

# WIPO



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**WORLD INTELLECTUAL PROPERTY ORGANIZATION**  
GENEVA

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## **PROGRAM AND BUDGET COMMITTEE**

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

### **PROGRESS REPORT ON THE NEW CONSTRUCTION PROJECT**

*Prepared by the Secretariat*

1. At the third informal session of the Program and Budget Committee (hereinafter referred to as “the Committee”), held from December 11 to 13, 2006, the Secretariat presented a progress report (document WO/PBC/3/06/5) on the new construction project (hereinafter referred to as “the project”).
2. The present document constitutes a progress report on the project since the third informal session of the Committee.

#### *Overall timetable of the project*

3. The start of construction remains on schedule for February 2008. All steps and phases foreseen since April 2006, following the recommendation of the WIPO Audit Committee that the project should proceed, have occurred basically as planned (see paragraph 8, below for further details on the timetable).

#### *Taking up of functions by the project pilot*

4. It is recalled that the project pilot, company Burckhardt+Partner SA, took up its functions at the end of November 2006, immediately after signature of the contract. The main mandate of the pilot in directing the project on behalf of WIPO has included dealing with all interested parties (architect, engineers, local authorities) in the preparation of the actual construction phases. From the start, the pilot has also been extensively involved in the preparation of the preselection and selection processes for the general contractor (see

paragraph 5, below) and has prepared a detailed cost audit of the project (see paragraph 10, below).

*Preselection and selection processes for the general contractor*

5. Preparation for launching the call for Expressions of Interest (EOI) for the general contractor started at the end of November 2006. The advice of the *Institut pour le droit suisse et international de la construction* (Fribourg, Switzerland) was taken into account. The call was launched on December 22, 2006, and remained open until February 12, 2007. Five companies expressed their interest. During its third session on March 20, 2007, the Selection Board preselected four companies from the five which had expressed an interest. The Request for Proposals (RFP) for the mandate of the general contractor, prepared with substantive inputs from the pilot and the *Institut*, was issued to those preselected companies on April 5, 2007, with a closing date of July 23, 2007. Companies are required to make a “fixed price offer” guaranteed until the end of the construction phase. Evaluation of the offers will be carried out between August and October 2007. The Selection Board is expected to meet towards the end of October 2007 to select the general contractor. The aim is to conclude and sign the contract before the end of December 2007.

*Preselection and selection processes for the bank loan*

6. The Call for Expressions of Interest for the bank loan was launched on May 7, 2007, with a closing date of July 2, 2007. In this case also, the advice of the *Institut* was sought. The Selection Board is expected to meet in September 2007 to preselect the financing institutions from those which will have expressed an interest. The Request for Proposals (RFP) for the bank loan is planned to be issued in September/October 2007 to the preselected financing institutions. Evaluation of the offers should be carried out in October/November 2007 followed by a session of the Selection Board at the beginning of December 2007 to select the financing institution. The aim is to conclude and sign the contract before the end of December 2007 so that the availability of the funds coincides with the start of construction.

*Charter for the New Construction Project*

7. Following recommendations made by the Audit Committee at its third meeting, held from October 30 to November 2, 2006, the Construction Committee prepared the fourth revised version of the Charter (version v.04 (2007)) which was presented to the Audit Committee at its fourth meeting, held from March 26 to 29, 2007. Copies are available upon request.

*Indicative timetable for the project*

8. For the information of the Committee, the “Indicative Timetable” contained in the Charter (version v.04 (2007) referred to above), is set out in the Annex to this document.

*Estimated cost of the project*

9. The overall estimated cost of the project will be updated at the end of 2007 in the light of the final offer by the company selected as general contractor (see paragraph 5, above).

10. It is recalled that, following a recommendation of the Audit Committee, the External Auditor was requested by the Construction Committee to carry out an audit of the estimated

budget of the project and presented his report on December 6, 2006. Copies of the report were made available to the Program and Budget Committee, at its third informal session, and were sent to Permanent Missions in Geneva under cover of *Note verbale* N.2737 dated January 10, 2007. The External Auditor recommended, however, that a detailed cost audit be carried out by the pilot; this recommendation was endorsed by the Construction Committee. The audit report of the pilot will be presented to the WIPO Audit Committee at its next meeting in July.

11. It should be noted that the overall cost of the new construction will need to cover the cost of the additional security elements that are required in accordance with United Nations Headquarters Minimum Operating Security Standards (H-MOSS)). For further details on the upgrade of the security standards of WIPO, in accordance with UN-H-MOSS, reference is made to documents WO/PBC/11/6 and 12.

