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ORIGINAL: English

DATE: August 2, 1999

INTERNATIONAL UNION FOR THE PROTECTION OF NEW VARIETIES OF PLANTS
GENEVA

COUNCIL

Thirty-third Ordinary Session
Geneva, October 20, 1999

DRAFT PROGRAM AND BUDGET
FOR THE 2000-2001 BIENNIUM

presented by the Secretary-General

Draft Program and Budget 2000-2001

Introduction

Main Program Objectives

- ◆ To coordinate and facilitate the protection of plant varieties under the UPOV Convention by UPOV member States and to identify and respond to the needs and priorities of the member States by maintaining fora for discussion and decision-making.
- ◆ To promote the protection of plant varieties globally through greater international understanding of the technical and legal concepts underlying such protection in the context of modern technology-led economic and social development and through the provision of technical assistance.

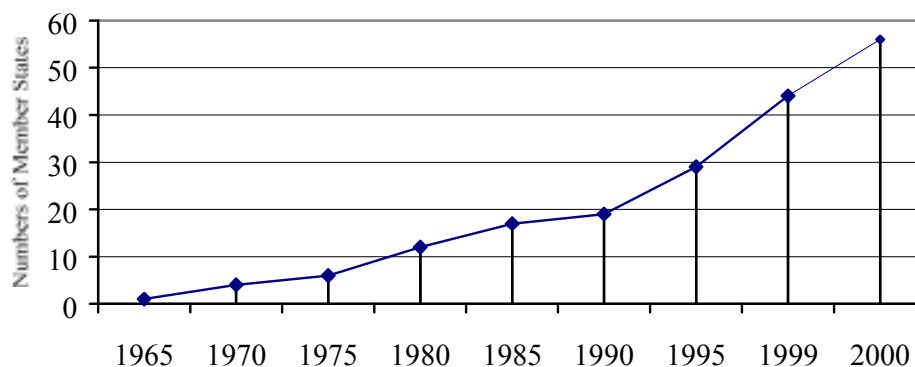
Policy Framework and Main Program Thrusts

The 2000-2001 biennium will see the plant variety protection system of UPOV adopted worldwide on a scale that was scarcely contemplated in earlier years. This expansion will be accompanied by the universal availability of information technologies which will enable UPOV member States to communicate with each other and transfer information with ease.

Factors influencing the expansion will include the fact that developing countries (except least developed countries) must, by January 1, 2000, protect plant varieties by patent and/or by an effective *sui generis* system of protection, and the effects of the phenomenon known as globalization which, in turn, results from changes in political and economic philosophies and the opening of economies.

The number of member States will comfortably exceed 50 by the end of the biennium.

UPOV Growth in Member States



During the biennium, developing countries will come to comprise a significant proportion of the membership of UPOV. It will be particularly important for UPOV to demonstrate that strong intellectual property protection for plant varieties is in the interest of all countries and should not be seen as a North/South issue.

The Program and Budget for the 2000-2001 biennium is in a new result-oriented format designed to be more transparent and to encourage accountable and efficient management. It has been formulated on the basis of forward-looking but prudent growth projections to ensure the healthy development and utilization of the UPOV system of plant variety protection in the context of a predictable and inevitable expansion in membership and activities. Accordingly, a modest increase in planned expenditure of 6.3 per cent is proposed. This is achieved by maintaining the level of the unit, payable by member States, at the 1998-1999 level, as shown in Annex D. A presentation of the financial status and resource plan is provided in Annex A, covering the UPOV regular budget, extra-budgetary resources provided to UPOV through voluntary contributions and activities implemented under the UPOV/WIPO cooperative agreement.

The main thrust of the program is similar to that for the 1998-1999 biennium. Expected results of sub-programs are presented in tabular format with corresponding performance indicators, with the exception of sub-program 01 (Governing Bodies of UPOV) which does not lend itself to the same evaluative framework.

