

## ANNEXES

### ANNEX I                      PARAGRAPH 144 OF DOCUMENT WO/PBC/4/2

144. During the biennium, WIPO's Coordination Office in New York further strengthened its contact and network with the international intellectual property community, including industry leaders, governments from developing countries that do not have representations in Geneva, and the United Nations. This Office will continue to network with the United Nations, especially in matters having an impact on WIPO, and expand its outreach efforts in the business and media sectors as well as with organizations and interest groups representing civil society. Furthermore, the Organization will expand and optimize its links with intergovernmental, governmental, business, professional and civil society circles through the establishment of offices in Brussels and Washington, D.C. These offices will also be key in establishing good working relations with the economic and mass media.

[Annex II follows]



ANNEX II      ANNEX IV OF DOCUMENT WO/CC/52/1

AGREEMENT BETWEEN  
THE GOVERNMENT OF THE KINGDOM OF BELGIUM  
AND  
THE WORLD INTELLECTUAL PROPERTY ORGANIZATION (WIPO)

The Kingdom of Belgium, hereinafter referred to as “Belgium”,

The World Intellectual Property Organization, hereinafter referred to as “WIPO”,

Considering that WIPO desires to establish a Coordination Office in Brussels (hereinafter referred to as “the Office”),

Considering the Convention on the privileges and immunities of the Specialized Agencies of 21 November 1947 (hereinafter referred to as the “Convention”),

Considering that it is important to provide for specific provisions relating to the privileges and immunities granted to the Office on the Belgian territory,

Desirous to conclude to this end an Additional Agreement to the Convention,

Have agreed as follows:

ARTICLE 1

1. The Director of the Office shall be granted the privileges accorded to the members of the diplomatic personnel of diplomatic missions. His/her spouse and minor dependent children living under the same roof shall enjoy the advantages given to the spouse and minor dependent children of personnel of diplomatic missions.
2. Without prejudice to Article VI, Section 19 of the Convention, the provisions of the first paragraph shall not be applicable to Belgian nationals.

ARTICLE 2

1. All WIPO staff members shall enjoy exemption from all taxes on salaries, emoluments and allowances paid to them by WIPO.
2. The provisions of §1 of the present article shall not apply to persons who do not occupy a permanent job of WIPO considering the mission and the statutory regulations of this Organization.

3. The tax exemptions referred to in §1 of the present article shall not apply to pensions and annuities paid by WIPO in Belgium to its former staff members or to their beneficiaries.

#### ARTICLE 3

1. Without prejudice to the obligations arising for Belgium from the treaties concerning the European Union and to the application of laws and regulations, the WIPO staff members shall enjoy the right, during a period of twelve months following their first taking up their duties in Belgium, to import or purchase, in exemption of value added tax (VAT), furniture and a car for their personal use.
2. The Minister of Finance of the Government of Belgium shall determine the limits and conditions under which this article applies.
3. Belgium shall not be bound to grant its own nationals or permanent residents the advantages referred to in §1 of the present article.

#### ARTICLE 4

The Office and its staff shall comply with the Belgian laws and regulations, in particular with those on civil liability insurance concerning the use of motor vehicles. The Office shall maintain an appropriate civil liability insurance coverage for vehicles used in Belgium.

#### ARTICLE 5

Within the framework of the applicable Belgian and international legislation, the Belgian Government shall facilitate the entry into, presence on, and departure from Belgian territory of persons invited by the Office for official purposes.

#### ARTICLE 6

1. Belgium and WIPO affirm their common intention to guarantee all persons insured by them a high level of social protection.
2. Staff members WIPO who are not exercising in Belgium any other gainful activity except that required by their functions, choose to be covered either by the social security schemes applicable to WIPO Headquarters staff members under the rules provided for by those schemes, or by the Belgian social security scheme for salaried workers.
3. WIPO will guarantee its staff members working in Belgium, who are covered by the WIPO social security schemes, advantages equivalent to those granted by the Belgian social security system, respecting the guarantees recognized in Belgium concerning the free choice of a medical practitioner, the therapeutic freedom of the providers of medical care and the protection of medical secrecy.

4. Persons engaged by the Office, who do not occupy a permanent job of WIPO considering the mission and the statutory regulations of this Organization, shall be covered by the Belgian social security system.
5. Belgium may obtain from the Office the repayment of costs incurred for any aid having a social character it may have to provide to WIPO staff members who are covered by the WIPO social security schemes.

#### ARTICLE 7

Each Party shall notify the other Party that the procedures required for the entry into force of this Agreement have been completed.

IN WITNESS WHEREOF, the plenipotentiaries of the parties have signed this Agreement.

Done in Brussels, on [date], in three originals, in the French, Dutch and English languages. In the event of inconsistency, the French text shall prevail.

For the  
Kingdom of Belgium

For the World Intellectual  
Property Organization

[Annex III follows]



ANNEX III PARAGRAPHS 67 AND 142 OF DOCUMENT A/40/7

67. The Delegation of Singapore congratulated the Chairman and commended the Director General on his opening statement and his strong leadership of WIPO. The Delegation expressed satisfaction with the program implementation overview, and thanked the secretariat for its work. Tribute was paid to Dr. Arpad Bogsch, a friend of Singapore who would be greatly missed. In the previous year, WIPO and Singapore had cooperated successfully in developing an IP culture and in raising IP awareness in Singapore. Singapore remained committed to developing a robust IP rights framework, and to using IP as a tool to give it strategic advantage in its economic development. Amendments to IP laws had recently been made in the interests of modernization and to adapt them to new technological trends and the needs of businesses operating both in Singapore and the Asia-Pacific region generally. The Delegation was pleased that WIPO had played an active role in the Asia-Pacific region. As the region further embraced an IP culture and deepened its use of IP as a powerful tool for economic development, WIPO's work there would intensify. In order to strengthen WIPO's work in this context, the Singapore Government wished to present a formal offer to host a WIPO Office. It was envisaged that the Office would serve the needs of WIPO's Asia-Pacific constituents, and enable WIPO to build on its work and accelerate the development of an IP culture in the region. Singapore would be honored to host this Office. The Singapore Government would provide newly-built office space on a long-term, rent-free basis, and would also assume the outfitting and maintenance costs. The proposed Office would thus not have any extra financial implications on WIPO's budget, and would represent a win-win arrangement for both WIPO and the Asia-Pacific region.

142. The Director General thanked the distinguished delegates for supporting both the work completed in the previous biennium, and the work program foreseen for the future. The appreciation expressed for the work of the Secretariat would be transmitted to the staff. The Director General had been encouraged to hear that delegations were mindful that for WIPO to fully carry out its work program resources were needed, and that they were ready to work together to find an adequate solution in view of the current financial situation. The Director General wished to underline that the formulation of a solution was imperative. Note had been taken of the various areas of the Organization's work which were of particular importance and priority for Member States, including notably, norm-setting activities, integrating the development dimension into the Organization's program of work, the continuing need for training and institutional building, emphasis on further developing the economic dimension in the work in developing countries and, not least, further simplification and rationalization of WIPO's international protection systems. Listening to the statements of delegations of developing countries and least developed countries (LDCs), the Director General had been struck by the road traveled since 1998. The culture of intellectual property had spread so far that today it could be said that everyone, without exception, agreed that intellectual property was essential to national development strategies. This was a major breakthrough in the perception of intellectual property. With regard to the development work carried out in developing countries, with special attention to LDCs, the Director General said that this would continue to be done on the ground in the countries themselves, on a demand-driven basis. The results would be owned by the countries themselves, be of practical use in the market place, and be supportive of the efforts of creators, inventors and small and medium-sized enterprises (SMEs). WIPO would continue to facilitate an open dialogue and examination of the public policy aspects of applying intellectual property to development ends, especially in relation to the concerns of health, access

to information and knowledge and technology transfer. Many practical tools had been or were being made available by the Secretariat to developing countries, including four guides on various aspects of licensing, an intellectual property audit tool, accounting approaches for the valuation of intellectual property assets and principles for the successful management of intellectual property assets at both the country and enterprise levels. Further, conceptual, statistical and methodological tools would be extensively used to measure the economic impact on national economies of various categories of intellectual property. WIPO would intensify its work in making available to universities and research and development institutions the means to create services which supported and managed their inventions and innovations. Note had also been taken of the call for more financial resources for the work in support of developing countries, and above all for LDCs. Regarding helping Member States to obtain statistics on the impact of intellectual property activities on national GDP, WIPO had conducted national studies on the contribution of copyright-based or cultural industries in the four Mercosur countries. Five Arab countries and one Asian country were also being studied. Similar studies were under way in a number of other countries, including two which recently joined the European Community. A pilot project was under way to measure the overall impact of intellectual property on the national economy in each of five African countries. An additional 10 African countries would also be covered in the survey in the first half of 2005. The Director General welcomed the generous offer of funds made by the Government of the Republic of Korea to support WIPO's work in favor of developing countries. The organization of a conference for Ministers from LDCs would be a landmark occasion for an exchange of experiences among different regions, and the lessons from the Republic of Korea's successful use of the intellectual property system as a tool for development would thus be shared with countries from other regions in an outstanding instance of knowledge transfer. The Delegation of the United States of America had earlier stated that in the past decade, WIPO's spending on cooperation for development had grown by 1,000%. Following contacts with the Delegation, it had been clarified as to which data were used as a basis for this statement, and it had emerged that the data were based on a misreading of WIPO's Program and Budget: the figures for the biennia 1994-95 and 1996-97 were artificially low because they did not include staff costs, while the figures for the 2002-03 and 2004-05 biennia were artificially high because they included programs other than purely cooperation for development such as those on SMEs, public outreach, publications and information material. In short, different categories had been used for different biennia. Furthermore, in addition to cooperation for development, the figures used by the Delegation of the United States of America had covered the Worldwide Academy as well as cooperation with Eastern and Central Europe. Therefore, the increase was not ten-fold, but closer to three-fold, and moreover, the relative share of cooperation for development in the overall WIPO budget had remained basically constant throughout the decade. The Director General stressed that the resources made available for cooperation for development in WIPO's budget followed from decisions of WIPO Member States, and that as of the 1996-97 biennium, increased resources were approved in view of the new technical assistance mandate given to WIPO by the WIPO-WTO Agreement of 1996, which called upon it to assist countries in meeting the requirements of the Agreement on Trade-Related Aspects of Intellectual Property Rights (TRIPS Agreement) by the established deadline. It was also worth noting that in the period from 1994 to 2004, the global intellectual property system had expanded substantially. Membership of the PCT system had increased by 100%, membership of the Madrid system by 90%, and membership in the Paris and Berne Conventions by 40% and 53% respectively. The bulk of new members had been developing countries or countries in transition, and part of the resources which were being defined as those for cooperation for development had in fact been used to promote treaty accession and to support post-accession work. With reference to the figures cited by the Delegation of the United States of America regarding PCT fees, the Director General mentioned that these figures required more



precision, and that WIPO would be pleased to further clarify these with that Delegation. As a final point, the Director General emphasized that PCT fees had been increased by several national and regional offices, in order to respond to the same phenomenon currently faced by WIPO; if fees at WIPO were not readjusted, it would mean crippling the Organization, and could have serious implications. The work program for developing countries should be of as much interest to developed countries as to developing countries, because the pursuit of development was common to both. The Secretariat would seek to promote a new dialogue and partnership among all Member States without distinction as to level of development. This partnership would be pursued in the various WIPO fora and above all in the Permanent Committee on Cooperation for Development Related to Intellectual Property (PCIPD). The importance of the ongoing work in WIPO's standing committees and the intergovernmental committee could not be over emphasized. The Director General assured all Member States that the Secretariat and the Director General personally would provide all the necessary support for consensus building and for progress to be achieved. The Director General extended thanks to the Delegation of Singapore for the generous offer to host a WIPO office in Singapore, and noted the unanimous support for this from ASEAN Member States. The Secretariat had had some contacts with the representatives of Singapore and had found no additional financial implications in having a very modest WIPO presence in that part of the world. It was considered that such an office, as the Director General had understood the concept from the Delegation, would help to support WIPO's work and make it more efficient and effective for the ASEAN countries. The Secretariat would discuss and finalize the details of this offer with the Government of Singapore.

