

# WIPO



WO/PBC/13/2

ORIGINAL: English

DATE: November 12, 2008

WORLD INTELLECTUAL PROPERTY ORGANIZATION  
GENEVA

E

## PROGRAM AND BUDGET COMMITTEE

### Thirteenth Session

Geneva, December 10 and 11, 2008

FINANCIAL MANAGEMENT REPORT FOR THE 2006-2007 BIENNIUM  
ARREARS IN CONTRIBUTIONS  
AS OF OCTOBER 10, 2008

*prepared by the Secretariat*

#### I. Financial Management Report for the 2006-2007 biennium

1. The accounts of the International Bureau for the 2006-2007 biennium are included in the *2006-2007 Financial Management Report* (document FMR/2006-2007). Copies of this report were sent, on July 31, 2008, to each Member State of WIPO, the Paris Union or Berne Union, to all National Offices and to all Missions. Copies of the report are available on request at the desk at the entrance to Room A.

2. The accounts were audited by the auditor appointed by the General Assembly: the Government of the Swiss Confederation, which entrusted the mandate to the Director of the Swiss Federal Audit Office. The *Auditor's Report on the WIPO Accounts for the 2006-2007 biennium* was forwarded, on July 31, 2008, to each Member State of WIPO, the Paris Union or Berne Union, together with the *2006-2007 Financial Management Report*.

3. The conclusion of the Auditor's Report was as follows:

“88. As a result of the work done, I am able to issue the audit opinion annexed to this report and drawn up in conformity with paragraph 5 of the Terms of Reference Governing Audit (annexed to the WIPO Financial Regulations).”

4. The audit opinion in question is worded as follows:

“In my opinion, the financial statements give a satisfactory account, on all essential points, of the financial position as at December 31, 2007, and of the results of operations and movements of funds for the financial period ending on that date, in accordance with the specified accounting policies of WIPO, which are set forth in the Notes on the 2006-2007 Financial Management Report and which have been applied in a manner consistent with the previous accounting period.

In addition, it is my opinion that the WIPO operations that I checked by sampling in the course of my audit were on all essential points consistent with the Financial Regulations and the authority given by the deliberative bodies of the Organization.

Pursuant to paragraph 6 of the Terms of Reference Governing External Audit, annexed to the WIPO Financial Regulations, I have also drawn up a detailed report on my auditing of the financial statements of WIPO, which is dated July 14, 2008.”

5. In the above-mentioned detailed report, the Auditor makes the following recommendations:

“**Recommendation No. 1:** In order to improve cost management, I believe that budget allocations should be authorized and should be subject to monitoring by program and type of expenditure. This would allow the control mechanisms to be aligned with the financial information published.

31. More specifically, to allow such monitoring, key indicators should be developed systematically to allow monitoring of changes in expenditure for each program according to type.”

6. The Secretariat will continue to implement measures to improve cost management, monitoring and control mechanisms within the context of the implementation of WIPO’s Financial Regulations and Rules and the enhancements to the Organization’s information systems.

7. In paragraphs 44 to 46 of his detailed report, concerning the “Expenditure allocation – expenditure distribution keys by Union”, the Auditor makes the following recommendation:

“**Recommendation No. 2:** With a view to auditing the 2008-2009 accounts, I encourage WIPO to continue adapting the distribution keys for 2008-2009 in order to:

- ensure a distribution of expenditure according to the elements generating costs, so that as much expenditure as possible is allocated directly;
- ensure, through simulations, that the keys remain stable in the face of different scenarios.

8. The Secretariat will continue to review the distribution keys for 2008-2009 in the light of the above recommendation. Annex IV of the revised budget for 2008-2009 specifically addresses this issue.

9. In paragraph 52 of his detailed report, concerning “Inventory management and reconciliation”, the Auditor writes:

“52. As at December 31, 2007, the inventories according to the accounts and the inventory management software (FMAC) show significant unreconciled differences (around SFR272,000). These discrepancies may be due in particular to the lack of bar code on goods recorded in the accounts or may result from the entry of conflicting information when the goods are recorded in the inventory...

