

Assemblies of the Member States of WIPO

Fifty-Seventh Series of Meetings Geneva, October 2 to 11, 2017

DRAFT GENERAL REPORT

prepared by the Secretariat

INTRODUCTION

1. This draft General Report records the deliberations and decisions of the following 21 Assemblies and other bodies of the Member States of WIPO (the “Assemblies”):

- (1) WIPO General Assembly, forty-ninth (23rd ordinary) session
- (2) WIPO Conference, thirty-eighth (23rd ordinary) session
- (3) WIPO Coordination Committee, seventy-fourth (48th ordinary) session
- (4) Paris Union Assembly, fifty-second (23rd ordinary) session
- (5) Paris Union Executive Committee, fifty-seventh (53rd ordinary) session
- (6) Berne Union Assembly, forty-sixth (23rd ordinary) session
- (7) Berne Union Executive Committee, sixty-third (48th ordinary) session
- (8) Madrid Union Assembly, fifty-first (22nd ordinary) session
- (9) Hague Union Assembly, thirty-seventh (21st ordinary) session
- (10) Nice Union Assembly, thirty-seventh (23rd ordinary) session
- (11) Lisbon Union Assembly, thirty-fourth (22nd ordinary) session
- (12) Locarno Union Assembly, thirty-seventh (22nd ordinary) session
- (13) IPC [International Patent Classification] Union Assembly, thirty-eighth (21st ordinary) session
- (14) PCT [Patent Cooperation Treaty] Union Assembly, forty-ninth (21st ordinary) session
- (15) Budapest Union Assembly, thirty-fourth (19th ordinary) session
- (16) Vienna Union Assembly, twenty-thirtieth (19th ordinary) session
- (17) WCT [WIPO Copyright Treaty] Assembly, seventeenth (8th ordinary) session

- (18) WPPT [WIPO Performances and Phonograms Treaty] Assembly, seventeenth (8th ordinary) session
- (19) PLT [Patent Law Treaty] Assembly, sixteenth (7th ordinary) session
- (20) Singapore Treaty [Singapore Treaty on the Law of Trademarks] Assembly, tenth (5th ordinary) session
- (21) Marrakesh Treaty [Marrakesh Treaty to Facilitate Access to Published Works for Persons Who Are Blind, Visually Impaired or Otherwise Print Disabled] Assembly, second (2nd ordinary) session.

meeting in Geneva from October 2 to 11, 2017, where the deliberations took place, and decisions were made in joint meetings of two or more of the said Assemblies and other bodies convened (hereinafter referred to as “the joint meeting(s)” and “the Assemblies of the Member States,” respectively).

2. In addition to this draft General Report, separate draft Reports have been drawn up on the sessions of the WIPO General Assembly (WO/GA/49/ Prov.), WIPO Conference (WO/CF/38/1 Prov.), WIPO Coordination Committee (WO/CC/74/ Prov.), Paris Union Assembly (P/A/52/1 Prov.), Paris Union Executive Committee (P/EC/57/1 Prov.), Berne Union Assembly (B/A/46/1 Prov.), Berne Union Executive Committee (B/EC/63/1 Prov.), PCT Union Assembly (PCT/A/49/ Prov.), Madrid Union Assembly (MM/A/51/ Prov.), Hague Union Assembly (H/A/37/ Prov.), Lisbon Union Assembly (LI/A/34/ Prov.), Singapore Treaty Assembly (STLT/A/10/2 Prov.), Nice Union Assembly (N/A/37/1 Prov.), Locarno Union Assembly (LO/A/37/1 Prov.), IPC Union Assembly (IPC/A/38/1 Prov.), Budapest Union Assembly (BP/A/34/1 Prov.), Vienna Union Assembly (VA/A/30/1 Prov.), WIPO Copyright Treaty Assembly (WCT/A/17/1 Prov.), WIPO Performances and Phonograms Treaty Assembly (WPPT/A/17/1 Prov.), Patent Law Treaty Assembly (PLT/A/16/1 Prov.) and the Marrakesh Treaty Assembly (MVT/A/2/2).

3. The list of the members and observers of the Assemblies, as of October 2, 2017, is set forth in document A/57/INF/1 Rev.

4. The meetings dealing with the following items of the Agenda (document A/57/1 Prov.4) were presided over by the following Chairs:

Items 1, 2, 3, 4, 5, 6, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 24, 25, 30 and 31	Ambassador Jānis Kārklīņš (Mr.) (Latvia), Vice-Chair of the WIPO General Assembly, as Acting Chair, and in his absence, Ambassador Juan Raúl Heredia Acosta (Mr.) (Mexico), Acting Vice-Chair
Items 7, 28 and 29	Ambassador Daniyar Mukashev (Mr.) (Kyrgyzstan), Chair of the WIPO Coordination Committee
Item 8	Ambassador Juan Raúl Heredia Acosta (Mr.) acted on an <i>ad hoc</i> basis as Chair of the WIPO Conference
Item 21	Sandris Laganovskis (Mr.) (Latvia), Chair of the PCT Union Assembly
Item 22	Nikoloz Gogilidze (Mr.) (Georgia), Chair of the Madrid Union Assembly

Item 23	João Pina de Morais (Mr.) (Portugal), Chair of the Lisbon Union Assembly
Item 26	Vancho Kargov (Mr.) (The former Yugoslav Republic of Macedonia), Chair of the Singapore Treaty Assembly
Item 27	Abdelsalam Al Ali (Mr.) (United Arab Emirates), Vice-Chair of the Marrakesh Treaty Assembly

5. An index of interventions by delegations of States and by Representatives of intergovernmental and non-governmental organizations mentioned in this report will be reproduced as an Annex to the final version of the present report. The agenda, as adopted, and the list of participants appear in documents A/57/1 and A/57/INF/4, respectively.

ITEM 1 OF THE CONSOLIDATED AGENDA

OPENING OF THE SESSIONS

6. The Fifty-Seventh Series of Meetings of the Assemblies was convened by the Director General of WIPO, Mr. Francis Gurry (hereinafter referred to as “the Director General”).

7. The sessions were opened in a joint meeting of all the 21 Assemblies and other bodies concerned by Ambassador Jānis Kārklīšs (Mr.) (Latvia), Vice-Chair of the WIPO General Assembly, who conducted the proceedings as Acting Chair in accordance with Rule 10 of the WIPO General Rules of Procedure, and following the decision by the forty-eighth session of the WIPO General Assembly that “in order to facilitate the transition to the new electoral cycle, the current officers of the 2016 WIPO General Assembly will preside over the 2017 WIPO General Assembly meeting” (document WO/GA/48/17, paragraph 18(iii)).

ITEM 2 OF THE CONSOLIDATED AGENDA

ELECTION OF OFFICERS

8. Discussions were based on document A/57/INF/1 Rev.

9. The Chair informed that in preparation of the Assemblies of WIPO he, together with the Regional Coordinators, had held a number of consultations and invited the Legal Counsel to announce the results.

10. The Legal Counsel announced that agreement had been reached on the election of most of the officers for the WIPO bodies and Assemblies and read out the names of those who were proposed to be elected, as well as their respective functions in the relevant WIPO Assemblies and other statutory bodies. The list has been incorporated in document A/57/INF/3 (annexed to the present report).

11. The Legal Counsel recalled that, in accordance with the Special Rules of the WIPO General Assembly, the term of office of the Chair and the two Vice-Chairs of the WIPO General Assembly would begin following the final meeting of the present session.

12. The Chair proposed to endorse the nominations already made by the Group Coordinators, as read out by Legal Counsel, and to proceed to further nominations and elections of the remaining officers at one point during the Assemblies later in the week. He pointed out that the current nominations covered most of the Assemblies and the Unions that would meet physically during the present Assemblies. He pointed out the need to endorse the elected officers so as to enable them to start preparations for their own meetings.

13. Seeing no objections from the floor, the Chair congratulated all the elected officers, and in particular welcomed Ambassador Duong Chi Dung (Viet Nam) as the new Chair-elect of the WIPO General Assembly.

14. The Chair-elect said that it was a great honor and a privilege to be elected Chair of the WIPO General Assembly for the 2018-2019 period. He thanked all Member States for the trust that they had placed in him and his country Viet Nam. He assured the WIPO General Assembly that in light of all the challenges that WIPO would face during the next biennium, he and his Vice-Chairs, His Excellency Mr. Tudor Ulianovschi and His Excellency Mr. Coly Seck, would do their utmost to cooperate closely with all Members States so that the Assembly's business would be smoothly conducted in the coming days. It was his firm belief that if Member States worked together in a spirit of consensus-building, tangible results would crown their endeavors.

15. The Chair wished him and his Vice-Chairs the best of luck and requested the Chair-elect to co-facilitate with him discussions on External Offices during these Assemblies.

16. Reverting to the agenda item later in the week, the Legal Counsel announced that Group Coordinators had reached consensus in respect of nominations for officers to be elected for a number of remaining positions, and read out their names as well as their respective functions in the relevant Assemblies and other statutory bodies.

17. The Chair proposed to endorse the remaining nominations made by the Group Coordinators as read out by the Legal Counsel, which was so agreed.

18. The Assemblies of WIPO, each as far as it is concerned, elected their respective officers as appears in document A/57/INF/3 (annexed to the present report).

ITEM 3 OF THE CONSOLIDATED AGENDA

ADOPTION OF THE AGENDA

19. Discussions were based on document A/57/1 Prov.4.

20. The Assemblies of WIPO, each as far as it is concerned, adopted the agenda as proposed in document A/57/1 Prov.4 (referred to in this document and in the documents listed in paragraph 2 above as "the Consolidated Agenda").

ITEM 4 OF THE CONSOLIDATED AGENDA

REPORT OF THE DIRECTOR GENERAL TO THE ASSEMBLIES OF WIPO

21. The Address of the Director General is recorded as follows:

“Your Excellency Ambassador Jānis Kārklīšs, Chair, WIPO General Assembly,
Honorable Ministers,
Your Excellencies the Permanent Representatives and Ambassadors,
Distinguished Delegates,

“It is a great pleasure for me to join the Chair of the WIPO General Assembly in extending a warm welcome to all delegations to the 2017 Assemblies. I thank the Member States for their support for the Organization, which is so apparent in the large participation in this meeting and in the extensive range of associated cultural and professional events that various Member States have generously agreed to sponsor throughout the week.

“I should like also to thank Ambassador Kārklīšs for his commitment throughout the past year, as Chair of the General Assembly, to the preparation of the 2017 Assemblies and to ensuring a positive outcome of the Assemblies. I take this opportunity also to thank the Chairs of the other governing bodies, committees and working groups for the time that they have made available and for their dedication in guiding the work of the Organization.

“I am pleased to report that the membership in the Organization has expanded to 191 States in the past year with the accessions of three new States, namely the Cook Islands, the Marshall Islands and Timor Leste. I extend a very warm welcome to these new Member States of WIPO.

“Like the membership of WIPO, the number of accessions to the various treaties administered by the Organization has grown in a very pleasing manner in the course of the past 12 months. A milestone will be reached this week by the Madrid System with the accession of Indonesia, which will become the 100th Contracting Party to the Madrid Protocol. The Madrid Protocol joins the WIPO Convention, the Paris Convention, the Berne Convention and the PCT to become the fifth treaty administered by the Organization with 100 or more contracting parties. Several other WIPO treaties have well over 90 contracting parties, bringing us closer to the goal of the Medium-Term Strategic Plan of having 12 WIPO treaties each with more than 100 contracting parties.

“The financial position of the Organization continues to be robust, with very positive results recorded for 2016, the first year of the current 2016-2017 biennium. We ended the year 2016 with an overall surplus of CHF 32 million, a result similar to the preceding year 2015, when a surplus of CHF 33 million was recorded. The results so far in the current year indicate that we may expect a comparable result again in 2017.

“The good results of the last several years have enabled us to build the net assets of the Organization to CHF 311.3 million as at the end of 2016, compared to CHF 279.1 million at the end of 2015. In particular, we have been able to increase the liquid component of net assets, moving the Organization towards the target set by the Member States of raising the reserves level from 22% to 25% of biennial expenditure.

“The draft Program and Budget for the 2018-2019 biennium is before these Assemblies for approval. We are projecting an increase in revenue of 10.4%, but have limited the proposed increase in expenditure to 2.7%. In particular, in line with consistent requests from Member States, we have contained the proposed increase in staff costs to 0.8%, which we consider to be an achievement in the context of the considerable growth in

demand for the services of the Organization. For the fifth consecutive biennium, we are not proposing any fee increases in the Global IP Systems, or any new staff posts.

“The positive and stable financial condition of the Organization has been driven by continually rising demand for intellectual property. We should also acknowledge, however, the role of the attractiveness and soundness of the Global IP Systems (the PCT, the Madrid System and the Hague System) that have been put in place over the life of the Organization. These systems provide the best means for managing the growing demand for intellectual property worldwide, as well as for obtaining effective intellectual property protection in the global market. They are the financial lifeblood of the Organization. But they do depend upon Member State participation. That participation is steadily increasing, with 152 contracting parties to the PCT, soon 100 to the Madrid System, and 52 to the latest Act of the Hague System. But there is still a long way to go, with important parts of the world absent. None of the systems has reached its full potential. I would urge all Member States to consider seriously the benefits of these systems and the possibility of joining them, if they have not already done so. In an Organization where Member State contributions account for only 4% of its revenue and the Global IP Systems account for 93% of the revenue, participation in the Global IP Systems represents a most welcome expression of engagement in, and commitment to, the Organization.

“Looking to the future, there are several features of the intellectual property landscape that I should like to mention that suggest potential orientations for the Organization in the medium and longer term.

“The first of those is innovation, which lies at the heart of the mission of intellectual property. Innovation has become a central element of the economic and industrial strategies of a wide spectrum of countries, not just the most advanced technologically, but also middle-income and other countries seeking to transform economies to a more sustainable basis of value addition. Its fundamental importance has been recognized in the Sustainable Development Goals (SDGs) in SDG 9. As a capacity and a strategy that applies to all sectors of the economy and society - agriculture, industry, the service and digital sectors and the creative industries - innovation provides an opportunity for the Organization to contribute to all the SDGs. In line with SDG 17, which seeks to encourage partnerships in order to strengthen implementation of the SDGs, we have several successful public-private partnerships. These contribute to the implementation of the SDGs in various ways – the Accessible Books Consortium, which contributes to quality education; WIPO Re:Search, which contributes to good health and well-being; various partnerships with scientific, technical and medical publishers, which contribute to innovation, quality education and several other goals; and WIPO Green, which contributes to climate action. On Tuesday of this week, we shall launch a new public-private partnership with the pharmaceutical industry, the Patent Information Initiative for Medicines, through which we shall make available data on the legal status of patents on medicines, which will assist in the efficient procurement of medicines and in determining freedom to operate.

“The Global Innovation Index (GII), which the Organization publishes annually with INSEAD and Cornell University, together with a number of knowledge partners, has established itself as the leading international reference for measuring innovation capacity and performance. It has also provided a basis for engaging with Member States that wish to use the Index as a means of improving their innovation capacity. We have successfully partnered with a number of developing countries in this way.

“Innovation is occurring at an accelerating speed, which is producing a number of challenges for institutional and governance frameworks throughout the world. Amongst them is the challenge confronting the judiciary of dealing with IP cases that throw up novel

questions as a consequence of technological changes that may not have been considered or dealt with by legislatures. We have noticed an increasing demand from Member States for engagement in respect of both the exchange of information amongst judiciaries and for capacity-building in jurisdictions that have been less exposed to intellectual property questions in the past.

“This development has opened a new orientation for the Organization, which has, throughout most of its life, traditionally been concerned with the executive administration of IP. We shall move to address these demands from Member States in a more systematic approach within the Secretariat to the judicial administration of IP. This will involve activities that might fall into the category of capacity-building, such as the distance-learning program being developed by the WIPO Academy for judges; the creation of a space for exchanges of best practices amongst judiciaries; and the use of information technology to increase the availability of information about judicial systems and decisions in the field of IP throughout the world. In this last respect, we have commenced an exercise with the Supreme People’s Court of China and with several countries in Latin America for making available leading decisions, with access being improved through the use of our artificial-intelligence-based machine translation system.

“We have made enormous progress over the past years in our global databases and information technology platforms for cooperation amongst offices in various areas such as office automation, statistics, the digital exchange of priority documents and the exchange of search and examination results. We believe that these have now matured into a WIPO Knowledge Network in which countries and offices share data, the Organization makes available those data in databases or through platforms, and knowledge products and services are developed either by the Organization, through our statistical or economic reports, for example, or by outside parties, since all data are made available under an open data policy. Building upon the good work that has already been done and further developing this knowledge network, such as through the exchange and availability of information about leading judicial cases in the field of IP, will create a global asset of great value to policy-makers, the academic, scientific and research communities, practitioners and the general public.

“A final area that I shall mention, where I believe that the Organization should commence to engage, although perhaps with baby steps, is the rapidly developing area of big data, the Internet of Things and artificial intelligence. The area has enormous implications and a multiplicity of dimensions, many of which lie well beyond the focus of intellectual property, and considerable care will need to be exercised to ensure that we do not stray from the mandate of the Organization. One focus of attention could be the increasing use of artificial intelligence and big data in IP administration. We have developed several applications - in translation, classification and image-searching - and a number of IP Offices are likewise working on different applications. In order to keep IP administration abreast of the latest technological developments, it would be useful if we develop mechanisms for sharing information about our respective work, as well as for taking advantage of each other’s work and avoiding duplication.