[Annex IV follows]



ANNEX IV      ANNEX I OF DOCUMENT WO/CC/53/2

AGREEMENT BETWEEN  
THE WORLD INTELLECTUAL PROPERTY ORGANIZATION  
AND  
THE GOVERNMENT OF SINGAPORE  
TO DETERMINE THE LEGAL STATUS OF WIPO IN SINGAPORE

The World Intellectual Property Organization (“WIPO”) and the Government of Singapore (“the Government”) (hereinafter referred to as “Party” singularly or “the Parties” collectively),

*Aware of*, the benefits that may derive from closer cooperation between the Parties in fostering development in the field of intellectual property,

*Desiring to*, strengthen cooperation between the countries of the Asia-Pacific Region in the furtherance of their common goals in respect of development in the field of intellectual property,

*Recognizing that*, a dedicated office serving the Asia-Pacific Region shall also serve as a visible symbol of WIPO’s strong commitment to the region, lending weight to any project or initiative promulgated by WIPO,

*Considering*, the domestic laws and regulations in the Republic of Singapore conferring privileges and immunities on international organizations,

*Have agreed as follows:*

General

1. WIPO will establish a WIPO Office in Singapore (“WIPO Office”) that will be staffed with officials assigned by WIPO. Locally-recruited staff will also be employed according to WIPO’s Staff Regulations and Staff Rules and WIPO’s prevailing policies.
2. WIPO will notify the Ministry of Foreign Affairs, Singapore of the arrivals and departures of all WIPO officials who are assigned to the WIPO Office, once they take up their duties and at the end of their designations, respectively.
3. Unless otherwise provided for in this Agreement, the privileges and immunities provided for in this Agreement shall not apply to Singapore Nationals and Permanent Residents of Singapore.

### The WIPO Office

4. The WIPO Office shall enjoy such privileges and immunities as are customarily granted to International Organizations in Singapore.

5. The Government will recognize the inviolability of the premises of the WIPO Office, including its archives, properties and assets in accordance with international law in like manner as the inviolability accorded to diplomatic missions.

6. The Government further stipulates that:

(a) WIPO shall be guaranteed freedom of communication in Singapore. The official communications of the WIPO Office will not be subjected to censorship, and the WIPO Office shall have the right to use codes and to dispatch and receive correspondence by courier or in sealed bags, which shall have the same inviolability as that recognized for diplomatic couriers and bags. If the WIPO Office so requests, the Government will, without charge, provide the necessary permits, licenses or other authorization needed to enable the WIPO Office to connect to, and to utilize fully WIPO's private telecommunications network;

(b) WIPO may, without being restricted by financial controls, regulations or moratoria of any kind, to the extent necessary to carry out its operations provided for in this Agreement, hold funds, gold or currency of any kind and operate accounts in any currency, and may freely transfer its funds, gold or currency from or to Singapore or within Singapore and convert any currency held by WIPO into any other currency. Furthermore, WIPO may purchase, in exchange for any convertible currency, the national currency of Singapore in such amounts as WIPO may from time to time require for meeting its expenditures in Singapore at the official exchange rate, which shall not be any less favorable than that accorded to other international organizations or diplomatic missions in Singapore.

### WIPO Officials

7. Officials serving with the WIPO Office shall enjoy such privileges and immunities as are granted to international civil servants, in accordance with the domestic laws and regulations of Singapore.

8. The Director of the WIPO Office, and any other official of equivalent or higher grade designated by WIPO with the consent of the Government shall be granted the privileges and immunities accorded to the members of diplomatic personnel of diplomatic missions. His/Her spouse and minor dependent children living under the same roof shall enjoy the advantages given to the spouse and minor dependent children of the personnel of diplomatic missions.

9. WIPO agrees that its officials serving at the WIPO Office shall cooperate at all times with the Government to facilitate the proper administration of justice, secure the observance of police regulations and the laws in Singapore, and prevent the occurrence of any abuse in connection with the privileges, immunities and exemptions accorded by this Agreement and International Law. Where the Government considers that such abuses have occurred, the Director of the WIPO Office or another appropriate representative of WIPO shall consult with the appropriate authorities of the Government in a timely fashion to determine whether such abuse has occurred and, if so, to ensure that no repetition occurs.

10. The Government will:

(a) allow the officials of WIPO serving with the WIPO Office and their spouses and dependants entry into Singapore without requiring them to obtain entry visas and extend the same privileges with respect to exchange facilities to them as are available to members of the diplomatic corps serving in Singapore;

(b) give the officials of WIPO serving with the WIPO Office, their spouses and dependants the same repatriation facilities in times of international crises as are made available to members of the diplomatic corps serving in Singapore;

(c) consider favorably applications by spouses and dependants of officials of WIPO serving with the WIPO Office who are not Singapore Nationals or Permanent Residents of Singapore to take employment in Singapore subject to prevailing rules and regulations regarding foreign talent; and

(d) provide identification cards to officials of WIPO assigned to the WIPO Office to certify that they are entitled to the privileges, immunities and exemptions provided for in this Agreement.

#### Tax Privileges

11. The Government will exempt the WIPO Office, and officials assigned to the WIPO Office, from the following categories of taxation or levies:

(a) Income tax in respect of salaries and emoluments and allowances paid by WIPO to WIPO officials, who are not Singapore Nationals or Singapore Permanent Residents. This exemption will not apply to pensions and annuities paid in Singapore to WIPO's former officials or to their beneficiaries;

(b) all vehicle taxes, including Goods and Services Tax and fees including the requirement for certificates of entitlement registration fees and additional registration fees in respect of a vehicle intended for personal use, provided that each WIPO official serving in the WIPO Office may only avail himself of the exemption provided for in this subparagraph in respect of one vehicle in every four-year period;

(c) radio and television license fees;

(d) customs duties on all dutiable goods, including tobacco and liquor;

(e) Goods and Services Tax on all imports, for their personal use;

(f) Goods and Services Tax in respect of the local consumption of goods and services by the WIPO Office;

(g) government tax on utilities bills and telephone charges, incurred by the WIPO Office;

(h) property tax and stamp duty in respect of the tenancy agreements that may be entered into for the premises of the WIPO Office and the residence of the Director of the WIPO Office; and

(i) foreign domestic worker levy for one foreign domestic worker employed by the Director of the WIPO Office (provision of a security bond in the employment of such foreign domestic worker shall also be waived if the worker is a home-based domestic worker, or a Malaysian).

The exemptions in subparagraphs (b) to (e) apply only in respect of designated officials, in accordance with paragraph 8, who are not Singapore Nationals or Singapore Permanent Residents.

12. Other staff of the WIPO Office who are not Singapore Nationals or Singapore Permanent Residents will, for six months after they first take up their posts in Singapore, be entitled to exemptions from import duties and from Goods and Services Tax for personal and household effects (but not extending to tobacco, liquor and vehicles).

#### Final Provisions

13. This Agreement may be amended by mutual consent of the Government and WIPO. Any such amendment shall not prejudice any right or obligation accruing or incurred prior to the effective date of amendment.

14. Any dispute regarding this Agreement shall be resolved amicably by negotiations between the Parties.

15. This Agreement shall take effect from \_\_\_\_\_ [day] \_\_\_\_\_ [month] 2005 and, in the case of WIPO, subject to the approval of the WIPO Coordination Committee, and shall remain in force for a period of six [6] years. This Agreement may be terminated by mutual consent. The Government and WIPO will review the Agreement six [6] months prior to its expiration. WIPO shall be eligible to extend this Agreement for another six [6] years.

FOR THE WORLD INTELLECTUAL  
PROPERTY ORGANIZATION

FOR THE GOVERNMENT OF  
SINGAPORE

Kamil Idris  
Director General

S. Jayakumar  
Deputy Prime Minister and  
Minister for Law, Singapore

Date

Date

[Annex V follows]





ANNEX V PARAGRAPHS 38 AND 141 OF DOCUMENT A/41/17

38. The Delegation of Japan commended the Director General and WIPO staff for the remarkable accomplishments, and stated that to achieve sustainable growth in the world economy, the international community had to address the important development issues, which could not be solved by IP systems alone, although such systems were important tools for economic growth. It was therefore important to discuss what role an IP system, and what role WIPO, as a UN specialized agency, should play. Regarding the WIPO Development Agenda, a constructive discussion had started, and Japan would continue to take an active part in this discussion and make various contributions towards development from an IP point of view. The Delegation also stated that Japan had undertaken various development cooperation activities, such as human resources development and IP awareness raising programs, aimed at providing assistance to developing countries in their effort to achieve economic growth through IP systems, by means of the Japan Funds-in-Trust (FIT) contribution to WIPO. Japan was determined to continue these activities taking into consideration the needs of developing nations, and to participate in discussions about the IP system. The Delegation further stated that Japan was one of the countries which had achieved economic development by effectively utilizing the IP system, and that the IP system had played an important role in expanding and strengthening technological development in Japan. The Government of Japan was considering IP as an essential tool for economic growth, focusing specifically on the three steps of the so called "Intellectual Property Creation Cycle": creation; protection and exploitation of IP. Relevant government industries and agencies had thus been coordinating their efforts to advance the national IP strategy, the IP creation cycle, and make Japan an IP-based nation. Specifically, the IP Strategic Program, incorporating concrete policies for the implementation of Japan's IP strategy, had been formulated on an annual basis since 2003, based on the progress of previous years. The Delegation was of the view that it was important to discuss IP policies and strategies among high-level policy makers worldwide, including from developing countries. Therefore, using the Japan FIT, Japan and WIPO planned to hold a High-level Forum on IP Policy and Strategy in January 2006, in Tokyo, aiming at providing an opportunity for Member States to reach a common understanding on IP policies and strategies and how IP plays an essential role in economic development. Prior to the Forum, the National Center for Industrial Property Information and Training would host the International Patent Licensing Seminar in Tokyo. Furthermore, the Delegation stated that Japan intended to host a new WIPO Office for research, following discussions among Member States at various WIPO meetings about the need to discuss the issue of IP and development from a wider perspective rather than considering IP only from a technology assistance point of view. To make the discussion a constructive one, Japan believed that research on the issue of IP and development was indispensable, and was therefore willing to host a new WIPO Office in Japan which would function as a WIPO IP research center coordinating IP-related joint research activities to be conducted by WIPO and the United Nations University (UNU), located in Japan. Japan intends to host the WIPO Office on condition that approval is given by the financial authority of Japan and the budget for the next Japanese fiscal year is approved by the Diet. Japan will offer resources and facilities for the new WIPO Office and therefore, no additional financial burden will be placed on WIPO. UNU was conducting research on development issues from a variety of perspectives closely linked to IP, and in 2004 WIPO and UNU had signed a memorandum of understanding to the effect that the two organizations would work more closely together to enhance research in the field of IP. Such cooperation would greatly help to effectively address the new issue of IP and development, and the Delegation trusted that the offer of the Government of Japan, with no additional financial burden on WIPO, would enhance the