**...Recommendation No. 3:** To allow more regular monitoring of the items to be listed, I think that persons taking delivery of goods should attach to the invoice the delivery note with the bar-code number allocated by the Organization and Material Resources Section. This would enable the Finance Department to obtain not only confirmation of receipt, but also the relevant bar codes. Furthermore, alternative measures have been put forward in my report on the audit of results relating to inventories. Their implementation would facilitate the monitoring of inventory and limit the number of reconciling items.”

10. The Secretariat will implement this recommendation.

11. In paragraph 55 of his detailed report, concerning the “Entry into force of new Financial Regulations and IT tools available”, the Auditor makes the following observations:

“55. The new distribution of tasks established through the Financial Regulations in force since January 1, 2008, involves greater accessibility of documents by more people. It also entails increased decentralization of certain controls. This in turn leads to an increase in information flows. The possibility of adapting IT resources (such as PeopleSoft modules) has been considered by WIPO. In this context, several new reports have been made available to program managers to allow better monitoring of their expenses. Other measures are necessary to facilitate the organization of the additional information flow.

**Recommendation No. 4:** I encourage WIPO to continue its efforts to adapt the information system by taking into account new requirements arising from the introduction of the new Financial Regulations (and the IPSAS in the near future). As part of this effort, the cost-benefit ratio of the adaptations recommended will be decisive. In any case, this effort should be coordinated with any steps taken in response to Recommendation No. 5 below concerning the “documentation of operational processes and their financial impact”, as well as the following recommendations made in my report on the audit of information technologies (document A/43/INF/5):

- No. 2, modernization of the user interfaces and joint reprogramming of the CASPRO and CASPIA applications;
- No. 5, introduction of the PeopleSoft Purchasing module;
- No. 6, introduction of the PeopleSoft Assets module;

- No. 11, planning the gradual incorporation of IT solutions surrounding the AIMS system with a view to achieving productivity gains;
- No. 13, documentation of the AIMS system including business and financial processes.”

12. The Secretariat will submit, to the Program and Budget Committee (PBC) and to the Assemblies, in December 2008, a proposal aimed at further adapting the current information system. This proposal is the substance of document WO/PBC/13/6/(d).

13. In paragraph 57 of his detailed report, concerning the “Documentation of operational processes and their financial impact”, the Auditor makes the following recommendation:

“57. With the entry into force of the new Financial Regulations, it would be wise to introduce new control procedures. This would allow the main operational processes to be listed with their effect on financial activities, as well as the controls on which WIPO relies to ensure proper accounting...”

...**Recommendation No. 5:** It would be in WIPO’s interest to take advantage of the introduction of the new control procedures relating to the introduction of the new Financial Regulations, in order to document these and in turn allow follow up.”

14. The Secretariat will further develop, in consultation with the internal and external auditors, improved control procedures that may be put in place to respond to this recommendation in an appropriate manner.

15. In paragraph 74 of his report, concerning “Fees under the Patent Cooperation Treaty (PCT Union)”, the Auditor makes the following recommendation:

“**Recommendation No. 6:** In order to improve recognition of income, it would be useful to compare the different approaches to estimating income. This would make data more easily comparable. It would also be possible to specify the point at which income is generated in order better to reflect the operational activity in the accounts, and ensure a stronger link between the expenditure and income generated as a result of processing the applications received and the work relating to all other fees paid.”

16. The Secretariat has always endeavored to recognize PCT-generated income by comparing the various methods of estimation. Given the specific nature of the PCT process, the determination of the moment at which income is generated for WIPO is not a straightforward matter. The current way of recognizing income is fully compliant with the accounting standards currently in force (UNSAS). The IPSAS standards, which have not yet come into effect, provide clear-cut rules which result in more careful financial management but are more restricting. These standards can only be applied in the context of a global shift, by the Organization, to the use of IPSAS norms.