“A different side of the coin is the impact of the classical IP system on big data and artificial intelligence. In particular, how is the IP system performing in this area in the discharge of its basic mission of encouraging and diffusing innovation? There are many questions here and our knowledge base is only just developing. It may be useful to advance our common understanding of the questions through more international exchanges of information on developments and practices.

“I would like to thank once again the Member States for their support, which ensures the vitality and success of the Organization. I would like also to pay tribute to my colleagues, the staff of WIPO, for their dedicated and professional work. We have many very fine professionals in the Organization, who have contributed to excellent progress and some outstanding achievements.”

22. The Report of the Director General is available on the WIPO website (<http://www.wipo.int/publications/en/details.jsp?id=4207>).

ITEM 5 OF THE CONSOLIDATED AGENDA

GENERAL STATEMENTS

23. The Delegations and Representatives of the following 114 States, 3 intergovernmental organizations, and 10 non-governmental organizations made statements under this agenda item: Algeria, Angola, Antigua and Barbuda, Argentina, Australia, Austria, Azerbaijan, Barbados, Belarus, Benin, Botswana, Brazil, Brunei Darussalam, Bulgaria, Burkina Faso, Canada, Central African Republic, Chad, Chile, China, Colombia, Congo, Costa Rica, Côte d'Ivoire, Croatia, Cuba, Czech Republic, Democratic People's Republic of Korea, Democratic Republic of the Congo, Denmark, Ecuador, Egypt, El Salvador, Equatorial Guinea, Ethiopia, Finland, France, Gabon, Gambia, Georgia, Germany, Ghana, Greece, Guatemala, Guinea, Guinea Bissau, Holy See, Honduras, Hungary, Iceland, India, Indonesia, Iran (Islamic Republic of), Italy, Jamaica, Japan, Kenya, Kyrgyzstan, Lao People's Democratic Republic, Latvia, Lesotho, Liberia, Madagascar, Malawi, Malaysia, Mali, Mexico, Montenegro, Morocco, Namibia, Nepal, New Zealand, Nigeria, Norway, Oman, Pakistan, Paraguay, Peru, Philippines, Poland, Portugal, Qatar, Republic of Korea, Republic of Moldova, Romania, Russian Federation, Samoa, Saudi Arabia, Senegal, Serbia, Seychelles, Sierra Leone, Singapore, South Africa, Sri Lanka, Sudan, Sweden, Switzerland, Syrian Arab Republic, Thailand, Togo, Trinidad and Tobago, Tunisia, Turkey, Uganda, Ukraine, United Arab Emirates, United Kingdom, United Republic of Tanzania, United States of America, Viet Nam, Yemen, Zambia, Zimbabwe, African Regional Intellectual Property Organization (ARIPO), Patent Office of the Cooperation Council for the Arab States of the Gulf (GCC Patent Office), South Centre (SC), American Intellectual Property Law Association (AIPLA), Center for International Environmental Law (CIEL), Health and Environment Program (HEP), International Federation of Intellectual Property Attorneys (FICPI), International Federation of Library Associations and Institutions (IFLA), International Intellectual Property Commercialization Council (IIPCC), International Trademark Association (INTA), Knowledge Ecology International (KEI), North American Broadcasters Association (NABA) and Third World Network (TWN).

24. The Statements on this agenda item are included in Annex I.

ITEM 6 OF THE CONSOLIDATED AGENDA

ADMISSION OF OBSERVERS

25. Discussions were based on document A/57/2.

26. The Legal Counsel recalled that the Assemblies were being invited to consider applications by one intergovernmental organization (IGO), and one international and four national non-governmental organizations (NGOs), as listed in paragraph 4 of the document. However, the Delegation of Uganda had expressed reservations regarding the application by the Intellectual Property Centre (IPC), headquartered in Kampala, Uganda. The relevant

application listed in paragraph 4(c)(iii) of document A/57/2 should therefore be deferred to a future session of the Assemblies pending further consultations.

27. The Chair proposed to consider the remaining requests for observer status, which were so approved.

28. The Assemblies of WIPO, each as far as it is concerned, decided to grant observer status to the following:

(a) Intergovernmental Organization in category B (Intellectual Property Intergovernmental Organizations): Visegrad Patent Institute (VPI).

(b) International Non-Governmental Organization: Foundation for a Centre for Socio-Economic Development (CSEND).

(c) National Non-Governmental Organizations: (i) *Association congolaise pour le développement agricole* (ACDA); (ii) China Council for the Promotion of International Trade (CCPIT); (iii) New Zealand Institute of Patent Attorneys (Incorporated) (NZIPA); and (iv) School of Information Studies (SOIS), University of Wisconsin—Milwaukee.

ITEM 7 OF THE CONSOLIDATED AGENDA

APPROVAL OF AGREEMENTS

29. See the report of the session of the WIPO Coordination Committee (document WO/CC/74/8 Prov.).

ITEM 8 OF THE CONSOLIDATED AGENDA

COMPOSITION OF THE WIPO COORDINATION COMMITTEE, AND OF THE EXECUTIVE COMMITTEES OF THE PARIS AND BERNE UNIONS

30. Discussions were based on document A/57/3.

31. The Legal Counsel informed that consultations among Group Coordinators were ongoing concerning the Composition of the WIPO Coordination Committee and the Executive Committees of the Paris and Berne Unions, and proposed that the agenda item be deferred until such consultations were completed.

32. The Chair proposed to keep the agenda open and return to it as soon as possible.

33. Reverting to the agenda item later in the week, the Legal Counsel informed that following informal consultations among Group Coordinators, there was agreement on the composition of the three bodies concerned under the item. Referring to the working document, he explained that the new composition of the WIPO Coordination Committee was expected to consist of 87 members, an increase of the current membership of 83. However, in the absence of agreement as to how best to allocate the four additional seats, consensus among Groups was that the WIPO Coordination Committee would remain, exceptionally, at 83 members. He added that there was agreement that the allocation of the vacant seats should be considered and, in that context, consultations would be undertaken with a view to making a recommendation to the bodies concerned at their sessions during the Assemblies in 2018 on the allocation of the vacant seats at the Assemblies in 2019. The Legal Counsel drew the attention of the delegations to the informal document circulated, listing the 83 members proposed for the WIPO

Coordination Committee. The proposal consisted of the 41 countries nominated for membership in the Paris Union Executive Committee, 39 countries nominated for membership in the Berne Union Executive Committee, two *ad hoc* members designated by the WIPO Conference, and the host State as an *ex officio* member. He noted that the proposed composition of membership would take effect from the close of the present sessions of the Assemblies until the close of the 2019 sessions.

34. The Chair proposed the following decision paragraphs, which were so agreed:

35. The Paris Union Assembly unanimously elected the following States as *ordinary* members of the *Paris Union Executive Committee*: Algeria, Angola, Armenia, Australia, Austria, Belgium, Brazil, Canada, Chad, Chile, China, Costa Rica, Denmark, Djibouti, Egypt, El Salvador, France, Georgia, Germany, Iran (Islamic Republic of), Iraq, Kazakhstan, Kuwait, Lithuania, Luxembourg, Malaysia, Netherlands, New Zealand, Norway, Poland, Portugal, Senegal, Spain, South Africa, Thailand, Togo, Turkey, Uganda, United Kingdom, Uruguay, Venezuela (Bolivarian Republic of) (41);

36. The Berne Union Assembly unanimously elected the following States as *ordinary* members of the *Berne Union Executive Committee*: Argentina, Bangladesh, Burkina Faso, Cameroon, Colombia, Congo, Côte d'Ivoire, Cuba, Democratic People's Republic of Korea, Dominican Republic, Ecuador, Finland, Gabon, Guatemala, Hungary, Iceland, India, Indonesia, Ireland, Italy, Japan, Kyrgyzstan, Mexico, Morocco, Mozambique, Nigeria, Oman, Panama, Paraguay, Republic of Korea, Republic of Moldova, Romania, Russian Federation, Singapore, Sri Lanka, Sweden, United Arab Emirates, United States of America, Viet Nam (39);

37. The WIPO Conference unanimously designated the following States as *ad hoc* members of the *WIPO Coordination Committee*: Ethiopia, Eritrea (2);

38. The WIPO Conference and the Assemblies of the Paris and Berne Unions noted that Switzerland would continue to be an *ex officio* member of the *Paris Union Executive Committee* and of the *Berne Union Executive Committee*.

39. As a consequence, the WIPO Coordination Committee for the period October 2017 to October 2019 was composed of the following States: Algeria, Angola, Argentina, Armenia, Australia, Austria, Bangladesh, Belgium, Brazil, Burkina Faso, Cameroon, Canada, Chad, Chile, China, Colombia, Congo, Costa Rica, Cote d'Ivoire, Cuba, Democratic People's Republic of Korea, Denmark, Djibouti, Dominican Republic, Ecuador, Egypt, El Salvador, Eritrea (*ad hoc*), Ethiopia (*ad hoc*), Finland, France, Gabon, Germany, Georgia, Guatemala, Hungary, Iceland, India, Indonesia, Iran (Islamic Republic of), Iraq, Ireland, Italy, Japan, Kazakhstan, Kuwait, Kyrgyzstan, Lithuania, Luxembourg, Malaysia, Mexico, Morocco, Mozambique, Netherlands, New Zealand, Nigeria, Norway, South Africa, Oman, Panama, Paraguay, Poland, Portugal, Republic of Korea, Republic of Moldova, Romania, Russian Federation, Senegal, Singapore, Spain, Sri Lanka, Sweden, Switzerland (*ex officio*), Thailand, Togo, Turkey, Uganda, United Arab Emirates, United Kingdom, United States of America, Uruguay, Venezuela (Bolivarian Rep. of), Viet Nam (83).

40. The bodies concerned further decided that the Chair of the WIPO General Assembly will undertake consultations with Member States, with a view to making a recommendation to the bodies concerned at their sessions during the WIPO Assemblies in 2018, on the allocation of the vacant seats at the WIPO Assemblies in 2019.

ITEM 9 OF THE CONSOLIDATED AGENDA

COMPOSITION OF THE PROGRAM AND BUDGET COMMITTEE

41. See the report of the session of the WIPO General Assembly (document WO/GA/49/21 Prov.).

ITEM 10 OF THE CONSOLIDATED AGENDA

REPORTS ON AUDIT AND OVERSIGHT

(i) Report by the Independent Advisory Oversight Committee (IAOC)

42. See the report of the session of the WIPO General Assembly (document WO/GA/49/21 Prov.).

(ii) Report by the External Auditor

43. Discussions were based on document A/57/4.

44. On behalf of the External Auditor, Mr. Venkatesh Mohan, Additional Deputy Comptroller and Auditor General, delivered his report as follows:

“At the outset I would like to convey greetings and compliments from Mr. Rajiv Mehrishi, the Comptroller and Auditor General of India. It is my privilege to present to you today, on his behalf, the results of the external audit of the World Intellectual Property Organization (WIPO) for the financial period ended December 2016. I thank this august Assembly for giving me this opportunity.

“The audit of WIPO was assigned to the Comptroller and Auditor General of India for the financial years 2012 to 2017 in terms of approval of WIPO General Assemblies Fortieth (20th Ordinary) Session, Geneva, held in October, 2011. The scope of the audit is in accordance with Regulation 8.10 of the Financial Regulations and the Terms of Reference set out in the Annex II to these regulations.

“The audit was conducted in accordance with the International Standards of Auditing issued by the International Federation of Accountants and adopted by the Panel of External Auditors of the United Nations, its Specialized Agencies and the International Atomic Energy Agency; and in accordance with the Auditing Standards of the International Organization of Supreme Audit Institutions; and Regulation 8.10 of the Financial Regulations of the WIPO.

“Our Audit Report contains 24 recommendations. The recommendations were finalized after obtaining the response of Management on our audit findings. I am happy to report that WIPO has accepted most of our recommendations. Follow-up of open recommendations is an ongoing process and the implementation of the recommendations is being monitored periodically.

“In addition to expressing an opinion on the financial statements of WIPO, our audit coverage included areas on economy, efficiency and effectiveness of financial procedures, the accounting system, internal financial controls and general administration and management of WIPO. The areas covered by us in this cycle of audit were Performance audit of the Hague System; and Compliance audit of the Other Contractual Services.

“The audit of the financial statements for the financial period 2016 revealed no weaknesses or errors which we considered material to the accuracy, completeness and validity of the financial statements as a whole. Accordingly, we have placed an unqualified audit opinion on the WIPO’s financial statements for the financial period ended 31 December 2016.

“I shall now briefly dwell on the significant findings of our audits conducted during the year and our recommendations flowing from them.

“Regarding the important recommendations arising out of the Audit of Financial Statements, we reviewed outstanding Staff advances for education grants at the end of December 2016, and observed that 112 thousand Swiss francs were outstanding for more than one year, though all Staff members were required to submit their claim for final settlement within four months following the end of the school year or completion of schooling if earlier. We have, therefore, recommended that WIPO may take suitable action to adjust/recover the outstanding Staff advances for education grant within the scheduled time.

“As at 31 December 2016, WIPO had defined benefit obligation of 320.89 million Swiss francs towards ASHI. However, liability was recognized to the extent of 154.35 million Swiss francs only, leaving unrecognized amount of 166.54 million Swiss francs. In view of the significant un-recognized liability, action needs to be taken at the earliest to formulate a policy for implementation of IPSAS 39 which is going to replace the existing IPSAS 25. We appreciate the steps taken by WIPO for implementing new IPSAS 39 and encourage WIPO to apply this Standard for annual financial statements for the period beginning 1 January 2017.

“Regarding the important recommendations arising out of Audit of the Hague System, we conducted the performance audit of the Hague System to assess whether the systems and processes were adequate to meet the objective of providing premier global IP services to its customers pertaining to the brands and design sector.

“We observed that the target for expansion of the Hague System to cover 58 Contracting Parties to the Geneva Act could be achieved only partially, covering 51 Contracting Parties by October 2016. We have, therefore, recommended that the Management may consider having a more targeted strategy for expansion of the Hague System to developing countries and least developed countries by utilizing the budget allocation for ‘Wider and better use of the Hague System’.

“We observed that out of seven performance indicators for the biennium 2014/15, targets set in respect of three Performance Indicators were not achieved. We have, therefore, recommended that the Management may consider setting up more realistic targets, taking into account the factors outside its control, so that they can be pursued proactively.

“The Common Regulations did not provide any time-frame for completing examination of the applications. We noted that the processing of regular applications in 2015 has taken more time as compared to the previous year. We have, therefore, recommended that the Management may consider framing a time line for examination and processing of applications, as well as realistic enforcement of provisions for abandonment of applications, to introduce more accountability and promptness in the system.

“Even though there was significant revenue deficit over the years, fee structure of the Hague System has not been revised for over 20 years. We have, therefore, recommended that the Management may consider framing an actionable strategy early for

making the Hague System self-sufficient and may also consider placing a proposal in the Hague Union Assembly to revisit existing fee structure periodically.

“The IT Modernization Program was initiated to minimize operational risks, to derive benefits of a fully functional Design International Registries Information System and to enhance capacity of certain key fields to record sequenced document numbers which was due to hit its limit, imposed by the original design. We noted that the objectives of the IT Modernization project could not be fully achieved, even after eight years from start of the project. We have, therefore, recommended that the Management may consider devising a long-term IT strategy covering needed enhancements such as a higher degree of granularity and maintenance.

“Regarding the important recommendations arising out of Audit of Other Contractual Services, the compliance audit was conducted to assess whether the procurement activities in respect of the Other Contractual Services were performed in compliance with WIPO’s procurement policy, procedures in place and in accordance with good procurement practices.

“In case of alternative procedures of procurement, we noted that repeated exceptions may give rise to a situation where WIPO had to persist with the same vendor without reaping the benefits of competition in the market. Accordingly, the provisions of Office Instructions and Procurement Manual needed to be strengthened further by prescribing a maximum period of exceptions after which it should be mandatory to review the exceptions in its totality having regard to the market availability and conditions. We have, therefore, recommended that WIPO may expedite amendment of the Office Instruction and Procurement Manual to incorporate the maximum time period in cases which are exceptions to competitive tendering.

“On a comparative study of WIPO General Conditions of Contracts (WIPO GCC) with those of UN and other UN Agencies, we noted that certain common provisions were not available in WIPO-GCC. We have, therefore, recommended that WIPO may review the existing General /Specific Conditions of Contract and consider incorporation of clauses on non-waiver of rights, severability, most favored treatment, child labor, sexual exploitation, and fraud or corruption.

“We observed that though Key Performance Indicators were specified for the contracts, the same were not used effectively at the time of renewal of contracts to assess the vendor performance. Further, the method of evaluating the performance of supplier’s through Scorecards/Contract Extension Renewal Form, though initiated, was not robust enough to capture the specific parameters of performance. We have, therefore, recommended that WIPO may negotiate and agree upon appropriate performance criteria at the time contract is entered together with a commitment to continual improvement. Vendor Performance may also be an integral part of risk assessment and contingency planning in order to ensure that problems are addressed at the initial stage.

“We noted that, in cases of multiple contracts awarded as a result of single tendering process, there is scope for further negotiations with bidders who were low on technical parameters and high on financial cost parameters. We have, therefore, recommended that in cases of multiple suppliers emerging from a single tender process, WIPO may consider leveraging negotiations by exploiting the technical/commercial parameters in order to get the benefit of more competitive prices for WIPO.

“In conclusion, on behalf of the Comptroller and Auditor General of India and all my colleagues who were deputed to conduct the audit of WIPO, I wish to place on record our

appreciation for the cooperation and courtesy extended to us by the Director General, the Secretariat and the staff of the WIPO during our audit.

“I thank the Honorable Chair and the distinguished delegates for providing us the opportunity to present our report before you.”