cooperation between WIPO and UNU. In particular, joint IP research activities, on subjects such as the economic impact of the IP system and the relationship between the IP system and technology transfer, were expected to generate information and insights which would be very helpful for the discussion about IP and development, and would provide all WIPO Member States, both developed and developing countries, with valuable knowledge, and would increase the awareness of the importance of IP in general. The Delegation added that the UNU is going to start preparations on a research project in the field of traditional knowledge and genetic resources, and this pilot study could be expanded if the WIPO Office in Japan assisted the work in the future. Regarding the efficiency of WIPO activities, the Delegation appreciated WIPO efforts to reduce expenses, and hoped that the Internal Audit Charter and the WIPO Audit Committee would be introduced as soon as possible to achieve effective and transparent administrative processes in WIPO, and, as a result, build confidence in WIPO, which the Delegation considered of utmost importance. It also stated that to make WIPO's financial situation sound and healthy, WIPO should ensure a steady income by making the PCT and Madrid systems as well as other services more attractive, which could be achieved by computerizing WIPO services and making them more accessible to users. The Delegation appreciated the balanced budget policy adopted in the Program and Budget 2006-2007, and it hoped that WIPO would make continuous efforts to enhance the efficiency of administrative processes and improve the attractiveness of its services, which would ensure a sound and well-balanced budget management. Concerning counterfeiting and piracy, the Delegation noted that these were still serious problems for both developed and developing countries, and consequently, all countries worldwide should work together to tackle this problem. Japan would therefore take actively part in the discussions in the Advisory Committee on Enforcement, and continue to extend technical assistance to encourage developing nations to improve their IP enforcement capabilities. Furthermore, the Delegation noted that the need to harmonize the existing patent systems had become more urgent, and that Japan jointly with the United States of America, at the Tenth Session of the SCP in September 2004, had proposed a revised approach that limited the work of the SCP to an initial package of priority items. At the SCP Informal Consultations in Casablanca in February 2005, an agreement had been reached that the six issues: prior art; grace period; novelty; inventive step; sufficiency of disclosure and genetic resources, should be addressed in parallel, accelerated processes; the first four in the SCT and the remaining two issues in the IGC. The Delegation further stated that the harmonization of patent systems would help reduce burdens on IP Offices and applicants, and it therefore hoped that the Assemblies would confirm the agreement reached at the SCP Informal Consultations and speed up the discussion on the harmonization of patent systems. The Delegation also hoped that an examination of the issue regarding the interrelation between access to genetic resources and disclosure requirements in IP rights applications would be taken up at the Assemblies, an issue which the CBD had invited WIPO to address, and that WIPO would continue to hold discussions on this issue from a technical point of view in which Japan would actively participate. The Delegation further highlighted discussions on IP and development in international fora other than WIPO, and it hoped that WIPO would make full use of its expertise and address the development issue in cooperation with other international organizations. Regarding the WCT and the WPPT, the Delegation noted that it would be desirable that more countries become members of those treaties as soon as possible to ensure adequate copyright protection. It also made reference to the WIPO Broadcasting and Audiovisual Performances Treaties, and regretted that no agreement had been reached with respect to the former at the Assemblies last year. Japan hoped that progress would be made at the ongoing Assemblies. The latter Treaty had been discussed in WIPO since the Diplomatic Conference in 2000, and the Delegation stated that in order to keep a balance with the WCT and

WPPT, an early adoption of both Treaties was desirable and Japan would actively participate in the discussions. Finally, The Delegation looked forward to the revision of the TLT at the Diplomatic Conference in March 2006.

141. The Director General thanked Member States, IGOs and NGOs for their statements and interventions and said that he was most appreciative of the numerous expressions of support and thanks addressed to him personally, which he dedicated to his colleagues in the WIPO Secretariat who had worked hard to ensure that the Assemblies would become a success. The Director General was also pleased to learn of the many positive developments which had taken place in the IP systems of Member States over the past 12 months, and he had, in particular, noted the tremendous expansion in the use of IP in a number of developing countries and LDCs. The double-digit growth in applications, whether for patents, trademarks, or designs in those countries, he said, all pointed to the health of the IP system, and demonstrated how the judicious use of IP, based on comprehensive IP policies and strategies, could make a significant difference in countries' economic output and growth. The Director General then assured all Member States, in particular developing countries and LDCs, that the Organization remained more committed than ever in supporting them in their efforts to strengthen their national and regional IP systems, as well as in developing well-articulated national IP policies and accompanying action plans. The Director General was, however, fully conscious of the aspirations and expectations of developing countries and LDCs regarding the creation of public policy space in the use of IP, especially with regard to health, education, food, security, better living conditions, employment and the eradication of poverty, and he stressed that WIPO would continue to emphasize those concerns in its development cooperation program, and would enhance its support to LDCs in making more effective use of their IP to advance their development and social goals. The Director General also took note and welcomed the offer of the Government of Japan to host a WIPO-Japan Office, which would be dedicated to conducting research in cooperation with the United Nations University in Japan. He stated that such an Office would certainly be of great benefit to the entire membership of the Organization, and welcomed that the offer would not have any financial implications for the Organization. He would engage in discussions with the Government of Japan to agree on suitable arrangements. The Director General concluded by thanking the Chairman and all Delegations for the very constructive discussions, and said that he was confident that they would continue in the same spirit in order to conclude all items under consideration successfully.

[Annex VI follows]



ANNEX VI DOCUMENT WO/PBC/12/3 (PROGRAM 02 EXTERNAL COORDINATION)

STRATEGIES

The external relations Program at WIPO headquarters, together with the WIPO Coordination Offices (Brussels, New York, Singapore, Tokyo and Washington), will continue to develop and manage networks of relationships with the external community. In particular, WIPO's external environment will continue to be systematically monitored, and engaged with. This would ensure that WIPO is fully informed of relevant IP related developments, and there is a greater understanding and more informed debate on IP issues among external stakeholders. To this end, networks of stakeholders will also be developed and nurtured, including through the Coordination Offices.

[Annex VII follows]



ANNEX VII      PARAGRAPH 39 OF DOCUMENT A/46/12

39. The Member States of WIPO and of the Unions, each as far as it is concerned, adopted the Revised Program and Budget for the 2008/09 biennium as proposed in document WO/PBC/13/4, with the following modifications:

- (a) change the language for Strategic Goal VI, Program 17;
- (b) delete the word “sustainable” from the title of Strategic Goal III;
- (c) Program 1: amend performance indicators;
- (d) Program 17: add Program 4 under program links;
- (e) remove reference to Development Agenda recommendation 20 from the Development Agenda Links under Program 4;
- (f) add reference to the General Assembly decision on the five Development Agenda recommendations in paragraph 42 of document WO/PBC/13/4;
- (g) the amount of 4.6 million Swiss francs will be allocated (to be reflected in Annex II of document WO/PBC/13/4) for the implementation of the five recommendations of the Development Agenda (2, 5, 8, 9 and 10) to provide up to 8 million Swiss francs for the same; and
- (h) the amount of 1 million Swiss francs to be allocated to the continuing activities of WIPO Academy from the PCT System.

[Annex VIII follows]





ANNEX VIII DOCUMENT WO/CC/62/3

## APPROVAL OF AN AGREEMENT

### *Memorandum of the Director General*

#### I. INTRODUCTION

1. In accordance with Article 12(4) of the Convention Establishing the World Intellectual Property Organization, any agreement concluded with a view to defining the legal status of WIPO on the territory of a Member State, shall be approved by the Coordination Committee.

#### II. AGREEMENT BETWEEN WIPO AND THE FEDERATIVE REPUBLIC OF BRAZIL

2. The Director General of WIPO and the Government of the Federative Republic of Brazil have prepared an agreement aimed at determining the legal status of a WIPO Office in Brazil. The text of the Agreement between WIPO and the Government of the Federative Republic of Brazil is set forth as Annex to the present document.

*3. The Coordination Committee is invited to approve the Agreement between WIPO and the Government of the Federative Republic of Brazil, as set forth in Annex I of the present document.*

[Annex of document follows]

**AGREEMENT BETWEEN  
THE FEDERATIVE REPUBLIC OF BRAZIL AND THE WORLD  
INTELLECTUAL PROPERTY ORGANIZATION ON THE ESTABLISHMENT  
OF A COORDINATION OFFICE OF THIS ORGANIZATION IN BRAZIL**

The Federative Republic of Brazil

and

The World Intellectual Property Organization ("WIPO")  
(hereinafter referred to as "Parties "),

Aware of the benefits that may derive from closer cooperation between the Parties in fostering development in the field of intellectual property;

Desiring to strengthen cooperation between the countries of Latin America and the Caribbean in the furtherance of their common goals in respect of development in the field of intellectual property;

Recognizing that, a dedicated office serving the region of Latin America and the Caribbean shall also serve as a visible symbol of WIPO's strong commitment to the region, lending weight to any project or initiative promulgated by WIPO;

Considering, the domestic laws and regulations in the Republic of Brazil conferring privileges and immunities on international organizations;

Have agreed as follows:

**Article I**  
General

1. WIPO will establish a WIPO Office in Brazil ("WIPO Office") that will be staffed with officials assigned by WIPO. Locally recruited staff will also be employed according to Brazilian labour regulations and the current policies of WIPO.
2. WIPO will notify the Ministry of External Relations of Brazil of the arrivals and departures of all WIPO officials who are assigned to the WIPO Office, once they take up their duties and at the end of their designations, respectively.

3. Unless otherwise provided for in this Agreement, the privileges and immunities provided for in this Agreement shall not apply to Brazil nationals and permanent residents of Brazil.

## **Article II** The WIPO Office

1. The WIPO Office shall enjoy such privileges and immunities identical to those granted to specialized agencies of the United Nations.

2. The Brazilian Government will recognize the inviolability of the premises of the WIPO Office, including its archives, properties and assets in accordance with international law in like manner as the inviolability accorded to offices of international organizations.

3. The Brazilian Government further stipulates that:

(a) WIPO shall be guaranteed freedom of communication in Brazil. The official communications of the WIPO Office will not be subjected to censorship, and the WIPO Office shall have the right to use codes and to dispatch and receive correspondence by courier or in sealed bags, which shall have the same inviolability as that recognized for diplomatic couriers and bags. If the WIPO Office so requests, Brazilian Government will, without charge, provide the necessary permits, licenses or other authorization needed to enable the WIPO Office to connect to, and to utilize fully WIPO's private telecommunications network;

(b) WIPO may, without being restricted by financial controls, regulations or moratoria of any kind, to the extent necessary to carry out its operations provided for in this Agreement, hold funds, gold or currency of any kind and operate accounts in any currency, and may freely transfer its funds, gold or currency from or to Brazil or within Brazil and convert any currency held by WIPO into any other currency. Furthermore, WIPO may purchase, in exchange for any convertible currency, the national currency of Brazil in such amounts as WIPO may from time to time require for meeting its expenditures in Brazil at the official exchange rate, which shall not be any less favorable than that accorded to other international organizations or diplomatic missions in Brazil.

## **Article III** WIPO Officials

1. Officials serving with the WIPO Office shall enjoy such privileges and immunities as are granted to international civil servants, in accordance with the domestic laws and regulations of Brazil.

2. The Director of the WIPO Office, and any other official of equivalent or higher grade designated by WIPO with the consent of the Brazilian Government shall be granted the privileges and immunities accorded to the representatives of offices of international organizations. His/Her spouse, and minor dependent children living under the same roof shall enjoy the advantages given to the spouse and minor dependent children of the personnel of offices of international organizations.

3. WIPO agrees that its officials serving at the WIPO Office shall cooperate at all times with the Brazilian Government to facilitate the proper administration of justice, secure the observance of police regulations and the laws in Brazil, and prevent the occurrence of any abuse in connection with the privileges, immunities and exemptions accorded by this Agreement and International Law.

