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INTERNATIONAL UNION FOR THE PROTECTION OF NEW VARIETIES OF PLANTS

GENEVA

COUNCIL

**Twenty-fifth Ordinary Session
Geneva, October 24 and 25, 1991**

DRAFT PROGRAM AND BUDGET FOR THE 1992-93 BIENNIUM

presented by the Secretary-General

The Present Document

1. The present document contains an introduction and two chapters followed by three Annexes.

The Introduction contains, in particular, an enumeration of the principal aims of the program for the 1992-93 biennium, a summary of the staff posts and a comparison, by budget headings, of the expenditure and income proposed for 1992-93 with the 1990-91 budget.

Chapter I (Summary of Budget and Comparisons) contains a summary of the income and expenditure proposed for the 1992-93 biennium as compared with the 1990-91 budget, and also gives the corresponding actual figures for the 1988-89 biennium.

Chapter II (Program and Expenses) describes each proposed activity and gives the cost of the activity.

Annex A contains the definitions of the budget headings (sources of income and objects of expenditure).

Annex B shows the amount of the contribution payable by each Member State, for the years 1992 and 1993, respectively; the calculations in the said Annex are based on the assumption that the contributions for the 1992-93 biennium would be payable in two equal instalments (one in January 1992, the other in January 1993), that UPOV would have 20 Member States, and that the total number of the contribution units will be 43.5.

Annex C contains the cost increase forecasts by the United Nations organizations in Geneva (hereinafter referred to as the "UN/CCAQ standards").

INTRODUCTION

Aims of the Program

2. The principal aims of the program for 1992-93 are the following:

(i) to propagate the idea of plant variety protection, particularly in countries that do not yet afford such protection, and to advise them (if they so desire) on the introduction of such protection;

(ii) to promote accession of States to the 1978 and 1991 Acts of the UPOV Convention;

(iii) to assist States in taking all measures, in particular legislative measures, enabling them to accede to the 1978 or 1991 Act of the UPOV Convention;

(iv) to complete follow-up activities resulting from the 1991 Diplomatic Conference, including the progressive introduction of the Spanish language;

(v) to further develop the legal and technical cooperation among Member States, particularly to support plans to establish cooperation between States for the examination of applications for protection and to establish guidelines for the implementation of the principle of essential derivation;

(vi) to promote a greater harmony between the domestic legislations and administrative practices of member States; to examine the possibility of creating a centralized system relating to varietal denominations;

(vii) to explain, where appropriate in cooperation with national governments, with intergovernmental and with international non-governmental organizations, the protection of plant breeders' rights; to continue to publish information for that purpose;

(viii) to take all necessary steps to facilitate the work of the breeders and the tasks of the plant variety protection authorities of Member States;

(ix) to observe developments outside of UPOV concerning the conservation and making available of genetic resources, and to examine the possible impact of such developments on plant variety protection in general and on UPOV in particular;

(x) to examine various possibilities for the legal protection of innovations in the field of genetic engineering and biotechnology, and to observe developments relating to the legal protection of innovations relating to animals;

(xi) to identify sources of funding for programs of training and education in the field of plant variety protection, particularly for developing countries, and propose appropriate programs.

Staff Posts

3. The number of posts for staff working exclusively for UPOV is maintained at its existing level, that is:

one Vice Secretary-General,
three posts in the Professional category, and
four posts in the General Service category.

Comparison of the Draft Budget for the 1992-93 Biennium with the Budget Adopted for the 1990-91 Biennium

4. <u>Total Expenditure</u>		<u>1990-91</u>	<u>1992-93</u>
In thousands of francs*		4,046	4,570
Percentage increase for the biennium . .			13.0%

The reasons for the increase are explained in detail in paragraphs 5 to 8, below.

Comparison of Expenditure, Distinguishing Between Program Variation** and Cost Variation**

5. The following table shows this comparison (in thousands of francs):

	1990-91 Budget	Program Variation		Cost Variation		1992-93 Budget
		Amount	%	Amount	%	
Expenses proper to UPOV	2,971	0	0.0%	429	14.4%	3,400
Common Expenses	1,075	-18	-1.7%	113	10.5%	1,170
Total Expenses	<u>4,046</u> =====	<u>-18</u> =====	<u>-0.4%</u> =====	<u>542</u> =====	<u>+13.4%</u> =====	<u>4,570</u> =====

6. As far as the expenses proper to UPOV are concerned, the zero program variation is essentially due to the fact that the cost of new activities (the addition of Spanish interpretation for meetings of the Council and Consultative Committee and the holding of seminars in three regions) is offset by the fact that three activities that have occurred or will occur in the 1990-91 biennium (the holding of the Revision Conference and of the joint UPOV/WIPO Committee of Experts on the Interface Between Patent Protection and Plant Breeders' Rights as well as participation in the EXPO '90 exposition in Japan) will not reoccur in the 1992-93 biennium.