45. The Delegation of India thanked the External Auditor of WIPO, the Comptroller and Auditor General of India, for the report contained in document A/57/4 on the financial statements of WIPO for the year 2016 ending on December 31. The Delegation found the report to be comprehensive and appreciated its submission in a timely manner, thus providing ample opportunity for Member States to examine and deliberate on it. The Delegation had carefully studied the observations and the various recommendations made by the External Auditor, as well as the responses of the WIPO Secretariat. The Delegation thanked the External Auditor for its consistent, meticulous work in making useful recommendations and it welcomed the steps taken by the WIPO Secretariat to implement these, thereby streamlining financial and human resource management. The Delegation considered that the monitoring of the implementation of the recommendations made by the External Auditor was an important part of the accountability process, adding that most of the recommendations made in the report were at various stages of implementation. The Delegation complimented the WIPO Management for its responses to the recommendations made by the External Auditor and for the measures taken for improvements in various areas. The Delegation urged the Secretariat to take action to implement the pending recommendations, especially on the operationalization and IT modernization project. The Delegation added that the current External Auditor of WIPO had also undertaken the External Audit of the World Health Organization (WHO), the International Maritime Organization (IMO), the International Atomic Energy Agency (IAEA) and the International Organization for Migration (IOM). The Delegation specified that its work had received worldwide praise and that the highest degree of professional standards, competence, credibility and trustworthiness of the Comptroller and Auditor General of India had been well recognized in its work with various United Nations bodies. The Delegation wished to place on record its appreciation for the diligent work of the External Auditor of WIPO and for the timely presentation of its report.

46. The Delegation of Nigeria thanked the representative of the Office of the Comptroller and Auditor General of India for its comprehensive report. In particular, the Delegation wished to express its appreciation for the professionalism and expertise with which the Office had served WIPO as the External Auditor over the six-year period.

47. The Assemblies of WIPO, each as far as it is concerned, took note of the “Report by the External Auditor” (document A/57/4).

48. The Director General thanked the Comptroller and Auditor General of India, in particular Mr. Mohan, the Additional Deputy Comptroller and Auditor General, for his presence at the Assemblies. The Director General also wished to extend his thanks to Mr. Rajiv Mehrishi, the new Comptroller and Auditor General of India. The Director General underlined the fundamental nature of the relationship between the External Auditor and the Organization, which allowed them to work in close collaboration with each other. As had been underlined by a number of delegations, the Director General wished to thank the External Auditor for the professionalism and rigor shown in approaching the task of auditing the Organization, which had greatly benefited from the advice that had been given by the External Auditor.

(iii) Report by the Director of the Internal Oversight Division (IOD)

49. See the report of the session of the WIPO General Assembly (document WO/GA/49/21 Prov.).

ITEM 11 OF THE CONSOLIDATED AGENDA

APPOINTMENT OF THE EXTERNAL AUDITOR

50. See the report of the session of the WIPO General Assembly (document WO/GA/49/21 Prov.).

ITEM 12 OF THE CONSOLIDATED AGENDA

REPORT ON THE PROGRAM AND BUDGET COMMITTEE

51. Discussions were based on documents A/57/5, A/57/6, A/57/7, A/57/8, A/57/9 and A/57/10.

52. The Chair noted that the item covered all matters relating to the Program and Budget Committee (PBC), except the reports on audit and oversight, discussed under Agenda Item 10. Six documents were considered under the present item, as stated in the agenda. As Member States were aware, the recent PBC session had made progress on all of its agenda items, and had taken decisions and adopted recommendations on most of the items submitted for its review. Nevertheless, as reflected in the document entitled, "List of Decisions Adopted by the Program and Budget Committee" (document A/57/5), discussions on budgetary matters (the Proposed Program and Budget for the 2018/19 Biennium and the Capital Master Plan for 2018-27) and on the Opening of New WIPO External Offices were not concluded. The Chair proposed that, as per past practice, these two outstanding matters would initially be set aside so that all the other matters that had been fully dealt with by the PBC could first be addressed. The two outstanding matters that had just been referred to would then be taken up later. Subject to the agreement of Member States, the Chair invited the Secretariat to briefly report on the results of the PBC, except on the two outstanding matters to which the Chair had referred.

53. The Secretariat reported that, as 2017 was a budget year, two sessions of the PBC had been held, namely the 26th Session in July and the 27th Session in September. The agenda had covered many items, including: Audit and Oversight matters; Program Performance and Financial Reviews; Planning and Budgeting matters; Progress Reports on Major Projects; and follow-up items from decisions of the 2016 Assemblies and previous sessions of the PBC. Member States had engaged very constructively throughout the sessions with the Secretariat and had taken note/recommended for approval by WIPO's Assemblies a number of items, as listed in document A/57/5: These items included: The progress report on the implementation of the Joint Inspection Unit's (JIU) recommendations; The Program Performance Report for 2016; Amendments to the Policy on Investments; The final Progress Report on the implementation of a comprehensive integrated Enterprise Resource Planning (ERP) system; Amendments to the Financial Regulations and Rules in respect of the Procurement Framework, WIPO's reporting practices, and other housekeeping amendments; A Progress report on the work of the Working Group on After-Service Health Insurance (ASHI) Liability; Governance issues; and the Annual Financial Report and Financial Statements 2016 and the Status of the Payment of Contributions. In this respect, the Secretariat drew attention to document A/57/INF/5 which provided the status of the Payment of Contributions as at September 1, 2017, and the further recent contributions which had been received up to October 1, 2017, from the following countries: Argentina, 27,310 Swiss francs; Bahrain, 5,697 Swiss francs; Gabon, 249 Swiss francs; Mali, 50 Swiss francs; Niger, 50 Swiss francs; and Trinidad and Tobago, 5,697 Swiss francs. The Secretariat further drew the attention of the Member States to the two draft reports of the 26th and the 27th Sessions of the PBC which had been published.

54. Before opening the floor to delegations, the Chair recalled that Member States had already engaged very constructively and positively, and had had ample opportunity to express their views on all these matters at the two PBC sessions held earlier that year. For the sake of efficiency and in order to move forward on the agenda, the Chair noted that delegations may refer to their interventions at the PBC, and that they could also submit full written statements to the Secretariat, that would be reproduced in their entirety in the report. The Chair also wished to remind Member States that, as per usual practice, it was not necessary to take the floor to endorse statements made by the Regional Coordinators, and thanked Member States for their understanding. The Chair then offered the floor to delegations on the matters covered by the Secretariat's presentation, that is, all PBC matters under this item except the two outstanding matters which would be taken up later as agreed; that is, budgetary matters (the Proposed Program and Budget for the 2018/19 Biennium and the Capital Master Plan for 2018-27) and the Opening of New WIPO External Offices. These matters would be addressed immediately afterwards. Further, the Chair reiterated that the reports on audit and oversight matters would be separately covered under Agenda Item 10, and so he did not expect statements on these matters at that stage. The Chair again thanked Member States for their understanding and opened the floor for comments. As there were no delegations who wished to take the floor, the Chair proceeded to the draft decision paragraph related to the matters just discussed, namely, all matters covered by the agenda item except the two outstanding matters which had been agreed to be left for later discussion. For all other PBC matters under the item, the Chair proposed the draft decision set out in paragraph two of document A/57/5, entitled "List of Decisions Adopted by the Program and Budget Committee", and read out the draft decision. As there were no objections, the decision was adopted.

55. In relation to all matters covered by Agenda Item 12, except for the proposed Program and Budget for the 2018/19 biennium, the Capital Master Plan for 2018-27 and the Opening of New WIPO External Offices, the Assemblies of WIPO, each as far as it is concerned:

- (i) took note of the "List of Decisions Adopted by the Program and Budget Committee" (document A/57/5); and
- (ii) approved the recommendations made by the PBC as contained in document A/57/5.

Proposed Program and Budget for the 2018/19 Biennium and the Capital Master Plan for 2018-27

56. The Chair then moved to consideration of the Proposed Program and Budget for the 2018/19 Biennium (document A/57/6) and the Capital Master Plan for 2018-27 (document A/57/9), and invited the Director General to introduce the documents.

57. The Director General stated that he would make some brief comments about the Proposed Program and Budget for the 2018/19 Biennium and the Capital Master Plan for 2018-27 which were, of course, key documents for the Organization. The Director General recalled that these two documents had been thoroughly reviewed by two sessions of the PBC, and he echoed the Chair's appreciation to all delegations for their extremely intensive engagement on these documents. The Director General noted that the document had been revised in light of all the decisions or suggestions that had so far been made and accepted by all Members of the PBC. On the Program and Budget, the Director General's comments would be very brief, given that it was a large and complex document. In terms of income, as Member States were aware, the Secretariat had estimated the income of the Organization would rise by some 10.9 per cent, taking revenue for the next biennium over the 800 million Swiss francs mark, for the first time. On the other hand, the Secretariat had limited the request to Member States for authorization of expenditure in the Program and Budget to a rise of 2.7 per cent, as compared to that of 10.9 per cent for income. The Secretariat considered this a considerable achievement. The Director General noted, in

particular, that no fee increase had been proposed, and recalled that this had been the case for several consecutive biennia. The Secretariat had also, particularly in the area of expenditure, limited the proposed increase in staff cost to 0.8 per cent and, once again, there was no request for any additional staff posts. That was the structure of the Proposed Program and Budget for the next biennium, with which Member States were already very familiar. Turning briefly to the Capital Master Plan, the Secretariat believed that this document was in conformity with the best practices of financial planning. It was a multi-year plan, but the specific request made to the Member States would be for an appropriation for the next period of two years. The Director General once again thanked delegations for their extensive review of that document, and for their endorsement, during the preceding two sessions of the PBC. He explained that the Capital Master Plan sought to address the challenge of keeping the Organization, in particular its Information and Communications Technologies (ICT) systems and its premises, fit for purpose, and that it addressed the areas of premises, safety, security, and ICT. The proposal outlined key projects to be undertaken in the next two years with a proposed budget of approximately 25 million Swiss francs. The Secretariat believed that the approval of these projects would reduce the need for reactive or emergency repair work on the physical premises, which would be likely to be much more expensive than if foreseen and planned in advance. It would also eliminate or mitigate risks particularly in the areas of safety, security, health and the environment. The Director General concluded by reiterating that these were the key documents for setting the program and the results that Member States would expect of the Organization in the course of the following two years.

58. The Delegation of Japan, speaking on behalf of Group B, thanked the Acting Chair of the PBC for having chaired the 26th and 27th sessions of the Committee. The Delegation took note that adoption of the Program and Budget for 2018/19 and the Capital Master Plan were not recommended to the Assemblies by the PBC, but remained hopeful that the remaining issues would be resolved during the Assemblies with the support of all Member States.

59. The Delegation of Senegal, speaking on behalf of the African Group, thanked the Acting Chair and Vice-Chairs of the PBC for their untiring efforts to find solutions acceptable to all on all the items of that Committee. The Group was particularly pleased by the fact that the Program and Budget for 2018/19 emphasized development and supported the Development Agenda (DA) recommendations and the Sustainable Development Goals (SDGs) contained in the 2030 Agenda. The Group supported the development activities of WIPO for the least developed countries (LDCs) and developing countries, especially in Africa, and especially as they related to capacity building and the transfer of technology so as to allow the beneficiaries to better profit from the global IP system. The Group reiterated its commitment to continuing to work constructively, together with all Member States, as it had already done in showing a great deal of flexibility to facilitate discussions on PBC items. The Group would honor all of its previous commitments, and would thus contribute considerably to making progress on many items. The Group recalled that it had, in this spirit, already stated at the 27th session of the PBC that it was prepared to recommend, to the WIPO Assemblies, adoption of the Program and Budget as it was submitted to the Assemblies, and to accept the proposed decision paragraph formulated by the Chair. However, the Group maintained its position that the convening of a diplomatic conference should not be dependent on any pre-condition, that, the Delegation believed, should be the subject of a decision by the WIPO General Assembly, on the basis of the recognized and well-established mechanisms prevalent in WIPO that every decision should be the subject of consensus by Member States. In light of what the Delegation had just stated, reference to pre-conditions in the decision paragraph would be superfluous. In conclusion, the Group hoped that the Program and Budget would be adopted during the present Assemblies, so that the Organization would have this precious tool for the implementation of its policies as soon as possible.

60. The Delegation of Georgia, speaking on behalf of the Central European and Baltic States (CEBS) Group, thanked the Acting Chair of the PBC for the two sessions of the Committee, and regretted that the Program and Budget for the 2018/19 Biennium had not been fully recommended to the Assemblies for approval. It retained hope that, with the constructive engagement of all

Member States, a consensus would be reached and the document would be adopted during the present Assemblies. It thanked all delegations for their efforts to reach agreement on the other issues during the previous PBC, including the language on the ICSC paragraphs.

61. The Delegation of China, speaking on behalf of Brazil, Russian Federation, India, China and South Africa (BRICS), hoped for the adoption of the Program and Budget for the 2018/19 Biennium during the Assemblies. Further, speaking in its national capacity, the Delegation of China recalled the thorough discussions on the Program and Budget which had taken place during the 26th and 27th sessions of the PBC, and thanked all the delegations for their active attitude and constructive method of work. The Delegation observed that the PBC had agreed on most parts of the Program and Budget, but that there were still a few remaining issues. It called on all delegations to be flexible so as to enable compromise on all remaining issues, so that the Program and Budget could be adopted to allow WIPO to function smoothly during the following two years.

62. The Delegation of the United States of America thanked the Secretariat for its work to revise and update document A/57/6 in the short time since the previous PBC meeting, and for its patient assistance to the Delegation throughout that period. However, the Delegation was not yet prepared to support approval of the Proposed Program and Budget without addressing the following three things: One, the Lisbon Union assuming the financial commitment to the Organization expressed in both the Lisbon Agreement and the Geneva Act of the Lisbon Agreement, that is, addressing its projected deficit. Number two, continued work on the allocation methodology of the budgets by Union, and three, appropriate language enshrining the principle that Member States all share in decision-making by consensus. In addition, as a procedural matter, the Delegation noted that it would not be in a position to adopt the budget without decisions having been taken on other matters related to the budget. As a result, the Delegation asked that the decision on the Proposed Program and Budget for the 2018/19 Biennium be held open until after decisions on Agenda Items 18 and 23 had been taken. The Delegation observed that its position was well known, and that it had a longer statement that it could give; many of those issues would be addressed during informal consultations. The Delegation directed the attention of Member States to its proposal, as contained in document A/57/10, which proposed decisions related to the Program and Budget and to the Capital Master Plan. It hoped that Members, as they had a chance to review these proposed decisions, would find them reasonable or, if they did not, the Delegation wanted to talk to them about it. The Delegation appreciated everyone's patience and attention, as these very important issues were dealt with.

63. The Delegation of Chile stated that approval of the budget was one of the issues of greatest importance during the Assemblies, because it would allow the Organization to continue its important work for the development of an international IP system that would be effective and well balanced, leading to innovation and creativity for the benefit of all. Hence, the Delegation believed that the Program and Budget for the 2018/19 Biennium should continue to support developing countries and LDCs through co-operation programs and capacity building to allow all countries to use IP for their economic, social and cultural development. The Delegation was ready to adopt the Program and Budget with the decision as submitted by the Acting Chair of the PBC, whom the Delegation thanked for her untiring efforts. However, the Delegation understood that, for some delegations, there were still some issues that needed to be resolved. The Delegation was prepared to find a pragmatic solution that would allow the work done by the two sessions of the PBC to be adopted. As far as it was concerned, the budget was very important for the possibility of opening an External Office in Latin America.

64. The Delegation of Brazil thanked the Acting Chair of the PBC for her tireless dedication which allowed considerable steps forward to be made during the previous two PBC sessions. The Delegation stressed the excellent financial situation of WIPO, with a surplus of 32 million Swiss francs in 2016, and with 387.7 million Swiss francs as total revenue. It noted that a great deal of effort had gone into producing these very good results. The Delegation further recalled that, in the two PBC sessions that had been held that year, a preliminary agreement on the program of

activities had been reached for the next biennium. It acknowledged that there were some pending issues that needed to be dealt with at the Assemblies, and it hoped that agreement could be reached by the end of the meeting. The Delegation believed that integrating the DA into all of WIPO's activities was essential. The DA was an important step forward for the Organization and continued to be a priority. It reiterated that the WIPO budget needed to reflect the priorities of the DA, as accepted by Member States. With regard to the UN SDGs, it was not clear to what extent WIPO had included these Goals in its strategic plan. The Delegation stated that future WIPO proposals for the Program and Budget would need to provide more detailed information on each Program with regard to the implementation of the SDGs. Having said that, the Delegation supported the approval of the Program and Budget as contained in document A/57/6. The Delegation would continue to examine all of the issues before the Assemblies in a constructive way.

65. The Delegation of Iran (Islamic Republic of) commended the efforts made by the Acting Chair, all Member States and the Secretariat during the previous two sessions of the PBC. The Delegation observed that transparency, clarity and openness in WIPO and, in particular, in the budgeting process were of the utmost importance. The Delegation wished to see the adoption of WIPO's budget as it supported innovation and creativity for the economic, social and cultural development of all countries through a balanced and effective international intellectual property (IP) system. To achieve this objective, the Delegation stated that clear road maps of initiatives that effectively addressed the challenges were necessary. With regard to the proposal contained in document A/57/10, it thanked the Delegation of the United States of America for tabling the proposal. However, at the outset, the Delegation wished to express its concerns with regard to some elements of the proposal. As already stated on other occasions, the Delegation was not in favor of setting up any pre-conditions for funding, or for allocating financial resources to, a potential diplomatic conference during the following biennium. While the Delegation recognized consensus as the only and long-standing decision-making principle in all WIPO bodies and Committees, it was not in a position to support the proposed paragraph. Further, the Delegation believed that all Unions administered by WIPO, whether fee-funded or contribution-financed, should be treated equally. It did not see such an approach in the proposal submitted by the United States of America.

