below provides a comparison between the 2014/15 budgetary results and the 2014/15 Approved Budget by Unions. Of the five Unions, the PCT, Madrid and Contribution-financed Unions had budgetary surpluses, above the budgeted estimates. The Hague and Lisbon Unions ended the biennium with deficits which were lower than the projected deficits. The allocation of direct and indirect expenditure to the Unions has been carried out in line with the methodology adopted by the Assemblies of the Member States of WIPO as part of the approval of the 2014/15 Program and Budget (Annex III).

## Table 2 Income and Expenditure by Union in the 2014/15 Biennium (Budgetary Basis)\*

*(in thousands of Swiss francs)*



*\*Any differences in numbers from the financial statements are due to rounding*

The summary of Reserve-funded Special projects which were under implementation during the biennium 2014/15 is shown below in Table 3. The total remaining project balances at the end of 2015 amounted to 23.7 million Swiss francs. As per the recommendations of the External Auditor, the 2015 annual financial statements contain the presentation of a separate reserve for Reserve-funded Special Projects (Statement I of Financial Statements for 2015).

## Table 3 Reserve-funded Special Projects as of end 2015

*(in thousands of Swiss francs)*



# BUDGET

**2014/15 BUDGET**

The Program and Budget for the 2014/15 biennium was approved by the 52nd Series of Meetings of the Assemblies of the Member States in December 2013 (document A/52/6). The total budget was approved in the amount of 674.0 million Swiss francs of which personnel resources amounted to 447.0 million Swiss francs and non-personnel resources to 227.0 million Swiss francs. The Final Budget after Transfers amounted to 674.0 million Swiss francs, of which personnel resources amounted to 439.4 million Swiss francs and non-personnel resources to 234.6 million Swiss francs (Table 7).

**Transfers**

Transfers of financial resources across Programs during the 2014/15 biennium are summarized in Table 4. These transfers were made in line with Regulation 5.5 of the WIPO Financial Regulations and Rules which reads: “The Director General may make transfers from one program of the program and budget to another for any given financial period, up to the limit of five per cent of the amount corresponding to the biennial appropriation of the receiving program, or to one per cent of the total budget, whichever is higher, when such transfers are necessary to ensure the proper functioning of the services”. The main transfers across Programs in the 2014/15 biennium were as follows:

* Transfer of 3.5 million Swiss francs to Program 29 (New Conference Hall), exceptionally approved by the Assemblies of Member States of WIPO in October 2015 for the expenses related to the completion and closure of the New Conference Hall Project (document A/55/13).
* Transfer of 3.4 million Swiss francs to Program 25 (Information and Communication Technology), of which 3.0 million Swiss francs constituted non-personnel resources. The additional non-personnel resources were mainly to cover: (i) the implementation of a resilient infrastructure in the WIPO external offices; (ii) the procurement of licenses for enterprise content management and the configuration management database; (iii) the purchase of laptops to equip the WIPO CAM facility as a "hot site" in the case of a local emergency event; (iv) costs related to the study of identity access management; (v) the purchase of information security solutions for increased capabilities of protection and incident response; and (vi) the replacement of various IT equipment such as mobile phones, laptops and monitors.
* Transfer of net 2.2 million Swiss francs to Program 6 (Madrid and Lisbon Systems), including an increase in non-personnel resources by 2.6 million Swiss francs, offset by a reduction in personnel resources by 0.4 million Swiss francs. The additional non-personnel resources were primarily aimed at: (i) supporting the Madrid Reform Initiative, including the expansion of the Madrid Fellowship Program; (ii) the convening of a Diplomatic Conference for the Adoption of a Revised Lisbon Agreement on Appellations of Origin and Geographical Indications; (iii) supporting IT-related work; and (iv) funding additional delegates to the Assemblies of the Madrid and Hague Unions as a result of the growth of these Systems.
* Transfer of 1.9 million Swiss francs to Program 21 (Executive Management), including an increase in personnel resources by 1.0 million Swiss francs and an increase in non-personnel resources by 0.9 million Swiss francs. The increase in personnel resources was mainly due to: (i) the transfer of posts into the Program following the merger of events related activities with the protocol function, (ii) the establishment of a Business Continuity Coordinator role; and (iii) the strengthening of the Office of the Legal Counsel to meet the increasing demand for legal services. The increase in non-personnel resources was primarily due to additional requirements in support of enhanced effective engagement with Member States.
* Transfer of 0.5 million Swiss francs to Programs 3 (Copyright and Related Rights), 5 (The PCT System), 9 (Africa, Arab, Asia and the Pacific, Latin America and the Caribbean Countries, Least Developed Countries) and 14 (Services for Access to Information and Knowledge) for various Development Agenda Projects following their approvals by the CDIP. The overall Budget after Transfers for Development Agenda projects under the Regular Budget amounted to 2.1 million Swiss francs in the 2014/15 biennium.

Additional details on the transfer of resources by Programs are included in the Program Performance Report for the 2014/15 Biennium.

## Table 4 Approved Budget and Transfers by Program – 2014/15 Biennium.



## Table 5 Posts Report by Program for the 2014/15 Biennium



# EXPENDITURE

The overall expenditure on a budgetary basis for the 2014/15 biennium amounted to 642.6 million Swiss francs. This represents a utilization rate of 95.3 per cent against the approved budget of 674.0 million Swiss francs.

Table 6 below provides an overview of the 2014/15 Approved Budget, 2014/15 Final Budget after Transfers, 2014/15 Total expenditure and Utilization rates by Program. Detailed explanations on resource utilization by Program and by Expected Results are included in the Program Performance Report for 2014/15.

## Table 6 Budget and Expenditure Report by Program – 2014/15 Biennium

*(in thousands of Swiss francs)*



Table 7 below provides an overview of the 2014/15 Approved Budget, 2014/15 Final Budget after Transfers and actual expenditure by cost categories.

## Table 7 Budget and Expenditure Report by Program – 2014/15 Biennium

*(in thousands of Swiss francs)*



\*Any differences in numbers from the financial statements are due to rounding

\*\*In the financial statements bank charges are not included as part of operating expenses, but are separately disclosed within the line Finance costs

## Personnel Resources

Total personnel costs amounted to 423.9 million Swiss francs in the 2014/15 biennium. Total personnel costs were 5.2 per cent lower than the 2014/15 Approved Budget and 3.5 per cent lower than the 2014/15 Final Budget after Transfers.

Compared with the previous biennium, personnel expenditure in 2014/15 was 11.3 million Swiss francs, or 2.7 per cent, higher than personnel expenditure in the 2012/13 biennium (423.9 million Swiss francs vs. 412.6 million Swiss francs). This increase was primarily due to the impact of statutory increases, such as step increases, regularizations of continuing functions and an additional provision for the after-service employee benefits, including ASHI (After Service Health Insurance).

The 2014/15 Approved Budget contained provisions “for the use of the remaining 96 posts, within the framework of the utilization of the 156 regularization posts approved in principle by Member States at their Assemblies in 2010 (reference document WO/CC/63/5)”. Of the 156 regularization posts, 124  posts have either been filled or the competitions were ongoing at the end of 2015.

The table below shows the evolution of personnel expenditure by year from 2008. The spikes in 2013 and 2015 were due to one-off charges made in the last month of respective biennia for after-service employee benefits to enhance the coverage of the ASHI liability.

## Evolution of Personnel Expenditure by Year

Evolution of Personnel Expenditure by Year

*(in millions of Swiss francs)*



*\*Personnel expenditure is shown without Interns as per the classification of personnel expenditure in the 2014/15 biennium*

**Interns and WIPO Fellowships**

Overall expenditure for Interns and WIPO Fellowships amounted to 5.6 million Swiss francs in the 2014/15 biennium, i.e., 0.4 million Swiss francs, or 6.4 per cent, less than the 2014/15 Final Budget after Transfers.