In 1978, when UPOV had 10 member States, the Program and Budget made provision for 4 Professional posts and 4 General Service posts. In 1999, when UPOV had 44 member States and a greatly increased level of activity, the Office had 4 Professional posts and 5 General Service posts. The Program and Budget for 2000-2001 calls for the creation of one additional Professional post and one additional General Service post, with the associated cost being partly offset by reductions in other budget lines.

Staff costs are allocated to sub-programs in accordance with a key prepared in the Office of UPOV which represents its best estimate of the amount of time to be spent by staff members on each sub-program.

[End of Introduction]

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BUDGET ANNEX

Sub-program UV.01

Governing Bodies of UPOV - Council and the Consultative Committee

Background In recent years, the membership of UPOV has been increasing steadily in response to the growing international demand for protection by the developers of new plant varieties. New global trading practices, changes in the economic philosophies of governments and the WTO Agreement on Trade-Related Aspects of Intellectual Property Rights (TRIPS Agreement) have encouraged this trend, effectively putting plant variety protection within the domain of international trade policy. Article 27.3(b) of the TRIPS Agreement stipulates that the WTO members must protect plant varieties by patent, by an effective *sui generis* system, or by a combination of both. The UPOV Convention has so far provided the only widely accepted and ready-made model of a *sui generis* system. The increasing commercialization of genetically modified plant varieties and developments in genetic engineering and biotechnology in relation to plants will undoubtedly raise fresh policy issues. Every effort should be made to exploit the potential of the Council and Consultative Committee for providing the Secretary-General with necessary and timely inputs for the formulation of effective strategies and policies and to facilitate the decision-making process.

Activities ♦ The Council will meet in ordinary session for one day in 2000 and 2001. The Consultative Committee will meet twice in 2000 and twice in 2001, each meeting being for one day. Simultaneous interpretation will be provided in four languages.

Sub-program UV.02

Progressive Development of International Law and Administrative Practices Relating to the Protection of Plant Varieties

Objectives:

- ♦ To review the legal framework of the UPOV Convention in the light of developments in other fora and of the practical needs of UPOV member States.
- ♦ To make recommendations to the Council of UPOV concerning the revision of the UPOV Convention and the adoption by the Council of recommendations concerning the interpretation of the Convention and the administration of the UPOV system of plant variety protection.

Background This program is responsible for monitoring developments worldwide calling for adjustments to the legal and administrative frameworks for the protection of plant

varieties under the UPOV Convention. The program provides support for the Administrative and Legal Committee of UPOV.

<u>Expected Results</u>	<u>Performance Indicators</u>
1. Eventual proposals for the revision of the UPOV Convention.	<input type="checkbox"/> Number of revision proposals.
2. Recommendations to the Council concerning the interpretation of the Convention, provisions for inclusion in national laws, and of suggested administrative practices.	<input type="checkbox"/> Number of recommendations.
3. Holding of seminars/symposia.	<input type="checkbox"/> Number of meetings.

- Activities**
- ◆ Meetings of the Administrative and Legal Committee. The Committee will meet in the years 2000 and 2001 on four occasions, for a total of eight days in Geneva.
 - ◆ Organization of special symposia and seminars on the general theme of international trends and developments affecting the protection of plant varieties. At least one such event will be organized for one day in 2000 or 2001.
 - ◆ Organization of hearings to receive the views of international organizations on specific issues. At least one such meeting will be organized for one day in 2000 or 2001, if requested.

Sub-program UV.03

Technical Enhancement of the UPOV Plant Variety System and Monitoring of Emerging Technologies

Objectives:

- ◆ To strengthen practices and procedures in standard setting, technical evaluation and testing in connection with the examination of new plant varieties, including the use of information technologies and, where appropriate, biochemical and molecular techniques.
- ◆ To enhance the capacity of the Office of the Union to foster international discussion and exchange of information concerning genetic engineering, biotechnology and other emerging technological and scientific fields relating to, or potentially influencing developments in, plants, plant variety protection and breeders' rights.