17. In paragraph 83 of his report, concerning “Expenditure for staff missions”, the Auditor makes the following recommendation:

“**Recommendation No. 7:** In order to obtain better terms, I believe that airline tickets could be issued earlier. This would mean simplifying the internal procedure for processing requests. Creating an interface between E-TA/E-Works and AIMS would stop data being inputted twice and would therefore lead to substantial time savings. Or better still, as part of the enterprise resource planning (ERP), the travel chapter could be moved to phase I (deployment in 2008-2009).”

18. In order to improve the situation, the Secretariat will attempt to accelerate the deployment of IT modules so as to improve the situation. The Secretariat will, in the meantime, continue to make travelers aware of the need for earlier and improved planning of their travel, allowing tickets providing better value for money to be issued.

## II. Arrears in contributions as of October 10, 2008

*Arrears in Annual Contributions  
(Except for Arrears of the Least Developed Countries,  
Placed in a specific (Frozen) Account  
Concerning the Years Preceding 1990)*

19. The following table shows the arrears in contributions on October 10, 2008, under the unitary contribution system which has been applicable since January 1, 1994, and under the previously applicable contribution systems of the six Contribution-financed Unions (Paris, Berne, IPC, Nice, Locarno, Vienna) and of WIPO (for States members of WIPO not members of any of the Unions), with the exception of arrears in contributions of the least developed countries (LDCs) concerning the years preceding 1990, placed in a special (frozen) account, which are not shown in this table but are shown in the table in paragraph 23, below.

State	Unitary/ Union/ WIPO	No Arrears/Year(s) of Arrears ( <i>partial payment is indicated by an asterisk</i> )	Amount of Arrears ( <i>Swiss francs</i> )	% of Total Arrears
Afghanistan		No arrears		
Albania		No arrears		
Algeria	Unitary	08	5 697	0.09
Andorra		No arrears		
Angola		No arrears		
Antigua and Barbuda		No arrears		
Argentina	Unitary	08*	33 842	0.52
Armenia		No arrears		
Australia		No arrears		
Austria		No arrears		
Azerbaijan		No arrears		
Bahamas		No arrears		
Bahrain		No arrears		
Bangladesh	Unitary	08	1 424	0.02
Barbados		No arrears		
Belarus		No arrears		
Belgium		No arrears		
Belize		No arrears		
Benin		No arrears		
Bhutan		No arrears		

State	Unitary/ Union/ WIPO	No Arrears/Year(s) of Arrears ( <i>partial payment is indicated by an asterisk</i> )	Amount of Arrears ( <i>Swiss francs</i> )		% of Total Arrears
Bolivia	Unitary	97*+98+99+00+01+02+03+04+05+06+07+08		33 821	0.52
Bosnia and Herzegovina		No arrears			
Botswana		No arrears			
Brazil		No arrears			
Brunei Darussalam		No arrears			
Bulgaria		No arrears			
Burkina Faso	Unitary	06*+07+08		3 024	0.05
Burundi	Unitary	94+95+96+97+98+99+00+01+02+03+04+05+06+07+08	23 211		
	Paris	90+91+92+93	13 276	36 487	0.56
Cambodia		No arrears			
Cameroon		No arrears			
Canada		No arrears			
Cape Verde	Unitary	98+99+00+01+02+03+04+05+06+07+08		16 156	0.25
Central African Republic	Unitary	94+95+96+97+98+99+00+01+02+03+04+05+06+07+08	23 211		
	Paris	90+91+92+93	13 276		
	Berne	90+91+92+93	7 460	43 947	0.68
Chad	Unitary	94+95+96+97+98+99+00+01+02+03+04+05+06+07+08	23 211		
	Paris	90+91+92+93	13 276		
	Berne	90+91+92+93	7 460	43 947	0.68
Chile		No arrears			
China		No arrears			
Colombia		No arrears			
Comoros	Unitary	06+07+08		4 272	0.07
Congo	Unitary	94+95+96+97+98+99+00+01+02+03+04+05+06+07+08	46 432		
	Paris	91+92+93	39 569		
	Berne	90*+91+92+93	32 356	118 357	1.83
Costa Rica		No arrears			
Côte d'Ivoire	Unitary	94+95+96+97+98+99+00+01+02+03+04+05+06+07+08	49 978		
	Paris	92+93	27 597		
	Berne	91*+92+93	30 471	108 046	1.67
Croatia		No arrears			
Cuba		No arrears			
Cyprus		No arrears			
Czech Republic		No arrears			
Democratic People's Republic of Korea		No arrears			
Democratic Republic of the Congo	Unitary	94+95+96+97+98+99+00+01+02+03+04+05+06+07+08	23 211		
	Paris	90+91+92+93	159 959		
	Berne	90+91+92+93	90 326	273 496	4.22
Denmark		No arrears			
Djibouti	Unitary	03+04+05+06+07+08		8 544	0.13
Dominica		No arrears			
Dominican Republic	Unitary	94+95+96+97+98+99+00+01+02+03+04+05+06+07+08	69 914		
	Paris	63+64+65+66+67+68+69+70+71+72+73+74+75+76+77+78+79+80+81+82+83+84+85+86+87+88+89+90+91+92+93	969 910	1 039 824	16.05
Ecuador		No arrears			
Egypt		No arrears			
El Salvador		No arrears			