**Travel and Fellowships**

Overall expenditure for Travel and Fellowships amounted to 26.1 million Swiss francs in the 2014/15 biennium, i.e., 5.6 million Swiss francs, or 17.6 per cent, less than the 2014/15 Final Budget after Transfers.

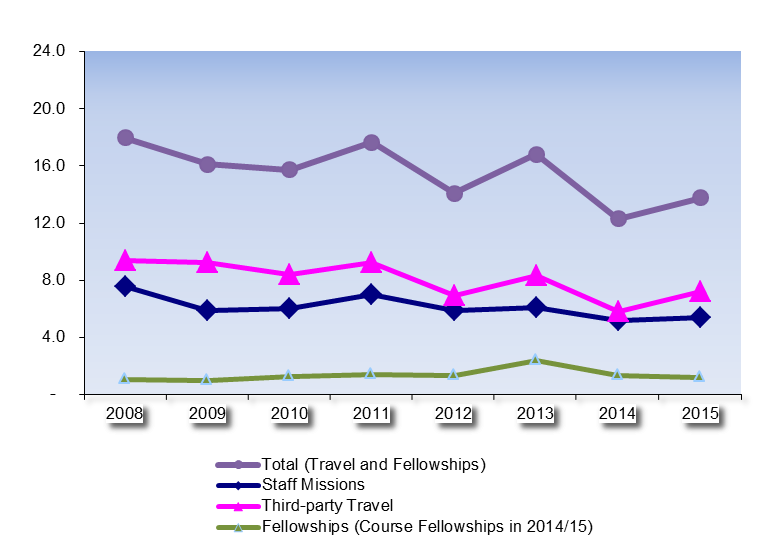
The lower expenditure was due to several factors, including: (i) lower average air ticket prices in the 2014/15 biennium resulting from the implementation of new technology travel tools, such as the Online Booking Tool; (ii) organization of more back-to-back events and activities in countries leading to lower travel costs; (iii) cancellation and postponement of some planned events/activities at the request of certain Member States, in particular under Program 9 (Africa, Arab, Asia and the Pacific, Latin America and the Caribbean Countries, Least Developed Countries); and (iv) no IGC sessions being held in 2015 due to the non-agreement at the WIPO General Assembly in October 2014 on an IGC work program for 2015. Programs with the largest savings under Travel and Fellowships included Program 9 (Africa, Arab, Asia and the Pacific, Latin America and the Caribbean Countries, Least Developed Countries), Program 5 (The PCT System), Program 3 (Copyright and Related Rights) and Program 4 (Traditional Knowledge, Traditional Cultural Expressions and Genetic Resources).

## Evolution of Travel and Fellowships by Year

Evolution of Travel and Fellowships by Year

*(in millions of Swiss francs)*





Overall expenditure for Travel and Fellowships in 2014/15 was 4.8 million Swiss francs, or 15.5 per cent, lower than the 2012/13 expenditure (26.1 million Swiss francs in 2014/15 *versus* 30.9 million Swiss francs in 2012/13).

## Contractual Services

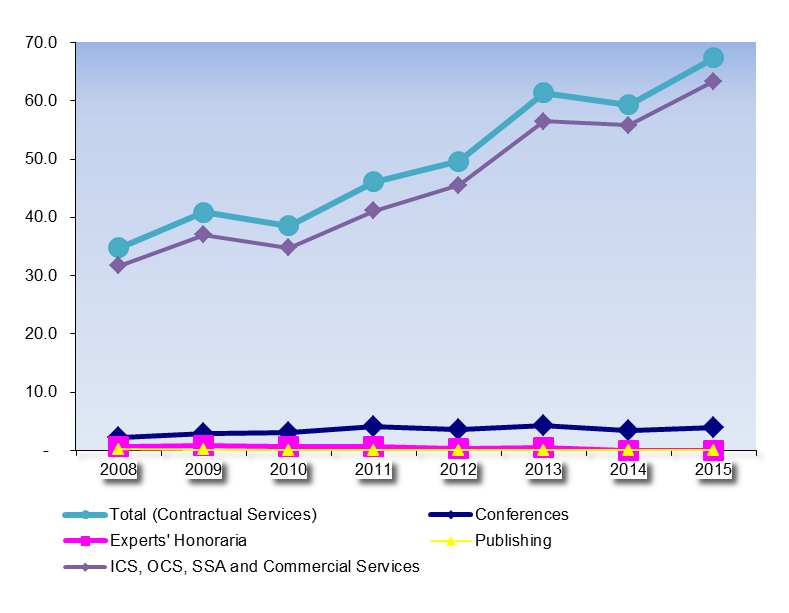
Overall expenditure for Contractual Services amounted to 126.7 million Swiss francs in the 2014/15 biennium, i.e., 8.9 million Swiss francs, or 6.6 per cent, less than the 2014/15 Final Budget after Transfers.

Programs with largest savings under Contractual Services were Program 5 (The PCT System), Program 25 (Information and Communication Technology) and Program 27 (Conference and Language Services). Most of the savings pertained to Individual Contractual Services and Other Contractual Services. The savings under Program 5 were primarily due to (i) lower translation costs and (ii) the postponement of the completion of certain PCT information system projects to the biennium 2016/17. The savings under Program 27 were mainly due to cost efficiency savings in the area of translation resulting from the re-negotiation of contracts with external translators and the use of CATT tools. The expenditure under Contractual Services in Program 25 was largely offset by an increase under Premises and Maintenance (rental and maintenance of ICT equipment).

## Evolution of Contractual Services Expenditure by Year

*(in millions of Swiss francs)*



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Overall expenditure for Contractual Services in 2014/15 was 15.6 million Swiss francs, or 14.0 per cent, higher than the 2012/13 expenditure (126.7 million Swiss francs in 2014/15 vs. 111.1 million Swiss francs in 2012/13). The increase was due mainly to (i) higher translation volumes in Program 5 (The PCT System), (ii) increased cost of IT infrastructure hosting at the UN International Computing Center (UNICC), (iii) additional expenditure in support of the Madrid Reform Initiative and (iv) additional resources for the development and support of software platforms for copyright Collective Management Organizations.

## **Operating Expenses**

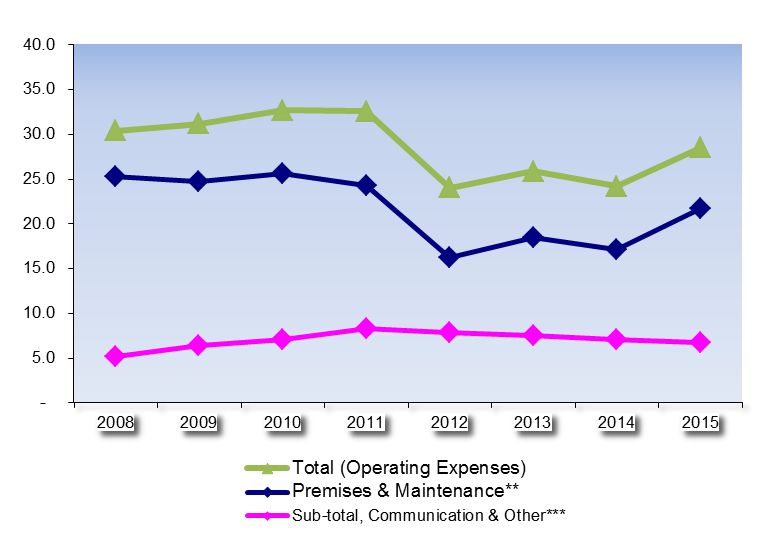
Overall expenditure for Operating Expenses amounted to 53.1 million Swiss francs in the 2014/15 biennium, in line with the 2014/15 Final Budget after Transfers.