66. The Delegation of Switzerland stressed that it was important for WIPO to have an adequate budget, to fulfill its essential role for the protection and promotion of IP at the global level. The Delegation regretted that the PBC was not able to reach agreement on the Program and Budget for the 2018/19 Biennium. As far as it was concerned, the Delegation recalled that it had supported approval of the Proposed Program and Budget as it was submitted, and that it would continue to do so. That was why it called upon Member States who had expressed reservations about the budget to make every effort to secure its adoption during the current session of the Assemblies. In the Delegation's view, reasonable and pragmatic solutions that did not call into question WIPO's unitary system of operation, and did not jeopardize its future, must be found. As it had stressed many times in the past, there were principles as regards the budget that were very important to the Delegation. It recalled that WIPO was responsible for carrying out a very broad range of activities, of which the Delegation gave some examples: registration systems for patents, trademarks, industrial designs and geographic indications; capacity building and technical assistance; awareness raising and the promotion of knowledge of IP; and, of course, norm-setting activities, where important work was underway. Member States of the Organization had the responsibility and duty to create an enabling environment for WIPO to implement these activities. To do that, it was necessary to adopt a Program and Budget that provided the necessary resources for those activities. The Delegation urged Member States to bear in mind a fundamental principle, which was the unitary principle of WIPO in budgetary matters. In the Delegation's view it was crucial to refrain from calling this principle into question as it was the bedrock on which the proper functioning of the Organization rested. The Delegation also observed that many of the activities of the Organization mentioned did not make a profit and, indeed, the majority of them could be described as being in deficit. It was the unitary principle that meant that these activities

could be carried out whether or not they were profitable. The Delegation was convinced that the whole spectrum of activities performed by WIPO was important. Of course, Member States had different priorities and varying interests in one activity or another; however, this did not impair the legitimacy of all those activities, and therefore the financial resources necessary to implement them must be made available. This was what the Delegation understood by the unitary nature of WIPO, and it reiterated its belief that this was fundamental to the Delegation. Turning to the Capital Master Plan, the Delegation welcomed the Secretariat's proposal and expressed its appreciation to the Secretariat proposing an approach that took into account, and planned for, the long term. In the Delegation's view the investments for a resilient and secure platform for the PCT were important to ensure the smooth functioning of the PCT System and the availability of its services in the event of unforeseen circumstances, and to meet the challenges posed by unfortunately ever more frequent cyber-attacks. With regard to the planned investments for the Madrid System, the Delegation thought these were essential to ensure that the System could provide efficient and high-quality services to its users. This unique platform would facilitate the work of Trademarks Offices in Member States, and the Delegation encouraged the Secretariat to launch the design stage quickly, as envisaged in the proposed Capital Master Plan. The Delegation supported the life cycle approach to managing facilities and equipment, and believed that it was essential to engage in essential maintenance work or the replacement of worn-out assets to prevent any risks associated with the safety and the defectiveness of those assets, and, as the Director General had stated, doing this work in a proactive and forward-looking manner would reduce the Organization's expenditure in the long run. The Delegation assured Member States that it was prepared to find solutions to all of these outstanding issues at the present session of the Assemblies.

67. The Delegation of South Africa aligned itself with the statement of Senegal on behalf of the African Group. The Delegation commended WIPO on its healthy financial situation, as well as on the unqualified audit opinion of the Auditor General, which augured well for the good financial management of the Organization. The Delegation was regretful that an agreement could not be reached on the adoption of the budget in the last two PBC meetings, and hoped that this would be achieved in the current session of the Assemblies, to enable the smooth operation of the Organization, including the implementation of the Capital Master Plan. The Delegation reiterated its belief that one of the key results of the budget process should be the integration of a development oriented vision for IP and, as such, the suggested WIPO key performance areas should be clearly aligned with that goal. The Delegation commended the attempts to integrate the DA into the results framework; however, it believed that there was still room for improvement. The Delegation looked forward to the adoption of the budget in the current meeting.

68. The Delegation of France echoed the statement made by the Delegation of Switzerland. Further, the Delegation wished to clarify the basic lines which it intended to follow with regard to the discussions on the Program and Budget and the Capital Master Plan during the Assemblies. The Delegation stated that it could accept the Capital Master Plan and the Program and Budget, as they had been proposed by the Secretariat. It was important to point out that, from the programmatic and budgetary point of view, the considerable financial achievements recorded each year by WIPO should encourage Member States to pursue reforms aiming to reinforce the unity of the Organization and solidarity between the Unions. Whether speaking of the PCT System, the Madrid System, the Hague System, or the Lisbon System, each System had treaties administered by WIPO, and participated in the objectives of the Organization, as stated in Article 3 of its constitutive Convention of 1967. Therefore, the Delegation was very much attached to the principle of solidarity, which had ensured, for many years, the good development and functioning of WIPO and of its Unions. The Delegation would not accept that the unitary functioning of the Organization, and in particular the allocation of indirect expenses to the different Unions based on their capacity to pay, be questioned. This budgetary method, which allowed, notably, for an appropriate allocation of cooperation activities for the benefit of developing countries was, and would continue to be, for the Delegation, the cornerstone of the Organization. Having reaffirmed the guidelines for its position, the Delegation confirmed that it was more than happy to engage at

the 57th series of meetings in a constructive debate on the Program and Budget and the Capital Master Plan.

69. The Delegation of the United States of America expressed its view that one of the cornerstones of the Organization was that some Unions existed before WIPO was established, and those fee-financed Unions had a different commitment to the Organization than the contribution-financed Unions. After WIPO was created, continued the Delegation, more recently, the Working Group on Constitutional Reform had issued a report in 2003 with a recommendation, which was adopted by the WIPO Assemblies, to formalize the unitary contribution system in the relevant WIPO treaties. The unitary contribution system at WIPO, as a result, included the contribution-financed Unions having a single budget between them, while each registration system had a separate budget. The Delegation added that the WIPO members had previously considered and decided against a unitary budget so as to allow the fee-financed Unions to retain independent decision-making authority, that is, independent of the Organization as a whole. The Delegation stated that each Union was therefore not treated the same, in response to the statement made by the Delegation of Iran (Islamic Republic of). The unitary contribution did not fund the registration Unions, which were the PCT, Madrid, the Hague and Lisbon Unions. The PCT and the Madrid Agreement, like the Lisbon Agreement, required each Union to have a budget and to have income that would normally be sufficient to cover expenses. The unitary contribution system funded only the contribution-financed Unions such as Locarno, Nice, Budapest, and so on. The Delegation stated that its support for the unitary contribution system was therefore not inconsistent with requiring each registration Union to fulfill its obligation towards covering its own costs. The rationale for the unitary contribution system had originally been one of administrative convenience and facilitation of accession to the contribution-financed Unions by developing countries. The Delegation considered that such a rationale still remained valid with regard to those contribution-financed Unions; however, it did not justify the diversion of funds from one fee-financed Union to another, without the consent of the members of the other Unions.

70. The Delegation of Italy stood ready to approve the Program and Budget and the Capital Master Plan as presented by the Secretariat. The Delegation considered the documents to be balanced and in line with WIPO's main principles. Like the Delegations of Switzerland and France, the Delegation attached the greatest importance to the principle of solidarity and to the unitary approach of the budget. In the view of the Delegation, these principles were at the basis of the Organization in order to meet the needs and the interests of all Member States in all different geographical areas with respect to all different intellectual property rights (IPRs).

71. The Delegation of Indonesia, speaking in its national capacity, echoed many of the statements made by delegations before it, and also stood ready to approve the Proposed Program and Budget as it had been revised by the Secretariat based on the 26th and 27th sessions of the PBC. The Delegation was also of the view that the principle of solidarity and the unitary contribution system should not be abandoned, in order to ensure that all of WIPO's important programs and activities were taken care of, and so as to not endanger the Organization's future. The Delegation observed that WIPO was an Organization covering IP in general, not just some parts of IP.

72. The Delegation of Germany aligned itself with the Delegations of Switzerland, France, Italy and Indonesia. The Delegation considered that an excellent proposal for the budget had been received, and it would also be ready to adopt it.

73. The Delegation of Portugal wished to stress how good the financial results for 2016 had been, with a surplus of 32 million Swiss francs, which would certainly allow solid planning for the next biennium. In terms of the performance of the Programs, the Delegation was very satisfied to see the increase in the total number of registrations under Program 32. The Delegation pointed out that many of these registrations came from developing countries and LDCs, which showed the potential that there was and also illustrated the importance of geographical indications as factors

for economic growth. Concerning the proposed budget, the Delegation welcomed the measures that were proposed in terms of the promotion of the entry into force of the Geneva Act. The entry into force of the Geneva act would certainly assist in improving the financial status of the Lisbon System, bringing new users and, in this way, ensuring greater revenue. The Delegation observed that several Unions had a deficit in their budget, for example the Hague Union, which had a deficit of approximately 14 million Swiss francs, the contribution-financed Unions, and the Lisbon Union with a deficit of approximately 1.3 million Swiss francs. These imbalances were not new to the Organization, and were systemic. For example, the Programs that did not generate funds could be financed in this way. The Delegation therefore supported the Program and Budget as presented by the Secretariat, and defended the unitary principle, the principle of solidarity between the different Unions. It considered that this needed to be examined by all members of WIPO in a balanced and equitable way, remembering the WIPO Convention, to maintain the unitary principle of the budget and the solidarity between the Unions.

74. The Delegation of the Russian Federation supported the statement made by the Delegation of China on behalf of BRICS. The Delegation was prepared to examine the issues including allocation methodology and wished to stress that what was important for the Delegation was to respect the founding principles of WIPO, in particular the budgetary system of the Organization. The Delegation was interested in seeing the Program and Budget adopted. Its objective was that the measures established in the Program and Budget could be implemented during the next biennium. The Delegation also supported the Capital Master Plan.

75. The Delegation of Indonesia, speaking on behalf of the Asia and the Pacific Group, stated that the Group stood ready to adopt the Proposed Program and Budget.

76. The Delegation of Brazil wished to add its support to the statement made by the Delegation of China on behalf of BRICS.

77. The Delegation of the Democratic People's Republic of Korea supported the statement made by other Member States, who were prepared to adopt the Program and Budget for the 2018/19 Biennium, as proposed by the Secretariat.

78. The Delegation of Iran (Islamic Republic of) was of the view that the main objectives and functions of WIPO were to promote the protection of IP throughout the world in accordance with Articles 3 and 4 of the Convention Establishing the World Intellectual Property Organization. The Delegation noted that geographical indications and appellations of origin were IPRs just as it was the case for copyright, trademarks, patent and designs. The Delegation stated that WIPO was committed to promoting all kinds of IP, including geographical indications and appellations of origin. Accordingly, the Delegation believed that equal prominence should be given to all international registration systems acting in the WIPO framework and that, under the principle of the unitary contribution system and the solidarity in WIPO as a whole, the proposed Program and Budget, as proposed by the Secretariat, should be adopted in the current session.

79. The Delegation of Ecuador recalled the progress made in the two PBC Sessions that had taken place in 2017. It considered that the work put forward by the Secretariat in the Proposed Program and Budget would allow appropriate work to be done in all the different aspects of the Organization's work and so it supported the proposal, as well as all the work that had been done.

80. The Delegation of South Africa supported the statement made by the Delegation of China on behalf of BRICS.

81. The Delegation of Spain, in accordance with the statements made by other delegations such as those of Italy, Portugal, France and Switzerland, supported the solidarity aspect in financing and was prepared to support the adoption of the Program and Budget.

82. The Delegation of Malaysia noted the good financial results shown by the Organization over the last biennium and was inclined to support the budget, which already contained the revisions as discussed at the last two PBC sessions. The Delegation further supported the current unitary principles which continued to ensure a balanced global IP system. It reiterated its position and support for the Program and Budget and the Capital Master Plan, which would enable WIPO to continue the excellent work which it had shown.

83. The Delegation of Angola echoed the statement made by the Delegation of Senegal on behalf of the African Group. The Delegation believed that the proposed budget was a very balanced one, especially because it covered the unitary solidarity approach. The Delegation said that it would be prepared to support the adoption of the Program and Budget as put forward by the Secretariat.

84. The Chair thought it was clear that the discussions on this very important subject were not starting from scratch because, as a number of delegations had stated and as it could be seen in the documents, there had been intensive and constructive discussions in the preceding two PBC meetings. The Chair further noted that the documents which had been put forward sought a common understanding, a meeting point. The Chair believed that, having listened to the statements delivered that day, and looking at the way the PBC had worked in July and September, Member States were closer than it would appear to reaching an agreement on this crucial subject which was the Program and Budget of the Organization, so that it could continue its very healthy financial situation. As the Chair had said, it was also clear that delegations did need to give themselves more time to discuss the issues and to exchange opinions constructively and with flexibility to reach a pragmatic agreement. For this reason, as Ambassador Kārklīņš had announced, Ambassador Heredia Acosta informed Member States that he would facilitate informal consultations on this item, which would begin as soon as possible.

85. Reverting to the agenda item later in the week, the Chair announced that, after five sessions of informal consultations and with the significant participation of the delegations, for which he expressed his gratitude, delegations had agreed on a draft decision text which would be put to the plenary under Agenda item 12.

86. The Delegation of the United States of America wished to make a brief statement prior to adoption of the budget, indicating that it intended to provide more extensive remarks at a later stage. The Delegation stated that, in adopting the budget, the United States of America reserved its legal position with regard to the administration of the Geneva Act of the Lisbon Agreement by WIPO in all Assemblies to which the United States of America belonged. That was to say that the United States of America was not providing its consent on the question, with the approval of the budget.

87. The Chair read out the following four proposed decision paragraphs, which were approved.

88. The Assemblies of WIPO, each as far as it is concerned:

- (i) Agreed to approve the Proposed Program and Budget for the 2018/19 Biennium (document A/57/6);
- (ii) Recalled that, in accordance with the treaties of the fee-financed Unions, each Union should have revenue sufficient to cover its own expenses;
- (iii) Noted that fee-financed Unions with a projected biennial deficit in the 2018/19 biennium should examine measures in accordance with its own treaty to address that deficit;

(iv) Noted that if any Union in any given biennium does not have sufficient revenue and reserves to cover its projected expenses, the amount required to fund the operations of such Union is provided from the net assets of the Organization and is disclosed in the financial statements of the Organization and is to be repaid when the reserves of such Union allow it to do so;

(v) Decided that in accordance with (iv) above, for the 2018/19 biennium, if any fee-financed Union does not have sufficient revenue to cover its expenses, the required amount mentioned in (iv) shall be provided from the reserves of the Contribution Financed Unions, if those reserves are fully sufficient, otherwise from the reserves of the other fee-financed Unions.

89. The General Assembly further noted that the allocation methodology for the income and budget by Union is a cross cutting topic and decided that the PBC will continue the discussions on the methodology on the allocation of income and expenditure by Unions in its future sessions based on relevant documents and other proposals by Member States.

90. The General Assembly took note of the fact that all diplomatic conferences contemplated in the 2018-19 biennium, that may be held under the auspices of WIPO during the 2018/19 biennium and funded by the resources of the Organization, will be open to the full participation of all WIPO Member States in accordance with the Recommendations of the Development Agenda.

91. The Assemblies of WIPO, each as far as it is concerned:

(i) Approved from the CF Unions, PCT Union and Madrid Union reserves the funding of the projects presented in the Capital Master Plan 2018-2027 for the biennium 2018/19 in document A/57/9, amounting to a total of 25.5 million Swiss francs.

(ii) Noting that the 2014/15 biennial surplus of the Madrid Union is not fully utilized for the CMP projects 2018/19, decided to earmark the remaining balance amounting to 1.1 million Swiss francs for future CMP 2018-27 cross-cutting projects that benefit all Unions. It was understood that this decision was taken on a one-time ad-hoc basis.

(iii) Noted that these decisions were without prejudice to the discussions referred to in paragraph 2.

92. The Delegation of Switzerland welcomed the adoption of the Program and Budget for the 2018/19 Biennium and the Capital Master Plan, two very important instruments that would enable WIPO to function properly, not only in the coming biennium but, with the Capital Master Plan, beyond the 2018/19 horizon. The Delegation indicated that it would provide a written statement for inclusion in the report of the meeting. That written statement continued as follows:

“We thank all delegations that have worked intensively and constructively so that we can arrive at a consensual compromise that addresses the various concerns raised about the Program and Budget.

“Allow me to make three points regarding the decision we have just adopted.

“Firstly, the Delegation of Switzerland welcomes the recognition of the long-standing practice of this Organization, as reflected in paragraph 1(iv) of the decision, to treat all the activities of this Organization in a unified manner, in line with its operational needs. It is this unitary approach in budgetary matters that makes it possible to perform activities which, by their nature, earn little or no revenue. Our delegation takes the view that this

unitary approach is crucial in enabling WIPO to continue to perform the full range of its important activities. Switzerland considers that paragraph 1(v) in no way departs from this long-standing practice and cannot serve as a basis for questioning this practice in the future.

“Secondly, Switzerland considers that the current method of allocating income and expenditure to the Unions is adequate and provides very detailed information, both in the Program and Budget documents and in the Capital Master Plan. There is therefore no need to change it. Paragraph 4(ii) includes an exceptional measure intended for a situation other than the usual and cannot be used to call into question the application of the current method to future phases of the Capital Master Plan, or to the Program and Budget in respect of biennia beyond 2018-2019.