State	Unitary/ Union/ WIPO	No Arrears/Year(s) of Arrears ( <i>partial payment is indicated by an asterisk</i> )	Amount of Arrears ( <i>Swiss francs</i> )		% of Total Arrears
Equatorial Guinea		No arrears			
Eritrea	Unitary	07+08		2 848	0.04
Estonia		No arrears			
Ethiopia		No arrears			
Fiji		No arrears			
Finland		No arrears			
France		No arrears			
Gabon	Unitary	94+95+96+97+98+99+00+01+02+03+04+05+06+07+08	49 978		
	Paris	84*+85+86+87+88+89+90+91+92+93	192 434		
	Berne	84+85+86+87+88+89+90+91+92+93	122 832	365 244	5.64
Gambia	Unitary	97*+98+99+00+01+02+03+04+05+06+07+08		17 676	0.27
Georgia		No arrears			
Germany		No arrears			
Ghana		No arrears			
Greece	Unitary	08*		34 987	0.54
Grenada		No arrears			
Guatemala		No arrears			
Guinea	Unitary	94+95+96+97+98+99+00+01+02+03+04+05+06+07+08	23 211		
	Paris	90+91+92+93	13 276		
	Berne	90+91+92+93	7 460	43 947	0.68
Guinea-Bissau	Unitary	94+95+96+97+98+99+00+01+02+03+04+05+06+07+08	23 211		
	Paris	90+91+92+93	13 276		
	Berne	92+93	3 858	40 345	0.62
Guyana	Unitary	06*+07+08		8 528	0.13
Haiti	Unitary	94+95+96+97+98+99+00+01+02+03+04+05+06+07+08	23 211		
	Paris	90*+91+92+93	10 428	33 639	0.52
Holy See		No arrears			
Honduras		No arrears			
Hungary		No arrears			
Iceland		No arrears			
India		No arrears			
Indonesia		No arrears			
Iran (Islamic Republic of)	Unitary	08		45 579	0.70
Iraq	Unitary	94+95+96+97+98+99+00+01+02+03+04+05+06+07+08	118 235		
	Paris	84+85+86+87+88+89+90+91+92+93	410 582	528 817	8.16
Ireland		No arrears			
Israel		No arrears			
Italy		No arrears			
Jamaica		No arrears			
Japan		No arrears			
Jordan		No arrears			
Kazakhstan		No arrears			
Kenya		No arrears			
Kuwait		No arrears			
Kyrgyzstan		No arrears			
Lao People's Democratic Republic	Unitary	08		1 424	0.02
Latvia		No arrears			