## Evolution of Operating Expenses by Year

Evolution of Operating Expenses by Year

*(in millions of Swiss francs)*



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Overall expenditure for Operating Expenses in 2014/15 was 3.1 million Swiss francs, or 6.2 per cent, higher than the 2012/13 expenditure (53.1 million Swiss francs in 2014/15 vs. 50.0 million Swiss francs in 2012/13). Such increase was mainly due to the additional provision of 3.5 million Swiss francs under the regular budget exceptionally approved by the Assemblies of Member States of WIPO in October 2015 for the expenses related to the completion and closure of the New Conference Hall Project (document A/55/13), offset by lower communication and postage costs.

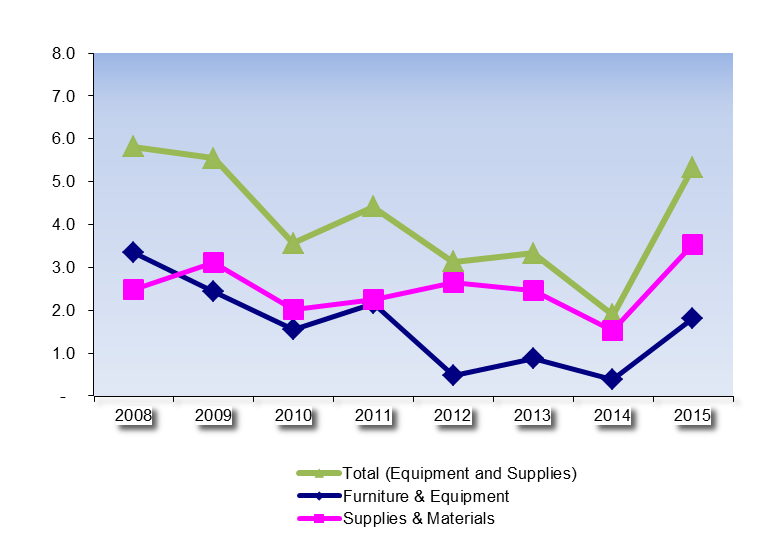
## ****Equipment and Supplies****

Overall expenditure for Equipment and Supplies amounted to 7.2 million Swiss francs in the 2014/15 biennium, i.e., 1.0 million Swiss francs, or 12.6 per cent, less than the 2014/15 Final Budget after Transfers. The Program with the largest savings under Equipment and Supplies was Program 24 (General Support Services), in the area of the provision of office furniture and supplies, as well as premises maintenance.

**Evolution of Equipment and Supplies Expenditure by Year**

*(in millions of Swiss francs)*



****

Overall expenditure for Equipment and Supplies in 2014/15 was 0.7 million Swiss francs, or 10.8 per cent, higher than the 2012/13 expenditure (7.2 million Swiss francs in 2014/15 vs. 6.5 million Swiss francs in 2012/13). The increase was mainly in relation to the purchase of ICT equipment, offset by lower costs on Supplies and Materials.

# INCOME

## Table 8 Income 2014/15 Biennium

*(in millions of Swiss francs)*



*The 2014/15 actual fee income for the Lisbon System amounted to 57 thousand Swiss francs, as compared to the budgeted estimate of 8 thousand Swiss francs.*

Overall income on a budgetary basis amounted to 775.7 million Swiss francs, an increase of 62.4 million Swiss francs, or 8.8 per cent, over the 2014/15 Approved Budget.

Income from assessed contributions amounted to 34.9 million Swiss francs, a reduction of 0.2 million Swiss francs, or 0.6 per cent, compared to the income estimates in the approved budget. This was the net result of the decrease in the contribution class of Belgium from III to IV and the increase in the contribution class of Samoa from S*ter* to S*bis*.

Fee income from the PCT System amounted to 597.2 million Swiss francs, an increase of 51.6 million Swiss francs, or 9.5 per cent, as compared to the budgeted estimate of 545.6 million Swiss francs. The number of international applications filed (IAs) with the PCT in 2014/15 was 432,318 IAs, i.e. a 2.3 per cent increase, as compared to the budgeted estimates for the biennium. Based on the latest figures, international applications under the PCT grew by 4.4 per cent in 2014 and by another 1.7 per cent in 2015.

Fee income from the Madrid System amounted to 121.5 million Swiss francs, an increase of 6.8 million Swiss francs, or 6.0 per cent, as compared to the budgeted estimate of 114.6 million Swiss francs. Madrid registrations and renewals amounted to 148,598 in 2014/15, representing an increase of 5 per cent as compared to the budgeted estimates. This was mainly attributable to the higher‑than‑budgeted number of renewals which exceeded the budgeted estimates by 11 per cent. The number of registrations increased by 2 per cent in the biennium as compared to the biennial budget.

Fee income for the Hague System amounted to 7.2 million Swiss francs, a decrease of 1.3 million Swiss francs, or 15.6 per cent, as compared to the budgeted target of 8.6 million Swiss francs. Hague registrations and renewals amounted to 12,181, i.e. 8 per cent lower than the budgeted estimate. This shortfall was mainly due to the lower number of registrations (by 9 per cent), offset by a 6 per cent increase in the number of renewals as compared to the biennial budgeted targets.

Increase in Miscellaneous income as compared to the budgeted estimates was primarily due to the positive currency impact of WIPO's financial transactions related to expenditure and the revaluation of WIPO bank assets as well as the positive impact of accounting adjustments in relation to prior years (cancellation of accruals).

# INVESTMENTS 2014/15

Prior to the introduction of negative interest rates in January 2015 by the Swiss National Bank, all of WIPO’s investments were made in accordance with the original Policy on Investments, as approved at the forty-ninth session of the Assemblies (document A/49/14) which took place in 2011. Once negative rates were introduced, the Organization continued to hold most of its investment cash with the Administration Fédérale des Finances (AFF) in accordance with the policy, and also started to hold monies in short-term deposits (no more than 35 days to maturity) with its principal banking partners. This was done in order to take advantage of facilities made available which enabled the Organization to place money at either zero or minimal positive interest rates and thus to avoid negative interest rates. The institutions involved did not meet the minimum credit rating required by the policy but at the same time it should be noted that it was no longer possible to place additional monies with the AFF.

Following the introduction of the revised policy, most of the Organization’s cash available for investment remained with the AFF pending its eventual withdrawal by December 2015, in compliance with a request received from the AFF. Other monies invested in zero or minimal interest rate deposits were placed with institutions which satisfied the revised minimum credit ratings specified in the new Policy on Investments. Following a request made by the Organization, the deadline for funds withdrawal has been extended by the AFF to December 2017.

## Financial Risks

WIPO has developed risk management policies in accordance with its Financial Regulations and Rules. The Organization is exposed to certain financial risks, including credit, interest rate, liquidity and foreign currency exchange risks. WIPO’s revised Policy on Investments divides the Organization’s available cash into three separate pools as follows:

*Operating* – cash required to meet daily operational requirements and to provide adequate liquidity as support to the minimum reserve target;

*Core* – the largest portion of WIPO’s cash to be invested over the medium term; and

*Strategic* – cash to be invested over the long-term to provide financing for the Organization’s After Service Health Insurance (ASHI) liabilities.