Background The examination of new plant varieties and the application of new technologies in such examinations is a basic and continuing responsibility of the member States under the UPOV Convention. In this regard, technical guidance by assembled groups of experts and use of the latest information technologies applicable in this area are indispensable to the essential functioning of the Union. This program is intended to strengthen the working policies and procedures of the Union in the performance of this basic responsibility, promote the full exploitation of information technology to support its work, and help establish a broader base of national and international interdisciplinary expertise accessible to the Union as and when necessary.

Over the medium-term, the sustainability of the technical examination and standard-setting functions of the Union will be influenced by the international image of UPOV, and the extent to which its role and technical competencies are globally accepted in relation to plant variety protection, especially taking into account the rapid evolution of new technological and legal issues pertaining to new plant varieties and their commercial exploitation, and the fact that the number of agroclimatic zones which the Union services will increase substantially. In this regard, this sub-program is also intended to counter any erosion of the technical competencies of the Union as a result of rapid expansion in the number of UPOV member States and to strengthen UPOV's international image through capacity-building. This will enable it to initiate, promote, launch and take proactive leadership (cultivating a higher global visibility in the process), in organizing international debate on technical issues surrounding plant variety protection and related emerging technologies.

<u>Expected Results</u>	<u>Performance Indicators</u>
1. Revised methods, procedures and standards for examination of new plant varieties.	<ul style="list-style-type: none">❑ Adoption of revised principles to govern UPOV Test Guidelines.❑ Number of Test Guidelines adopted or revised.
2. Enhanced reputation of UPOV as a global sponsor of international technical debate in the field of plant variety protection and related emerging technologies.	<ul style="list-style-type: none">❑ Number of meetings of Technical Working Parties and Subgroups of such Working Parties organized by UPOV.❑ Number of Test Guidelines or revisions of Guidelines published on paper or electronically.

- Activities**
- ◆ Meetings of the *Technical Committee* concerning methods, procedures and standards for the examination of new plant varieties.
 - ◆ Meetings of the *Technical Working Parties* for Agricultural Crops, Fruit Crops, Vegetables, Ornamental Plants and Forest Trees, and on Automation and Computer Programs.
 - ◆ Meetings of the *Working Group on Biochemical and Molecular Techniques and DNA-Profiling in Particular*.
 - ◆ Meetings of Subgroups of such Technical Working Parties and *Ad hoc* Working Parties.
 - ◆ Development of technical information materials in print, on CD-ROM and the Internet.
 - ◆ Organization of distance learning programs on basic principles and best practices related to plant variety examination, targeted to government administrators in charge of UPOV matters, and other interested parties.

Sub-program UV.04

Cooperation with Governments of member States and Non-member States, with Intergovernmental Organizations (IGOs), particularly WIPO, and with Non-Governmental Organizations (NGOs), in relation to issues which impact upon UPOV

Objectives:

- ◆ To cooperate with the Governments of member States and non-member States and with IGOs, particularly WIPO, and NGOs with a view to establishing UPOV positions on issues affecting the UPOV system of plant variety protection and promoting such UPOV positions.

Background A number of established issues and some emerging issues have implications for the UPOV system of plant variety protection. These include the globalization of world trade and, particularly, the requirements of Article 27.3(b) of the TRIPS Agreement, the implementation of the Convention on Biological Diversity (the CBD), the negotiations on the Revision of the FAO Undertaking on Genetic Resources for Food and Agriculture, trends to deregulate seed and plant material markets and to accredit non-governmental entities to perform tasks formerly carried out by officials, the application of new technologies particularly molecular technologies, to the plant variety protection system, the possibility of protection of *indigenous knowledge* and *farmers' rights*, and most importantly the recognition of the benefits of changes introduced in the 1991 Act. All of these issues necessitate contacts with governments and with IGOs and NGOs.

<u>Expected Results</u>	<u>Performance Indicators</u>
1. Clarification of issues relevant to the UPOV Convention and the recognition in international fora of positions adopted by UPOV.	<input type="checkbox"/> Higher profile of UPOV in international fora.
2. Accessions to the 1991 Act.	<input type="checkbox"/> Number of accessions to the 1991 Act.