“Finally, Switzerland wishes to emphasize that the Geneva Act of the Lisbon Agreement revising the said Agreement is not a new treaty. The Geneva Act is thus unequivocally a WIPO-administered treaty.”

93. The Delegation of France thanked the number of delegations who had made constructive efforts, sometimes in a very creative manner, throughout the discussions. The Delegation recalled that the history of these negotiations had started well before the present Assemblies. The Delegation was aware that the negotiations had been difficult, and that many delegations had been forced to make difficult concessions. Nonetheless, the Delegation underlined that, from its perspective, everything was done for the benefit of the Organization and its efficient operations. The Delegation welcomed the results achieved, and hoped that further discussions of this nature would be conducted in the same spirit. The Delegation would also provide a full written statement in due course.

94. The Delegation of the United States of America was pleased that the Assemblies had adopted the 2018/19 budget consistent with the requirements of WIPO treaties on fee-funded Unions. While recognizing the progress that had been made, the Delegation urged members of the Lisbon Agreement to continue to work towards finding a solution for its long-term sustainability. The Delegation hoped that, with an increased understanding of the allocation methodology, WIPO members would be in a better position to consider future budgets. The Delegation was also pleased that the Assemblies had approved the funding for the Capital Master Plan and that the Madrid Union Assembly had taken the decision to provide part of its surplus from the 2014/15 biennium to fund cross-cutting projects that would benefit all Unions. The Delegation believed that these actions would help all members in considering future decisions on capital spending.

95. The Chair thanked all delegations for their work over long hours. It had been possible to reach an agreement due to at least five elements shown by the Member States, namely dedication, open-mindedness, flexibility, creativity and commitment to the Organization. The Chair expressed his gratitude for the efficient support of the Secretariat, which had not been a minor element throughout the discussions in providing guidance and allowing for an improved understanding of the Union methodology and its implications.

Opening of New WIPO External Offices

96. The Chair recalled that this year's debate was the continuation of the intergovernmental process that started in 2013, informed by the previous decisions, namely the Guiding Principles agreed at the 2015 WIPO General Assembly, as well as the decisions and the Chair's statement at the 2016 General Assembly that allowed the decision of opening two External Offices in Africa. The process of nomination and discussions for the 2018/2019 biennium was mirrored to the one of the 2016/2017 biennium. The Chair believed that the WIPO General Assembly needed to take the decision on assigning the third External Office for the current biennium.

However, the best scenario would be to make the decision for this biennium and the next one. To achieve that, and taking into account the time constraints, the Chair urged Member States to concentrate on a possible decision. Member States needed to understand and accept that not every applicant wishing to host an External Office would receive a positive answer because of simple mathematics. The Chair recalled that 10 applications had been received and six would need to wait for the next round of applications. If such was decided, the review was scheduled for the 2020/2021 biennium. Therefore, the Chair urged delegations to exercise maximum flexibility during the negotiations. The Chair offered the floor to delegations to comment on the outcome of the PBC work on External Offices, and a possible way to reach a decision during the WIPO General Assembly.

97. The Delegation of Iran (Islamic Republic of) referred to the issue of External Offices and stressed, at the outset, the importance of the Guiding Principles. The Delegation noted that the Guiding Principles were the outcome of long-standing negotiations between Member States in order to arrive at a decision on establishing WIPO External Offices through a transparent and inclusive process. Accordingly, the Delegation said that endeavours regarding establishing External Offices should be guided by the Guiding Principles taking into account the equitable and geographical distribution of such offices. The Delegation fully accepted the decision made by other Regional Groups but, at the same time, it was of the view that all other proposals should be treated in a manner to ensure a holistic approach to the establishment of External Offices. The Delegation was of the firm view that an artificial deadline concerning completion of the discussion on this agenda item and creating a hierarchy among proposals so as to allow a single decision on a specific proposal should strictly be avoided. In this regard, the Delegation noted that based on the decision of the WIPO General Assembly in 2016, the decision regarding the opening of one external office in the current biennium and three External Offices in the next biennium would be made during the current WIPO General Assembly. The Delegation stated that any efforts concerning modalities for selection of host countries should be made in full conformity with the Guiding Principles and should ensure consensus of the outcome of the deliberations. The Delegation believed that one of the core functions of the External Offices was to deliver technical assistance and capacity building activities. Consequently, according to paragraph 14 of the Guiding Principles, due consideration should be given to developmental aspects. Furthermore, the Delegation pointed out that paragraph 13 of the Guiding Principles stipulated that any decision in this regard should be made according to the principle of creating a sustainable, equitable and efficient geographical network of prospective External Offices. In closing, the Delegation hoped that discussions on this important issue would lead to a consensual outcome.

98. The Delegation of Oman expressed its interest in hosting an external office in order to achieve operational objectives and to encourage creativity. The Delegation said that this office would play a role in promoting IP and in strengthening TISCs, in two languages, namely Arabic and English, for the benefit of private sector users. The office would also promote the WIPO administered treaties, making sure that the office was linked to WIPO headquarters so that the best use could be made of the administrative resources of Geneva in a secure environment. The Delegation noted that the Assemblies had taken the decision to open a maximum three External Offices during the present biennium and it emphasized that equitable geographical distribution had to be respected. The Delegation said that it would do everything possible to achieve consensus on this matter.

99. The Delegation of the United Arab Emirates expressed its thanks to Ms. María Inés Rodríguez, of Argentina, for her hard work regarding a decision on External Offices. The Delegation awaited this decision with impatience so as to be able to provide all of the necessary facilities that would contribute to achieving WIPO's objectives, those of the Emirates and of the Delegation's whole region. The Delegation noted that all of this had been taken into account when it chose the venue of Abu Dhabi to host the external office. The Delegation underlined that it had provided all of the necessary means and tools, such as technology, to provide

training etc. As such, the Delegation insisted on what it had submitted to the PBC. The PBC had been asked to establish a clear methodology for the selection criteria for External Offices through a mechanism that should be adopted by all following the Guiding Principles, so that these offices would be established in areas that served the interests of the Organization. The Delegation said that it would contribute towards consensus on this matter.

100. The Delegation of Turkey underlined that inclusiveness should be maintained in deciding how to determine where to host External Offices. The Delegation, therefore, sought an understanding on the idea that countries that were willing and able to host External Offices to advance the purpose of WIPO services should be given a chance to do so. The Delegation recalled its general statement and reiterated that it had a solid interest in hosting an external office. While the Delegation respected the summary of the Chair in the last WIPO General Assembly, it was the Delegation's understanding that the summary did not exclude a couple of countries wishing to host External Offices and that those countries should be considered on par with other candidates. The Delegation said that all proposals should be accorded equal treatment based on their national and international representative rights. This was especially true with respect to Turkey's proposal which was a concrete proposal to host an external office. Accordingly, the Delegation believed that an inclusive, transparent, objective, merit-based and impartial methodology for selection among the candidate countries needed to be agreed upon. Language had to be crafted within the scope of the consensus, reflecting the wish of all the candidates for hosting External Offices. The Delegation mentioned the draft decision distributed that day, and to all Regional Coordinators last week, was not a legally binding document according to WIPO general rules and procedures and to other international legislation systems. The Delegation stressed that there is one legal document which is the summary by the Chair on External Offices in the last WIPO General Assembly, and the WIPO General Assembly must refer to only this decision.

101. The Delegation of Japan, speaking on behalf of Group B, stated that its Group was of the view that the decision of the WIPO General Assembly in 2015, including the Guiding Principles, must be strictly respected. Keeping in mind the decision of the WIPO General Assembly in 2015, including the Guiding Principles, the Group hoped that a constructive and programmatic solution would be reached by the end of this WIPO General Assembly.

102. The Delegation of Georgia, speaking on behalf of the CEBS Group, noted the Group's appreciation for the Chair's continuous efforts on the issue of External Offices and it wanted to express regret that no progress had been made during the last session of the PBC. The Group was thankful to the Chair for facilitating consultations between the Member States before the WIPO General Assembly in order to advance this difficult exercise. The Group reiterated its support for the Guiding Principles as agreed at the WIPO General Assembly in 2015 and it stated that besides corresponding to the actual needs of the Organization, priority should be given to regions without any external office, and equitable geographical distribution should be considered and respected. The Group noted that CEBS was the only region without an external office and that Romania is the only country that applied for an external office from this Regional Group. The Group stated that while External Offices could positively enhance IP protection, it believed that Member States should act in the best interests of the Organization and honor the decisions and the history of the long negotiations on this matter. The Group hoped that during these Assemblies, Member States would find a solution. The Group commended the Chair's guidance and efforts and his command of the work of the Assemblies in this regard.

103. The Delegation of Costa Rica speaking on behalf of the GRULAC, stated that GRULAC was of the view that External Offices should be considered as a priority issue. GRULAC noted that there were a limited number of possibilities for opening of External Offices therefore, GRULAC appealed to other regional groups to reduce their proposals. GRULAC mentioned that it had already done the needful by putting forward one nomination, Colombia, for the 2016/2017 biennium and by not submitting any candidates for the 2018/2019 biennium,

GRULAC had made a great contribution to the process. GRULAC hoped that in the 2016/2017 biennium it could open a new office in Colombia and given all the concessions it had made during the negotiations, it was essential that the Organization took practical measures that would increase the capacities of all countries to benefit from the IP system. GRULAC stated that the Latin American region had a great challenge regarding knowledge and innovation and it hoped that that external office would contribute positively to meeting that challenge.

104. The Delegation of Brazil supported the statement made by Costa Rica on behalf of GRULAC. The Delegation believed that an external office in Colombia would allow greater co-operation in the region, as it would be linked to the external office in Brazil. The Delegation stated that there were considerable internal negotiations which allowed GRULAC to arrive at consensus and contribute to the negotiations on External Offices, and requested other groups to proceed in a similar fashion. The Delegation stated that it favored decentralisation of WIPO's activities as it allowed adapting its activities better to the national needs of Member States.

105. The Delegation of Colombia supported the statement made by GRULAC and the Delegation of Costa Rica, and reiterated its firm determination and interest to fully comply with the Guiding Principles. The Delegation reaffirmed that its proposal did meet those criteria mentioned in the Guiding Principles. The Delegation mentioned that the 2016/2017 biennium was about to end, and once again repeated the concessions made by GRULAC in the negotiations, which should be recognised by all. The Delegation wished to reach consensus on the opening of the new External Offices by the end of these Assemblies, bearing in mind that Colombia's proposal was for the 2016/2017 biennium.

106. The Delegation of Pakistan referred to the most recent PBC decision adopted in the September 2017 session, which clearly stated that there was no consensus on the opening of new External Offices. The Delegation stated that two years have passed and neither had there been any cost benefit analysis through external sources, nor any evaluation criteria and methodology to implement the Guiding Principles. The Delegation stated that in a globalized world, the trend of reducing physical presence, and utilizing cost beneficial options was becoming a norm rather than a trend, and stress was generated by reducing organizational and financial expenditures. The Delegation stated that WIPO was not an organization like the World Health Organization (WHO) or the United Nations High Commissioner for Refugees (UNHCR) that dealt with field crisis, where field presence was a must to provide humanitarian aid. WIPO is a technical organization that ensured innovation and creativity. Therefore, the Delegation did not see any logic in replicating External Offices by constraining and duplicating WIPO's and Member States' precious resources. The Delegation stated that its analysis was based on calm, cool and transparent reaction, after a two years wait to determine whether any tangible progress had been made. The Delegation stated that it did not have any tangible and substantive assessment on the table to date, to help understand what exactly WIPO and Member States would achieve through these External Offices that couldn't be achieved otherwise. The Delegation believed that it was a futile exercise, and that these important issues should be addressed objectively instead of choosing a pathway with uncertainty or overconfidence. The Delegation also highlighted the importance of the vision on external presence of External Offices, as mentioned by several delegates. The Delegation noted that the region ought to serve as the foundation stone towards any project, but the reference to the vision document was paradoxical in a sense, that it came after establishing new External Offices. The Delegation said that this was putting the horse before the cart. The Delegation stated that it was unfortunate to observe that the time and energy that should be spent on nominative framework and addressing issues that matter most to Member States, was being entangled in this quagmire of External Offices that had already become highly politicized and unwieldy due to numerous candidates. The Delegation stated that the fact that many of the

candidates were already self-sufficient in their IP credentials had made these External Offices redundant. The Delegation concluded by stressing the need to adopt a consensual approach on the matter with objective and transparent cost benefit assessment of the proposed External Offices.

107. The Delegation of India noted the progressive discussions on the proposed Programme and Budget for the next biennium. The Delegation looked forward to approving the draft proposed Programme and Budget. The Delegation stated that it was one of the proponents of hosting an external office in its national capacity, and assured the Member States that opening of an external office in India would strengthen global IP systems and bring benefit to the central and the southern Asian region where there was no external office. The Delegation assured that hosting an external office in India would not harm any country's interest in the region. The Delegation sought the support of Member States and requested them to give serious consideration to its proposal, which was strictly in adherence to the Guiding Principles approved by Member States. The Delegation stated that the various concerns raised by some Member States on the utility of External Offices, would be a step backwards rather than forward. The Delegation urged Member States to have a forward looking approach to constructively finalize the names of the remaining four offices in the 2016/2017 biennium, in which India had a proposal on the table. The Delegation saw a lot of merit in its proposal and requested Member States to give due consideration to it and decide the names of the remaining three offices. The Delegation hoped that all the four names would be decided together to enable a positive approach towards opening New External Offices of WIPO.

108. The Delegation of the Republic of Korea stated that it believed that it would be in WIPO's best interest to open new External Offices. In that regard, the Delegation was of the view that the role of the WIPO external office was very important, because the WIPO external office could reinforce WIPO in the long term by helping increase the number of global IP services through localized service and fast customer interaction. The Delegation stated that Member States had the responsibility to ensure WIPO and its External Offices were able to deliver their programs in a most effective manner and produce excellent outcomes. Considering the mission of WIPO, the Delegation believed that the establishment of External Offices should not merely depend on political and geographical orientations, but there must be discussions on future advances in achieving WIPO's goal. The Delegation stated that it looked forward to constructive discussions on this important issue, and also stood ready to contribute actively in a constructive way to agree on this issue.

109. The Delegation of the Democratic People's Republic of Korea stated that the geographical principle should be respected for the establishment of External Offices.

110. The agenda item was suspended and the delegations were invited to continue informal consultations.

111. The Chair resumed the plenary to address the outstanding issue of New WIPO External Offices. The Chair recalled that the WIPO General Assembly decided in 2016 that the process for presenting proposals to host an External Office in 2018/2019 biennium would mirror that for the 2016/2017 biennium. The Chair pointed out that the African Group and GRULAC had facilitated the designation process for the 2018/2019 biennium by not presenting any applications, and he expressed his gratitude to those Groups for their supportive attitude. The Chair noted that a number of informal consultations had been held in July and September within the framework of the PBC, as well as in the run-up to the current WIPO General Assembly. During those informal consultations, Member States had expressed divergent views and there was no real agreement on establishing External Offices and on implementing the Guiding Principles, including methodology and criteria. Some delegations questioned the regional approach and some insisted on thorough evaluation of applications following pre-agreed methodology. Some favored either indicative voting or even a secret ballot to select host

countries. The Chair emphasized that, as everyone knew, consensus did not mean unanimity. The Chair drew attention to the draft decision which was before the delegations and hoped that it represented a minimal common denominator that may gather consensus, even if delegations agreed with one or other elements. He stressed that his proposal was based on a best guess of possible consensus. The Chair also stated that a visionary statement from the Secretariat concerning the WIPO External Office presence would have been helpful for Member States in the deliberation process if Member States had ever asked for it. However, such a request had never been formulated and Member States had to make their own judgement. Maybe, going forward, the Director General could consider revealing the Secretariat's vision of the Organization's external presence, even in the form of a Director General's blog post on LinkedIn. The Chair added that this would, of course, be without prejudice to the evaluation process of the WIPO external presence foreseen for the 2020/2021 biennium. The Chair stated that, ideally, the evaluation should also assess the work and contribution of the newly established External Offices to the programmatic activities of WIPO.

112. The Delegation of Senegal, speaking on behalf of the African Group, sought clarification and further information about what had taken place. The Delegation recalled that Delegations had been in informals for the IGC until now.

113. The Chair stated that he had decided to continue the discussion at the plenary instead of informal consultations, noting that the DLT and the IGC would be examined after making a decision on External Offices.

114. The Delegation of Georgia, speaking on behalf of the CEBS Group, noted the Group's appreciation for the Chair's continuous efforts to advance work on the issue of External Offices. The Delegation emphasized that in trying to resolve this issue, the Group referred to the Guiding Principles as the main principles agreed at the 2015 WIPO General Assembly. Accordingly, the Group believed that priority should be given to Regions without any External Office, and equitable geographical distribution should be considered and respected as it had been so far. In that regard, CEBS was the only Region without an External Office and it pointed out that Romania was the only applicant from the Region. In the spirit of flexibility and constructiveness, the Group could support the proposed decision paragraph while, at the same time, it re-emphasized that all Groups should be treated equally. The Group noted that it was not in favor of disregarding the decisions of Member States and stated that the long history of negotiations on this issue should be taken into account and respected. The Group commended the Chair's guidance and efforts in the work of the Assemblies in this regard.

115. The Delegation of El Salvador, speaking on behalf of GRULAC, thanked the Chair for his constructive approach and for his proposal which put all countries with interest to host an External Office on an equal footing, and which opened up a deeper debate on method. The Group was also grateful for expressions of support for establishing an office in Colombia. The Group believed that there was no objection to the Chair's proposal, and therefore it should be adopted. The Group felt that it would be regrettable should consensus not be reached on this proposal. The negative effect on the procedure would be significant because, according to the adopted Guidelines, GRULAC would not legally be able to have an office in the current or the next biennium. No less important would be the negative signal sent to the negotiations which GRULAC had carried out in a very constructive manner, through very long meetings, taken up significant resources of the Organization and of Permanent Missions.