The acceptable risk profile differs between the three cash pools. For operating cash, the primary objective of the revised Policy on Investments is the minimization of risk while ensuring the liquidity necessary to meet cash flow requirements. Only when these two conditions are satisfied is the ability to generate a return on such monies considered. With regard to core cash, it is recognized and acknowledged that some risk must be assumed in order to achieve the investment objectives. Strategic cash is to be invested over the long-term in order to achieve capital growth and an overall positive return over time. Such investments will aim to preserve capital over the long-term, meet the liquidity requirements of the underlying liabilities and achieve an average return equal to or greater than the discount rate used to value the underlying liabilities. It is accepted that these objectives bring a certain level of risk and that it may not be possible to meet all of the objectives all of the time. All risk tolerance levels are determined and approved by the Director General based on recommendations from the Advisory Committee on Investments.

*Credit Risk*

Investments are held in banks with credit ratings A-2/P-2 (short-term) or A/A3 (long-term) or higher. Investments in corporate issuances with a short-term rating of A-3/P-3 or a long-term rating of BBB/Baa3 are also permitted. Accounts receivable are almost exclusively from Member States representing sovereign governments and therefore risks related to credit are considered minor.

*Interest Risk*

In the current environment of negative interest rates for Swiss francs, the Organization faces the risk of having its capital eroded by such rates. The Secretariat has carefully monitored cash balances and has established relationships with additional banks (thus acquiring additional facilities to avoid negative rates) in order to minimize this risk. The Organization does not use financial instruments to hedge interest rate risk.

*Liquidity Risk*

The Organization does not have significant exposure to liquidity risk as it has substantial unrestricted cash resources which are replenished from the results of its operations.

*Foreign Currency Exchange Risk*

The Organization is exposed to foreign currency exchange risk arising from fluctuations of currency exchange rates. To the maximum extent possible, short, medium and long term investments are managed by matching currencies held, forecast cash inflows and forecast disbursements by currency and period. The Organization does not use derivative financial instruments to hedge exchange risk.

## Table 9 Investments in 2014 and 2015







# FINANCIAL STATEMENTS

For each of the two years of the 2014/15 biennium, the annual financial statements of WIPO have been prepared in accordance with International Public Sector Accounting Standards (IPSAS).

**Presentation of Financial Information under IPSAS**

As IPSAS requires the preparation of annual financial statements, WIPO financial statements are prepared individually for each calendar year of the biennium. These annual financial statements are presented separately from the Financial Management Report, and for complete financial information of the Organization prepared in accordance with IPSAS requirements, reference should be made to the WIPO annual financial statements.

Under IPSAS, the financial statements include the following elements:

* Statement I Statement of Financial Position
* Statement II Statement of Financial Performance
* Statement III Statement of Changes in Net Assets
* Statement IV Statement of Cash Flow
* Statement V Statement of Comparison of Budget and Actual Amounts
* Notes to the Financial Statements

In the Financial Management Report, statements I-V are presented for the biennium 2014/15. Financial information is provided to give an understanding of the differences between the result of the Organization on a budgetary basis and the result of the Organization per the IPSAS financial statements. Other extracts from the annual financial statements also provide further details of the assets and liabilities of the Organization.

It should also be noted that presentation changes have been made to the comparative numbers as at December 31, 2013, in order to align them with the classification of items in the 2014 and 2015 financial statements.

## Statement I Statement of Financial Position

**STATEMENT I**

**STATEMENT OF FINANCIAL POSITION**

**as at December 31, 2015**

*(in thousands of Swiss francs)*



## Statement II Statement of Financial Performance

**STATEMENT II**

**STATEMENT OF FINANCIAL PERFORMANCE**

**for the biennium ended December 31, 2015**

*(in thousands of Swiss francs)*



## Statement III Statement of Changes in Net Assets

**STATEMENT III**

**STATEMENT OF CHANGES IN NET ASSETS**

**for the biennium ended December 31, 2015**

*(in thousands of Swiss francs)*



## Statement IV Statement of Cash Flow

**STATEMENT IV**

**STATEMENT OF CASH FLOW**

**for the biennium ended December 31, 2015**

*(in thousands of Swiss francs)*



*(1) – Excluding interest earned and interest paid on borrowings, and the effect of exchange rate changes on cash and cash equivalents.*

## Statement V Statement of Comparison of Budget and Actual Amounts: Revenue

**STATEMENT V**

**STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS: REVENUE**

**for the biennium ended December 31, 2015**

*(in thousands of Swiss francs)*

**

*(1) - represents the approved 2014/15 biennial budget.*

*(2) - represents the 2014/15 Final Budget after Transfers.*

*(3) - represents the difference between the 2014/15 Final Budget after Transfers and actual revenue on a comparable basis for the biennium 2014/15.*

## Statement V Statement of Comparison of Budget and Actual Amounts: Expense

**STATEMENT V**

**STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS: EXPENSE**

**for the biennium ended December 31, 2015**

*(in thousands of Swiss francs)*

*(1) – represents the approved 2014/15 biennial budget of 674.0 million Swiss francs, which was approved by the Assemblies of the Member States of WIPO on December 12, 2013.*

*(2) – represents the 2014/15 Final Budget after Transfers.*

*(3) –represents the difference between the 2014/15 Final Budget after Transfers and actual expense on a comparable basis for the biennium 2014/15.*

## Analysis of Statement of Financial Position

**ANALYSIS OF STATEMENT OF FINANCIAL POSITION**

**Movement in Net Assets (Reserve and Working Capital Funds)**

As at December 31, 2015, the Organization has net assets (or Reserves and Working Capital Funds - RWCF) on an IPSAS basis of 279.1 million Swiss francs. As a result of the surpluses in both 2014 and 2015, net assets have increased by 70.3 million Swiss francs from the balance of 208.8 million Swiss francs at the end of 2013. The table below summarizes the increase in net assets during the biennium 2014/15:

**Movement in Net Assets (RWCF) 2014/15**



WIPO’s Policy on Reserves was revised during 2015, and the changes included the creation of a separate reserve entitled Special Projects Reserve. This reserve is now presented separately in the financial statements. The Special Projects Reserve contains the appropriations to projects financed from reserves, less accumulated expenditure. Its balance of 23.7 million Swiss francs as at December 31, 2015, reflects amounts to be used for projects already approved.

## Summary of Assets and Liabilities

**SUMMARY OF ASSETS AND LIABILITIES**

The chart below provides a summary of the statement of financial position of WIPO as at December 31, 2015. Total assets of 977.0 million Swiss francs are composed primarily of cash and cash equivalents and fixed assets. Total liabilities of 697.9 million Swiss francs are principally payables and advance receipts, employee benefits and borrowings:

Summary of Assets and Liabilities December 31, 2015



As at December 31, 2015, the Organization has cash balances of 489.5 million Swiss francs, representing 50.1 per cent of total assets, although this includes amounts which are classified as restricted under IPSAS. The Organization holds significant fixed assets (land, buildings, investment property, intangible assets and equipment) with a total net book value of 417.8 million Swiss francs. Other assets of the Organization totaling 69.7 million Swiss francs include accounts receivable, inventories and advance payments. Within this, the most significant balance is PCT debtors totaling 40.9 million Swiss francs.

Payables (accounts payable and transfers payable) and advance receipts total 359.8 million Swiss francs, and principally include deferred revenue for PCT system fees of 217.1 million Swiss francs. Employee benefit liabilities of 171.5 million Swiss francs are mainly comprised of the After-Service Health Insurance (ASHI) liability of 137.2 million Swiss francs, while borrowings represent the FIPOI loan (19.6 million Swiss francs) and the BCG/BCV loan (90.4 million Swiss francs). Other liabilities totaling 56.6 million Swiss francs include 55.8 million Swiss francs of current accounts held on behalf of applicants and contracting parties.