#### **Article IV** Tax Privileges

1. Brazil will exempt the WIPO Office, and officials assigned to the WIO Office, from the following categories of taxation or levies:

- (a) Income tax in respect of salaries and emoluments and allowances paid by WIPO to WIPO officials, who are not Brazil Nationals or Brazil Permanent Residents. This exemption will not apply to pensions and annuities paid in Brazil to WIPO's former officials or to their beneficiaries;
- (b) Tax on the purchase of imported vehicle for the Office of WIPO, with restrictions on the sale of three (3) years, and tax on the purchase of a vehicle made in Brazil, with restrictions on the sale of one (1) year. The Director of the Office of WIPO may purchase the same restrictions of sale of the Office of WIPO. The remaining international staff working in the Office of WIPO will be exempted from taxes in the first six months, counting from the beginning of their mission, and may purchase only one (1) vehicle with a restriction on the sale of three (3) years if the vehicle is imported, or one (1) year if the vehicle is made in Brazil;
- (c) radio and television license fees;
- (d) taxes on goods and luggage;
- (e) Goods and Services Tax (ICMS) in respect of the local consumption of goods and services by the WIPO Office; and its officials levied on electricity, telecommunications and gas;
- (f) Real state (estate?) and urban taxes and real state (estate) transmission on taxes premises owned by WIPO;

(g) Taxes and charges levied for specific services will not exempted.

2. Other staff of the WIPO Office who are not Brazil Nationals or Brazil Permanent Residents will, for six months after they first take up their posts in Brazil, be entitled to exemptions from import duties on goods for personal use and household effects.

**Article V**  
Final Provisions

1. This Agreement may be amended by mutual consent of the Brazilian Government and WIPO. Any such amendment shall not prejudice any right or obligation accruing or incurred prior to the effective date of amendment.

2. Any dispute regarding this Agreement shall be resolved amicably by negotiations between the Parties.

3. This Agreement shall enter into force, for a period of 6 (six) years, 30 (thirty) days after:

(a) The Brazilian Government has notified WIPO of the fulfillment of its internal procedures for its approval; and

(b) WIPO has notified Brazil of the approval of this Agreement by the WIPO Coordination Committee.

Done at \_\_\_\_\_, on \_\_\_\_\_ 2009, in two originals, in the Portuguese and English languages, both texts being equally authentic.

FOR THE FEDERATIVE REPUBLIC  
OF BRAZIL

FOR THE WORLD INTELLECTUAL  
PROPERTY ORGANIZATION

\_\_\_\_\_  
Roberto Carvalho Azevêdo

\_\_\_\_\_  
Francis Gurry

[Annex IX follows]



## REPORT

*adopted by the Coordination Committee*

1. The Coordination Committee was concerned with the following items on the Consolidated Agenda (document A/47/1): 1, 2, 3, 4, 5, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 22, 39 and 40.
2. The report on the said items, with the exception of items 11 and 22, is contained in the General Report (document A/47/16).
3. The reports on items 11 and 22 are contained in the present document.
4. Mr. Mario Matus (Chile) was elected Chair of the Coordination Committee; Mr. Dennis Francis (Trinidad and Tobago) and Ms. Liew Li Lin (Singapore) were elected Vice-Chairs.

### ITEM 11 OF THE CONSOLIDATED AND ANNOTATED AGENDA

#### APPROVAL OF AGREEMENTS

5. Discussions were based on document WO/CC/62/3.
6. Introducing the matter, the Legal Counsel explained that document WO/CC/62/3 concerned the approval of an agreement between WIPO and the Federative Republic of Brazil on the legal status of an office for WIPO in Brazil. He said that following informal consultations among Member States, it was proposed to make a slight revision of the agreement. The slight revision was simply to delete the third preambular paragraph reading as follows: “recognizing that a dedicated office serving the region of Latin America...promulgated by WIPO”. It was proposed that this agreement be adopted on the understanding that it would not include the said preambular paragraph.

He therefore invited the Coordination Committee to approve the agreement between Brazil and WIPO on the understanding that the third preambular paragraph would be deleted before it is signed by the two parties.

7. The Delegation of Ecuador stated that for its Delegation and for its Group, it was an honor to see the Chair in his capacity as Chair of the Coordination Committee since he was an important member of the Group. As the Coordinator of GRULAC, the Delegation of Ecuador wished to inform that members of the Group had held a meeting concerning the working document and the issues of the agreement being negotiated between WIPO and the Federative Republic of Brazil. The Delegation suggested that a mechanism should be set up for consultation among Member States to agree on procedures for establishing WIPO regional offices in various parts of the world.

8. The Delegation of Chile welcomed the proposed amendment to the document and noted that the original version of the document gave rise to some confusion, as it gave the impression that WIPO was setting up an office for the Latin American and Caribbean region. In GRULAC, as the Coordinator had mentioned, Brazil had clarified that this was in fact a WIPO office in Brazil whose only remit was to coordinate WIPO programs in Brazil and not a regional office for the Latin American and Caribbean region. The Delegation noted therefore that it was more a kind of official approval of the office set up in Brazil last year. It once again welcomed the amendment and stated that the Member States could now approve the agreement concerning the legal status of the WIPO office in Brazil. The Delegation supported the statement made by Ecuador suggesting the establishment of a working group to clarify the objectives, financial implications, and indeed, institutional systemic implications of offices, both for the countries and regions and for the Organization in terms of setting up of these regional offices. The Delegation said that the idea of regional offices was a good one, and that was why it wished to indicate to the Secretariat that if it decided to set up regional offices, Chile wished to be considered as a candidate for establishing a regional office in Chile. Chile believed strongly in regional cooperation and also believed that GRULAC countries needed to step up coordination and cooperation in intellectual property, which was consistent with the Director General's goal to use technical assistance as a key strategic tool. Finally, the Delegation reiterated that documents should be available early enough to give time to consider them in advance. This was even more important for the countries in its region where working documents in French and English required time for translation in order to be able to read them in various capitals.

9. The Delegation of Spain expressed its support for the statement by the Delegation of Ecuador on behalf of GRULAC as well as the statement by the Delegation of Chile on setting up a working group on the criteria for setting up regional offices. The Delegation said that it had always thought and continued to think that there was need to regulate this process to avoid conflicts and confusion in future.

10. The Delegation of South Africa stated that the principle articulated by the GRULAC region seemed to be sound, and that for example if WIPO wanted to establish



a regional office in SADC countries, consultations among Member States should take place at a regional level.

11. The Delegation of Guatemala expressed its support for the statement made by the Delegation of Ecuador on behalf of GRULAC, and the Delegation of Chile, in particular concerning the establishment of a regional office for Latin American and the Caribbean. The Delegation noted that having a regional office would enable countries in the region to have a more direct link with WIPO, allowing a permanent contact with the needs and interests of the respective countries of the Group. He said that this would focus on the intellectual property needs of developing countries. The Delegation elaborated that because of the importance of a regional office for its region, it was vital for the Organization to adopt parameters and guidelines for managing the setting up of such offices, as this would ensure that it worked effectively.

12. The Director General, responding to some of the observations that had been made by delegations, apologized for the fact that the agreement had been so late in its production and distribution. He explained that the purpose of the agreement was not to establish an office, but to deal with the question of a headquarters agreement between the Organization and a country in which an office had been established. He said that, if Member States looked at the agreement itself, it dealt with such matters as the status of staff, questions of immunity, privileges, taxation and all related questions that arose with the existence of an organization with an international legal personality within the territory of one of its Member States. The act of the setting up of the WIPO Brazil office had taken place last year in the course of the approval of the WIPO revised program and budget for the year 2009. He explained that the lateness with which the document was distributed accounted for some of the confusion as to whether this was a document which established an office or a document which defined the legal questions that he had just outlined. The Director General observed that, admittedly, some of the wording in the preamble was perhaps a bit loose but that had been corrected. If one looked at the substance of the articles, it was very clear that the agreement was dealing with the normal questions that are dealt with in a headquarters agreement. The Director General explained that the lateness of the submission of the document had resulted from the process of negotiations between WIPO and the Ministry of Foreign Affairs in Brazil. If the opportunity had been missed to approve it at these Assemblies, the Organization would have had to wait another 12 months and the consequence would be that there would be an office operating on the territory of a Member State without a headquarters agreement approved.

13. On the observations made with respect to regional offices, the Director General outlined some of the considerations in this regard. The Director General stated that, at the moment, as Member States were aware, the Organization had an office in New York, in Singapore, in Brazil and in Tokyo. There had also been an office in Brussels which had been closed at the end of last year. He explained that the office in New York dealt mainly with questions of liaison with the United Nations in New York. The Director General explained that, since the decision to open an office in Brazil, a large number of

official requests had been made by Member States to open offices all over the whole world. It was the Organization's intention to prepare a paper for consideration of Member States to try to come to some form of policy for the Organization with respect to external offices. He observed that a number of questions arose for decision by the Member States in this regard. The most fundamental concerned the role of such offices. What were they meant to do? With the WIPO office in Singapore and also with Brazil, the Organization was seeking to follow the model of these offices being service centers, that is being able to provide on a local level all of the services, including capacity building services, that the Organization provided from headquarters and to do so in close proximity to the Member States and with a certain degree of cost-effectiveness. Another important element to analyze was the economics of an external office. What would be the savings in terms of travel, for example? The third element was where the Organization would have such offices. He reiterated that he had received a significant number of official requests for, together with a significant number of expressions of interest in, the establishment of external offices, and these were all matters that the Organization was intending to put before the Member States in terms of a draft policy paper that would raise questions for their consideration and also refer to the experiences of some of the other international organizations in this regard. The Director General also stated that, if the Organization went down the track of establishing more external offices, the very important question would arise as to who takes the decision about the location of those external offices. In this regard, there was already significant experience in some of the other international organizations. The Director General said that he would personally welcome the proposal that had been made by GRULAC for a vehicle for the consideration of this question. He was of the view that preliminary work needed to be done for that body in terms of mapping out some of the basic research and some of the experience so that the discussions of that body would be facilitated.

14. The Delegation of El Salvador wished to thank the Director General for the explanation, and expressed its satisfaction with what he had said. It wished to reaffirm what the Delegation of Ecuador had said on behalf of GRULAC and indeed, what many other members of its Group had stated. The Delegation concluded that it did not want to miss the opportunity to congratulate the Federative Republic of Brazil for this important office that had been opened.

15. The Coordination Committee approved the Cooperation Agreement between WIPO and the Federative Republic of Brazil, as set out in the Annex to document WO/CC/62/3, with the amendment read out by the Legal Counsel as reflected in paragraph 6 of this report.

[Annex X follows]

**STRATEGIC GOAL VIII: A Responsive Communications  
Interface between WIPO,  
its Member States and all Stakeholders  
Summary of Strategic Goal VIII**

- **Program 19: Communications**
- **Program 20: External Offices and Relations**

Strategic Goal VIII signals the high priority attached by the new WIPO administration to promoting effective communication at all levels and to developing a culture of customer service. WIPO's customers are not only the users of its income-generating services, but are first and foremost the Member States, as well as other stakeholders to which the Organization provides wide ranging services including support to the Committees on normative activity, capacity-building services, information and technical services. Trusted communication between the various stakeholders is a precondition to the effective functioning of the Organization. There are two Programs listed directly under this Strategic Goal. However, the staff in every program across the Organization, starting with the Director General (Program 21), will share the responsibility for realizing the goals of responsive communication and customer service. The Communications area under Program 19 has been the starting point for the strategic realignment process, in order to begin putting in place structural and policy changes to improve external communication and customer service. The Program is also central to WIPO's work in promoting an IP culture, and in providing support to Member States, particularly developing countries and Least Developed Countries, with public awareness-raising tools, activities and materials. Program 20 (External Offices and Relations), working closely with the new Program 18 (IP and Global Challenges), will continue to engage with other organizations of the UN system on intellectual property and on system-wide issues, as well as coordinating WIPO's engagement with Civil Society and industry groups. A process of rationalization of WIPO's external offices has begun, and in line with a refocusing of these offices, it is proposed that, following an invitation received from the Government of Brazil in October 2008 (accompanied by an offer to provide premises and infrastructure support at no cost to WIPO) a new office will be opened in Brazil in 2009. Program 20 is also responsible for extrabudgetary resource mobilization and for the development of partnerships for technical assistance and capacity-building work, and as such will have a key role in delivery of Development Agenda objectives.