116. The Delegation of Indonesia, speaking on behalf of the Asia and the Pacific Group, recalled the Group's opening statement and reiterated that it preferred to reach a solution at the earliest opportunity possible. In that regard, the Group had taken the discussion to the highest level possible and it had been very constructive in the discussions conducted in the course of the WIPO General Assembly, providing views and constructive inputs and proposals that took into account the Guiding Principles and the interests of all Regional Groups and Member

States. The Delegation noted that most members of the Group were not in the position to accept the Chair's proposal at that point, as it did not reflect the views and proposals presented by Member States during the formal and informal discussions as well as during the drafting sessions. That said, the Delegation pointed out that some members of the Asia and the Pacific Group accepted the Chair's proposal and others would deliver statements in their national capacities.

117. The Delegation of Japan, speaking on behalf of Group B, thanked the Chair for his continued guidance and supported the Chair's proposal.

118. The Delegation of India thanked the Chair for the draft decision, and stressed that it had always favored forward movement on the issue of the establishment of External Offices, based on the Guiding Principles that were adopted by consensus two years ago. Accordingly, the Delegation had submitted a proposal in February 2016 for an External Office and it had made several presentations before the Member States. As had been conveyed in informal consultations, the Delegation supported the first part of the draft decision for opening an External Office in Colombia in the current biennium on account of the broad support which it enjoyed. The Delegation wished that a clear roadmap to finalize the External Offices for the 2018/2019 biennium had been spelt out. The Delegation believed that every effort should be made to arrive at a decision by consensus by the 2018 WIPO General Assembly. However, if after three years of endeavor to reach consensus there was no forward movement, then the proposals on the table should be decided by vote as per WIPO's General Rules of Procedure. The Delegation also noted that a timely decision would enable a substantive review to be carried out in 2021 as already mandated.

119. The Delegation of Romania aligned itself with the statement delivered by the Delegation of Georgia on behalf of the CEBS Group, and commended the Chair for his entire tenure and the results achieved during the last two years. The Delegation stated that, obviously, it had found itself among those Member States not fully satisfied with the proposed decision. After seven years since the Delegation had announced its intention to host an External Office, after tens if not hundreds of hours spent in trying to adopt the best possible Guiding Principles, after preparing a solid proposal in perfect conformity with the said Guiding Principles, the Delegation noted that Member States were now in the position of having to look for a new compromise. The Delegation emphasized that this was a new compromise that it was willing to accept but said that this should be taken into account next year when the process would be started again.

120. The Delegation of the Republic of Korea, speaking on behalf of the co-sponsors of the joint proposal dated October 10, 2017, namely, Turkey, the United Arab Emirates as well as itself, thanked the Chair for his proposal, as well as the Chair of the PBC and all Member States for their approach to moving the discussions on External Offices forward. The Delegation pointed out that, as was known by all, these discussions had been very difficult and painful as a decision by consensus could not be found. In this vein, the Delegations of the Republic of Korea, Turkey and the United Arab Emirates had tabled a joint proposal the previous day. This joint proposal had been proposed in good faith in the hope that it would make a contribution to finding a clue for building consensus among Member States. The Delegation underscored that it wanted a clear, transparent and objective methodology for selecting External Offices for the 2018/2019 biennium. With this purpose in mind, the Delegation noted its agreement to opening an External Office in Colombia for the current biennium, as part of the whole proposal. However, it did not think that the Chair's proposal duly reflected the discussions so far, especially paragraph 2 which was still very ambiguous and which left all difficult issues to consultations among Member States and this would definitely cause another stalemate in discussing External Offices for the next biennium. The Delegation did not want that to happen again as the last two years of experience clearly told Member States that they needed a methodology to resolve this issue. In that context, the Delegation suggested a clear methodology for the next biennium which would allow all interested Member

States to participate in the selection process on an equal basis. If that methodology was agreed, there would be no more time-consuming discussions among Member States on this issue, which would allow Member States to concentrate on the normal business of WIPO. The Delegation stated that the co-sponsors of the joint proposal could not support the Chair's proposal, despite certain commonality between the two proposals. The Delegation said that it was also regrettable that it could not proceed with the joint proposal any more, but expressed the hope that, in the spirit of friendship and flexibility, the joint proposal could be a useful reference for next year's discussion.

121. The Delegation of Iran (Islamic Republic of) expressed its gratitude to the Chair and to all Member States for their endless effort on the issue of External Offices. The Delegation supported the statement delivered by the Delegation of Indonesia on behalf of the Asia and the Pacific Group. The Delegation noted that the elements contained in the Chair's proposal had been discussed extensively in informal consultations and, as all delegations were aware, there had been no consensus among Member States on that proposal, and this was also clear at the plenary. Based on that, the Delegation was not in a position to support the Chair's proposal in its current format.

122. The Delegation of Oman thanked the Chair and members of its Group for their efforts to reach an agreeable decision on External Offices. The Delegation stated that, as reaching consensus on all External Offices this year was difficult, it believed that, in the spirit of cooperation, it could accept the compromise solution, presented at the drafting session. The Delegation looked forward to continued consultations on this issue in an open, inclusive and transparent manner.

123. The Delegation of Qatar thanked the Chair for his proposal which awarded Colombia an External Office for the current biennium and provided a path forward. The Delegation believed that this proposal was balanced and constructive. The Delegation also shared its concern regarding certain positions within the Asia and the Pacific Group which objected to the Chair's proposal. In that regard, the Delegation encouraged all Member States to focus on achieving a clear path to award External Offices based on a consensual decision at the next WIPO General Assembly.

124. The Delegation of the United Arab Emirates thanked the Chair for his tireless efforts towards reaching an amicable solution. The Delegation said that the particular importance of External Offices in bringing WIPO services and cooperation closer to Member States and to all stakeholders could not be disputed. The Delegation shared the vision of opening an External Office in the United Arab Emirates to achieve WIPO's development goals and to provide advanced services in the field of IP, to develop capacity and to become a source of economic development. The Delegation said that it would work to promote WIPO services and expand the application of WIPO treaties. This would revolve around three basic pillars, starting with boosting the impact of WIPO and its IP systems, as well as improving policies and procedures and raising awareness with regard to WIPO systems. The Delegation stated that there was general agreement among Member States that the Guiding Principles for opening new External Offices were non-negotiable. On the other hand, there was no comprehensive or clear methodology concerning how to select an External Office's location. As such, Member States found themselves in an ambiguous situation that would prevent the opening of External Offices in the 2018/2019 biennium. The Delegation pointed out that it had remained constructive throughout the process and in that spirit, it had submitted, in good faith, a joint proposal with the Republic of Korea and Turkey which provided a solution based on the elements mentioned by the Delegation of the Republic of Korea. The Delegation urged all other delegations to consider the merits of the joint proposal and it expressed the hope that a way could be agreed to move forward on that issue.

125. The Delegation of Chile aligned itself with the statement of El Salvador on behalf of GRULAC, and thanked the Chair for his very intensive work in that area. The Delegation supported the proposal. The Delegation had heard other delegations state that they would like to have a methodology for the next biennium. The Delegation understood that there had not been sufficient time to decide on that methodology. The Delegation recalled paragraph 2 of the Chair's proposal which, it believed, would allow Member States to continue negotiations in order to define that methodology. In that context, the Delegation wanted to add a minor change to that paragraph which would state that the negotiations would begin by defining the methodology. That might generate consensus and comfort so that that decision could be adopted. The Delegation stressed that Member States could be missing an opportunity and stated that all knew what this meant for the GRULAC Region. The Delegation called on all to work on this as a possible avenue so that all could find comfort in the fact that the methodology would be part of the work that would go forward from here.

126. The Chair thanked the Delegation of Chile for its proposal and expressed his interest in providing some more information on the state of affairs, something which he had sought to do in the very brief format of his opening statement. He emphasized that Member States had gone through everything that could be thought of in three years. At least four methodologies had been examined and none of them had gathered consensus and the support of all delegations. The Chair said that different motions and notions had been gone through, including Regional Groups, and everything that could be thought of and, clearly, there is divergence of Member States on this topic. This divergence ranged from the view that Member States should halt the process immediately, to the view that Member States should proceed to secret vote almost today. Consequently, the Chair stated that the meaning of this proposal was very simple. First, it honored the history of this topic and agreed to the candidacy of Colombia as a host country. The Chair reminded that during the last negotiations, there was a good understanding that GRULAC, which had given considerable concessions by withdrawing all other applications that were on the table at that time for the current biennium and by not presenting any other candidates – including Colombia – for the next biennium, had made an enormous effort to facilitate the process and that was why the Chair had suggested to propose opening a WIPO External Office in Colombia for GRULAC in general. With respect to the second paragraph of his proposal, the Chair explained that its meaning was to continue the process and allow Member States to once again try to agree on a methodology that would be impossible to agree on in one or two meetings of ninety minutes each. The Chair reiterated that, in three years, Member States had gone through four different methodology proposals, none of which had gathered support. The Chair stated that this process should be organized under the auspices of the Chair of the WIPO General Assembly in a transparent way, in an open and inclusive way, without pre-judging any outcome of that decision, but with the one aim of presenting a solution to the next WIPO General Assembly. The Chair explained that this would then allow the Secretariat to do its work with respect to host country agreements and to open three offices in the next biennium. Consequently, the Chair did not see any other element which would be more logical and he noted that Member States had said that they did not oppose opening an office in Colombia. This was why he did not really understand what were the elements which made delegations block consensus. The Chair reiterated that consensus was not unanimity. Delegations may like some elements of the proposal, but delegations could join consensus for the sake of the continuity of the process. The Chair cautioned that if Member States could not agree on the continuation of the process, then they were placing themselves in a very uncertain situation as they would not have any guidance and, actually, the first opportunity to start talking about External Offices would be during the PBC meeting in September 2018. The Chair asked delegations whether they thought that between the beginning of September 2018 until the end of that month, when the WIPO General Assembly would start, Member States would be able to resolve the issue that had not been able to be resolved for the past two years. The Chair did not think this would be possible. Consequently, the Chair appealed once again to all delegations not to break consensus on the Chair's proposal, as it was straightforward and logical and, in the end, it was fair and left all options, doors and solutions open.

127. The Delegation of Pakistan stated that its principled position on that subject was well known. The Delegation shared the concerns expressed by Member States and stated that it was apparent from the situation that there was no consensus and divergent views. The Delegation felt that rather than take a forced or wrong decision, the best course of action would be to proceed with the alternative which had been proposed by the Chair the previous day. The Delegation reiterated that WIPO took decisions by consensus-making rules and preserving WIPO's institutional norms was the foremost responsibility of each and every Member State. The Delegation stressed that it would never support any endeavor, including secret voting in any form, that may be against the consensus-making rule. The Delegation stated that secret voting was absolutely against the principles of transparency and it would not support it. The Delegation suggested that if voting had to be resorted to in that instance, then everything should be voted, or none.

128. The Delegation of Brazil aligned itself with the statement made by the Delegation of El Salvador on behalf of GRULAC, and stated that it supported the adoption of the Chair's proposal. The Delegation said that the Chair's proposal presented a clear and comprehensive description of the process that led to the discussion that day. This included the very constructive role that GRULAC had played all along. The minimum denominator that could be agreed upon was that Colombia should receive an office for the first biennium. An office in Colombia would join with the WIPO Brazil Office in providing support and organizing activities for the benefit of countries in the region and in enhancing WIPO's commitment to Latin America and the Caribbean. In light of that, the Delegation urged the adoption of the Chair's proposal.

129. The Delegation of El Salvador, speaking on behalf of GRULAC, thanked the Chair for his proposal for an External Office for its region, which would be assigned to Colombia. The Delegation shared the Chair's description of how this process had been followed and thanked some delegations for their pragmatism and for the support which they had offered. The Delegation noted that, little by little, support for the office in Colombia had gathered strength. As colleagues in the region had pointed out, there was no delegation so far that had spoken against GRULAC's aspiration to open an office in Colombia. Consequently, the Delegation believed that this should be the least common denominator and a step in the right direction. The Delegation understood the concern of some delegations seeking greater clarity in arriving at a process. In the Delegation's point of view, paragraph 2 of the Chair's proposal opened a way for that and, if any greater clarity or definition was needed, the Delegation felt that the Delegation of Chile had provided a possibility to cover that concern, in a way which would not pre-determine or condition any of the aspirations for the three offices for the following biennium. Owing to time, the Delegation believed that there were two paths that could be followed. One path would be to do as was done last year when a decision was taken to open two offices in Africa. That decision was a concession which was granted at that point. In view of the constructive and pragmatic approach that GRULAC had shown throughout that period and in the negotiations, the Delegation requested that Delegations at least support this as the decision which could be taken that evening, as the least common denominator. Otherwise, the Delegation suggested, changing paragraph 2 as indicated by the Delegation of Chile. In other words, greater clarity and comfort would be given to those other delegations which sought it. The Delegation believed that if that was not the path to be taken and the decision was not taken that evening, it believed that the process would grow more complicated and, would make it impossible to open an office in Latin America. This would be a very complicated situation and would be very difficult for GRULAC to accept.

130. The Delegation of Tajikistan, speaking on behalf of the CACEEC Group, expressed the Group's support for the Chair's proposal.

131. The Chair put forward at the plenary a draft decision as proposed at the informal consultations, with the amendment to paragraph 2 as suggested by the Delegation of Chile. The Chair noted that after the words "to continue consultations" would be added four words,

namely, “starting with allocation methodology”. The Chair asked whether this addition would bring delegations together under the umbrella of consensus.

132. The Delegation of Turkey, to clarify the meaning of the text, asked whether the new, added words meant that Member States would first start work by identifying what the methodology was and then move on to other business, namely, identifying the new hosts of External Offices.

133. The Chair confirmed that the understanding of the Delegation of Turkey was correct.

134. The Delegation of Iran (Islamic Republic of) shared its understanding that this added expression could be interpreted as a precondition for the continuation of the consultations and, as such, the Delegation could not go along with it.

135. The Chair then proposed, as an alternative decision point, “The General Assembly decided to open a WIPO External Office in Colombia in the 2016/2017 biennium and Member States did not reach consensus on other issues”, which would be a factual statement.

136. The Delegation of Iran (Islamic Republic of) requested that the meeting be suspended for 10 minutes as that was a new proposal and it needed time to consult with the other members of its Group.

137. The Chair reconvened the Session and read out the proposal formulated, “The General Assembly decided to open a WIPO External Office in Colombia in the 2016/2017 biennium and Member States did not reach consensus on any other issue.”

138. The Delegation of Iran (Islamic Republic of) thanked the Chair for his efforts and stated that, at that juncture, the Delegation was not in a position to support the paper the Chair had presented. The establishment of External Offices had been discussed during the last three years in order to achieve the consensus needed. There should be an inclusive process and everyone’s position should be taken into account during the deliberations, which would lead to the establishment of External Offices in the locations that the Member States might identify and agree. The Delegation noted that, on previous occasions, Member States had agreed to the establishment of two External Offices, exceptionally without making any precedent, in Africa. Against that background, it was unfortunate that Member States saw that, again, out of the whole approach that was taken towards the establishment of External Offices, a single External Office was to be established in one geographical location. While the Delegation had sympathy for that, it stated that it was against the whole overall approach which was taken for the establishment of the External Offices. Therefore, at that juncture, the Delegation was not in a position to support the Chair’s proposal. The Delegation was of the view that it was of the utmost importance that Member States should continue consultations which would take into account the views of all of the Member States in an inclusive and transparent manner, including the Delegation’s own geographical group, the Asia and the Pacific Group, and come up with a proposal that would enjoy the support of everyone.

139. The Delegation of Indonesia, speaking on behalf of the Asia and the Pacific Group, informed that the members of the Group would deliver statements in their national capacities.

140. The Chair believed that, at that juncture, Member States needed to acknowledge that there was no consensus on the issue and, therefore, the Chair proposed a very simple decision which was factual and which read, “Having examined document A/57/8, Member States did not reach consensus.” The Chair stated that the abovementioned factual statement would appear in the record of the meeting as a decision point on Agenda Item 12, External Offices.

141. The Delegation of El Salvador, speaking on behalf of GRULAC, believed that the Chair's appreciation of the agreements which allowed the Member States to make a decision last year, and the process being followed so that the agreement on opening three External Offices in the 2016/2017 biennium could be complied with, which was about to run out, was a commitment. The Delegation further noted that it was a commitment which would lead to the opening of three new offices in the 2018/2019 biennium. In other words, there would have been a total of six new offices over the 2016/2017 and 2018/2019 biennia. Later, there would be the processes of assessing and auditing these External Offices and that was something which was agreed based on a lengthy process of negotiations. The Delegation stated that the negotiation was a complex and an extensive process which its Group thought had reached a positive conclusion and which allowed the Group to continue to work on the issue of External Offices. The Delegation said that, without becoming involved in a controversial matter, as its Group saw the situation, this had been an inclusive process throughout the negotiations. The Group had shown considerable flexibility on several occasions and that should be recognized by the Member States. The process required the Member States to open three External Offices in the 2016/17 biennium. For the Group, it was quite difficult to accept that the Group would not be able to open a third office for the present biennium, as it was agreed by the Member States. The Delegation had not found any opposition to the opening of an External Office in Colombia by any Member State. The Delegation understood that there were difficulties faced by some other delegations regarding taking a decision that would make the way forward unclear for the next year. The Delegation was of the view that if Member States were not able to take a decision on opening up an External Office for the present biennium, it would mean that its Group would not have an External Office, and if that was the price that the Group had to pay for being constructive and flexible as well as a pragmatic region, then the Group believed that was not right. The Delegation stated that the process for future offices would become very difficult, if not impossible, because what was being asked of the Group was to end the biennium with two External Offices given to Africa, and that for the next biennium there would be three further offices without its Group having an office. The Delegation further stated that if that would be the result of its flexibility, and not putting forward a candidacy for the offices for the next biennium, its Group could not accept that. The Delegation believed that the solution would be that Member States accept paragraph 1. If paragraph 2 was problematic for some delegations, it had already proposed alternative wording. However, if that made it harder for Member States to take a decision, then the Group would simply keep paragraph 1, which spoke about opening an External Office in Colombia. The Delegation stated that, if a decision was not taken, then the Group would no longer have the opportunity to open an office in the next biennium for GRULAC. Therefore, the Delegation called on Member States to show solidarity, understanding and to be pragmatic.