The net current assets (current assets less current liabilities) of the Organization are 88.4 million Swiss francs as at December 31, 2015, representing a significant increase of 14.6 million Swiss francs compared to the balance at the end of the previous biennium.



**Cash and Cash Equivalents**



Total cash and cash equivalent balances have increased by 79.6 million Swiss francs between December 31, 2013 and December 31, 2015. The Organization continues to hold deposit accounts with the Swiss Federal Finance Administration (AFF). Following the implementation of new provisions by the AFF relating to the opening and keeping of deposit accounts, WIPO had been informed that from the end of 2015 it would no longer be able to hold deposits with them. However, following a request from WIPO this deadline was extended to December 15, 2017. Under the conditions of this extension WIPO cannot exceed the balance of its deposits held at the end of September 2015. The average interest rate on deposits held with the AFF was 0.421 per cent during 2014. In 2015, the interest rate was 0.150 per cent during January, and thereafter 0.000 per cent for the remainder of the year.

For the purposes of IPSAS presentation, cash balances are split between unrestricted and restricted. Restricted cash includes current accounts held for third parties. The Organization provides facilities for applicants under the PCT, Madrid and Hague systems to deposit funds to be used for future applications and renewals, and for certain contracting parties to transfer funds collected on behalf of the Organization. Also classified as restricted are fees collected on behalf of contracting parties to the Madrid Agreement and Protocol, Hague Agreement and on behalf of PCT International Searching Authorities by the WIPO International Bureau Receiving Office. In addition, the deposits received in connection with pending procedures related to trademarks, other than the portion estimated to represent advance receipts to the Organization, represent funds collected on behalf of third parties and are considered restricted funds.

The Organization holds funds allocated for the future financing of after-service employee benefit liabilities, including ASHI. Since 2014 these funds have been held in separate bank accounts and are classified as restricted. The balance of these funds held in separate bank accounts was 88.9 million Swiss francs as at December 31, 2015. During 2015 charges applied to the cost of posts for the funding of after-service employee benefits generated additional funds of 13.2 million Swiss francs. These funds will be transferred to the separate bank accounts in 2016.

Special Accounts held on behalf of donors of voluntary contributions are classified as restricted and are deposited in the currency in which expenditures will be reported, based upon agreements with donors.

**Fixed Assets**



The Organization recognizes equipment purchases as assets if they have a total cost above an established threshold of 5,000 Swiss francs.

The Madrid Union Building, which is classified under IPSAS as an investment property, is held at its fair value of 6.2 million Swiss francs as at December 31, 2015. The building was revalued during 2015, resulting in an increase of 1.4 million Swiss francs in its valuation.

Land surface rights have a net carrying amount of 25.6 million Swiss francs as at December 31, 2015. They continue to decrease by an annual amount of 0.4 million Swiss francs as they are amortized over a 78 year period. The Organization has capitalized externally acquired and internally developed software in the financial statements for a total net carrying amount of 3.4 million Swiss francs as at December 31, 2015.

Land and buildings have increased over the biennium to 380.5 million Swiss francs as at December 31, 2015. In 2014 and 2015, the Organization has capitalized costs relating to the construction of the New Conference Hall and Security Construction, and also costs relating to improvements to occupied buildings. The New Conference Hall was brought to use in 2014, and the Security Construction (including the New Access Centre, the Security Operations Centre and the Security Perimeter) was completed in 2015. These increases in the value of buildings and constructions have been partly offset by 16.1 million Swiss francs of depreciation over the biennium.

**Other Assets**



Other assets are principally PCT debtors, with a balance of 40.9 million Swiss francs as at December 31, 2015. This represents PCT applications which have been filed with receiving offices and possibly received by WIPO, but for which the corresponding fee payment has yet to be received by the Organization. Other debtors and prepayments as at December 31, 2015 are mainly comprised of balances relating to USA taxes reimbursable of 6.3 million Swiss francs. Advances are mainly advances to staff for education grants of 4.9 million Swiss francs.

Inventories include mainly publications and paper supplies for a total of 1.5 million Swiss francs as at December 31, 2015. Other non-current assets of 8.9 million Swiss francs as at December 31, 2015 represent amounts advanced by WIPO to the International Centre of Geneva Foundation (FCIG) related to the construction of a building on rue des Morillons in Geneva, Switzerland. WIPO has entered into an agreement to lease the building from FCIG, and in the financial statements part of the amount advanced to FCIG is treated as an advance payment of rent. The remaining balance represents WIPO’s loan to FCIG, and is measured at amortized cost (8.3 million Swiss francs as at December 31, 2015).

**Payables and Advance Receipts**



Transfers payable represent fees collected by the Organization on behalf of the contracting parties of the Madrid Agreement and Protocol and the Common Regulations of the Hague Agreement. The Organization’s PCT International Bureau collects funds from applicants to cover the cost of payments of International Searching Authorities. In addition, the Organization collects fees to be paid directly to mediators, arbitrators or panelists for cases treated through the Arbitration and Mediation Centre. The Organization holds these funds on a temporary basis until they are transferred to the final beneficiary in accordance with the various treaties and agreements administered by the Organization.

Advance receipts concern principally PCT system deferred revenue, with a balance of 217.1 million Swiss francs as at December 31, 2015. At this date it is estimated that approximately 155,534 applications had been filed which had yet to be published. Revenue from fees related to the processing of international applications (under the PCT, Madrid and Hague systems) is recognized when the application has been published. Revenue for additional page fees related to PCT applications is deferred until the related application is published. In addition, the part of the fees for PCT applications which covers the cost of translation of patentability reports not filed in the English language is deferred until the translation has been completed.

**Employee Benefits**



As can be seen from the table above, by far the most significant employee benefit liability for the Organization is ASHI, which represents 80.0 per cent of the total liability as at December 31, 2015. The ASHI liability has increased by 17.7 million Swiss francs over the biennium 2014/15, and this movement is detailed in the table below:



The liability is calculated by an independent actuary, and reflects the total future cost of WIPO’s share of collective medical insurance premiums for both existing WIPO retirees and the projected number of active WIPO staff who will retire in the future. The current service cost in the table above is the net impact of employee service performed for the biennium. The interest cost is the result of each member of the active staff moving closer to the age of eligibility for ASHI participation. The benefits paid out by the Organization during the biennium are the monthly contributions (currently 65.0 per cent of premiums) that the Organization makes for retirees participating in ASHI.

**Borrowings**



The Organization has borrowed funds (50.8 million Swiss francs and 8.41 million Swiss francs approved in 1977 and 1987 respectively) from the Foundation for Buildings for International Organizations (FIPOI) for the purpose of constructing its headquarters buildings in Geneva, Switzerland. These loans were originally subject to interest payments. However, in 1996 the Swiss Federal Department of External Relations agreed to waive any further payments of interest and the loans currently require the reimbursement of principal only.

In February 2008, the Organization entered into a contract with the Banque Cantonale de Genève (BCG) and the Banque Cantonale Vaudoise (BCV) to borrow 114.0 million Swiss francs, plus a possible supplementary amount of 16.0 million Swiss francs, to be used to finance part of the cost of the construction of the New Building available for use until February 28, 2011. The supplementary amount of 16.0 million Swiss francs was drawn down on January 27, 2011. The interest rate has been fixed at the Swiss franc Swap LIBOR for up to 15 years, plus a margin of between 0.30 per cent to 0.70 per cent dependent on the length of the term as determined by the Organization. Interest payments in the biennium 2014/15 totaled 6.1 million Swiss francs, with a weighted average interest rate of 2.60 per cent over that period. In addition to the payment of interest, the contract provides for an annual repayment of principal equal to 3.0 per cent of the total amount borrowed beginning on February 28, 2012 for the original loan of 114.0 million Swiss francs and the supplementary loan of 16.0 million Swiss francs. In November 2015 the Organization made the first of its scheduled lump sum repayments towards the loan for the amount of 24.0 million Swiss francs. A second lump sum repayment for 16.0 million Swiss francs was made in January 2016.