[Annex XI follows]



ANNEX XI DOCUMENT A/48/12 REV.

POLICY ON WIPO EXTERNAL OFFICES

*Document prepared by the Secretariat*

1. WIPO currently has four external offices, located (in chronological order of their establishment) in New York, United States of America; Singapore; Tokyo; and Rio de Janeiro, Brazil. The New York Office has served principally as a liaison office for the United Nations and has been in existence since WIPO became a specialized agency of the United Nations. The remaining offices were more recently established, in response to offers to host them by the respective host countries.
2. A significant number of other Member States have approached the Director General in the past two years and have expressed an interest in hosting, or have made a concrete proposal to host, an external office for the Organization. The extent of interest is a very welcome sign of engagement in, and support for, the Organization. It highlights, however, the absence of a clear policy on the part of the Organization for the establishment of new offices. The Director General proposes, therefore, to initiate a consultation process with Member States in the coming twelve months, with a view to being able to recommend a policy for the consideration of Member States at the meetings of the WIPO Assemblies in September/October 2011. It is not intended in this process to re-consider the agreements already concluded with Member States concerning the existing external offices.
3. It is intended that the consultation should cover at least the following questions:
  - (i) What needs and purposes may be served by external offices?
  - (ii) What functions should external offices perform?
  - (iii) What is the cost/benefit analysis of performing those functions through external offices compared to performance of the functions from Headquarters?
  - (iv) How would the relationship between Headquarters and external offices function?
  - (v) How should the location of external offices be decided?

*4. The Assemblies of the Member States of WIPO are invited to note the information in this document and to comment thereon.*

[Annex XII follows]



ANNEX XII      PARAGRAPH 262 OF DOCUMENT A/48/26

262. The Assemblies of the Member States of WIPO noted document A/48/12 Rev. and expressed support for the proposal to initiate a consultation process among Member States in the next 12 months with a view to agreeing on a policy on the establishment of WIPO external offices.

[Annex XIII follows]





ANNEX XIII INFORMATION NOTE DISTRIBUTED AT THE FIRST INFORMAL  
CONSULTATION IN 2010

**Information Note**

**Policy on WIPO External Offices**

**Consultation with Member States  
Room A, AB Building  
December 13, 2010**

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B. Review of Practices of UN agencies: Broad Conclusions	2-6
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## **A. BACKGROUND**

A significant number of Member States have approached the Director General in the past two years and have expressed their interest in hosting, or have made concrete proposals to host, an external office for the Organization.

In response to the growing number of requests, the Secretariat brought the matter before the 2010 WIPO General Assemblies and submitted document A/48/12 REV.

During the discussion at the Assemblies, several Member States expressed their support for a consultative process on this matter. They also requested the Secretariat to collect more information on practices of other UN agencies as well as provide information on the existing WIPO external offices.

Subsequently, the General Assembly noted the above-mentioned document and expressed support for the proposal to initiate a consultation process among Member States in the next 12 months with a view to agreeing on a policy on the establishment of WIPO external offices (A/48/26 Para.262).

## **B. REVIEW OF PRACTICES OF UNITED NATIONS AGENCIES CONCERNING EXTERNAL OFFICES: BROAD CONCLUSIONS**

In response to the request from Member States for an analysis of current United Nations practices, the Secretariat consulted informally with the following Geneva-based UN agencies on their field structure.

- World Health Organization (WHO)
- International Labour Organization (ILO)
- Office of the High Commissioner for Human Rights (OHCHR)
- World Meteorological Organization (WMO), and
- International Telecommunication Union (ITU)

Based on these consultations, the following matrix was compiled to provide an overview of the field structures of those UN agencies:

### **Broad Conclusions**

#### **Field structure:**

- Field structures are not static but evolving.
- A 'two tier' model, as represented below, is generally followed:  
Headquarters → Regional Office → Area/Country/Field Office
- Many agencies have other types of miscellaneous field presences for responding to specific needs.

### Human resources

- No typical staffing pattern – depends on mandates/needs of the agencies concerned.
- New external offices result in adjustments in Headquarters (development of new roles and responsibilities, accountability frameworks, working methods and additional staff training programs).
- Some agencies have formal mobility policies, while others do not.

### The location of external offices

- No established principles.
- Locations vary, depending on nature of mandates and requirements of agencies.
- Establishment of external offices based on different considerations (security, economic, political and availability of human and financial resources).
- Sometimes, locations with established UN presence are preferred.

### Relationship between headquarters and external offices

- Agencies seek to reduce duplication of effort.
- They recognize the need for clear channels of reporting.
- In most cases, agencies have a centralized structure. Most decisions are taken from headquarters and external offices are responsible for implementation.
- Reporting chains vary. External offices report to either the Executive Head or to relevant departments/divisions in headquarters.

### Host country arrangements

- No common legal practice followed for establishment of external offices. Model agreement used in some cases. In other cases, agreement used on a case-by-case basis.
- A range of host country contributions are available that reduce the cost of external offices (office space, operating costs, local staff). In general, agencies seek host country contributions.

In summary, it may be concluded that:

- UN agencies do not have a single model for external offices.
- No common policy for establishment / staff mobility.
- Field structures reflect the specific mandates and requirements of the agencies.
- Nature of external offices depends on specific region/country needs.

**Information on external offices of select UN Agencies**

Agency Secretariat	Field Structure	Nature of offices <sup>1</sup>	No. staff in field offices <sup>2</sup>	No. offices	Level of centralization	Functions	Reporting chains	Host country arrangements	Staff mobility	Decision maker
<b>WHO</b>	Two-tier <sup>3</sup>	- Regional offices - Inter-Country Support Teams or subregional offices - Country Offices	5648 as of 31 October 2010	- Regional: 6  - 151 offices in countries, territories and areas	High level of decentralization including nomination of regional directors by the regional committees, subject to final appointment by the Executive Board	<u>Regional offices</u> - Policy-making at regional level - Programme implementation - technical cooperation - Resource mobilization <u>Country Offices</u> - Representation - technical cooperation - Advocacy	- Regional Offices report to HQ <sup>4</sup> as part of the development of organization-wide reports  - coordination mechanism at senior level of the secretariat  - Head of country office reports to head of regional office	- Host agreement for regional offices - Standard "Basic agreement" for country offices	Yes, it is a policy	- Regional office: decision by the Executive Board on delegation from the Assembly - Country office or subregional: decision by the regional director
<b>ILO</b>	Two-tier	- Regional - Decent Work Technical Support Teams or DWTs <sup>5</sup> - Country/ other	P staff: 418 (38%)  National officers: 373 (100%)  G staff: 824 (61%)	Regional: 5 DWTs: 13 Country/ other: 35  Locations: 48	Decentralised from HQ. Certain responsibilities centralized in regions. Other responsibilities with individual offices.	<u>Regional Offices:</u> - Political - Coordination/ administration - Promotion <u>Country Offices</u> - Coordination/ administration - Representation - Resource mobilization <u>DWTs</u> - Technical support & capacity building	Regional Offices report to Executive Head (DG).	Various.	Yes, it is a policy.	ILO Governing Body approved a recent (2009) restructuring proposal from the Executive Head.
<b>WMO</b>	Two-tier	- Regional - Sub-regional	24 out of approximately 250 total staff.	Regional: 4 Sub-regional: 6  Locations: 6	Centralised.	<u>Regional and Sub-Regional offices:</u> - Resource mobilization - Advocacy & partnership building - Technical cooperation - Liaison - Project	Regional Offices report to a Department in HQ.	Various.	No, but staff in the field are invited to HQ for consultations.	Executive Head proposes with quadrennial Congress to approve.

<sup>1</sup> Not including miscellaneous presences in the field (ILO National Coordinators, WMO time-limited project offices etc.).

<sup>2</sup> Includes Professional and G-level staff.

<sup>3</sup> 'Two tier' refers to two tiers beneath HQ.

<sup>4</sup> Headquarters

<sup>5</sup> Technical support and capacity building teams deployed in the field.

Agency Secretariat	Field Structure	Nature of offices <sup>1</sup>	No. staff in field offices <sup>2</sup>	No. offices	Level of centralization	Functions	Reporting chains	Host country arrangements	Staff mobility	Decision maker
						development - Info collection.				
<b>OHCHR</b>	Two-tier	- Regional Offices - Country & Stand-alone Offices - Human Rights Advisers (HRA) in UNCTs <sup>6</sup> - Human Rights Components (HRC) in Peace Missions (DPKO/DPA)	462 (47% of total staff)	- Regional: 12 - Country/ Stand-alone: 12 - HRA: 18 - HRC: 15  Locations: 24 (not including HRAs and HRCs)	Centralised.	<u>Regional &amp; National</u> - Promotion - Protection - Needs assessments - Technical cooperation	Field Presences report to High Commissioner in HQ though Geographic Divisions (collaborative arrangements, HRAs & HRCs have dual reporting lines to RCs & SRSGs <sup>7</sup> respectively)	Standard agreement.	No formal policy.	High Commissioner
<b>ITU</b>	Two-tier	- Regional Offices - Area Offices	52 (5% of total staff)	Regional: 5 Area: 8  Locations: 13	Centralised with a degree of operational flexibility.	<u>Regional and Area Offices</u> - Technical cooperation & assistance - project development - technical capacity building - Representation & liaison - coordination - Resource mobilisation - Info. provision - Promotion	Area offices report to Regional offices. Regional offices report to HQ (Deputy to the Director, Telecommunication Development Bureau) Regional offices may also coordinate directly with other Sectors of ITU, and the Office of the secretary General on specific issues.	Case by case basis	A policy is being reviewed by the organization. To date mobility is based on local needs & voluntary motivation of staff.	Governing Organs approve.

<sup>6</sup> UNCT: UN Country Team

<sup>7</sup> Resident Coordinators and Special Representative of the United Nations Secretary General

### C. WIPO EXTERNAL OFFICES: FACT SHEET

WIPO has three external offices located in Brazil, Japan and Singapore. There is also a WIPO Coordination Office in New York. Information on their functions, human resources, reporting chains, budget and on support provided to these offices by host countries are reflected in the following fact sheet.