142. The Chair agreed with the Delegation of El Salvador that the situation was very regrettable and elements that were outlined in the statement made by the delegation were well known to all involved in negotiations. The Chair stated that divergence of views was so wide that there was not any possibility of narrowing them and, therefore, Member States were where they were. The Chair proposed to suspend the examination of the item on External Offices and he invited the Ambassador of El Salvador to try to reach agreement with the Ambassador of Iran (Islamic Republic of). The Chair further asked interested Member States to join them. The Chair, in the meantime, wanted to examine the remaining points on the DLT and the IGC.

143. The Delegation of the Republic of Korea stated that it had three points. First, the Delegation was of the view that each proposal should be considered as a whole, in its entirety, which meant that Member States could not pick and choose certain elements from each of the proposals. However, that did not mean that the Delegation would oppose Colombia to host an External Office. However, the Delegation wanted to make sure that this was a matter of principle. Second, as for the drafting exercise, the Delegation thought that it should have been done before the formal meeting, and it should not have been done at the plenary as it was facing a situation that it should say 'yes' or 'no' to a text that it had never seen before and never

had a chance to consider with colleagues in the Regional Groups, as well as with its capital. However, the Delegation was ready to engage in the drafting exercise on the basis of the Chair's proposal and it had some elements that it hoped to add to the Chair's proposal. Therefore, the Delegation opposed the idea that Member States should let the two Ambassadors decide that agreement.

144. The Delegation of Romania stated that it was in a very difficult position. As the Delegation had previously stated and in alignment with the CEBS Group, it wanted to be very constructive in trying to solve the issue of External Offices and it underlined that not having a decision should not be an option. The Delegation wanted a decision to be taken for the first biennium and, as it had stated in other different meetings, it would like to see that what the Member States had decided previously be taken into account. Therefore, the Delegation felt that Colombia deserved a favorable decision for the 2016/2017 biennium. The Delegation stated that Member States could decide on the locations of the External Offices for the 2018/2019 biennium as well, and that the Chair's previous version of a decision of October 9 was a good and a just proposal.

145. The Delegation of India explained that its earlier intervention had stated that it favored the establishment of an External Office in Colombia on account of the broad support of the membership of WIPO that it enjoyed. The Delegation said that the other factor was that a decision had to be taken in the 2016/2017 biennium, failing which the possibility of opening an External Office in Colombia would lapse. The Delegation wanted to emphasize that this was also a major consideration in its decision to support the establishment of an External Office in Colombia. The Delegation noted that in the other part of its statement, it had mentioned that howsoever reluctantly, it was willing to go along with the Chair's draft decision in its entirety. The Delegation wanted to see more elaboration of the roadmap, but failing which, it saw absolutely no issue in continuing consultations. Obviously these consultations would have to be open, inclusive and transparent and the Chair would have to base them on the Guiding Principles. Therefore, the wording was unexceptional. The Delegation underlined that it was important that a decision be taken, taking into account the entire draft decision that the Chair had proposed.

146. The Delegation of Jamaica stated that it took into consideration the points that the Chair had made earlier, and the fact that Member States had agreed previously that an External Office would be opened for the Caribbean and Latin American Region, a region that was quite diverse. Therefore, having the External Office in Colombia would provide an opportunity, not only for the Latin American Member States but also the States from the Caribbean, to interact, to help, to spread and develop the message of WIPO. The Delegation stated that during Member States' deliberations over the last couple of days, a decision should have been made that would be in the best interests of WIPO. The Delegation was of the view that Member States should look at it from the point of view of what would benefit the Organization best. The Delegation believed that Member States were at the point where they could make a decision to act in good faith and abide by what was said previously. The Delegation was of the view that if Member States were not able to come to a decision, then Member States needed to revert to the Secretariat to make the decision, hoping that the Secretariat would act in best interests of WIPO.

147. The Chair invited the Ambassador of El Salvador, the Ambassador of Iran (Islamic Republic of), the Delegation of India, and every other Head of Delegation who wished, to join last chance negotiations in the Uchtenhagen Room.

148. The Delegation of Turkey expressed confusion about what it was to be discussed. A drafting exercise had been mentioned. The Delegation was of the view that if that was going to take place and new wording was to be introduced, then it would be negotiations all over again. The Delegation mentioned that the Chair had said that Member States had exhausted all avenues in negotiations and, therefore, Member States were where they were. The Delegation

was keen to know what the next steps were. Would the Ambassadors or those interested parties be discussing 'yes' or 'no' questions on the proposal that the Chair had made? Or, was it a drafting exercise?

149. The Chair stated that it was the last chance to avoid no decision and he left it to the discretion of the two Ambassadors as to how they would want to proceed, and the Chair temporarily suspended discussion on External Offices.

150. The Chair resumed the plenary and informed that a number of delegations had had last minute and last chance negotiations regarding the decision on External Offices. The negotiations confirmed that there was no real consensus on the issue of External Offices. However, there was one formulation that had gathered the consensus of all those participating in the negotiations. The Chair would like to test that paragraph with the Member States, hoping that Member States would exercise the maximum flexibility that they could. The Chair read out the decision paragraph which was, "The General Assembly decided that the 2018 WIPO General Assembly will consider opening of four offices in the 2018/2019 biennium, including in Colombia." The Chair understood that the proposal was not the one which Member States would wish to see, but at that late stage in the WIPO General Assembly, it may gather consensus.

151. The Delegation of Japan, speaking on behalf of Group B, reiterated that based on the decision at the 2015 WIPO General Assembly, the opening of a remaining External Office for the 2016/2017 biennium cannot be carried over to the 2018/2019 biennium. Therefore, the Delegation was not in a position to support the Chair's proposal at that time and it requested a five minute break in order to consult the members of its Group.

152. The Chair wanted to see, given the late hour, whether it would be possible without Group consultations, for the individual delegations of Group B to exercise maximum flexibility on the proposal so as to allow a consensus decision to be taken. The Chair asked whether his new proposal would be acceptable as a compromise.

153. The Delegation of Switzerland stated that as its Group Coordinator had said, it needed a couple of minutes to assess that proposal. The Delegation was at that time unable to accept the Chair's proposal. Therefore, the Delegation supported its Group Coordinator's request for a couple of minutes to consult, as it would only be fair to allow Group B to analyze this new development.

154. The Chair suspended the meeting for five minutes in order to allow Group B to undertake consultations.

155. The Chair resumed the plenary and offered the floor to the Legal Counsel.

156. The Legal Counsel reminded Member States that decisions by the WIPO General Assembly should be adopted before the official end of those Assemblies, that is October 11, 2017. In accordance with established practice, this meant that if current deliberations continued beyond midnight, that was, into the morning of the October 12, the Member States would, for purposes of those deliberations, consider that the clock was stopped before midnight.

157. The Chair asked Member States if they were in agreement to stop the clock of the conference. There were no objections from any delegation and, therefore, it was so decided.

158. The Delegation of Japan, speaking on behalf of Group B, supported the proposal made by Colombia. The Delegation could not support the Chair's text as it stood, but in order to show maximum flexibility, recognizing GRULAC's constructiveness and fairness, and keeping the

gentleman's agreement, Group B could agree with the text with the addition of "up to" before the word "four".

159. The Chair proposed the text read before, which was so agreed.

160. The WIPO General Assembly decided that the 2018 General Assembly will consider opening up to four WIPO External Offices in the 2018/2019, including in Colombia.

161. The Chair hoped that Member States would manage to salvage the process and that the decisions to be taken during the next WIPO General Assembly would be agreed with much ease, in comparison with the painful conversations during the 2017 WIPO General Assembly.

162. The Delegation of El Salvador thanked the Chair for his tireless efforts as well as those that showed flexibility on the part of all delegations and Regional Groups which, as the Delegation of Japan had pointed out, had come to a gentleman's agreement. The Delegation stated that, obviously, there could have been a third External Office for 2016/2017 biennium but, unfortunately, this had not been able to be achieved despite all the concessions and flexibility shown by various delegations. The Delegation hoped that Member States would continue to work constructively to achieve agreements with regard to External Offices in the next biennium. External Offices was a topic which, among others, the Organization needed to focus on. Having said that, the Delegation invited delegations and Regional Groups to embark upon pragmatic and realistic decisions on this topic.

163. The Delegation of Colombia aligned itself with the Ambassador of El Salvador on behalf of GRULAC. The Delegation understood that this was the result of the great efforts that the Chair had undertaken and, therefore, the Delegation expressed its great, sincere and fraternal recognition of the Chair and the delegations and countries which had supported its proposal. The Delegation stated that it would not step back from ensuring a clear, solid route for developing IP in Colombia, and it hoped that its aspirations would remain alive. The Delegation believed that at the 2018 Assemblies, its aspiration to have an External Office in Colombia, which was supported by the entire Regional Group, would actually come to fruition.

164. The Chair concluded the topic of External Offices by thanking all the Delegations for showing flexibility in deciding on this very complex, and, it seemed to the Chair, highly and unnecessarily politicized, question.

ITEM 13 OF THE CONSOLIDATED AGENDA

REPORT ON THE STANDING COMMITTEE ON COPYRIGHT AND RELATED RIGHTS (SCCR)

165. See the report of the session of the WIPO General Assembly (document WO/GA/49/21 Prov.).

ITEM 14 OF THE CONSOLIDATED AGENDA

REPORT ON THE STANDING COMMITTEE ON THE LAW OF PATENTS (SCP)

166. See the report of the session of the WIPO General Assembly (document WO/GA/49/21 Prov.).

ITEM 15 OF THE CONSOLIDATED AGENDA

REPORT ON THE STANDING COMMITTEE ON THE LAW OF TRADEMARKS, INDUSTRIAL DESIGNS AND GEOGRAPHICAL INDICATIONS (SCT)

167. See the report of the session of the WIPO General Assembly (document WO/GA/49/21 Prov.).

ITEM 16 OF THE CONSOLIDATED AGENDA

MATTERS CONCERNING THE CONVENING OF A DIPLOMATIC CONFERENCE FOR THE ADOPTION OF A DESIGN LAW TREATY (DLT)

168. See the report of the session of the WIPO General Assembly (document WO/GA/49/21 Prov.).

ITEM 17 OF THE CONSOLIDATED AGENDA

REPORT ON THE COMMITTEE ON DEVELOPMENT AND INTELLECTUAL PROPERTY (CDIP) AND REVIEW OF THE IMPLEMENTATION OF THE DEVELOPMENT AGENDA RECOMMENDATIONS

169. See the report of the session of the WIPO General Assembly (document WO/GA/49/21 Prov.).

ITEM 18 OF THE CONSOLIDATED AGENDA

REPORT ON THE INTERGOVERNMENTAL COMMITTEE ON INTELLECTUAL PROPERTY AND GENETIC RESOURCES, TRADITIONAL KNOWLEDGE AND FOLKLORE (IGC)

170. See the report of the session of the WIPO General Assembly (document WO/GA/49/21 Prov.).

ITEM 19 OF THE CONSOLIDATED AGENDA

REPORT ON THE COMMITTEE ON WIPO STANDARDS (CWS)

171. See the report of the session of the WIPO General Assembly (document WO/GA/49/21 Prov.).

ITEM 20 OF THE CONSOLIDATED AGENDA

REPORT ON THE ADVISORY COMMITTEE ON ENFORCEMENT (ACE)

172. See the report of the session of the WIPO General Assembly (document WO/GA/49/21 Prov.).

ITEM 21 OF THE CONSOLIDATED AGENDA

PCT SYSTEM

173. See the report of the session of the PCT Union Assembly (document PCT/A/49/5 Prov.).

ITEM 22 OF THE CONSOLIDATED AGENDA

MADRID SYSTEM

174. See the report of the session of the Madrid Union Assembly (document MM/A/51/2 Prov.).

ITEM 23 OF THE CONSOLIDATED AGENDA

LISBON SYSTEM

175. See the report of the session of the Lisbon Union Assembly (document LI/A/34/4 Prov.).

ITEM 24 OF THE CONSOLIDATED AGENDA

WIPO ARBITRATION AND MEDIATION CENTER, INCLUDING DOMAIN NAMES

176. See the report of the session of the WIPO General Assembly (document WO/GA/49/21 Prov.).

ITEM 25 OF THE CONSOLIDATED AGENDA

PATENT LAW TREATY (PLT)

177. See the report of the session of the WIPO General Assembly (document WO/GA/49/21 Prov.).

ITEM 26 OF THE CONSOLIDATED AGENDA

SINGAPORE TREATY ON THE LAW OF TRADEMARKS (STLT)

178. See the report of the session of the Singapore Treaty Assembly (document STLT/A/10/2 Prov.).

ITEM 27 OF THE CONSOLIDATED AGENDA

MARRAKESH TREATY TO FACILITATE ACCESS TO PUBLISHED WORKS FOR PERSONS WHO ARE BLIND, VISUALLY IMPAIRED OR OTHERWISE PRINT DISABLED (MVT)

179. See the report of the session of the Marrakesh Treaty Assembly. (document MVT/A/2/2 Prov.).

ITEM 28 OF THE CONSOLIDATED AGENDA

REPORTS ON STAFF MATTERS

180. See the report of the session of the WIPO Coordination Committee (document WO/CC/74/8 Prov.).

ITEM 29 OF THE CONSOLIDATED AGENDA

AMENDMENTS TO STAFF REGULATIONS AND RULES

181. See the report of the session of the WIPO Coordination Committee (document WO/CC/74/8 Prov.).

ITEM 30 OF THE CONSOLIDATED AGENDA

ADOPTION OF THE SUMMARY REPORT

182. Discussions were based on documents A/57/11, A/57/11 Add.1, A/57/11 Add.2, A/57/11 Add.3, A/57/11 Add.4, A/57/11 Add.5, A/57/11 Add.6, and A/57/11 Add.7.

183. The Chair explained that the Summary Report had been made available to delegations and would now be submitted for adoption. After the Assemblies, the Secretariat would add the statements made by all delegations under each agenda item, including those made that day, and would finalize the Extensive Reports. As usual practice, these would be adopted by correspondence, as follows: delegations would receive the draft Extensive Reports by October 30, 2017; comments should be submitted by November 30, 2017; after which the Extensive Reports would be deemed adopted by December 14, 2017.

184. The Assemblies of WIPO, each as far as it is concerned,

- (i) adopted the present Summary Report (document A/57/11 and addenda); and
- (ii) requested the Secretariat to finalize the Extensive Reports, post them on the WIPO website and communicate them to Member States by October 30, 2017. Comments should be submitted to the Secretariat by November 30, 2017, after which the final reports will be deemed adopted by December 14, 2017.

ITEM 31 OF THE CONSOLIDATED AGENDA

CLOSING OF THE SESSIONS

185. The Delegation of Indonesia, speaking on behalf of the Asia and the Pacific Group, thanked the Chair for his able leadership and guidance in these Assemblies. The Group also thanked the Director General and his team, and the Secretariat for their hard work in facilitating the meetings. The Group stated that the importance of the IP system as well as its growth in both international IP services and strength should be reflected in a more balanced representation of the Asia and the Pacific Group in all WIPO Committees, in particular, in the composition of WIPO's governing bodies. The Group extended its appreciation to all regional groups for their willingness and constructive spirit shown in the discussion on the Composition of the PBC that resulted in a solution that was acceptable to all. The Group noted the good discussion on the Proposed Program and Budget for the 2018/19 biennium and welcomed the approval of the Programme and Budget and the Capital Master Plan. The Delegation thanked

Ambassador Heredia Acosta (Mexico), the Assistant Director General, Administration and Management Sector and the Controller and her team for their hard work in facilitating this outcome. On the issue of opening new WIPO External Offices, the Group welcomed the agreement reached and hoped it would be honored and solved at the earliest opportunity possible. The Delegation welcomed the renewal of the IGC mandate as recommended by the 34th session of the IGC. It noted that, with enough flexibility and constructive spirit, Member States could reach an agreement that everyone could live with. The Delegation hoped that the work of the IGC will continue to advance. In that regard, the Group thanked all Member States and regional groups for being very constructive in reaching consensus on the mandate. The Group thanked Mr. Ian Goss, IGC Chair, and the facilitators Mr. Jukka Liedes, IGC Vice-Chair, and Ms. Marcela Paiva, for their excellent work and contributions, as well as the Assistant Director General, Global Issues Sector and his team for their hard work and assistance. With regard to the DLT, the Group regretted that Member States missed another opportunity to agree to convene a diplomatic conference. However, the Group noted that Member States were very close, and it was optimistic that an agreement could be reached at the next opportunity. The Group commended Member States and regional groups for their positive contribution in the discussions. The Group thanked Mr. El-Maliki (Morocco), the Deputy Director General, Brands and Designs Sector and the Senior Director, Law and Legislative Advice Division and his team for their excellent work in facilitating the process. The Group again commended and thanked the Chair, Member States, regional groups, Coordinators and the Secretariat. Finally, the Group thanked the Secretary of the Assemblies, the Director of the Assemblies Affairs and Documentation Division and his team, including the conference services, as well as the interpreters, for the smooth meeting. The Group remained committed to continue contributing to the work of the Organization with a positive spirit of multilateralism and constructive engagement.