* In this document "francs" means Swiss francs.

** The Consultative Committee for Administrative Questions (CCAQ), a subsidiary body of the Administrative Committee on Coordination (ACC) within the United Nations System, defines these variations as follows:

Program variation: Any change in resources resulting from an increase or decrease in the volume of activities carried out under a program.

Cost variation: Any increase or decrease in the cost of a resource input in the budget period compared with that in the previous budget period, arising from changes in costs, prices and exchange rates.

7. As far as the expenses proper to UPOV are concerned, the cost increase results from the combined effect of (i) the application of the UN/CCAQ standards as set forth in Annex C, and (ii) the application, in respect of staff costs, of statutory and other cost decreases and increases as explained in paragraph 9, below.

8. As far as common expenses are concerned, the program decrease reflects a lower share in the expenses of the common services due to growth in the activities of the Fee-financed Unions administered by WIPO. The cost increase results from the application of UN/CCAQ standards.

9. Expenses According to Objects of Expenditure

These are taken in the order in which they appear in the table in Chapter I.

A. Staff Expenses

	<u>1990-91</u>	<u>1992-93</u>
In thousands of francs	2,250	2,591
Percentage increase for the biennium . .		15.2%

The net increase of 341,000 francs for the biennium is due to the following factors:

(i) statutory cost increases for the cost of living provisions (218,000 francs (9.7%)) calculated on the basis of the UN/CCAQ standards (see Annex C) but reflecting the 9.9% increase in General Service salaries that became applicable on January 1, 1991 (instead of the 4.5% that had been forecast for April 1, 1991), for advancement to a higher step (yearly salary increment) within the same grade (54,000 francs (2.4%)), for changes in grade (51,000 francs (2.3%)), for higher contributions to the United Nations Joint Staff Pension Fund (25,000 francs (1.1%)) and for increases in medical insurance premiums (6,000 francs (0.3%));

(ii) a decrease in the amount of Swiss francs (29,000 francs (1.3%)) needed to purchase US dollars, the currency in which contributions to the UNJSPF in respect of Professional staff are determined, it being noted that the rate of exchange of the United nations was 1.49 Swiss francs for one US dollar when the draft budget for the 1992-93 biennium was prepared, as opposed to 1.75 Swiss francs for one US dollar when the draft budget for the 1990-91 biennium was prepared, and that no provision has been made for the increase in the amount of Swiss francs needed in the event of any subsequent variation in the said rate of exchange;

(iii) an increase of 16,000 francs in social charges. It is to be noted that the amount budgeted for social charges and other miscellaneous staff costs has been kept, as in the previous budget, at 5% of the budgeted standard costs for the biennium, i.e., 123,000 francs. It is proposed that, as for previous budgetary periods, any part of this amount not spent in the 1992-93 biennium be put into a special reserve for expenses (namely, repatriation grants, accumulated annual leave and household removal expenses) which would have to be paid by UPOV if any staff member of UPOV were to leave (see documents C/XVIII/4, paragraph 8(v); C/XIX/4, paragraph 12; C/XXI/4, paragraph 8(ii)); and C/XXIII/4, paragraph 8(ii)).

B. Travel on Official Business

(a) <u>Missions</u>	<u>1990-91</u>	<u>1992-93</u>
In thousands of francs	129	154
Percentage increase for the biennium		19.4%

The increase of 25,000 francs for the biennium is due to provision for travel to the UPOV seminars (4,000 francs) and to cost increases of 21,000 francs.

(b) <u>Third Party Travel</u>	<u>1990-91</u>	<u>1992-93</u>
In thousands of francs	25	108
Percentage increase for the biennium . .		332%

The increase of 83,000 francs for the biennium is due to provision for travel to the UPOV seminars (69,000 francs), and to cost increases of 14,000 francs.