Activities ◆ Meetings with and visits to Governments; cooperative activities with Governments to explain and promote plant variety protection in their countries.

- ◆ Participation in various international policy fora on issues pertaining to, or potentially affecting, policies and practices for plant variety protection and exercise and enforcement of plant variety protection.
- ◆ Coordination of policies, procedures, plans and activities of common interest with WIPO, the WTO, FAO, the Secretariat of the CBD, CGIAR and IARCs and the World Bank.
- ◆ Organization of meetings with various international organizations on questions of mutual interest to UPOV and those organizations.

Sub-program UV.05

Technical Assistance

Objectives:

- ◆ To assist governments, particularly the governments of developing countries and countries in transition to market economy, in the preparation and enactment of legislation conforming with the UPOV Convention.
- ◆ To assist such governments in implementing effective plant variety rights systems.

Background Since the late 1980s, as a result of the opening of economies and the desire to encourage private sector development, there has been a strong trend for developing countries to seek to introduce systems of plant variety protection. The inclusion of Article 27.3(b) in the TRIPS Agreement has led to a great demand for technical assistance in the preparation and implementation of plant variety protection legislation.

The resources of the regular budget of UPOV to finance significant amounts of training and educational activity are extremely limited. Accordingly, a major function of this program is to provide a framework within which the Office of UPOV seeks to supplement the resources of program UV.05 with extra-budgetary resources made available by UPOV member States and other bodies.

Examples of activities supported with resources made available by member States and other bodies in the 1998-1999 biennium are set out below with an indication of the nature and origin of the resource:

May 1998

Regional Seminar for anglophone Caribbean countries, Port-of-Spain.

[WIPO co-operative program, UPOV member States funding presence of expert speakers,

UPOV regular budget].

June 1998

Two-week PVP training course for English language users, Cambridge, United Kingdom.
[Japanese Funds-in-Trust, WIPO co-operative program, UPOV regular budget, United Kingdom Government resources in kind].

Three-week PVP training course for Spanish language users, Madrid.
[Spanish Funds-in-Trust, WIPO co-operative program, UPOV regular budget].

January 1999

Regional Workshop for Central America, San Juan, Costa Rica.
[World Bank funding via OIRSA, UPOV regular budget].

March - May 1999

Symposium in Geneva, Workshops in Bangkok, Cairo and Nairobi on the Protection of Plant Varieties under the TRIPS Agreement.

[WIPO co-operative program, WTO contribution (including New Zealand Government contribution in relation to Bangkok Workshop), UPOV regular budget].

May 1999

Regional seminar for Asia Pacific countries in Kunming, China.
[Japanese Funds-in-Trust].

June 1999

Roving seminar visiting Estonia, Latvia and Lithuania.
[UPOV regular budget, budget of WIPO regional Bureau].

July 1999

Two-week training course, Cambridge, United Kingdom.
[WIPO co-operative program, Japanese Funds-in-Trust for some Asian participants, UPOV regular budget, United Kingdom Government resources in kind].

Autumn 1999

Roving seminars in francophone African countries. [French Funds-in-Trust].

It is most important that extra-budgetary resources continue to be made available to UPOV in 2000 and 2001 if UPOV is to even partially satisfy the needs for technical assistance arising as a result of the need for conformity with Article 27.3(b) of the TRIPS Agreement.

A particular challenge is to convince developing countries generally of the advantages of the 1991 Act.

<u>Expected Result</u>	<u>Performance Indicators</u>
Strengthening of national capacities to provide effective protection of plant varieties.	<ul style="list-style-type: none"><li data-bbox="850 296 1356 428">❑ Number of developing countries and countries with economies in transition which introduce effective systems of plant variety protection.<li data-bbox="850 436 1356 541">❑ Number of national offices of such countries assisted by UPOV in capacity-building and modernization.<li data-bbox="850 550 1356 619">❑ Number of such countries which accede to the 1991 Act.