**Other Liabilities**

As part of its normal activities, the Organization is subject to litigation. A provision for legal costs is established for certain legal obligations where it is considered probable that a future settlement will be required. The amount of the provision has been estimated as closely as possible on the basis of information available. As at December 31, 2015, the provision for legal costs is 0.8 million Swiss francs.

The Organization provides facilities for applicants under the PCT, Madrid and Hague systems to deposit funds entitled “current accounts” for which the Organization acts as custodian pending the use of the funds to cover fees required to be paid in connection with individual applications and renewals. These funds are held until such time as specific applications are filed. On receipt of the application and authorization, the current account balance is reduced and the funds are considered deposits until the application has been registered.

In addition, the Organization maintains bank accounts in its name to provide a mechanism for certain contracting parties to transfer funds which these parties have collected on behalf of the Organization. Until such time as the contracting party informs the Organization that funds held in these accounts represent income belonging to the Organization, the balance remaining in the accounts is not recognized as revenue.

**Financial Position by Segment**

WIPO’s segment reporting is presented in a format which represents the various Unions as the segments that make up the Organization. A separate segment has been established for Special Accounts, representing voluntary contributions administered by WIPO on behalf of individual donors to carry out programs related to WIPO’s mandate.

Under IPSAS, WIPO is required to disclose segment assets and segment liabilities for each of the segments which make up the Organization. WIPO’s assets and liabilities, other than the Reserves and Working Capital Funds representing net assets, are owned by or are the responsibility of the entire Organization and not assets or liabilities of individual Unions or segments. The assets and liabilities generally support a wide range of service delivery activities across multiple Unions (segments). The only exception is the investment property in Meyrin which is owned by the Madrid Union. Therefore, individual assets and liabilities are not reflected in the disclosure of information for individual segments or Unions. Only the net assets, including the Reserves and Working Capital Funds, are shown by individual segment:



## Analysis of Statement of Financial Performance

**ANALYSIS OF STATEMENT OF FINANCIAL PERFORMANCE**

**Reconciliation of Budget Result to IPSAS Result 2014/15**

The budget result for the biennium 2014/15 was a surplus of 133.1 million Swiss francs, compared to a surplus of 70.3 million Swiss francs per the IPSAS financial statements. The chart below summarizes the principal differences between the two results:

Movement from Budget Result to IPSAS Result 2014/15



*Entity Differences*

The WIPO financial statements as prepared in accordance with IPSAS include all areas and activities of the whole Organization. The inclusion of the results before IPSAS adjustments for Special Accounts (deficit of 0.1 million Swiss francs) and Projects financed from reserves (deficit of 40.3 million Swiss francs) represent ‘entity differences’ between the budget result and the surplus per the IPSAS financial statements.

*Accounting basis differences*

The application of full accrual basis accounting in accordance with IPSAS leads to a number of ‘accounting basis differences’ which impact the result for the biennium. The net impact of these adjustments is a deficit of 22.4 million Swiss francs:

* Under IPSAS, revenue from voluntary contributions under Special Accounts is recognized as the conditions in the donor agreements are fulfilled and expense is incurred in line with the program of work. The resulting adjustment leads to an increase in the result for the biennium of 0.1 million Swiss francs.
* In applying IPSAS, revenue from fees is deferred until it is deemed to have been earned, which in the case of international applications is when final publication takes place. For PCT applications, a receivable is also recognized where an application has been filed but no fee has been received by the Organization. In addition, WIPO also recognizes deferred revenue relating to the financing of security constructions by the FIPOI. The total net impact of these adjustments is a reduction in revenue of 44.2 million Swiss francs. This is principally due to an increase in the balance of deferred revenue from fees (PCT, Madrid and Hague systems), which moved from 198.5 million Swiss francs as at December 31, 2013 to 219.2 million Swiss francs as at December 31, 2015. Over the same period, receivables from PCT fees fell from 62.4 million Swiss francs to 40.9 million Swiss francs.
* The result for the biennium on an IPSAS basis includes the depreciation expense of buildings and equipment and the amortization expense of intangible assets, as the cost of these assets is spread over their useful lives. The total cost of depreciation and amortization for the biennium was 20.1 million Swiss francs.
* IPSAS requires that employee benefits earned by staff but not yet paid be recognized as liabilities of the Organization. The IPSAS adjustments bring the total liabilities recognized in the financial statements into line with the IPSAS compliant calculations of these liabilities, including those prepared by external actuaries. Employee benefit liabilities recognized under IPSAS (After-Service Health Insurance – ASHI, repatriation grant and travel, accumulated annual leave, home leave, overtime and the Closed Pension Fund) increased by 20.5 million Swiss francs during the biennium. Under the Program and Budget, a 6.0 per cent charge is applied to the cost of posts for the funding of the provision for after-service employee benefits. Over the biennium, this charge generated a provision of 13.5 million Swiss francs, following deductions for after-service employee payments during the period (principally the Organization’s contribution for the ASHI premiums of retirees). At the end of 2015 a further charge of 2.0 per cent was applied to the cost of posts for the biennium, generating an additional provision of 7.1 million Swiss francs. As a result, the IPSAS adjustment required to bring employee benefit liabilities into line with IPSAS compliant calculations was 0.1 million Swiss francs, resulting in a corresponding decrease in expense.
* Under IPSAS, costs relating to the construction and improvement of buildings are capitalized. This reduces the expense for the year biennium 2014/15 by 36.5 million Swiss francs. Similarly, the acquisition of certain equipment and software is capitalized under IPSAS, further reducing the expense for the biennium by 3.6 million Swiss francs
* Other IPSAS adjustments concern an increase in the fair value of investment property (resulting in revenue of 1.4 million Swiss francs), a decrease in the allowance for receivables from assessed contributions (resulting in revenue of 0.7 million Swiss francs) and a decrease in inventories (resulting in an expense of 0.5 million Swiss francs). The net impact of these adjustments is an increase in the result for the biennium of 1.6 million Swiss francs.

**Revenue**

The chart below provides an analysis of revenue for the biennium 2014/15 on an IPSAS basis:

Composition of Revenue 2014/15 on an IPSAS Basis



IPSAS adjustments to revenue impact mainly PCT system fees due to movements in deferred revenue and debtor balances.

Detail of IPSAS Basis Revenue 2014/15



**Expenses**

The chart below provides an analysis of expenses for the biennium 2014/15 on an IPSAS basis:

Composition of Expenses 2014/15 on an IPSAS Basis



IPSAS adjustments to expenses are principally the capitalization of construction expenses (note that this impacts several expense categories including construction, operating expenses, personnel expenditure and contractual services) and the charge for depreciation and amortization.

Detail of IPSAS Basis Expenses 2014/15



**Financial Performance by Segment**

Under IPSAS, WIPO is required to disclose segment revenue and segment expenses for each of the segments which make up the Organization. Most revenue is accounted for by Union in WIPO’s accounts. Revenue from interest earnings has been allocated among the Unions based upon total cash reserves and current revenue in the biennium. Expenses are accounted for by program and then re-allocated to the various Unions based upon a methodology accepted by the WIPO General Assembly as part of the adoption of WIPO’s 2014/15 Program and Budget. Revenue and expenses related to Special Accounts are accounted for separately in the financial accounting system.

The only inter-segment charge represents the costs of program support incurred by the Unions in support of Special Accounts. Program support costs are charged to the Special Accounts based on a percentage of total direct expenditure specified in the agreement with the donor making the voluntary contribution.



