

**Program and Budget Committee
Twenty-third Session
Geneva, July 13-17, 2015**

**Cost Efficiencies Realized in 2014 and/or Baseline in the
Proposed Program and Budget 2016/17**

Cost efficiency	PPR 2014	PB 2016/17	Annual amount of savings (Swiss francs)	Unit cost (Swiss francs)	Notes
Lower overall costs for the processing of published international PCT applications resulting from enhanced processing of financial commitments for the outsourcing of translation services, and an increase in productivity	x			A reduction from 722 in 2013 to 662 in 2014 (i.e. 60 or 8.3 per cent decrease)	The average cost of processing a published PCT application using a new method is an estimation which is calculated by dividing the total processing cost by the number of published PCT applications (Source: WIPO Statistics Database, March 2015). Further details: PPR 2014 Program 5 Annex: Indicators of PCT Operations.
Reduction in translation costs of international Madrid applications resulting from lower costs for outsourcing of translations	x		349,000		
Lower premiums resulting from renegotiation of the new insurance contract Professional Accident Insurance (PAI)		x	200,000		
Reduction in the cost of home leave travel resulting from the implementation of the new home leave travel policy (OI 22/2014)		x	2,000,000		
Lower average air ticket price resulting from utilization of more economical fares	x	x		A reduction from 1,728 in 2013 to 1,598 in 2014 from (i.e. 130 or 7.5 per cent decrease)	A substantial effort was made to reduce travel expenditure leading to a decrease in both the number of tickets issued and the number of late travel submissions.
Decrease in the overall expenditure on air tickets	x	x	4,700,000		As a result of: a) lower average air ticket price; b) decrease in the overall number of air tickets by 15% (in 2014 compared to 2013); and c) a change in the policy for travel of ICS contract holders.

**Cost efficiencies realized in 2014 and/or baselined in the
proposed Program and Budget 2016/17**

Cost efficiency	PPR 2014	PB 2016/17	Annual amount of savings (Swiss francs)	Unit cost (Swiss francs)	Notes
Cost savings for goods and services procured by WIPO	x		2,663,000		Of which 1,598,000 Swiss francs have been realized through the Common Procurement Activities Group (CPAG) and 1,064,000 Swiss francs realized from WIPO negotiations after tenders or negotiations with sole suppliers.
Reduction in energy consumption for the Cooling System using Geneva Lake water instead of city water that does not require use of machines to decrease water temperature and thus generates savings in electricity and water consumption for the operation of the Cooling System	x		35,000		Electricity was reduced by 2.2 per cent and water consumption by 10 per cent.
Reduction in electricity consumption in all WIPO buildings resulting from the installation of light presence detectors, energy-efficient light bulbs, light timing service in parking and new more efficient electric closets for the operation of electrical installations in all floors of all buildings.	x		15,000		
Reduction in water consumption resulting, <i>inter alia</i> , from the use of lake water instead of city water	x		19,500		
Termination of the leases of two off-site storage areas	x		12,178		Meyrin IV storage terminated on September 30, 2014 La Praille storage terminated in November 2014.
Termination of 32 abonnements in Parking des Nations in several batches between August and December 2014.	x		3,404		
Reduction in ordering of office supplies	x		8,193		
Further reduction in the number of parking space in Parking des Nations		x	100,000		

**Cost efficiencies realized in 2014 and/or baselined in the
proposed Program and Budget 2016/17**

Cost efficiency	PPR 2014	PB 2016/17	Annual amount of savings (Swiss francs)	Unit cost (Swiss francs)	Notes
Implementation of a Mobile Device Management (MDM) system with more integrated services offered at a lower cost. (OI 17/2014)	x		112,691	A reduction in average monthly cost of device from 177 in 2013 to 111 in 2014 (i.e. 66 or 37 per cent decrease)	Total expenditures with former Swisscom subscription decreased from 799,815 Swiss francs in 2013 (374 devices at end of year) to 520,430 Swiss francs in 2014 (404 devices at end of year) under new Swisscom subscription using new Blackberry Smartphone device. A one-time project cost of 166,784 is added in 2014 that includes a new device renewal, Swisscom Credit Note for device purchase, MDM licenses and MDM Infrastructure Setup.
Reduction in translation costs due renegotiated contracts with external translators, launching of additional international tenders to cover Arabic, Chinese and Russian translations based on the experiences gained in outsourcing translation work of French and Spanish and use of Computer-Assisted Translation and Terminological (CATT) tools.	x			A reduction in the per word translation cost from 0.63 in 2013 to 0.59 in 2014 (i.e. 0.04 decrease per word)	
Reduction in printing costs following the renegotiation of the base contract for printers.	x		300,000	A reduction in the cost per page from 0.19 in 2013 to 0.14 in 2014 (i.e. 0.05 or 26 per cent decrease per page)	
Reduction in mailing costs due to negotiated lower tariffs with external mail service providers and grouping of addresses	x		42,000		The amount represents a 4 per cent reduction from 2013.
Reduction in the number of Security staff and the number of hours of their work.	x		100,000 (2014) 350,000 (2015)		A reduction from 3,700,000 Swiss francs (43 Security staff) in 2013 to 3,600,000 Swiss francs (40 Security staff) in 2014. An estimated saving of 350,000 is foreseen in 2015 that will result from the reduction in hours (6600 hours reduction) keeping the same number of Security staff on average rate of 53 Swiss francs per hour.

Cost efficiencies realized in 2014 and/or baselined in the proposed Program and Budget 2016/17

Cost efficiency	PPR 2014	PB 2016/17	Annual amount of savings (Swiss francs)	Unit cost (Swiss francs)	Notes
Lower overall costs for the processing of international applications under the Hague System	x			A reduction in unit cost per new/renewed design from 420 in 2013 to 366 in 2014 (i.e. 54 or 13 per cent decrease) A reduction in unit cost per recorded document from 1,570 in 2013 to 1,483 in 2014 (i.e. 87 or 5.5 per cent decrease)	
While activities of the Office to the United Nations in New York are foreseen to continue throughout the biennium 2016/17, it is proposed that the current operating model, through a physical office located in NYC, continues only until the end of 2016 with a view to establishing an alternate, more cost-effective operating model for 2017.		x	310,000		Rental cost

Cost Recoveries in 2014

Cost recovery	PPR 2014	Annual amount of savings (Swiss francs)	Breakdown of costs (Swiss francs)
Revenue generated by rental of WIPO spaces to other entities	x	195,000	124,766 ICC 17,500 Swisscom Antenna 32,500 Orange antenna 9,504 AMFIE (one standard office CAM) 9,298 UBS bank teller in GBI
Revenue generated by the reimbursement of the difference paid between 2013 and 2014 by the electricity provider for meeting the annual electricity saving target resulting from the implemented electricity saving measures and as an incentive for further reduced electricity consumption.	x	21,300	One-off payment made by the electricity provider at the end of the year

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