	WIPO Singapore Office (WSO)	WIPO Japan Office (WJO)	WIPO Brazil Office (WBO)
<b>When established</b>	June 2005	September 2006	October 2009
<b>Location in country</b>	Heng Mui Keng Terrace: same location as some IGOs including the APEC Secretariat.	UN University (UNU) Headquarters Building, Tokyo.	INPI Building in Rio de Janeiro.
<b>Functions</b>	<ul style="list-style-type: none"> <li>- Representation</li> <li>- Cooperation including with governments in the Asia-Pacific region</li> <li>- Awareness raising</li> <li>- Support services in respect of PCT, Madrid and The Hague systems</li> <li>- Collective management, arbitration and mediation and development activities.</li> </ul>	<ul style="list-style-type: none"> <li>- Representation</li> <li>- Joint research activities between WIPO and the UNU.</li> <li>- Development, outreach and capacity building activities.</li> </ul>	<ul style="list-style-type: none"> <li>- Representation</li> <li>- Cooperation between Brazil and WIPO</li> <li>- Provision of support services in respect of PCT, Madrid and The Hague systems</li> <li>- Collective management, arbitration and mediation and development activities</li> </ul>
<b>Human resources</b>	6 (3 international staff, 3 locally recruited staff)	2 (1 international + 1 locally recruited).	3 (2 international + 1 locally recruited).
<b>Reporting chains</b>	<ul style="list-style-type: none"> <li>- Reports to the DDG for Development; coordinates with ASPAC Bureau and other substantive sectors as appropriate;</li> <li>- AMC<sup>8</sup> staff reports to the AMC HQ</li> </ul>	Reports to the DDG for Development; coordinates with ASPAC Bureau and other substantive sectors as necessary.	Reports to the DDG for Development; coordinates with LAC Bureau and other substantive sectors as necessary.
<b>Regular budget provision</b>	For 2010, regular budget allocation is CHF1,167,000.	For 2010, regular budget is CHF223,000.	For 2010, regular budget is CHF 603,000.
<b>Host country support provided</b>	Government of Singapore (GOS) provided office premises including set-up cost. GOS also covers maintenance costs of common areas and facilities and utilities up to an agreed amount. In addition, some activities of the WSO are co-funded by the GOS under an existing MOU.	Government of Japan covers the administrative expenses of running the office, including the rental of the office space, and operational activities through the Japan/FIT. An average of CHF360,000/year, is sourced from the JAPAN-FIT.	Nothing specific in the Agreement although INPI Brazil has offered to host the WBO by providing office space in its building, some furniture and equipment and a secretary. In 2010, the Office implemented activities under the Brazil/FIT amounting to approx CHF472,000 in cooperation with Headquarters.

<sup>8</sup> Arbitration and Mediation Center

**WIPO Coordination Office in New York**

When established	The WIPO Liaison Office in New York was established following WIPO's recognition as a Specialized Agency of the United Nations (UN) in December 1974. The General Assembly unanimously approved the Agreement between the UN and WIPO (Relationship Agreement). The Director General of WIPO and the Secretary General of the UN signed a Protocol in January 1975 bringing the Relationship Agreement into force. The Office commenced operations in 1975.
Location in country	New York, United States of America
Functions	<ul style="list-style-type: none"> <li>- To represent WIPO in the UN system and to raise awareness among UN Member States, the UN Secretariat and civil society about the role of IP and the activities of WIPO;</li> <li>- To increase the visibility and engagement of WIPO with the UN system;</li> <li>- To report to Geneva Headquarters on important and relevant meetings of the UN in New York;</li> <li>- To monitor the UN dialogue with the Bretton Woods Institutions;</li> <li>- To organize training for UN diplomats on IP related issues.</li> </ul>
Human resources	3 (1 professional staff, an Administrative Assistant and a short-term Secretary)
Reporting chains	The Head of the New York office reports to the Executive Director of the Department of External Relations (DER) and through DER to Deputy Director-General, Global Issues Sector
Regular budget provision 2010	Approx CHF 1,080,000
Host country support provided	No support provided by the host country

#### **D. Consultative Process: Issues for Consideration**

Based on the information contained in this note, it is evident that there is ***no common model or policy among UN agencies*** for the establishment of external offices. WIPO also does not have a policy on this matter. Against this backdrop, guidance is, therefore, sought from Member States, through a process of consultations.

The consultative process is expected to help the Secretariat evolve a policy on external offices. This process may, inter alia, cover the following key areas:

- I. What needs and purposes may be served by external offices?
- II. What functions should external offices perform?
- III. What is the cost/benefit analysis of performing those functions through external offices compared to performance of the functions from Headquarters?
- IV. How would the relationship between Headquarters and external offices function?
- V. How should the location of external offices be decided?

[Annex XIV follows]



ANNEX XIV INFORMATION NOTE DISTRIBUTED AT THE SECOND INFORMAL  
CONSULTATION IN 2011

1. The World Intellectual Property Organization (WIPO) has four external offices, located (in chronological order of their establishment) in the United States of America (the WIPO New York Office), Singapore (the WIPO Singapore Office), Tokyo (the WIPO Japan Office) and Rio de Janeiro (the WIPO Brazil Office).

2. The Director General has received official requests from a significant number of States requesting the Organization to establish new external offices in their respective territories. Following a decision of the WIPO General Assembly in September 2010 (see documents A/48/12 Rev. and A/48/26, paragraph 262), a process of informal consultations is underway amongst the Member States to develop a policy on the establishment of new external offices. A first open informal consultation was held on December 13, 2010. A second such consultation will be held on June 16, 2011.

3. The purpose of this Note is to provide material to assist the informal consultations. It builds upon the Information Note published for the first informal consultation on December 13, 2010, which provided background material on the policies and practices of other United Nations agencies and programs with respect to external offices<sup>1</sup>. The Note also provides an update on the ongoing discussions between the Director General and the host States of the four existing WIPO external offices to improve the services and to enhance the role of those offices.

#### General Principles

4. At the conclusion of the first informal consultation, four principles were suggested as a basis for a policy on new offices:

- (i) External offices should add value. They should not duplicate work performed at Headquarters. Rather, they should perform work that

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<sup>1</sup> Available at : [www.wipo.int/meetings/pdocs/en/memberstates/external\\_offices/](http://www.wipo.int/meetings/pdocs/en/memberstates/external_offices/)

Username: memberstates

Password: consultations

cannot be performed at Headquarters or that can be performed more efficiently or effectively than at Headquarters.

- (ii) Given the diversity of circumstances of Member States and of their needs, it is appropriate for external offices to have different mixes of functions, rather than the same functions. For example, an external office located in a developed country that is a major user of WIPO's Global IP Systems might concentrate its role on support for those Global IP Systems, whereas an external office located in a developing country that is not a major user of those Systems might focus on capacity building.
- (iii) A new external office should only be established if it is financially feasible for the Organization to do so.
- (iv) A gradual and empirical approach should be adopted, based on the results being achieved from existing offices.

#### Adding Value through New or Non-Duplicative Services performed in External Offices

5. There are three areas in which value could be added through services performed out of external offices, where the same value could not be added if the services were performed out of Headquarters:

- (i) Support services for WIPO'S Global IP Systems (the Patent Cooperation Treaty (PCT), the Madrid System for Marks, the Hague System for Industrial Designs, the Lisbon System for Appellations of Origin and the WIPO Arbitration and Mediation Center).
- (ii) Delivery of technical assistance in developing countries in relation to the global infrastructure programs of the Organization.
- (iii) Delivery of capacity-building activities.

#### Global IP Systems

6. WIPO derives around 92% of its revenue from fees for services rendered under the Organization's Global IP Systems. None of these systems is a monopoly; there is an alternative to the services rendered by WIPO under each. Applicants can file applications in foreign countries using the national route and taking advantage of the priority rights established under the Paris Convention for the Protection of Industrial Property, rather than use the PCT, the Madrid System or the Hague System. In the case of the WIPO Arbitration and Mediation Center, disputants can use the services of other alternative dispute-resolution providers or chose litigation before national courts. Whether applicants or users choose to avail themselves of the services of WIPO's Global IP Systems or to use these alternative routes or services depends entirely on the relative cost-effectiveness, quality and attractiveness of WIPO's services.

7. Broadly speaking, the services that WIPO delivers under its Global Systems fall into three main categories: (i) the processing of applications or the administration of dispute-resolution procedures; (ii) the provision of advisory services to applicants about the nature of procedures or in connection with specific problems that may arise in the course of the filing or prosecution of an application or the administration of a dispute-resolution procedure; and (iii) the provision of information products, training and awareness-building activities. Services performed in the first of these categories are part of centralized and team-based systems, relying significantly, if not wholly, on sophisticated information technology and centralized quality control and management procedures.

8. Demand for WIPO's Global IP Systems comes from around the world. In the PCT, which accounts for 75% of the Organization's revenue, over 30% of the demand comes from the Americas (about 27.5% from the United States of America, 1.6% from Canada and the remainder from the rest of the continent) and over 34% comes from Asia and Australasia (about 19.6% from Japan, 7.5% from China, 5.9% from the Republic of Korea and 1.1% from Australia). In other words, around 65% of the demand comes from applicants operating in time zones where the working hours occur mainly during the Geneva night time or after business hours Geneva time.

9. The advisory and information services provided by the Organization in support of WIPO's Global IP Systems respond mainly to queries and requests from applicants. The Organization has established a Customer Service Center, as well as customer service units in various sectors. Since customer service units are new in some parts of the Organization, complete statistics on calls and requests for assistance are not yet available. However, in the case of the PCT and the Madrid System infolines, the Organization receives around 2,250 calls per month and around 1,000 emails per day. For the PCT, around 38.4% of the calls come from the Americas and around 27% of the calls come from Asia.

10. It is believed that the presence of qualified officials, with professional experience and training in WIPO's Global IP Systems, in external offices located in or close to the markets from which the major demand for those Systems emanates could:

- lead to a better quality of service to the users of the WIPO Systems, especially through the availability of services in real time within the time zones in which users are located and through knowledge of the language, culture and customs of the markets;
- lead to an increase in the use of those systems;
- provide better feedback from users on areas where the services could be improved, and, thereby,
- contribute to a sustainable financial basis for the Organization and its activities.

11. In addition to these potential improvements in support services, external offices could be well used to reduce the cost of delivery of training and awareness-building programs in relation to WIPO's Global IP Systems (paragraph 7 (iii), above). By locating appropriately skilled staff in the external offices, many of these activities could be resourced locally, thereby reducing travel time and expense.

## Global Infrastructure

12. WIPO's Global Infrastructure Sector has a number of programs involving the implementation locally of information technology (IT) projects, tools and platforms. These include:

- (i) The Program of Business Solutions for Intellectual Property Offices, under which the Organization has projects in 60 countries for office modernization and the implementation of automation systems (Intellectual Property Automation System ("IPAS")). 20 additional countries have requested for such assistance.
- (ii) The establishment of Technology and Innovation Support Centers (TISCs) to improve access to the technology disclosed through the patent system and other scientific and technological information. In conjunction with the establishment of TISCs, WIPO offers, with the generous collaboration and assistance of publishers and commercial database vendors, preferential access to a database of scientific, technical and medical periodicals (Access to Research for Development and Innovation ("aRDI")) and preferential access to technology and patent information databases (Access to Specialized Patent Information ("ASPI")). TISCs have been established in 11 countries<sup>2</sup> and there are outstanding requests for the establishment of such facilities in 47 countries.
- (iii) The development of a platform for sharing search and examination results amongst offices in Latin America ("PROSUR"). The platform will use essentially the same architecture as a similar platform under development for a similar purpose with the offices of Australia, Canada and the United Kingdom (Centralized Access to Search and Examination ("CASE")).

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<sup>2</sup> Algeria, Democratic Republic of the Congo, Dominican Republic, Ecuador, Honduras, Kyrgyzstan, Morocco, Mozambique, Philippines, Senegal and Tunisia.

13. The implementation of the projects mentioned in the previous paragraph requires, in most cases, intensive field collaboration in the form of technical IT assistance. In 2010, it is estimated that approximately one third of the work program was spent in the field for the deployment of IPAS. The location of a technical resource in an external office where such office is located in the developing world could be cost-effective, since the missions otherwise effected from Headquarters would be undertaken from the external office. The various global infrastructure programs would continue to be led and coordinated from Headquarters.