State	Unitary/ Union/ WIPO	No Arrears/Year(s) of Arrears ( <i>partial payment is indicated by an asterisk</i> )	Amount of Arrears ( <i>Swiss francs</i> )		% of Total Arrears
Lebanon <sup>1</sup>	Unitary	94+95+96+97+98+99+00+01+02+03+04+05+06+07*+08	56 443		
	Paris	86+87+88+89+90+91+92+93	201 698		
	Berne	85*+86+87+88+89+90+91+92+93	273 940		
	Nice	85+86+87+88+89+90+91+92+93	23 502	555 583	8.57
Lesotho		No arrears			
Liberia		No arrears			
Libyan Arab Jamahiriya	Unitary	00*+01+02+03+04+05+06+07+08		69 169	1.07
Liechtenstein		No arrears			
Lithuania	Unitary	08		11 395	0.18
Luxembourg		No arrears			
Madagascar	Unitary	08*		1 320	0.02
Malawi		No arrears			
Malaysia		No arrears			
Maldives		No arrears			
Mali	Unitary	07*+08		1 752	0.03
Malta		No arrears			
Mauritania	Unitary	94+95+96+97+98+99+00+01+02+03+04+05+06+07+08	23 211		
	Paris	90+91+92+93	13 276		
	Berne	90+91+92+93	7 460	43 947	0.68
Mauritius		No arrears			
Mexico		No arrears			
Micronesia (Federated States of)	Unitary	05*+06+07+08		8 800	0.14
Monaco		No arrears			
Mongolia		No arrears			
Montenegro		No arrears			
Morocco		No arrears			
Mozambique		No arrears			
Myanmar		No arrears			
Namibia		No arrears			
Nepal		No arrears			
Netherlands		No arrears			
New Zealand		No arrears			
Nicaragua	Unitary	06*+07+08		8 456	0.13
Niger	Unitary	94+95+96+97+98+99+00+01+02+03+04+05+06+07+08	23 211		
	Paris	90+91+92+93	13 276		
	Berne	90+91+92+93	7 460	43 947	0.68
Nigeria	Unitary	94+95+96+97+98+99+00+01+02+03+04+05+06+07+08	290 401		
	Paris	91*+92+93	237 156	527 557	8.14
Norway		No arrears			
Oman		No arrears			
Pakistan		No arrears			
Panama		No arrears			
Papua New Guinea	Unitary	08		2 849	0.04
Paraguay		No arrears			
Peru		No arrears			
Philippines	Unitary	08*		4 468	0.07

<sup>1</sup> Installment plan concluded in July 2006 in order to settle the arrears of the Paris, Berne and Nice Unions and under the unitary contribution system by ten yearly installments. The first installment payment was received during the year 2007.



State	Unitary/ Union/ WIPO	No Arrears/Year(s) of Arrears ( <i>partial payment is indicated by an asterisk</i> )	Amount of Arrears ( <i>Swiss francs</i> )		% of Total Arrears
Poland		No arrears			
Portugal		No arrears			
Qatar		No arrears			
Republic of Korea		No arrears			
Republic of Moldova		No arrears			
Romania		No arrears			
Russian Federation		No arrears			
Rwanda		No arrears			
Saint Kitts and Nevis		No arrears			
Saint Lucia		No arrears			
Saint Vincent and the Grenadines		No arrears			
Samoa		No arrears			
San Marino		No arrears			
Sao Tome and Principe	Unitary	99+00+01+02+03+04+05+06+07+08		14 398	0.22
Saudi Arabia		No arrears			
Senegal		No arrears			
Serbia	Unitary Paris Berne Nice Locarno	94+95+96+97+98+99+00+01 93* 91+92+93 93 93	847 668 79 996 135 984 6 447 2 247	1 072 342	16.55
Seychelles	Unitary	08		2 849	0.04
Sierra Leone		No arrears			
Singapore		No arrears			
Slovakia		No arrears			
Slovenia		No arrears			
Somalia	Unitary WIPO	94+95+96+97+98+99+00+01+02+03+04+05+ 06+07+08 90+91+92+93	23 211 4 452	27 663	0.43
South Africa		No arrears			
Spain		No arrears			
Sri Lanka		No arrears			
Sudan		No arrears			
Suriname		No arrears			
Swaziland		No arrears			
Sweden		No arrears			
Switzerland		No arrears			
Syrian Arab Republic		No arrears			
Tajikistan		No arrears			
Thailand		No arrears			
The former Yugoslav Republic of Macedonia		No arrears			
Togo	Unitary Paris Berne	94+95+96+97+98+99+00+01+02+03+04+05+ 06+07+08 92+93 92+93	23 211 6 899 3 858	33 968	0.53
Tonga		No arrears			
Trinidad and Tobago		No arrears			
Tunisia	Unitary	08*		3 492	0.05
Turkey		No arrears			
Turkmenistan		No arrears			
Uganda	Unitary	07*+08		1 877	0.03
Ukraine		No arrears			
United Arab Emirates		No arrears			