186. The Delegation of El Salvador, speaking on behalf of GRULAC, thanked the Chair, Vice-Chair and the facilitators for their arduous work during the plenaries and the informals. GRULAC also thanked the Secretariat for the preparation of documents and meetings, as well as the interpreters for working long hours and allow Member States to obtain good results at these Assemblies. GRULAC once again participated actively in the informals and was pleased to witness a high level of consensus on many different issues, such as the Program and Budget for 2018/19 biennium. GRULAC welcomed the agreements reached on the DLT and the IGC mandate as well as on External Offices. A special mention was made to the work of Ms. Marcela Paiva, as facilitator in the IGC, supporting the Vice-Chair's efforts. GRULAC reiterated its appreciation to the Director General and his team of Deputy Directors General, the Secretariat, the interpreters and the Chair.

187. The Delegation of Georgia, speaking on behalf of the CEBS Group, commended the Chair for his guidance and exceptional efforts to advance the work of the WIPO General Assembly. The CEBS Group recognized that it was a complicated task which was dealt with great competence, professionalism and dedication. It was pleased that progress was observable under the leadership of the Chair. The Group also thanked the Vice-Chair for his outstanding performance during the WIPO General Assembly, which led to the approval of the Program and Budget for the 2018/19 biennium, as well as the facilitators for their key role in advancing the negotiations on different issues. In particular, the CEBS Group thanked the Director General and the Secretariat for their tireless efforts invested in the preparation of the relevant documents, and the competent responses on the different issues. The CEBS Group appreciated the constructive deliberations of Member States during the Assemblies, and the spirit of flexibility that prevailed while discussing the different complex issues, including the Programme and Budget for 2018/19 biennium, which ensures the smooth functioning of the Organization. In respect of the IGC, the CEBS Group restated its constructive engagement and the spirit of compromise which aided to reach an agreement on the new mandate of the IGC. The Delegation stressed its preference for the evidence-based approach to enable to find a common understanding of the main objectives on what was realistically achievable. However, the CEBS Group was disappointed that no agreement was reached on convening a diplomatic

conference on the DLT during these Assemblies. The CEBS Group appreciated the Chair's continuous efforts to advance the work on External Offices. The CEBS Group thanked the delegations for their flexibility shown in adopting the decision. The CEBS Group continues to believe that Member States needed to act in the best interest of the Organization, honor and respect their decisions and the history of the long negotiations. The CEBS Group was convinced that the network of External Offices should be built on the principle of equitable geographical distribution, and priority should be given to regions which did not have an External Office. In conclusion, the CEBS Group thanked all Regional Coordinators for their exemplary dedication that helped to achieve agreement on complex issues, and all Member States for their constructive deliberation spirit that prevailed during the WIPO General Assembly.

188. The Delegation of Senegal, speaking on behalf of the African Group, thanked the Chair and Vice-Chair for their untiring efforts, as well as the Chairs, Vice-Chairs and facilitators of the Committees, the Deputy Directors General and the Secretariat, for their patience and professionalism in reconciling the various different positions during these Assemblies. The Group thanked the Director General, for his constant devotion to the world IP system. The Group stated that the negotiations, the search for consensus and compromises led to the achievements in these Assemblies. The Group affirmed its continued commitment to the various activities in WIPO with a constructive spirit, as it has always done, by playing an active role in the work through positive proposals. The items on the agenda of these Assemblies led Member States to review the bodies of WIPO. With regard to the IGC, in particular, the African Group hoped that Member States will be able to achieve their common objective of having a legal instrument(s) or legally binding instrument(s) or instruments in that area. The African Group reaffirmed its efforts to convene a diplomatic conference on the DLT. The African Group hoped that the norm setting work of WIPO will continue, and believed that delegations will manage to make the relative decisions. Finally, the African Group thanked the interpreters.

189. The Delegation of China thanked the Chair, the Director General and his team and the Secretariat for their hard work. The Delegation noted that the Program and Budget for 2018/19 biennium, the IGC mandate and work plan had been adopted due to the efforts of all parties, ensuring the continuous development of the Organization. In addition, Member States can continue to play their role in the formulation of the rules of IP. At the same time, the Delegation regretted that differences still exist on the issues of the DLT and External Offices. The Delegation hoped that progress would be achieved in those two fields in the future work of Member States.

190. The Delegation of Japan, speaking on behalf of Group B, extended its appreciation to the Chair for his dedicated guidance throughout the Assemblies, as well as to the Secretariat for its contributions and to the skilled interpreters for their commitment. Group B also thanked the Regional Coordinators, Member States and facilitators, for their tireless efforts during the General Assembly. Group B applauded the approval of the Program and Budget. In that context, Group B thanked the delegations who actively and creatively participated in the informals of the Program and Budget. It noted with satisfaction that consensus on Agenda Item 18 – the IGC, was achieved by the flexibility of all delegations. However, Group B expressed regret that the General Assembly was not able to reach consensus on convening a diplomatic conference on the DLT. With respect to External Offices, Group B noted with satisfaction the positive decision achieved. Keeping in mind the decision of 2015 Assemblies, including the Guiding Principles, the Delegation hoped that constructive and diplomatic solution would be reached next year.

191. The Delegation of Estonia, speaking on behalf of the European Union and its member states, congratulated the Chair for a successful General Assembly, thanked him for his tireless efforts in facilitating progress and making his good offices available during these Assemblies, both figuratively and literally. The European Union and its member states also expressed its gratitude to the Vice-Chair, for his able guidance in assisting with the work of the Assemblies. The European Union and its member states, highly appreciated the work of the facilitators, in

particular Mr. El-Maliki (Morocco), SCT Chair, Mr. Lieder (Finland), IGC Vice-Chair, and Ms. Paiva (Chile), for their assistance in conducting constructive, detailed and in some cases, fruitful consultations. The European Union and its member states came to these Assemblies with an intention to constructively engage in and contribute to the work on WIPO's normative agenda. Specifically, it hoped to finally see the long awaited progress on the DLT, and aimed to break the political deadlock of the last years which had prevented the General Assembly from taken a decision on the convening of diplomatic conference. It saw a breakthrough as an important positive signal for the normative agenda of WIPO and a guarantor of its future relevance to global innovation and creativity. Regrettably, despite its best endeavors and unprecedented level of flexibility from the side of the European Union and its member states, and despite coming very close, an agreement proved yet again out of reach. The European Union and its member states are now forced to conclude that there are normative issues for which no consensus is possible in the framework of the Organization. There was a need to look at the broader spectrum of possibility to see whether a solution can be found to answer legitimate expectation of stakeholders worldwide for more efficient means of protection. With respect to the IGC, positive discussions had led to a successful outcome.

192. The Delegation of the United States of America supported the statement of Group B and commended the Chair for his dedicated efforts during these Assemblies. The Delegation welcomed the important work accomplished and thanked all the Chairs and facilitators who played an essential role in helping Member States achieve what it believed to be balanced, positive results in most areas of the work. On the budget, the Delegation already made a statement during the adoption, but took the opportunity to thank all delegations for their constructive approach to find a way forward on these difficult issues. The Delegation also thanked the facilitator on the budget issues, Ambassador Heredia Acosta, Vice-Chair and Ms. Rodriguez, PBC Chair, for their steadfast efforts. Last year, Member States adopted important reforms to the Oversight Charter, and had asked WIPO to bring its Staff Rules and Regulations into alignment with the revised Charter; revise the Whistleblower Protection Policy; requested the Chief Ethics Officer to include in her annual report information on any active cases of retaliation; and review WIPO's procurement policies and procedures. The Delegation appreciated that WIPO had undertaken and completed each of those reforms during the past year. It welcomed the constructive spirit in which WIPO's Secretariat, staff and the IAOC have demonstrated throughout this effort. The Delegation thanked the IAOC for its efforts and advice throughout the process. The Delegation was confident that the specific improvements made in each area had strengthened the Organization. In particular, the Delegation noted that WIPO invited the IAOC as well as Member States to provide feedback on the revised Whistleblower Protection Policy prior to its promulgation, and understood that it incorporated many of the suggestions received. The establishment of independent ethics and oversight functions, as well as credible whistleblower protections throughout the UN system, were long time priorities for the United States of America. The Delegation was pleased to see WIPO's progress in realizing those priorities and welcomed WIPO's continued commitment to that end. Finally, the Delegation took this opportunity to thank Member States for their support over those reforms and stressed their collective responsibility to remain vigilant in ensuring that the UN and its specialized agencies model the highest standards of ethics and good governance. The Delegation regretted that once again, the WIPO General Assembly was unable to agree to convene the diplomatic conference on the DLT despite the utmost efforts of all parties, especially the Chair of the SCT. With regard to the IGC, the Delegation supported the decision adopted for the new mandate and will continue constructive engagement in that Committee. The Delegation appreciated the support of the IGC Chairs. The Delegation regretted that despite diligent and valuable guidance on WIPO External Offices throughout and long before the Assemblies, Member States were unsuccessful in finding a practical way forward at this year's Assemblies. The Delegation welcomed the Chair's creative proposals to move Member States forward. It was truly regrettable that the constructive efforts of GRULAC were not recognized with a concrete outcome. The evaluation process as noted in both the 2015 General Assembly decision and in the Guiding Principles of the network of External Offices was particularly important. Given the difficulty of the overall process for Member States since its

inception, the Delegation believed it was essential that the evaluation in 2021 be conducted by an independent external evaluator in order to ensure an impartial objective and non-politicized assessment. The Delegation would raise this matter again in future discussions. In conclusion, the Delegation applauded the Chair's efforts in the work on all issues and thanked all delegations for their flexibility and willingness to engage in collective effort to move the work of the Organization forward. The Delegation also expressed its sincere appreciation to the International Bureau, for its professionalism and dedication throughout the Assemblies and throughout the year.

193. The Delegation of Brazil expressed its appreciation to the Chair and the elected officers for conducting the work for the past 10 days, as well as the facilitators, especially those from its region, for their discussions. The Delegation also thanked the Secretariat and the conference services for their professionalism and availability. Finally, the Delegation expressed its deep appreciation to the interpreters, especially the Portuguese interpreters. The Delegation stated that although the WIPO General Assembly had agreed on the renewal of the mandate of the IGC, the mandate fell short of the legitimate demands of many WIPO Member States and traditional communities. The Delegation accepted it as a way of further progressing towards the development of an international legal instrument(s) that invigorate the combat against the misappropriation of GRs, TK and TCEs. The Delegation urged all Member States to bring a constructive spirit to the discussions scheduled to be held during the next biennium. The Delegation reiterated that the adoption of such instruments would go a long way towards strengthening WIPO's legitimacy. It would also contribute for IP to be seen as a set of values that can improve and enrich everyone's life. The Delegation also thanked Member States for supporting its revised proposal presented at the PCT Working Group. Many countries and Regional Groups had expressed their support, and it looked forward to continuing discussion at the 11th PCT Working Group, aiming at a speedy approval of an improved PCT fee schedule. The Delegation had actively participated in informal discussions this week, and noted the decision reached on External Offices. It hoped that the next WIPO General Assembly confirms the approval of the opening of a WIPO Office in Colombia. With regard to budgetary issues, the Delegation was pleased to note that a decision was reached on both the Program and Budget for the next biennium and the Capital Master Plan. It also welcomed the textual reference to the DA in paragraph 3 of the decision, which underlines its importance to the Organization. The Delegation will continue to closely follow those issues during the next years to ensure the smooth implementation of WIPO's programs and activities. With respect to the Marrakesh Treaty, the Delegation commended the Organization for carrying out awareness-raising activities, and looked forward to seeing those activities fully reflected in the SCCR reports, which would benefit Members with increased knowledge. The Delegation expressed its appreciation to the Chair for successfully guiding the work throughout the Assemblies, and to the facilitators, in particular, Ambassador Heredia Costa and Ms. Paiva, for their tireless efforts in designing creative solutions to the demands, as well as to the Secretariat and the Conference Services, for their professional services. Finally, the Delegation expressed its gratitude to the interpreters.

194. The Delegation of Switzerland announced that it would take over the job of Coordinator of Group B at the end of the Assemblies. The Delegation thanked its predecessor, Mr. Osman (Turkey), Group B Coordinator until spring, who left for a new challenge in another country, and addressed its sincerest thanks to Mr. Kenji Saito, present Coordinator, who took on the job of Group B Coordinator very suddenly. The Delegation thanked him for meeting that challenge with great mastery and hoped to live up to his talent.

195. The Delegation of France associated itself with the statement made by Group B, the European Union and its member states, and delegations who congratulated the Chair on his chairmanship. The Delegation noted that under the leadership of the Chair, substantive decisions vital for the smooth running of WIPO had been achieved. The Delegation stated that it had engaged in constructive discussion and associated closely with other expressions of goodwill at these Assemblies. The Delegation tried through constructive action, or even

inventive or creative action, to craft a solution to the budgetary problems which could be generally applied while preserving the unitary nature of the Organization. Therefore, the Delegation was pleased with the agreement reached on the budget and particularly thanked Ambassador Heredia Costa, Vice-Chair, and Ms. Rodriguez, PBC Chair. The Delegation stressed the importance of the objective of reaching an agreement on the DLT. It wanted a consensus to be reached during these Assemblies, and to finally agree on the convening of a diplomatic conference. The Delegation regretted yet again, despite the efforts of interested parties, that there was no consensus to adopt a text which would aim to simplifying procedures for the registration of designs. Finally, the Delegation thanked all who contributed to the smooth running of these Assemblies, as well as the Group B Coordinator.

196. The Delegation of Colombia welcomed the closing statement made by the Delegation of El Salvador on behalf of GRULAC. It was essential to approve the biennial Program and Budget to ensure the normal functioning of the Organization and the proper implementation of its programs. The Delegation welcomed the adoption of a work plan for the IGC, keeping open the forum for negotiation that would lead to the adoption of instruments intended to serve as a framework for the protection of GRs, TK and TCEs. Regarding the issue of External Offices, and echoing the statement made on behalf of GRULAC, the Delegation said that it recognized that the decision taken was the result of great efforts in the search for a consensus. All the countries of GRULAC and the delegations that had coordinated the regional group were to be commended for their unstinting commitment to the promotion of collective interests. The decision to open a WIPO External Office in Colombia would strengthen the Organization's presence in the Latin American and Caribbean region, and the main purpose of the Office would be to contribute to the achievement of its objectives and the implementation of its strategies and programs. The Delegation hoped that at the 2018 General Assembly, Member States could agree on the opening of External Offices that fully complied with the Guiding Principles.

197. The Delegation of Japan announced its end of term as Regional Coordinator. The Delegation expressed gratitude to all delegations and the Secretariat for their support, friendship and cooperation. Group B extended its wishes to the Delegation of Switzerland who was taking over the coordination of Group B.

198. The Director General joined all delegations in thanking the Chair for his dedication, not just during these Assemblies, but throughout the entire past year, and for his engagement and efforts in ensuring that positive outcomes were reached at these Assemblies. He also thanked Member States for their extraordinary engagement throughout the entire year and, in particular, in relation to these Assemblies. The Director General noted that the room was still half full at that unreasonable hour, which testified to the 10 days of intensive discussions. He recognized that discussions were becoming more and more intense in the field of IP. However, there was a very positive side to that, namely the growing interest in the field of IP, innovation and creativity. The Director General thanked his colleagues in particular Mr. Prasad, Assistant Director General and Secretary of the Assemblies, and his team, and amongst that team, Mr. Balibrea, Director, Assemblies and Affairs and Documentation Division, for an extremely well prepared and well conducted Assemblies. The Director General believed the results had been very positive, and thanked Member States for their confidence in giving the Secretariat the basis to go forward with the work of the Organization. The Director General also thanked Member States, in particular, for their close consideration of the new Program and Budget and for the numerous reports considered on the governance of the Organization. The Director General noted that the normative area remained an area of great difficulty, partly as a consequence of the growing interest in IP. In that regard, the Director General believed that, in the future, the Organization needed to think collectively to ensure that the normative agenda can keep pace with the speed of development in technology and in the distribution and consumption of creative works. The Director General thanked the interpreters for their endurance and patience throughout the last 10 days. In conclusion, the Director General looked forward to faithfully implementing all the decisions taken by these Assemblies.

199. The Chair stated that it had been a great privilege to be elected as Vice-Chair of the General Assembly, and for stepping in the shoes of Ambassador Duque (Colombia), Chair of the General Assembly, after his departure. The Chair said it was indeed a great professional experience and was grateful for that opportunity. The Chair thanked all who helped him through the journey, in particular, Ambassador Heredia Costa, Vice-Chair, as well as the facilitators, Regional Coordinators, the Director General, the Senior Management Team, WIPO support staff, the technical support staff and the interpreters. The Chair wished success to Ambassador Chi Dung Duong (Viet Nam), newly elected Chair of the General Assembly. The Chair regretted that the General Assembly was leaving some heritage, unresolved issues, such as the DLT and External Offices that requires intersessional efforts. However, he was sure the professional and diplomatic skills of Ambassador Duong would assist to nurture compromise on all these issues.

200. The Fifty-Seventh Series of Meetings of the Assemblies and other Bodies of the Member States of WIPO was closed.

[Annexes follow]