C. Contractual Services

(a) <u>Conferences</u>	<u>1990-91</u>	<u>1992-93</u>
In thousands of francs	242	196
Percentage decrease for the biennium . .		-19.0%

The decrease of 46,000 francs for the biennium is due to reductions of 96,000 francs in respect of the Diplomatic Conference and 14,000 francs in respect of the joint UPOV/WIPO Committee of Experts on the Interface Between Patent Protection and Plant Breeders' Rights, both of which have now taken place, partly offset by increases for the UPOV seminars (24,000 francs), interpretation of some meetings into a fourth language (Spanish) (24,000 francs) and cost increases of 16,000 francs.

(b) <u>Printing</u>	<u>1990-91</u>	<u>1992-93</u>
In thousands of francs	107	118
Percentage increase for the biennium		10.3%

The increase of 11,000 francs for the biennium is due to provision for cost increases.

(c) <u>Other</u>	<u>1990-91</u>	<u>1992-93</u>
In thousands of francs	78	65
Percentage decrease for the biennium		-16.7%

The decrease of 13,000 francs for the biennium is due to a reduction of 19,000 francs for the EXPO '90 exposition in Japan and a lower requirement for other contractual services, partially offset by provision for cost increases of 6,000 francs.

D. General Operating Expenses

This includes only one sub-heading:

	<u>1990-91</u>	<u>1992-93</u>
Rental of premises (in thousands of francs)	93	114
Percentage increase for the biennium		22.6%

The increase of 21,000 francs for the biennium is due to provision of 6,000 francs for more office space because of a change in grade and for cost increases of 15,000 francs.

E. Supplies and Materials

	<u>1990-91</u>	<u>1992-93</u>
In thousands of francs	6	7
Percentage increase for the biennium		16.7%

The increase of 1,000 francs for the biennium is due to provision for cost increases.

F. Acquisition of Furniture and Equipment

	<u>1990-91</u>	<u>1992-93</u>
In thousands of francs	12	13
Percentage increase for the biennium		8.3%

The increase of 1,000 francs for the biennium is due to provision for cost increases.

G. Other Expenses

(a) <u>Unforeseen</u>	<u>1990-91</u>	<u>1992-93</u>
In thousands of francs	29	34

As in previous years, this provision is calculated on the basis of 1 percent of the expenses proper to UPOV.

(b) <u>Common Expenses</u>	<u>1990-91</u>	<u>1992-93</u>
In thousands of francs	1,075	1,170

The increase of 95,000 francs for the biennium is due to a cost increase resulting from the application of UN/CCAQ standards, partially offset by a program decrease reflecting a lower share in the expenses of the common services due to growth in the activities of the Fee-financed Unions administered by WIPO.

10. Financing of the Expenses for the 1992-93 Biennium

It is proposed that the expenses of 4,570,000 francs for the 1992-93 biennium be financed by the contributions of Member States to the extent of 4,132,000 francs, by publications income and miscellaneous income to the

extent of 195,000 francs, and by the utilization of 243,000 francs from the Reserve Fund.*

11. Comparison of Income (in thousands of francs)

	<u>1990-91</u>	<u>1992-93</u>	<u>Percentage Variation</u>
Contributions	3,699	4,132	+11.7%
Publications Income and Miscellaneous Income	130	195	+50.0%
Reserve Fund	217	243	+12.0%
Total	<u>4,046</u> =====	<u>4,570</u> =====	+13.0%

12. The amount of 4,132,000 francs shown in the preceding paragraph for contributions relates to the biennium. Half of that amount, i.e., 2,066,000 francs, would be payable in the month of January of each of the years 1992 and 1993. On the basis of the present membership of UPOV (20 States totalling 43.5 units), the amount payable each year for one contribution unit would be 47,494 francs. Since, for 1991, the amount of the contribution unit was 43,512 francs, the increase for 1992 would be 3,982 francs (or +9.2%, that is, lower than the 10% rate of inflation for two years), and there would, of course, be no change for 1993 as compared to 1992. The balance of the increased income derived from contributions (consisting of the difference between the overall 11.7% increase in income from contributions and the 9.2% increase in the contribution unit) is due to the accession of Canada.

13. Article 26(4)(a) of the 1978 Act of the UPOV Convention states:

"For each budgetary period, the amount corresponding to one contribution unit shall be obtained by dividing the total amount of the expenditure to be met in that period from the contributions of the member States of the Union by the total number of units applicable to those States."

However, in order to possibly diminish the amount to be taken from the reserve fund, it is proposed that, even if any Member State increases its number of contribution units, or if any State not yet a member joins UPOV, the contribution unit should not change but should remain at 47,494 francs for each of the years 1992 and 1993.