State	Unitary/ Union/ WIPO	No Arrears/Year(s) of Arrears ( <i>partial payment is indicated by an asterisk</i> )	Amount of Arrears ( <i>Swiss francs</i> )	% of Total Arrears
United Kingdom		No arrears		
United Republic of Tanzania		No arrears		
United States of America	Unitary	08	1 139 475	17.59
Uruguay	Unitary	08	5 697	0.09
Uzbekistan		No arrears		
Venezuela		No arrears		
Viet Nam		No arrears		
Yemen	Unitary	08	1 424	0.02
Zambia		No arrears		
Zimbabwe	Unitary	08	2 849	0.04

#### Total amount of arrears

Unitary Contributions		3 282 462	
Contribution-financed Unions and WIPO		3 196 733	
Grand Total		6 479 195	100.00

#### Observations

20. The total amount of the overdue contributions was, on October 10, 2008, about 6.5 million francs, of which 3.3 million francs concern the unitary contribution system, whereas 3.2 million francs concern the pre-1994 contributions in respect of the Contribution-financed Unions and WIPO. The total amount of arrears corresponds to 37.2% of the amount of the contributions payable for 2008, namely, 17.4 million francs.

21. Any payment that reaches the International Bureau between October 10 and December 10, 2008, will be reported orally when the present document is examined.

#### *Arrears in Annual Contributions of the Least Developed Countries, Placed in a Special (Frozen) Account Concerning the Years Preceding 1990*

22. It is recalled that, in accordance with the decision taken by the WIPO Conference and the Assemblies of the Paris and Berne Unions at their 1991 ordinary sessions, the amount of the arrears in contributions of any least developed country (LDC) relating to years preceding 1990 was placed in a special account, the amount of which was frozen as of December 31, 1989 (documents AB/XXII/20 and AB/XXII/22, paragraph 127). Such arrears in contributions, as of October 10, 2008, concerning the Paris and Berne Unions and concerning WIPO are shown in the following table. Any payment that reaches the International Bureau between October 10 and December 10, 2008, will be reported orally when the present document is examined.

State	Union/ WIPO	Year(s) of Arrears ( <i>partial payment is indicated by an asterisk</i> )	Amount of Arrears ( <i>Swiss francs</i> )		% of Total Arrears
Burkina Faso	Paris	77*+78+79+80+81+82+83+84+85+86+ 87+88+89	217 518		
	Berne	77+78+79+80+81+82+83+84+85+86+87+ 88+89	137 566	355 084	7.81
Burundi	Paris	78+79+80+81+82+83+84+85+86+87+88+ 89		214 738	4.72
Central African Republic	Paris	76*+77+78+79+80+81+82+83+84+85+ 86+87+88+89	273 509		
	Berne	80*+81+82+83+84+85+86+87+88+89	114 858	388 367	8.54
Chad	Paris	71+72+73+74+75+76+77+78+79+80+81+ 82+83+84+85+86+87+88+89	250 957		
	Berne	72+73+74+75+76+77+78+79+80+81+82+ 83+84+85+86+87+88+89	156 387	407 344	8.96
Democratic Republic of the Congo	Paris	81*+82+83+84+85+86+87+88+89	500 200		
	Berne	81*+82+83+84+85+86+87+88+89	301 015	801 215	17.63
Gambia	WIPO	83+84+85+86+87+88+89		55 250	1.22
Guinea	Paris	83+84+85+86+87+88+89	148 779		
	Berne	83*+84+85+86+87+88+89	81 293	230 072	5.06
Guinea-Bissau	Paris	89		23 213	0.51
Haiti	Paris	79*+80+81+82+83+84+85+86+87+88+89		347 037	7.64
Mali	Paris	84+85+86+87+88+89	132 377		
	Berne	76*+77+78+79+80+81+82+ 83+84+85+86+87+88+89	165 124	297 501	6.55
Mauritania	Paris	77*+78+79+80+81+82+83+84+85+86+ 87+88+89	219 120		
	Berne	74+75+76+77+78+79+80+81+82+83+84+ 85+86+87+ 88+89	150 618	369 738	8.14
Niger	Paris	81+82+83+84+85+86+87+88+89	179 097		
	Berne	80*+81+82+83+84+85+86+87+88+89	110 069	289 166	6.36
Somalia	WIPO	83+84+85+86+87+88+89		55 250	1.22
Togo	Paris	84+85+86+87+88+89	132 377		
	Berne	83*+84+85+86+87+88+89	87 785	220 162	4.84
Uganda	Paris	74*+75+76+77+78+79+80+81+82+ 83+84+85+86+87+88+89		238 420	5.25
United Republic of Tanzania	Paris	82*+83+84+85+86+87+88+89		200 932	5.13
Yemen	WIPO	87*+88+89		19 142	0.42