#### Capacity-Building Activities

14. A major part of the work of the Organization consists of capacity-building. Capacity building is a major strategy for achieving Strategic Goal III (Facilitating the Use of IP for Development) and forms an integral part, in particular (although not exclusively), of Programs 9 (Africa, Arab, Asia and the Pacific, Latin America and the Caribbean Countries, Least Developed Countries), 10 (Cooperation with Certain Countries in Europe and Asia) and 11 (The WIPO Academy). Capacity-building activities cover an extensive range, including conferences, training seminars, on-the-spot training of a technical nature (for example, for patent or trademark examiners or for technical resources in relation to technical databases), participation in academic programs and courses, study visits and training in foreign patent offices. Conferences and training seminars comprise the major component of these various activities. In 2010, 261 regional and national meetings and training programs were organized by WIPO in developing countries and countries with economies in transition.

15. It is clear that the implementation of part of the capacity-building activities of the Organization through external offices could result in cost savings through the reduction of travel by officials located at Headquarters. The most appropriate part would seem to be conferences and training seminars. More work would be required, however, to determine a rational and effective definition of which conferences and seminars would be organized through external offices (all or only part and, if only part, which part) and which would remain to be organized from Headquarters. In the absence of a clear demarcation between local and Headquarters execution, there is a risk that the work of the external offices would be a duplication of work already carried out from Headquarters.

#### Resource Requirements

16. It is difficult to indicate an exact resource requirement for an external office, since the nature of the resources needed would differ according to the mix of functions carried out by the office (paragraph 4(ii), above) and according to the definition of capacity building activities that it may be decided to attribute to external offices rather than Headquarters. Nevertheless, generally speaking, the following resources would be required for an average office:

- (I) One Director of the Office
- (II) One professional for the management and implementation of activities related to Global IP Systems (if such activities are carried out from the Office concerned)
- (III) One professional for technical assistance in the implementation of projects in the Global Infrastructure Sector (if such projects are carried out in the area covered by the office in question)
- (IV) One professional for capacity-building activities (again, if such activities are carried out in the area covered by the office in question)
- (V) One general-service staff (perhaps two, depending on the mix of functions specified in the preceding sub-paragraphs).

If the Office had a staff of one Director, two professional staff and one general-service staff, the personnel costs of the Office would amount to approximately 845,000 Swiss francs in a developed country and 690,000 Swiss francs in a developing country (precise figures can only be given in relation to specific locations, since the cost varies according to the multiplier applied to different posts). This amount should not, however, be a pure addition to the budget of the Organization. On the basis of the principle in paragraph 4(i), above, the activities of the external office should not duplicate activities undertaken from Headquarters).

17. In addition to personnel costs, the cost of premises and equipment needs to be taken into account. Again, it is difficult to give precise figures, since the practice of host countries differs in relation to the provision of rent-free accommodation. Generally speaking, the premises and running costs would be approximately 224,000 Swiss francs in a developed country and 183,000 Swiss francs in a developing country (naturally, the differences in cost estimates for countries can be considerable according to the rental markets in question).

18. A budget also needs to be provided to the office for its program activities. Again on the basis of the principle in paragraph 4(i), above, however, the program budget of an office should generally be neutral in the overall budget of the Organization.

#### Enhancement of Existing Offices

19. In the course of the past twelve months, the Secretariat has been engaged in a dialogue with the host States of the existing WIPO external offices to improve the services and to enhance the role of those offices. This has involved discussion and action on five fronts.

20. The first focus has been to clarify the role and functions of each office, bearing in mind the considerations set forth above with respect to external offices in general. This has resulted in the following evolving results (it being the case that this process will continue over the next twelve months and that the right skill sets need to be deployed in the various offices (see paragraph below)):

- (i) The Brazil and Singapore Offices will play a role with respect to support for Global IP Systems, technical assistance for the implementation of infrastructure projects, capacity building, South-South cooperation and, in the case of the Brazil Office, the administration of activities under the Brazil Funds-in-Trust;

- (ii) The Japan Office will cease its functions with respect to research in collaboration with the United Nations University and will focus on support for Global IP Systems, capacity building and the administration of activities under Japan Funds-in-trust;
- (iii) The United States Office in New York will cease to have as its focus relations with the United Nations and will concentrate on support services for Global IP Systems. Relations with the United Nations will be strengthened by management from Headquarters. These relations concern in the first place the Chief Executives Board (CEB), the High-Level Committee on Programs (HLCP) and the High-Level Committee on Management (HLCM), all of which are handled out of Headquarters. The principal relations outside these three instances that the Organization has with the United Nations System are with the specialized agencies and programs, particularly (in alphabetical order) the Food and Agriculture Organization (FAO), International Telecommunication Union (ITU), Secretariat of the Convention on Biological Diversity (SCBD), United Nations Education Scientific and Cultural Organization (UNESCO), United Nations Environment Programme (UNEP), World Health Organization (WHO), World Trade Organization (WTO), all of which are located in Europe or outside the United States of America.

21. The second area of action has been on the improvement of the services provided by the Offices and the use of those Offices to perform services that cannot be provided at Headquarters. In this regard, in particular, a system is being put in place for the 24-hour servicing of WIPO's switchboard. After 6 pm Geneva time, calls to WIPO's number will automatically be referred to the United States or Brazil Office (depending on whether the language of communication is English, Spanish or Portuguese). Following closure of business in the Americas, call to WIPO's number will automatically be referred to the Japan and Singapore Offices (depending on whether the language of communication is Chinese, English or Japanese). Following closure of business in Asia, calls will revert to Headquarters. In addition, the software being used at Headquarters for logging, recording and processing calls and emails for assistance will be deployed in the existing external Offices to enable statistics on demand for services to be maintained accurately.

22. The third area of focus has been on the re-location of the existing Offices to placements that are more suitable for the re-defined missions of the Offices. This does not affect the Singapore Office, which is situated in an optimal location adjacent to the campus of the National University of Singapore. In the case of the Brazil Office, however, following the overall transfer of the National Patent Office (INPI), new premises have been rented in an area in which infrastructure needs are fully met. The Japan Office is being moved to new premises near the Japan Patent Office and the center of business activities with respect to intellectual property. For the United States Office, a move from New York to Silicon Valley in California is under active consideration. Almost half of PCT applications filed from the United States of America and more than 10% of total PCT filings have at least one applicant or inventor with an address in California. According to figures from the United States Patent and Trademark Office (USPTO), the share of US patents granted to Californian applicants has steadily increased over the past years, reaching 25.4% of all patents granted to US residents in 2010.

23. The fourth area of focus has been to define more consistently which areas within the sphere of capacity-building should be devolved to the external Offices (Brazil, Japan and Singapore). This is work-in-progress.

24. The final area of focus has been ensuring that the skill profiles of staff in the existing Offices correspond to the role and functions attributed to the respective Offices. This is again a work-in-progress, being undertaken within existing resource constraints and also within the context of the initiative on Organizational Design within the Strategic Realignment Process (SRP).

[Annex XV follows]



ANNEX XV WHITE PAPER DISTRIBUTED AT THE PROGRAM AND BUDGET  
COMMITTEE IN JULY

**Program and Budget Committee  
Twentieth Session  
Geneva, July 8 to 12, 2013**

**WIPO External Offices**

1. At present, WIPO has external offices in the following locations: in Brazil (Rio de Janeiro), Japan (Tokyo) and Singapore (Singapore) (hereinafter called the “WIPO external offices”). (WIPO also has a liaison bureau to the United Nations in New York, which is not considered to be an External Office.)
2. In the draft Program and Budget for the 2014/2015 Biennium, it is proposed to establish five new external offices – two in Africa and one each in China, Russian Federation and the United States of America.

Questions on New External Offices and Answers from WIPO Secretariat

**What functions do External Offices perform<sup>9</sup>?**

3. It is generally agreed that External Offices should not duplicate work performed at Headquarters, but should perform work that cannot be performed at Headquarters or that can be performed more efficiently or effectively in the external office than at Headquarters.
4. There are five functions that meet the criterion of adding value and not duplicating work performed at Headquarters.
5. The first function consists of local support services for WIPO'S Global IP Systems (the Patent Cooperation Treaty (PCT), the Madrid System for Marks, the Hague System for

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<sup>9</sup> At open, informal consultation meetings held on December 13, 2010, and June 16, 2011, it was generally agreed that:

- (1) External offices should add value and undertake activities that can be performed more efficiently or effectively than at Headquarters;
- (2) External offices could have different mixes of functions in response to regional priorities and specificities;
- (3) A new external office should only be established if it is financially feasible for the Organization to do so; and
- (4) A phased and prudent approach should be adopted towards the establishment of functions and corresponding resourcing in the EOs.

Industrial Designs and the WIPO Arbitration and Mediation Center). WIPO derives around 95% of its revenue from fees for services rendered under its Global IP Systems.

6. Demand for WIPO's Global IP Systems comes from around the world. In the PCT, which accounts for 75% of the Organization's revenue, around 30% of the demand comes from the Americas and over 39% comes from Asia. In other words, over two-thirds of the demand comes from applicants operating in time zones where the working hours occur mainly during the Geneva night time or after business hours Geneva time.
7. An essential part of the services that WIPO provides in respect of its Global IP Systems consists of information and assistance services to users of the Systems. For example, in the case of the PCT and the Madrid System infolines (direct service query lines), the Organization receives around 5,000 calls per month and around 1,000 emails per day. For the PCT, around 38.4% of the calls come from the Americas and around 27% of the calls come from Asia. External Offices can perform an indispensable service in supporting the Organization's Global IP Systems in the relevant time zones and in the locally applicable language.
8. A second function is to provide support for WIPO's general customer response network. The Organization receives each week thousands of calls relating to intellectual property and the general work program from IP Offices and other agencies of Member States and the general public. In June 2012, a global response network was implemented for these calls using the existing External Offices in Rio de Janeiro, Singapore and Tokyo, as well as the New York Liaison Office. If a person calls the general number of WIPO after business hours in Geneva, the call is automatically received and answered, depending on the time, in one of the existing External Offices. In the short time since its inception, this new service has proven to be a very valuable addition to the Organization's services.
9. A third (proposed) function is the administration of mirror sites for the Organization's IT systems, platforms and databases for the purposes of IT security, business continuity, disaster recovery and load-sharing. All of the services provided by the Organization are acutely dependent on IT systems. Most applications under the Global IP Systems are received and processed using Internet-based systems. At the same time as the Organization's dependence on online IT platforms and systems has grown, intellectual property has assumed a higher public profile, increasing the vulnerability of the Organization's IT systems to cyber attacks. In the past year, for example, the group "Anonymous" has carried out multiple DDOS (distributed denial of service) attacks on the websites of agencies of Member States in protest over various intellectual property policies or initiatives.
10. The security of the Organization's IT platforms and systems, the capacity to provide business continuity in respect of them, the capacity to recover from a disaster and the capacity to provide even response times to users around the globe will be greatly enhanced by the strategic establishment of a limited number of mirror sites that can be administered or supervised through External Offices.
11. A fourth function is the provision of technical support in relation to the various technical assistance programs administered in the Global Infrastructure Sector of the Organization. These programs include the implementation of automation systems for IP

Offices, where projects are underway in over 80 countries; the establishment of Technology and Innovation Support centers (TISCs) that make available patent information and other scientific and technical information to IP Offices, universities and research institutions throughout the developing world; and the implementation of IT systems for collecting societies in support of copyright administration. These and other cognate programs, for which the demand is overwhelming, require intensive technical support, which may be provided most cost efficiently through experts attached to External Offices, rather than through the dispatch of such experts from Headquarters.