14. The Council is invited to adopt the program and budget of the Union for the biennium 1992-93, to fix the annual contributions for each of the two years, and to approve the proposal made in paragraph 13, above.

* It is to be noted that UPOV's Reserve Fund stood at 703,000 francs on December 31, 1989, and is expected to be about 535,000 francs on December 31, 1991.

CHAPTER I - SUMMARY OF BUDGET AND COMPARISONS

(expressed in thousands of francs)

1988-89 <u>Actual</u>	1990-91 <u>Budget</u>		Draft 1992-93 <u>Budget</u>
		INCOME	
3,568	3,699	Contributions	4,132
		Other Income	
19	34	- Publications	25
118	96	- Miscellaneous	170
<u>3,705</u>	<u>3,829</u>		<u>4,327</u>
=====	=====		=====
		EXPENDITURE	
1,798	2,250	UV.10 <u>Staff Expenses</u>	2,591
		<u>Travel on Official Business</u>	
		- <u>Missions [Staff]</u>	
		UV.04 - Technical Working Parties	44
		UV.06 - UPOV Seminars	29
		UV.09 - Contacts with Governments and Organizations	81
128	129	- Sub-total	154
		- <u>Third Party Travel [non-staff]</u>	
		UV.01 - Council: Symposium speakers	14
6	25	UV.06 - UPOV Seminars	94
		- Sub-total	108
		<u>Contractual Services</u>	
		- <u>Conferences</u>	
		UV.01 - Council	41
		UV.02 - Consultative Committee	27
		UV.03 - Technical Committee	24
		UV.05 - Administrative and Legal Committee	70
		UV.06 - UPOV Seminars	27
135	242	UV.07 - Meeting with Int. Organizations	7
		- Sub-total	196
83	107	UV.08 - <u>Printing: Information and Documentation</u>	118
		- <u>Other</u>	
		UV.08 - Information and Documentation	58
42	78	UV.11 - Program Support Expenses	7
		- Sub-total	65
89	93	UV.11 <u>General Operating Expenses: Rental of Premises</u>	114
2	6	UV.11 <u>Supplies and Materials</u>	7
2	12	UV.11 <u>Acquisition of Furniture and Equipment</u>	13
48	29	UV.11 <u>Other Expenses</u>	34
<u>2,333</u>	<u>2,971</u>	Sub-total: Expenses proper to UPOV	<u>3,400</u>
1,017	1,075	*UV.12 <u>Common Expenses</u>	1,170
<u>3,350</u>	<u>4,046</u>	Total Expenditure	<u>4,570</u>
=====	=====		=====
355	(217)	SURPLUS (DEFICIT) - transferred to (from) Reserve Fund	(243)

* Exclusive of UPOV's share in the WIPO common income which is included under "Other Income - Miscellaneous," above.

CHAPTER II - PROGRAM AND EXPENSES

(amounts expressed in thousands of francs)

UV.01 COUNCIL
[Ex UV.01]*

The Council will meet in ordinary session for three days in 1992 and for two days in 1993 in Geneva. One day of the session in 1992 will be devoted to a symposium (on animal breeders' rights).

Simultaneous interpretation will be provided for in four languages.

	TOTAL	Staff	Travel		Contractual Services				Operating Expenses	Supplies & Materials	Furniture & Equipment	Premises	Fellowships	Other Expenses
			Missions	3rd Party	Conferences	Consult.	Printing	Other						
UV.01	55			14	41									

UV.02 CONSULTATIVE COMMITTEE
[Ex UV.02]

In 1992 and 1993, the Consultative Committee will meet twice for one day in each year in Geneva. The meetings will be held in conjunction with other UPOV meetings.

Simultaneous interpretation will be provided for in four languages.

	TOTAL	Staff	Travel		Contractual Services				Operating Expenses	Supplies & Materials	Furniture & Equipment	Premises	Fellowships	Other Expenses
			Missions	3rd Party	Conferences	Consult.	Printing	Other						
UV.02	27				27									

UV.03 TECHNICAL COMMITTEE
[Ex UV.03]

The Technical Committee will hold a session of two or three days in each of the years 1992 and 1993 in Geneva, to adopt uniform methods, procedures and standards for the examination of varieties, to discuss the application of new technologies in such examination, to supervise under the guidance of the Council the work of the Technical Working Parties and to approve the Test Guidelines elaborated by those Working Parties, to coordinate possible further workshops on the examination of new varieties, as well as to give advice to the Council on all questions of a technical nature within UPOV, including, in particular, the principle of essential derivation introduced in the 1991 Act of the UPOV Convention.