**Total amount of arrears**

Paris	3 078 274	
Berne	1 304 715	
WIPO	129 642	
Grand Total	4 512 631	100.00

*Amounts due towards the Working Capital Funds*

23. The following table shows the amounts due, on October 10, 2008, in the payments by States towards the working capital funds that have been constituted, namely, those of two Contribution-financed Unions (Paris and Berne). Any payment that reaches the International Bureau between October 10 and December 10, 2008, will be reported when the present document is examined.

State	Union	Amount due (Swiss francs)	
Burundi	Paris		7 508
Central African Republic	Paris		943
Chad	Paris	6 377	
	Berne	1 980	8 357
Democratic Republic of the Congo	Paris	14 057	
	Berne	1 727	15 784
Dominican Republic	Paris		2 051
Guinea	Paris	7 508	
	Berne	2 915	10 423
Iraq	Paris		967
Mauritania	Paris		1 854
Niger	Paris		697

**Total amount due towards the Working Capital Funds**

Paris Union	41 962
Berne Union	6 622
Grand Total	48 584

*Evolution of arrears in contributions and Working Capital Funds over the last ten years*

24. Since the introduction of the unitary contribution system in 1994 and the creation of new, more equitable contribution classes for the developing countries, the arrears in contributions have been reduced significantly. This reduction is partly explained by the total amount of contributions invoiced, which declined considerably between the years 1997 and 2000.

25. The following table gives the amounts of arrears in contributions (including the "frozen" arrears of the LDCs) and Working Capital Funds (WCF) since 1997.

Arrears in contributions as of December 31 (millions of francs)					
Year	Unitary contribution	Contribution-financed Unions	"Frozen" arrears	WCF	Total
1997	4.98	6.43	4.71	0.10	16.22
1998	4.21	6.20	4.70	0.09	15.20
1999	3.90	5.71	4.68	0.09	14.38
2000	4.94	5.43	4.68	0.09	15.14
2001	3.87	5.00	4.68	0.08	13.63
2002	3.04	4.34	4.64	0.08	12.10
2003	4.37	4.09	4.63	0.08	13.17
2004	3.09	3.92	4.63	0.08	11.72
2005	3.40	3.84	4.58	0.07	11.89
2006	4.10	3.79	4.54	0.06	12.49
2007	2.86	3.64	4.54	0.06	11.10
2008*	3.28	3.20	4.51	0.05	11.04

\* as of October 10, 2008

26. *The Program and Budget Committee is invited:*

(i) *to examine the 2006-2007 Financial Management Report (document FMR/2006-2007) and the content of this document, and*

(ii) *to recommend to the Assemblies of the Member States of WIPO the approval of the 2006-2007 Financial Management Report (document FMR/2006-2007).*

(iii) *to take note of the status of the payment of contributions on October 10, 2008.*

[End of document]