

# WIPO



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WORLD INTELLECTUAL PROPERTY ORGANIZATION  
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## ASSEMBLIES OF THE MEMBER STATES OF WIPO

### Forty-Third Series of Meetings Geneva, September 24 to October 3, 2007

#### PROPOSED UTILIZATION OF AVAILABLE RESERVES IN THE MEDIUM TERM

##### *Memorandum of the Director General*

1. At the eleventh session of the Program and Budget Committee, which took place in June 2007, the Secretariat put forward options for the possible utilization of funds available from reserves above the target level established by the Assemblies of the WIPO Member States in the year 2000. These options, which were presented in document WO/PBC/11/10, included the possible erosion of the reserves through a reduction of the level of the fees currently paid to the International Bureau by users of the PCT system.
2. Following extensive review and discussion, the Committee had i) taken note of the information provided in documents WO/PBC/11/10; (ii) expressed views and sought clarifications on a number of issues in relation thereto; and (iii) looked forward to its September 2007 session to make its final recommendations to the General Assembly in this respect.
3. Based on the outcome of the June session of the Committee, the Secretariat elaborated a proposal consisting of a summary document elaborating the details of the funding proposal (WO/PBC/12/4), and four additional documents elaborating the project proposals which had been put forward for funding.
4. The proposal of the Secretariat consisted of submitting for the consideration of the Member States the proposal to approve the appropriation of 61.7 million Swiss francs, to be available to utilize, with the balances taken forward from one biennium to another, for financing the implementation of the five projects, as follows: Funding of Development Agenda (document WO/PBC/12/4(a)), Down Payment for the New Construction Project (document WO/PBC/12/4(b)), Implementation of an Enterprise Resource Planning (ERP)

System (document WO/PBC/12(c)), Upgrading of the Security Standards of WIPO (document WO/PBC/12/4(d)) and Modernization of IT Platform for the Madrid and Hague Systems (documents MM/A/38/4 and H/A/24/2, respectively).

5. As clearly stated in paragraph 9 of document WO/PBC/12/4, this proposal had been made by the Secretariat without prejudice to the decisions that the forthcoming 2007 session of the PCT Union Assembly may take on the subject of the level of PCT fees in the future.

6. Due to its heavy agenda, the twelfth (September) session of the Program and Budget Committee did not have the time to examine in detail the five proposals mentioned above, nor the additional information that the Secretariat had provided on some of these proposed projects, as requested by the June session of the Committee (additional information and research had been carried out by the Secretariat in respect of, particularly, the proposed implementation of an Enterprise Resource Planning (ERP) System). The Committee therefore had only time to hear an overall presentation from the Secretariat, and hold initial discussions on the proposed projects, as reflected in the report of the session (document WO/PBC/12/9, paragraphs 50 to 60). The relevant section of this report is reproduced in the current document as Annex II.

7. As the report of the session illustrates, none of the delegations who took the floor had any objection on the intrinsic merit of the five proposed projects. On the other hand, a number of delegations stated that they could not determine their final position on the possible prioritization, financing and timing of the implementation of these projects, pending the decisions that may be taken by the forthcoming session of the PCT Union Assembly on the level of PCT fees.

8. Upon conclusion of the discussion, and also in the view of the shortage of time, the Committee therefore concluded as follows:

*“60. The Program and Budget Committee took note of the five projects presented by the Secretariat under agenda item 5 and recommended to the 2007 session of the Assemblies of the WIPO Member States to take a decision on the implementation of these five projects.”*

9. Due account being taken of the positions expressed by the Member States at the September session of the Committee, the Secretariat wishes however to emphasize the importance of the proposed projects and also the urgency with which in the view of the Secretariat these projects should be carried out. The Secretariat therefore invites the present session of the Assemblies of the Member States of WIPO to examine the substance of these project proposals with a view to making a final recommendation on their implementation at this 2007 session. (The relevant documents (WO/PBC/12/4 and WO/PBC/12/4(a), (b), (c) and (d) are reproduced in Annex I of the current document for the ease of reference). The Secretariat draws the attention of the Member States to the fact that in the absence of a decision at the present session of the Assemblies, the start of the proposed projects would need to be postponed by at least one year.

*10. The Assemblies of the Member States of WIPO and the Unions administered by it, are invited, each as far as it is concerned, to*

*(i) take note of the information contained in the present document; and*

*(ii) take a decision on the funding and timing of the five project proposals contained in the present document.*

[Annexes follow]