Simultaneous interpretation will be provided for in three languages.

	TOTAL	Staff	Travel		Contractual Services				Operating Expenses	Supplies & Materials	Furniture & Equipment	Premises	Fellowships	Other Expenses
			Missions	3rd Party	Conferences	Consult.	Printing	Other						
UV.03	24				24									

* "Ex" numbers refer to the numbers of the corresponding program items in the document that contained the draft program and budget for the 1990-91 biennium (C/XXIII/4, Chapter II).

UV.07 MEETING WITH INTERNATIONAL ORGANIZATIONS
[Ex UV.09]

There will be a meeting in 1992 with international organizations on questions of mutual interest to UPOV and those organizations. The meeting, which will immediately follow or precede a session of another body of UPOV, will last for one day, and simultaneous interpretation will be provided for in three languages.

	TOTAL	Staff	Travel		Contractual Services				Operating Expenses	Supplies & Materials	Furniture & Equipment	Premises	Fellowships	Other Expenses
			Missions	3rd Party	Conferences	Consult.	Printing	Other						
UV.07	7				7									

UV.08 INFORMATION AND DOCUMENTATION
[Ex UV.10]

The Office of the Union will:

- (i) continue the publication of "Plant Variety Protection" (the UPOV Gazette and Newsletter);
- (ii) continue to collect legislative texts of Member States and non-Member States, treaties and information on the interpretation, in practice, of plant breeders' rights systems in the various countries; continue the updating of the "Collection of Plant Variety Protection Laws and Treaties;"
- (iii) reprint the brochures containing the texts of the UPOV Convention when necessary;
- (iv) publish the Records of the 1991 Geneva Diplomatic Conference;
- (v) publish as necessary new editions of the UPOV General Information Brochure in five languages;
- (vi) print or reprint folders containing summary information on UPOV in five languages; publish in additional languages when necessary;
- (vii) continue the updating of the "Collection of the Texts of the UPOV Convention and Other Important Documents Established by UPOV."

Outside translators will be necessary for preparing some of the translations.

	TOTAL	Staff	Travel		Contractual Services				Operating Expenses	Supplies & Materials	Furniture & Equipment	Premises	Fellowships	Other Expenses
			Missions	3rd Party	Conferences	Consult.	Printing	Other						
UV.08	176						118	58						

UV.11 OTHER ADMINISTRATIVE AND PROGRAM SUPPORT EXPENSES
[Ex UV.13]

Contractual Services - Other:

Maintenance of the text-processing equipment installed for the exclusive use of the Office of the Union.

General Operating Expenses (Rental of Premises):

The Office of the Union will continue to occupy space in the WIPO Building.

Supplies and Materials:

Stationery and office supplies, subscriptions to periodicals, purchase of technical literature, etc., for the exclusive use of the Office of the Union.

Acquisition of Furniture and Equipment:

Cost of office furniture and equipment purchased or rented for the exclusive use of the Office of the Union.

Other Expenses

As in previous years, approximately one percent of the total expenses proper to UPOV is budgeted for expenses not specifically provided for in this Chapter and for unforeseen expenses.

	TOTAL	Staff	Travel		Contractual Services				Operating Expenses	Supplies & Materials	Furniture & Equipment	Premises	Fellowships	Other Expenses
			Missions	3rd Party	Conferences	Consult.	Printing	Other						
UV.11	175							7	114	7	13			34

UV.12 COMMON EXPENSES
[Ex UV.14]

UPOV's share in the common expenses is, where statistical data are available, based on a calculation of the services actually rendered by WIPO; otherwise, it is based on an estimation of the value of such services. Reference is made

to WIPO document AB/XXII/2, whose Annex 3, in particular, gives for each WIPO program item the share attributable to UPOV. Summary details of these expenses are as follows:

1988-89 <u>Actual</u>	1990-91 <u>Budget</u>		1992-93 <u>Budget</u>
747	823	Staff Expenses	901
10	13	Data Processing	16
9	4	Miscellaneous Printing	-
79	74	Maintenance of Buildings	83
74	47	Equipment and Supplies	54
92	101	Communications	102
6	13	Other Expenses	14
<hr/>	<hr/>		<hr/>
1,017	1,075		1,170
=====	=====		=====

It is to be noted that the share of UPOV in the "common income" of WIPO is included in UPOV's budget under the heading "Other Income; Miscellaneous."