Activities (Subject to availability of extra-budgetary finance)

- ◆ Extended courses (two weeks) in all aspects of plant variety protection in English, French and Spanish languages.
- ◆ National (two days) and Regional (three days) Seminars on selected aspects of plant variety protection.
- ◆ Fellowships to facilitate participation in activities designed to provide learning opportunities and practical experience.
- ◆ Provision of speakers for nationally and regionally organized meetings.
- ◆ Advisory missions to governments; comments and advice on legal texts and other matters.
- ◆ Development of distance learning modules.

Sub-program UV.06

External and International Communication and Public Affairs

Objectives:

- ◆ To develop understanding of UPOV's role and activities with UPOV member States and internationally.
- ◆ To increase media interest in and knowledge of plant variety protection issues.
- ◆ To strengthen UPOV's outreach to IGOs, NGOs, other interest groups and civil society.
- ◆ To develop UPOV's corporate image and harmonize the presentation of general and specialized information products.
- ◆ To increase the coverage and usefulness of the information on the UPOV Internet website in a timely and efficient way.
- ◆ To make the texts of Plant Variety Protection laws available to users in the English language.

Background Plant variety protection is an esoteric subject that is unfamiliar to the general public. The objective of this sub-program is to provide timely, accurate and up-to-date information which can be easily understood by special interest circles as well as by civil society.

It is necessary to make improvements in the appearance and format of the UPOV website and to increase the volume of available information. It will be expanded to include the French, German and Spanish languages.

UPOV's general information products will be revised so as to reflect UPOV's corporate image in a tasteful and harmonized manner.

<u>Expected Results</u>	<u>Performance Indicators</u>
1. More attractive and user-friendly information materials in a harmonized format.	<input type="checkbox"/> Demand for such materials. <input type="checkbox"/> Number of such products. <input type="checkbox"/> Number of file requests.
2. Enhanced UPOV public image.	<input type="checkbox"/> Number of press interviews and articles.
3. Timely availability of texts of national laws through more regular editions of <i>Plant Variety Protection</i> .	<input type="checkbox"/> Timeliness of publication.

- Activities**
- ◆ Cooperate with WIPO’s public affairs specialists so as to improve UPOV’s relation with the media and enhance UPOV’s corporate image.
 - ◆ Publish general information products, particularly *Plant Variety Protection*, the Gazette and Newsletter of UPOV, in a timely manner.
 - ◆ Maintain and update the UPOV website in English, French, German and Spanish.

Sub-program UV.07

Administrative Support Services

Objectives:

- ◆ To provide clear and relevant financial information to member States and to managers in the Office.
- ◆ To provide delegates and the Office with efficient services for the smooth functioning of conferences and other meetings.
- ◆ To provide effective central records management for official correspondence in paper and electronic formats.

Background The Administrative Support Services will continue to provide efficient services to member States, the Office of UPOV and the public at large. The development of improved services through the use of information technology will remain a priority, as will the optimization of resources to ensure that the program remains responsive, cost-effective and efficient.

<u>Expected Results</u>	<u>Performance Indicators</u>
1. Satisfactory financial reporting will be provided to member States and managers, thereby promoting transparency, accountability and effective use of resources.	<input type="checkbox"/> Timely delivery of financial information to internal and external users.
2. Provision of efficient conference and other meetings services to delegates and the Office.	<input type="checkbox"/> Satisfaction of delegates with the conference services provided.

<u>Expected Results</u>	<u>Performance Indicators</u>
3. Availability of meeting documents on Internet, use of print-on-demand and electronic archiving and the use of Intranet for in-house material will result in faster access, printing of less documents, less storage of documents and savings on postage.	<ul style="list-style-type: none"> □ Timely and accurate distribution of documents, mail and internal correspondence.

- Activities**
- ◆ Receipt of contributions of member States, income from sales of publications, miscellaneous income and follow-up of debtors. Financial operations conform with the provisions of the applicable conventions and treaties and the United Nations Accounting Standards.
 - ◆ Provision of full financial information to the Council and External Auditor.
 - ◆ Logistical arrangements for conferences and other meetings, including scheduling and reservation of rooms (both at headquarters and elsewhere), engagement of interpreters, sending information and meeting documents (both in electronic and in paper form), distribution and archiving of documents and organization of official receptions.
 - ◆ Translation, editing and correction of texts produced by or for the Office.
 - ◆ Managing the printing of periodicals and other publications.