## Statement of Financial Position by Source Of Funding

**STATEMENT OF FINANCIAL POSITION BY SOURCE OF FUNDING**

**as at December 31, 2015**

*(in thousand Swiss Francs*)



## Statement of Financial Performance by Source of Funding

**STATEMENT OF FINANCIAL PERFORMANCE BY SOURCE OF FUNDING**

**as at December 31, 2015**

*(in thousands of Swiss francs)*



# CONTRIBUTIONS AND WORKING CAPITAL FUNDS

## Table 10 and Table 10bis Contributions according to the unitary contribution system

*Basis for determining contributions*

Each Members State’s contribution is determined on the basis of the decisions taken in 2003 by the WIPO Conference and the competent Assemblies of certain Unions administered by WIPO in relation to the unitary contribution system (document A/39/15, paragraphs 166 and 167).

*Determination of contributions*

The amounts of the contributions for the 2014/15 biennium were approved on December 12, 2013, by the Assemblies of the Member States of WIPO and the Unions administered by WIPO (document A/52/6, paragraph 21).

*Table 10 Distribution of the total amount of contributions between the different classes for 2014*







*Table 10bis Distribution of the total amount of contributions between the different classes for 2015*





**OUTSTANDING CONTRIBUTIONS AS AT DECEMBER 31, 2015, AND ARREARS IN CONTRIBUTIONS OF THE LEAST DEVELOPED COUNTRIES (LDCS) HAVING A SPECIAL (FROZEN) ACCOUNT**















## Table 11 Contributions received in advance



## Table 12 Working Capital Funds as at December 31, 2015













1. The Paris Union Working Capital Fund was set up in 1978 and fixed at 2,000,000 francs (document AB/VII/23, paragraphs 301 and 302). Since this Union's assembly had decided to use the Working Capital Fund to cover the exceptional expenses of the Diplomatic Conference for the Revision of the Paris Convention (the 1980, 1981, 1982 and 1984 sessions and the preparatory and consultative meetings from 1984 to 1987), it also decided, at its 1983 session, to reconstitute the Working Capital Fund up to an amount of 2,000,000 francs (document P/A/VIII/3, paragraph 11.i). As a result, the Paris Union Working Capital Fund amounted, as at December 31, 2015, to 1,592,894.11 francs.

In 2015, the Assemblies of the Member States of WIPO, agreed that the Working Capital Funds of 2 million Swiss francs for the PCT Union be returned to the Member States of the PCT Union, through deductions from contribution invoices in the 2016/2017 biennium.

*2 T*he Locarno Union Working Capital Fund was set up in 1973 and fixed at 30,000 francs (document AB/IV/35, paragraph 152). Following the accession of the Netherlands and the withdrawal of the United States of America, the Locarno Union Working Capital Fund amounted, as at December 31, 2015, to 29,494 francs.

# DISTRIBUTION MADRID AND HAGUE

## Madrid Union ‑ Supplementary fees 2014

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## Madrid Union ‑ Complementary fees 2014





## Madrid Union ‑ Total of fees 2014



## Madrid Union ‑ Supplementary fees 2015





## Madrid Union ‑ Complementary fees 2015





## Madrid Union ‑ Total of fees 2015



## Protocol Relating to the Madrid Agreement – Individual fees – 2014

*I. Receipts*

In 2014, WIPO received the sum of 136,235,409 francs as individual fees under Article 8.7 of the Protocol Relating to the Madrid Agreement, of which 128,858,241 francs came from whole payments or the first part of the individual fee and 7,377,168 francs from the second part relating to the designations under Rule 34.3(a).

(A) The number of designations for which WIPO collected individual fees as whole payments or first part of the payment were as follows:



(B) The number of designations for which WIPO collected a second payment was as follows:



*II. Distribution*

Individual fees were credited to the account of the Contracting Parties with the International Bureau within the month following the one during which the recording of the international registration, subsequent designation or renewal for which that fee has been paid, was effected [Rule 38 of the Common Regulations]

4 From June 12, 2014

5 From December 1, 2014

Madrid Union - National processing fees - 2014

*I. Receipts*

In 2014, WIPO received the sum of 172,300 Swiss francs as national processing fees established by the Bureau(s) concerned for international registration applications sent during that year through the IRPI, the new means of electronic communication between the Contracting Parties of the Madrid Agreement and/or the Protocol relating to the Madrid Agreement and the International Bureau, which became operational in December 2013.

The number of international registration applications for which WIPO received a national processing fee was as follows:



National processing fees were credited to the account of the contracting parties with the International Bureau within the month following receipt of the international registration applications.

## Protocol Relating to the Madrid Agreement – Individual fees – 2015

*I. Receipts*

In 2015, WIPO received the sum of 164,302,792 francs as individual fees under Article 8.7 of the Protocol Relating to the Madrid Agreement, of which 156,675,562 came from whole payments or the first part of the individual fee and 7,627,230 from the second part relating to the designations under Rule 34.3(a).

(A) The number of designations for which WIPO collected individual fees as whole payments or first part of payment was as follows:



(B) The number of designations for which WIPO collected a second payment was as follows:



II. Distribution

Individual fees were credited to the account of the Contracting Parties with the International Bureau within the month following the one during which the recording of the international registration, subsequent designation or renewal for which that fee has been paid, was effected [Rule 38 of the Common Regulations].

7 From Thursday, March 5, 2015

**Madrid Union – National processing fees 2015**

*I. Receipts*

In 2015, WIPO received the sum of 236,484 Swiss francs as national processing fees established by the Bureau(s) concerned with international registration applications sent during that year through the IRPI, the new means of electronic communication between the Contracting Parties of the Madrid Agreement and / or the Protocol relating to the Madrid Agreement and the International Bureau, which became operational in December 2013.

The number of international registration applications for which WIPO received a national processing fee was as follows:



National processing fees were credited to the account of the contracting parties with the International Bureau within the month following receipt of the international registration applications.

8 As of March 13, 2015 and until August 6, 2015

## Hague Union – State and designation fees – 2014

**Fees collected**

In 2014, WIPO received the sum of 2,614,837 francs as standard designation fees under Rules 12.1(a)(ii) and 12.1(b) or as individual designation fees for international registrations partially governed exclusively by the 1960 Act or the 1999 Act under Rule 12.1(a)(iii); or, with regard to their renewal, as standard designation fees under Rule 24.1(a)(ii) or individual designation fees under Rule 24(1) (iii) of the Common Regulations of the Hague Agreement, in accordance with the scale of fees in force as of January 1, 2010



9 From July 1, 2014

## Hague Union – State and designation fees – 2015

**Fees collected**

In 2015, WIPO received the sum of 4,137,147 francs as standard designation fees under Rules 12.1(a)(ii) and 12.1(b) or as individual designation fees for international registrations partially governed exclusively by the 1960 Act or the 1999 Act under Rule 12.1(a)(iii); or, with regard to their renewal, as standard designation fees under Rule 24.1(a)(ii) or individual designation fees under Rule 24(1) (iii) of the Common Regulations of the Hague Agreement, according to the scale in force on January 1, 2010.