	TOTAL	Staff	Travel		Contractual Services				Operating Expenses	Supplies & Materials	Furniture & Equipment	Premises	Fellowships	Other Expenses
			Missions	3rd Party	Conferences	Consult.	Printing	Other						
UV.12	1170													1170

[Annex A follows]

ANNEX A

DEFINITIONS OF BUDGET HEADINGS

SOURCES OF INCOME

"Ordinary Contributions"

Contributions of Member States under Article 26 of the UPOV Convention.

"Publications"

Revenue from the sale of publications and from subscriptions to periodicals published by the Office of the Union.

"Miscellaneous Income"

All other income not described above, including accounting adjustments (credits) in respect of prior years and currency adjustments (credits); UPOV's share in WIPO common income.

OBJECTS OF EXPENDITURE

"Staff Expenses"

All items connected with the staff members' monthly payroll, in particular: salaries, post adjustments, rental subsidy, non-resident allowances, assignment allowances and representation allowances; dependency allowances; language allowances; employer's contribution towards Pension Fund; participation in sickness insurance scheme; also all staff related costs not connected with staff members' monthly payroll, in particular: education grants; removal expenses; travel expenses of dependent children attending educational institutions; home leave; grants to cover costs of installation in the duty station; professional accident insurance premiums; recruitment costs; cost of medical examinations; short-term appointments; overtime; termination costs and repatriation grants; staff training; refund of national income taxes on salaries, allowances, indemnities or grants paid by the Office of the Union.

"Travel on Official Business"

Missions: travel expenses and daily subsistence allowances for the staff of the Office of the Union on official missions.

Third Party Travel: travel expenses and daily subsistence allowances (DSA) for persons other than the staff of the Office of the Union (except trainees whose travel and DSA are included under "Fellowships," below; except also travel of consultants, interpreters, etc: see below).

Annex A, page 2

"Contractual Services"

Conferences: honoraria, travel expenses and daily subsistence allowances for interpreters and translators; renting of premises, offices, and simultaneous interpretation equipment; cost of engaging supernumeraries (telephonists, secretaries, ushers and others); refreshments and receptions.

Consultants: all expenses connected with the employment of consultants, in particular: honoraria, travel expenses and daily subsistence allowances; honoraria paid to lecturers.

Printing: outside printing and binding, in particular: (i) reviews: paper and printing; (ii) other printing: reprints of articles published in reviews; brochures; treaties; collections of texts; manuals; working forms and other miscellaneous printed material.

Other: all other contractual services, in particular: fees of authors and translators of articles appearing in UPOV publications, fees of translators of documents; rental of computer time and fees for producing and purchasing computer software.

"General Operating Expenses"

Rental of premises: rental value of premises which are used exclusively by the Office of the Union. (This item does not include the contribution of UPOV to the WIPO common expenses for the space occupied by the Common Services.)

Maintenance of premises: cleaning; repairs; building insurance; upkeep of park; supervision of installations; heating; lighting; water.

Rental and Maintenance of Equipment and Furniture: rental and maintenance of all equipment and furniture, in particular: office furniture and machines; reproduction equipment; text-processing and data processing equipment; transportation equipment including petrol and lubricants.

Communications: cost of telephone, telegrams, telexes, facsimile and mail, including postage and carriage of documents.

Other: all general operating expenses not described above, in particular: hospitality; bank charges; interest on bank and other loans (except building loans); currency adjustments (debits); audit expenses.

"Supplies and Materials"

All supplies and materials, in particular: stationery and office supplies; internal reproduction supplies (offset, microfilms, etc.); library books and subscriptions to reviews and periodicals; uniforms; data processing supplies (magnetic tapes, etc.)

Annex A, page 3

"Acquisition of Furniture and Equipment"

Purchases of furniture and equipment, in particular: office furniture and office machines; text-processing and data processing equipment; conference servicing equipment; reproduction equipment; transportation equipment.

"Acquisition and Improvement of Premises"

New Buildings: expenses directly connected with the acquisition or construction of buildings but not covered by building loans. Includes, in particular: additions to existing premises and purchase of land.

Improvements to Premises: expenses connected with the alterations, improvements or major maintenance of existing buildings not covered by building loans.

"Fellowships"

Includes, in particular: travel expenses, daily subsistence allowances and other expenses in connection with trainees.

"Other Expenses"

Expenses not specifically provided for above, unforeseen expenses and accounting adjustments (debits) in respect of prior years; expenses payable to WIPO for services rendered to UPOV.