Comparative Budget Summary (In thousands of Swiss francs)

UPOV	Budget 1998-99	Budget 2000-01	Variation			
			Program		Cost	
			Amount	%	Amount	%
Staff costs	3,207	3,700	493	15.4%	-	0.0%
Non-staff costs	2,996	2,891	(186)	(6.2%)	81	2.9%
Total	6,203	6,591	307	4.9%	81	1.2%

Staff needs and costs

One additional Professional staff member will be required to handle activities currently carried out by a consultant dealing with Countries in Transition and to lend support to sub-program UV.03, and one additional General Service post for program support.

Posts	Revised 1998-99	Budget 2000-01	Variation
Directors	3	3	0
Professionals	2	3	1
General Service	5	6	1
Total	10	12	2

Staff costs (In thousands of Swiss francs)	Revised 1998-99	Budget 2000-01	Variation
Salaries of regular staff*		2,878	
Salaries of short-term staff		20	
Social charges + other personnel costs		802	
Total	3,207	3,700	15.4%

* The post of Secretary-General of UPOV is included without cost.

Program Budget Summary (In thousands of Swiss francs)

	Staff Costs	Official Travel and Fellowships			Contractual Services				Operating Exp.		Equipment & Supplies		Total
		Staff Missions	Part. Govt. Officials	Fellowships	Conferences	Consultants	Publishing	Other	Premises & Maint.	Comm. & Other	Furniture & Equipment	Supplies & Materials	
UPOV 01	231	-	11	-	72	-	-	13	-	-	-	-	327
UPOV 02	231	-	5	-	68	-	-	22	-	-	-	-	326
UPOV 03	1,079	90	-	-	45	-	-	20	-	-	-	-	1,234
UPOV 04	586	150	-	-	-	-	-	-	-	-	-	-	736
UPOV 05	848	110	64	20	45	-	-	-	-	-	-	-	1,087
UPOV 06	725	-	-	-	-	-	50	210	-	-	-	-	985
UPOV 07	-	-	-	-	-	-	-	5	175	1,650	50	16	1,896
Total	3,700	350	80	20	230	-	50	270	175	1,650	50	16	6,591

Total	3,207	260	149	60	202	192	100	270	178	1,544	25	16	6,203
1998-1999													

[Annexes follow]

UPOV Budget 2000-2001

Annexes

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- [Annex B](#) Relationship between Budget Items 1998-1999 and Sub-Programs 2000-2001 for Non-Staff Expenditure
- [Annex C](#) Budget Summary
- [Annex D](#) Contributions of Member States
- [Annex E](#) Definitions of Budget Headings
- [Annex F](#) Cost Increase for UN Organizations in Geneva

ANNEX A

FINANCIAL STATUS AND RESOURCE PLAN

Annex A presents a new table which provides a comprehensive view of all resources for the biennia 1998-1999 and 2000-2001, including the UPOV regular budget (UPOV RB), the extra-budgetary resources provided to UPOV through voluntary contributions (UPOV XB) and the activities implemented under the UPOV/WIPO cooperative agreement (UPOV/WIPO).

RESOURCE PLAN: 1998-1999 and 2000-2001

(in thousands of Swiss Francs)

Item	1998-1999				2000-2001			
	UPOV RB	UPOV XB	UPOV/ WIPO	Total	UPOV RB	UPOV XB	UPOV/ WIPO	Total
Start of biennium:								
Working Capital Fund	398	-	-	398	433	-	-	433
Reserve Fund	1,482	-	-	1,482	1,144	-	-	1,144
(=) Opening Balance	1,880	-	-	1,880	1,577	-	-	1,577
(+) Income	5,900	346	810	7,056	6,166	350	400	6,916
(=) Available resources	7,780	346	810	8,936	7,743	350	400	8,493
(-) Use of resources	6,203	346	810	7,359	6,591	350	400	7,341
End of biennium:								
Working Capital Fund	433	-	-	433	433	-	-	433
Reserve Fund	1,144	-	-	1,144	719	-	-	719
(=) Closing Balance	1,577	-	-	1,577	1,152	-	-	1,152