12. A final function concerns general capacity building and other development cooperation activities additional to those mentioned in the preceding paragraph. Capacity-building activities cover an extensive range, including conferences, training seminars, on-the-spot training of a technical nature (for example, for patent or trademark examiners or for technical resources in relation to technical databases), participation in academic programs and courses, study visits and training in foreign patent offices. It is clear that the implementation of part of the capacity-building activities of the Organization through external offices could result in cost savings through the reduction of travel by officials located at Headquarters.

#### **How are the existing External Offices performing?**

13. A plan to improve the services and to enhance the role of the existing External Offices has been implemented over the past year. Each Office has been given a specific focus and the plan is yielding good results:
  - (i) The Brazil Office is focusing on support for the Global IP Systems, particularly with respect to Brazil's examination of the Madrid System and the Hague System; participation in the global customer response network; support for the many IT and infrastructure projects with IP Offices in the Latin American region; and South-South cooperation. Two new Memoranda of Understanding (MoUs) have been signed with the Government of Brazil, with generous funding provided by Brazil. Under one MoU, the WIPO Arbitration and Mediation Center is cooperating with the Brazilian IP Office (INPI) to administer mediations for trademark oppositions and disputes. Under the second MoU, Brazil is funding a series of South-South activities and projects.
  - (ii) The Japan Office is focusing on support for the Global IP Systems, particularly with respect to the PCT, the Madrid System and Japan's examination of the Hague System; participation in the global customer response network; and capacity-building activities, largely funded by generous contributions from the Government of Japan. Excellent results are being obtained through the vigorous engagement of the WIPO Office with Japanese enterprises. PCT applications from Japan rose in 2012 by more than 10% (on a volume that constitutes over 20% of the worldwide PCT filings) (well in excess of the world average) and Madrid applications have risen by over 30% in the same period.
  - (iii) The Singapore Office is focusing on support for the Global IP Systems, particularly with respect to the proposed entry of the Member States of the Association of South East Asian Nations (ASEAN) into the Madrid System and the Hague System by 2015; participation in the global customer response

network; support for the many IT and infrastructure projects with IP Offices in the South East Asian region; and support for the implementation of the ambitious IP Action Plan adopted by ASEAN for the period 2011-2015.

### Why are more External Offices needed?

14. The demand for new External Offices is not coming from the Secretariat, but from the Member States, over 20 of which have made applications to the Director General for such offices to be established in their territories. However, it is believed that a **limited network of strategically placed external offices** would enhance the quality of service and credibility of WIPO as a global service organization.

### Why was it decided to propose the locations that have been identified in the Program and Budget?

15. China has a population of 1.3 billion people. Its national language is Mandarin, which is one of the official languages of WIPO and the UN. It has the largest trademark office in the world, the largest patent office, the largest designs office and one of the largest and most vibrant creative sectors.

16. Intellectual property activity in China is exploding. Over the past 15 years, the number of patent applications filed in China has risen from 18,699 to 526,412; the number of trademark applications from 172,146 to 1,057,480; and the number of industrial design applications from 17,688 to 521,468:

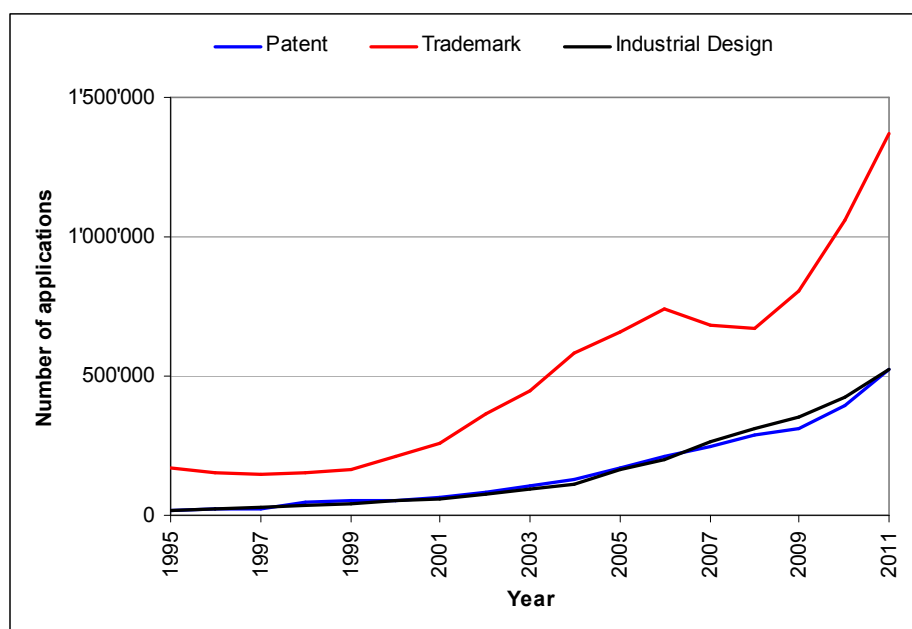


Figure 1: Patent, Trademark and Industrial Design Applications in China

17. The number of domestic IP applications in China that are being internationalized through filings under WIPO's Global IP Systems is growing at a very rapid pace. China files just over 10% of PCT applications and is expected to pass Germany in 2013 to become the third largest

filer of PCT applications after the United States of America and Japan. It is the eighth largest filer of Madrid applications (filing over 5% of all Madrid applications) and the most designated country in the Madrid System (that is, the country that applicants around the world designate most frequently to obtain protection for their marks). It is actively examining accession to the Hague System.

18. The existing use by China of WIPO's Global IP Systems is one of the most active in the world. When the level of domestic applications is considered, the potential for further growth in use of WIPO's Systems is enormous. To achieve this, however, intense engagement with the enterprise sector in China, in the Chinese language, is required. Rare would be the Organization that relies on China for a substantial part of its revenue and that does not have a presence in China to service the Chinese market. It may also be expected that China will, in the future, play an increasingly important role in capacity-building activities.

### Russian Federation

19. The Russian Federation is the ninth most populous country in the world, with a population of over 140 million people. Russian is one of the official languages of both the UN and WIPO and is also widely spoken throughout Central Asia and Eastern Europe.

20. The importance of intellectual property and innovation in the sustainable economic development of the Russian Federation has been emphasized by the country's leadership. The scientific tradition in the country is extremely strong and the creative output in literature, film and music is rich. The use of intellectual property has been steadily increasing. Over the past 15 years, the number of patent applications filed in the Russian Federation has risen from 24,444 to 41,414; the number of trademark applications from 21,403 to 56,856; and the number of industrial design applications from 1,370 to 3,997:

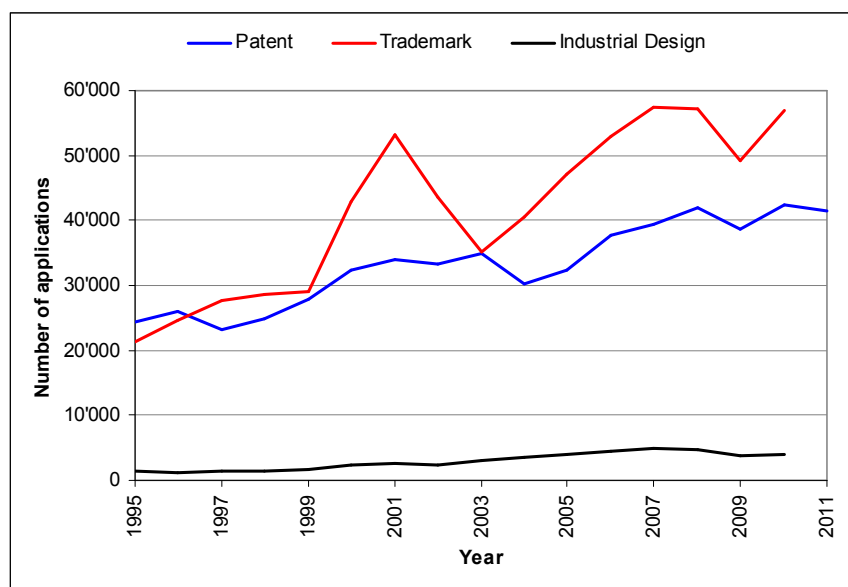


Figure 2: Patent, Trademark and Industrial Design Applications in the Russian Federation

21. The use of WIPO's Global IP Systems by the Russian Federation has also been rising. PCT applications filed by applicants in the Russian Federation have risen considerably over the past five years. The number of Madrid applications in 2012 rose by 19.7% (having increased by 35.6% in the preceding year), making the Russian Federation the ninth largest filer in the Madrid System. It was also the third most designated country in the Madrid System. The Russian Federation is actively considering accession to the Hague System.

22. An External Office in the Russian Federation would offer considerable advantages in terms of strengthening the participation of the country in WIPO's Global IP Systems, enabling the Organization to service more effectively a vast territory and its surrounding region, and would assist in building capacity for the use of IP in a region where most national economic strategies aim to use a rich resource base as a foundation for value addition in more knowledge-based industries.

### **United States of America**

23. The USA is the largest economy in the world, with the third-largest population. It is the largest filer of PCT applications, filing around 27% of all applications. It is the second largest filer of Madrid applications, filing 12.3% of all applications, and is the third most designated country in the Madrid System. It is expected to accede to the Hague System in the near future. It also has the largest creative industries in the world. It is, in short, the largest producer of innovation and creative outputs in the world.

24. The State of California is the home of the much admired and much emulated Silicon Valley, a pioneer of the successful innovation ecosystem. Almost half of PCT applications filed from the United States of America and more than 10% of total PCT filings have at least one applicant or inventor with an address in California. The University of California files more PCT applications than any other university in the world. According to figures from the United States Patent and Trademark Office (USPTO), the share of US patents granted to Californian applicants has steadily increased over the past years, reaching 25.4% of all patents granted to US residents in 2010. California is also the home of Hollywood, the highest value film industry in the world.

25. Enormous opportunity exists to increase the use of WIPO's Global IP Systems through a presence in Silicon Valley. Such a presence would also offer a more effective way of servicing the largest customer base of those Systems in the world.

### **Africa**

26. Africa comprises 54 countries and a vast territorial area and is not represented in the existing External Offices. Interest in both WIPO and IP has been growing steadily in the region, particularly now that growth rates have stabilized and that Africa is, overall, the fastest growing region of the world economy. The need for capacity-building activities in order to increase the region's use of, and participation in, the intellectual property system is huge.

27. The proposed External Offices in Africa would focus essentially on capacity building, as described in the outline of the functions of External Offices given above. Locations within Africa for the two proposed offices have not been specified, as this is the subject of a continuing discussion with and within the African Group.

### **What are the plans for more External Offices?**

28. It is considered that the establishment of External Offices is a process, rather than a single event. Five new offices within a biennium represents what is considered to be the maximum that can be absorbed within that time period in order to ensure a smooth deployment. It is the case, however, that there are strong demands for additional offices. For example, the Group of Latin America and the Caribbean has called for the establishment of a second office in the region, notably one that might be located in a Spanish-speaking country, and India, the second most populous country in the world and the tenth largest economy in the world, has requested to host an External Office. The list could be extended. It is considered that these other demands will need to be discussed and decided depending on the response to the current proposal.

### **What is the process of approval of agreements before the Coordination Committee?**

29. The decision to establish a new External Office is taken by the Assemblies in the adoption of the Program and Budget and upon the advice and recommendation of the Program and Budget Committee. A separate question from the decision to establish an External Office is the terms and conditions under which the External Office will operate in a host country. These terms and conditions, including the application of privileges and immunities, are defined in an agreement which is submitted to the Coordination Committee for approval. This agreement does not constitute the agreement to establish an office, but constitutes the agreement of the terms and conditions under which an office will operate.

[End of Annex XV and of document]