- . . -

Note

This Annex is the same as the corresponding annex in the budget document for the 1990-91 biennium (C/XXIII/4, Annex A), except for minor editorial changes and the addition of the last item under "Staff Expenses."

[Annex B follows]

ANNEX B

CONTRIBUTIONS OF MEMBER STATES

(expressed in Swiss francs)

1990 Actual	1991 Actual	Member States	Number of Units	Draft 1992-93 Budget	
				Payable in January 1992	Payable in January 1993
43,512	43,512	Australia	1.0	47,494	47,494
65,270	65,270	Belgium	1.5	71,241	71,241
-	-	Canada	1.0	47,494	47,494
65,270	65,270	Denmark	1.5	71,241	71,241
217,560	217,560	France	5.0	237,470	237,470
217,560	217,560	Germany	5.0	237,470	237,470
21,756	21,756	Hungary	0.5	23,747	23,747
43,512	43,512	Ireland	1.0	47,494	47,494
21,756	21,756	Israel	0.5	23,747	23,747
87,024	87,024	Italy	2.0	94,988	94,988
217,560	217,560	Japan	5.0	237,470	237,470
130,536	130,536	Netherlands	3.0	142,482	142,482
43,512	43,512	New Zealand	1.0	47,494	47,494
21,756	21,756	Poland	0.5	23,747	23,747
43,512	43,512	South Africa	1.0	47,494	47,494
43,512	43,512	Spain	1.0	47,494	47,494
65,270	65,270	Sweden	1.5	71,241	71,241
65,270	65,270	Switzerland	1.5	71,241	71,241
217,560	217,560	United Kingdom	5.0	237,470	237,470
217,560	217,560	United States of America	5.0	237,470	237,470
<u>1,849,268</u> =====	<u>1,849,268</u> =====		<u>43.5</u> =====	<u>2,065,989</u> =====	<u>2,065,989</u> =====

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[Annex C follows]

ANNEX C

COST INCREASE FORECASTS BY THE UNITED NATIONS ORGANIZATIONS IN GENEVA

The rates of cost increase estimated by the United Nations Organizations in Geneva, for the years 1992 and 1993, are summarized in a document of the Consultative Committee on Administrative Questions (Financial and Budgetary Questions) (CCAQ(FB)) of the Administrative Committee on Coordination (ACC) of the United Nations system (document ACC/1990/FB/R.35, dated August 24, 1990, as amended by paragraph 4 of document ACC/1990/12, dated September 21, 1990), which provides estimates of the cost increases that might be expected in 1992 and 1993 in Switzerland. Those estimates take account of available official statistics, statements of competent authorities, the views of reputable economic analysts and information gathered from professional associations and other appropriate sources. The said estimates are as follows (document ACC/1990/FB/R.35, Annex I, paragraphs 6 and 7):

(i) overall rate of inflation: "it appeared reasonable at the time of the meeting to assume an overall rate of inflation in Geneva of five percent per annum both in 1992 and 1993 (as well as in 1991)."

(ii) staff costs for the Professional and higher categories in Geneva (hereinafter referred to as the "Professional staff"): "for Geneva, it appeared reasonable to expect upward movements of five percent in the post-adjustment index in 1991, 1992 and 1993. Assuming that the results of the place-to-place survey of the cost of living which was currently being carried out would be neutral, these increases would produce six or eight additional multiplier points in 1991, eight in 1992 and ten in 1993, possibly towards July in each of these three years. ... It was noted that there had been significant differences in the evolution of take-home pay in real terms in Geneva (-13.2 percent) - and a number of other headquarters locations - and in New York (-5 percent) in the period from January 1985 to July 1990; these differences were difficult to explain and would need to be looked into in conjunction with the 1990 cost-of-living survey."

(iii) staff costs for the General Service category in Geneva: "in 1987 the International Civil Service Commission had adopted a revised methodology for surveys of the best prevailing local conditions of employment at headquarters duty stations. In Geneva the first comprehensive survey under the revised methodology was scheduled to take place in October 1990. The net effect of the new methodology could not yet be clearly foreseen. At present, two criteria determined the application of interim adjustments to General Service salaries between surveys: movement of the reference index by five percent or more since the most recent adjustment or, failing this, completion of a 12-month period since that adjustment. On the basis of the same criteria and of the general rate of inflation now being assumed up to the end of 1993, net salary increases for staff in the General Service category in Geneva would be of the order of 4.5 percent in 1991, 1992 and 1993."