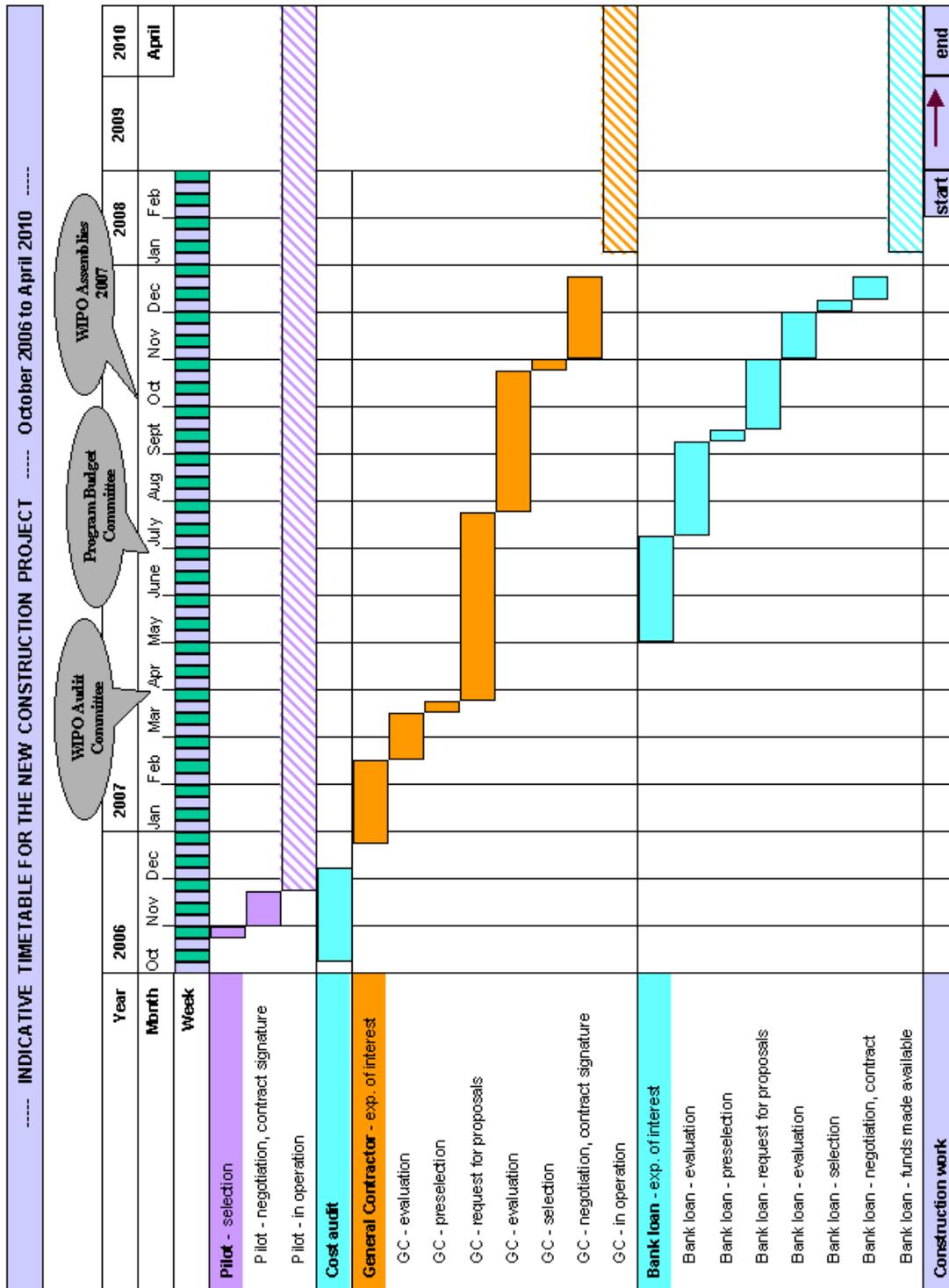
*Effect of the project on the WIPO regular budget*

12. As it was already brought to the attention of the Committee at its tenth session (see document WO/PBC/10/4, paragraph 16) and at its third informal session (see document WO/PBC/IM/3/06/5, paragraph 7), as a consequence of the postponement of the start of the new construction project, the cost incurred under Program 31 in the current biennium will be marginal. This is shown in document WO/PBC/11/5 (“Revised Budget for the 2006/07 Biennium”). As concerns the 2008/09 Biennium, an amount of 5.2 million Swiss francs has been budgeted under Program 31 in the Proposed Program and Budget for 2008/09 (document WO/PBC/11/6), to cover, mainly, the estimated cost of the bank loan and the cost of the pilot, that will be payable by the Organization in the 2008/09 Biennium. The regular budget continues to bear the cost of rental of non-WIPO-owned premises pending the completion of the construction, and this has been reflected in the Proposed Program and Budget for 2008/09 and will also be reflected, as required, in the Proposed Program and Budget for 2010/11, under Program 29.

*13. The Program and Budget Committee is invited to take note of this Progress Report.*

[Annex follows]

ANNEX



[End of Annex and of document]