9 From Wednesday, May 13, 2015

10 From Wednesday, May 13, 2015

## Madrid and Hague Unions ‑ Distribution 2014

(amounts expressed in Swiss francs)

- International marks registration service (Madrid): supplementary and complementary fees, handling fees

- International industrial designs registration service (Hague): State fees and designation fees





## Madrid and Hague Unions ‑ Distribution 2015

(amounts expressed in Swiss francs)

*-* International marks registration service (Madrid): supplementary and complementary fees, handling fees

- International industrial designs registration service (Hague): State fees and designation fees





## Madrid and Hague Unions ‑ Recapitulation 2014-2015

(amounts expressed in Swiss francs)





# TRUST FUNDS

**Trust funds as at December 31, 2015**



**Trust funds as at December 31, 2015**

(amounts expressed in Swiss francs)



Note: Trust fund in the form of voluntary contributions (from the Australian, French, Norwegian, South African, Swedish and Swiss Governments, the Christensen Fund and New Zealand) aimed at facilitating the participation of the representatives of accredited indigenous and local communities in the work of the Intergovernmental Committee on Intellectual Property and Genetic Resources, Traditional Knowledge and Folklore.



Note: Trust fund in the form of a cooperation agreement between the Government of Australia and WIPO to promote the further development of intellectual property systems in least developed countries (LDCs) and developing countries.



Note: Trust fund in the form of a special financial contribution from the Government of Australia to WIPO for the organization of two seminars on intellectual property and genetic resources, traditional knowledge and traditional cultural expressions. The fund was closed in December 2015.



Note: Trust fund in the form of a technical cooperation agreement between the Government of Brazil and WIPO for the dissemination of intellectual property culture and the incorporation of best practices.



Note: Trust fund in the form of a technical cooperation agreement between the Government of Brazil and WIPO for the implementation of initiatives for South-South Technical Cooperation which aims to increase the capacity of developing countries in the use of intellectual property tools.



Note: Trust fund in the form of a UN agency to UN agency contribution agreement for organizing the training program for technology development negotiators from October to December 2015.



Note: Trust fund in the form of a technical cooperation agreement between the Government of Costa Rica and WIPO for the modernization of the patents and marks systems of the National Intellectual Property Office. The accounts and financial reports for this trust fund are kept in US dollars.



Note: Trust fund in the form of a cooperation agreement between the Government of El Salvador and WIPO for the modernization and strengthening of the national industrial property system. The accounts and financial reports for this trust fund are kept in US dollars.



Note: Trust fund in the form of an agreement between the European Community (EC) and WIPO intended for the modernization of the intellectual property system in Pakistan. The accounts and financial reports for this trust fund are kept in euros.



Note: Trust fund in the form of a cooperation agreement between the Finnish Copyright Society and WIPO in the field of activities related to the creative industries sector. The accounts and financial reports for this trust fund were kept in euros. The fund was closed in August 2014.



Note: Trust fund in the form of a cooperation agreement between the Finnish Ministry of Education and Culture and WIPO in the field of activities related to the creative industries sector. The accounts and financial reports for this trust fund were kept in euros. The fund was closed in August 2014.



Note: Trust fund in the form of a cooperation agreement between the Finnish Ministry of Education and Culture and WIPO covering copyright and the related rights sector. The accounts and financial reports for this trust fund were kept in euros. The fund was closed in May 2014.



Note: Trust fund in the form of a cooperation agreement between the Finnish Ministry of Education and Culture and WIPO covering copyright and the related rights system at the national level.



Note: Trust fund in the form of a voluntary contribution from the Government of France intended for the WIPO program of cooperation for development in the field of industrial property (Paris Union).



Note: Trust fund in the form of a voluntary contribution from the Government of Germany to provide WIPO with junior professional officers.



Note: Trust fund in the form of a technical cooperation agreement between the Technical Secretariat of the Ibero-American Program on Industrial Property and Promotion of Development and WIPO for the modernization and strengthening of the national industrial property systems in various Ibero-American countries.



Note: Trust fund in the form of a cooperation agreement between the Government of Italy and WIPO in the field of intellectual property promotion and the fight against counterfeiting and multimedia piracy.



Note: Trust fund in the form of a voluntary contribution from the Government of Italy to provide WIPO with a junior professional officer.



Note: Trust fund in the form of a voluntary contribution from the Government of Japan intended for the WIPO program of cooperation for development in the field of industrial property for Africa and the Least Developed Countries (LDCs).



Note: Trust fund in the form of a voluntary contribution from the Government of Japan intended for the WIPO program of cooperation for development in the field of copyright and related rights.



Note: Trust fund in the form of a voluntary contribution from the Government of Japan intended for the WIPO program of cooperation for development in the field of industrial property.



Note: Trust fund in the form of a voluntary contribution from the Government of Japan to provide WIPO with a junior professional officer until July 2014.



Note: Trust fund in the form of a voluntary contribution from the Government of Japan to provide WIPO with a junior professional officer since March 2015.



Note: Trust fund in the form of a cooperation agreement between the Government of Mexico and WIPO for the development and strengthening of the national industrial property system.



Note: Trust fund in the form of an agreement between the National Institute of Industrial Property of Portugal and WIPO intended for the development of joint cooperation activities for the benefit of Portuguese speaking countries. The accounts and financial reports for this trust fund are kept in euros.



Note: Trust fund in the form of a voluntary contribution from the Government of the Republic of Korea intended for the WIPO program of cooperation for development in the field of copyright and related rights.



Note: Trust fund in the form of a voluntary contribution from the Government of the Republic of Korea to provide WIPO with a professional officer to administer the Trust Fund/Republic of Korea/Copyright.



Note: Trust fund in the form of an agreement between the Korean Intellectual Property Office (KIPO) and WIPO, intended for the WIPO program of cooperation for development in the field of industrial property in developing countries and the Least Developed Countries



Note: Trust fund in the form of a voluntary contribution from the Government of the Republic of Korea to provide WIPO with professional officers.



Note: Trust fund in the form of an agreement between the Korean Intellectual Property Office (KIPO) and WIPO, intended for intellectual property education.



Note: Trust fund in the form of a voluntary contribution from the Government of the Republic of Korea to WIPO for building respect for copyright and related rights.



Note: Trust Fund in the form of a voluntary contribution from the Government of Spain intended for the WIPO program of cooperation for development in the field of industrial property in Latin American countries



Note: Trust fund in the form of a special financial contribution from the Government of Switzerland to WIPO for the funding of indigenous and local community representatives to participate in the WIPO seminar on intellectual property and genetic resources, traditional knowledge and traditional cultural expressions. This fund was closed in December 2015.



Note: Trust fund in the form of voluntary contributions from the private sector and public interest organizations, aimed at facilitating the access to copyrighted works by the visually impaired and persons with print disabilities.



Note: Trust fund in the form of a cooperation agreement between the United States Patent and Trademark Office (USPTO) and WIPO in the field of copyright in developing countries. The accounts and financial reports for this trust fund were kept in US dollars. The fund was closed in October 2014.



Note: Trust fund in the form of a cooperation agreement between the United States Patent and Trademark Office (USPTO) and WIPO in the field of enforcement of intellectual property rights. The accounts and financial reports for this trust fund were kept in US dollars. The fund was closed in January 2015.



Note: Trust fund in the form of a cooperation agreement between the United States Patent and Trademark Office (USPTO) and WIPO for services relating to the intellectual property needs of small and medium-sized enterprises. The accounts and financial reports for this trust fund were kept in US dollars. The fund was closed on May 2015.



Note: Trust fund in the form of a technical cooperation agreement between the Government of Uruguay and WIPO for the development of the national intellectual property system.

[End of document]

1. \* Paris Union (130th and 131st years), Berne Union (127th and 128th years), Madrid Union (123rd and 124th years), The Hague Union (89th and 90th years), Nice Union (57th and 58th years), Lisbon Union (56th and 57th years), WIPO (45rd and 46th years), Locarno Union (44th and 45rd years), IPC Union (40th and 41styears), PCT Union (37th and 38th years), TRT Union (35th and 36thyears), Vienna Union (29th and 30th years). [↑](#footnote-ref-1)