(iv) contributions to the United Nations Joint Staff Pension Fund: "under the terms of General Assembly resolution 44/199, the total rate of contribution to the United Nations Joint Staff Pension Fund had been increased to 23.7 percent of pensionable remuneration on 1 January 1990. The two-thirds shares payable by employing member organizations as from that date represented 15.8 percent of pensionable remuneration. For staff in the Professional and

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higher categories, pensionable remuneration had last been adjusted on 1 July 1990, at the same time as the net remuneration of staff in these categories in New York. Further changes in net remuneration in New York were expected to take place in November 1990 and July 1992 and to generate similar increases of five percent in pensionable remuneration at the same time. For staff in the General Service category, the level of pensionable remuneration was derived by applying staff assessment rates to the net remuneration adjusted on the basis of the movement of the Geneva consumer price index. In the light of the price levels now being assumed, and on the basis of the current twelve-month rule for interim adjustments of salaries, future adjustments would be due in each of the years 1991, 1992 and 1993."

(v) other common staff costs: "the International Civil Service Commission had recommended a revised rental subsidy scheme and certain adjustments in the education grant, subject to approval by the General Assembly. It was expected that each of the salary increases paid to staff in the General Service category would be accompanied by an increase in dependency allowances of up to five percent. A one-time increase of five percent in the language allowance was also expected, probably in 1991."

(vi) air fares and air freight: "the International Air Transport Association had agreed on increases in air fares ranging from five to eight percent, and on an increase in cargo rates of seven percent, to take effect in mid-October 1990. A further increase of three percent in air fares was expected to take place in April 1991. These changes would need to be borne in mind in adjusting the base on which cost increases for 1992 and 1993 were calculated. The instability of petroleum prices might also lead to increases in air fares and air freight rates which exceeded the annual amounts of four to six percent assumed for 1992 and 1993" (It should be noted that, in November 1990, the International Air Transport Association agreed on further increases in air fares ranging from four to eight percent.)

(vii) contractual printing and binding: "increases of five percent per annum were considered likely for printing and binding in Switzerland in terms of Swiss francs. Where orders were placed with suppliers and contractors in other countries, higher annual rates of increase might need to be foreseen in terms of local currency."

(viii) other contractual services (including contractual maintenance of premises and equipment): "increases consistent with the general rate of inflation being assumed should be foreseen for these services."

(ix) fuel oil: "petroleum prices had entered upon a period of extreme instability. In view of the current fluctuations it was recommended that organizations should take account of the latest price levels in effect at the time their proposed budgets were finalized."

(x) other utilities: "for water, rates in Geneva were expected to increase by 17 percent in 1991. On the new base thus established, it was recommended that further increases of five percent per annum should be assumed for 1992 and 1993. For electricity, there had been no increase over the past four years. A one-time increase of ten percent was foreseen in 1991. In 1992 and 1993 increases were expected to follow the general rate of inflation being assumed."

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(xi) communications (telex and facsimile charges, telephone services, pouch services, postage): "increases of five percent per annum should also be provided for as regards cable, telex and local telephone charges and the cost of long-distance telephone calls. The cost of communications involving air freight, such as pouch services, could be expected to increase at the rates assumed for air fares. For postage, the Swiss PTT had proposed a new rate structure to take effect on 1 February 1991, subject to the approval of the Swiss Federal Government. The new structure provided for a number of higher rates, including increases of up to 55 percent for priority air mail shipments or documents and of more than 30 percent for registered items. These were partially offset by certain decreases, including reductions of up to 12 percent for non-priority surface shipments. Taking account of the nature of the organizations' shipments, which consisted mainly of printed matter, it was estimated that the average increase would amount to 12 percent as from 1 February 1991. In accordance with past experience, a further increase of a similar size should be foreseen in 1993."

(xii) paper and printing supplies: "for paper purchased in Switzerland, where significant economies were achieved through joint purchasing arrangements, the available information suggested that increases of three percent per annum should be assumed for 1992 and 1993. Increases of the same magnitude could be expected for printing supplies."

(xiii) other supplies and materials: "increases of three percent per annum should also be assumed for computer supplies. The cost of other supplies was expected to increase in accordance with the general rate of inflation assumed."

(xiv) acquisition of furniture and equipment: "for computer and office automation equipment, it was expected that the steady price decreases currently experienced would continue. On the other hand, there was usually a need to replace obsolete equipment with more recent equipment, which tended to increase costs. For other equipment and for furniture, it was recommended that increases of four to six percent per annum should be foreseen in 1992 and 1993, according to the items considered."

[End of document]