For 1998-1999, the opening fund balance for the regular budget of UPOV amounted to Sfr.1,880,000, including a Working Capital Fund (WCF) of Sfr.398,000 and a reserve fund of Sfr.1,482,000. With estimated income of Sfr.5,900,000 for the regular budget, the available resources are estimated at Sfr.7,780,000. Taking into account the budgeted expenditure of Sfr.6,203,000, the fund balance available at the end of 1999 is estimated at Sfr.1,577,000, including a WCF of Sfr.433,000 and a reserve fund of Sfr.1,144,000. Extra-budgetary resources received and implemented amount to Sfr.346,000, with voluntary contributions provided by the Governments of France, Japan and Spain. Activities implemented under the UPOV/WIPO cooperative agreement amount to Sfr.810,000, bringing the total resources utilized during 1998-1999 to Sfr.7,359,000.

For 2000-2001, total available resources for the regular budget of UPOV are estimated at Sfr.7,743,000, including the opening fund balance of Sfr.1,577,000 and estimated income of Sfr.6,166,000. With estimates for the regular budget of Sfr.6,591,000, the closing balance by the end of 2001 is projected at Sfr.1,152,000, including a WCF of Sfr.433,000 and a

reserve fund of Sfr.719,000. The level of the reserve is considered appropriate in view of the total level of the UPOV regular budget.

With regard to extra-budgetary resources and based on recent experience, it is anticipated that voluntary contributions will be made available approximately at the same level as during previous biennia. Prior to the beginning of the biennium 2000-2001, activities implemented under the UPOV/WIPO cooperative agreement are estimated at Sfr.400,000. This represents a minimum which is expected to be increased once the joint workplan between UPOV and WIPO has been finalized. At current estimates, the total projected resources (UPOV RB, UPOV XB, UPOV/WIPO) for the biennium 2000-2001 amount to Sfr.7,341,000, which is approximately equivalent to Sfr.7,359,000 for the biennium 1998-1999.

[Annex B follows]

ANNEX B

**RELATIONSHIP BETWEEN BUDGET ITEMS 1998-1999 AND
SUB-PROGRAMS 2000-2001 FOR NON-STAFF EXPENDITURE**

(in thousands of Swiss francs)

Budget Items 1998-1999			Sub-programs 2000-2001		
No.	Heading	Approved Budget	No.	Heading	Budget
UV01	Council	34	UV01	Governing Bodies of	
UV02	Consultative Committee	50		UPOV - Council and the	
		84		Consultative Committee	84
UV01	Council	17	UV02	Progressive Development	
UV05	Administrative and Legal	65		of International Law and	
UV06	Meetings with International	7		Administrative Practices	
	Organizations	89		Relating to the Protection	89
				of Plant Varieties	
UV03	Technical Committee	60	UV03	Technical Enhancement	
UV04	Technical Working Parties	70		of the UPOV Plant Variety	
		130		Protection System and	130
				Monitoring of Emerging	
				Technologies	
UV08	Contacts with Governments,		UV04	Cooperation with	
	Intergovernmental and Non-			Governments, Inter-	
	Governmental Organizations	302		governmental Organizations,	302
				and Non-Governmental	
				Organizations	
UV08	Technical Assistance		UV05	Technical Assistance	
bis		301			301
UV07	Information and		UV06	External and International	
	Documentation	310		Communication and Public	
				Affairs	310
UV10	Other Administrative and	283	UV07	Administrative Support	
	Program Support Expenses			Service	
UV11	Common Expenses	1,497			
		1,780			1,780
TOTAL		2,996			2,996

[Annex C follows]

ANNEX C

BUDGET SUMMARY							
(in thousands of Swiss francs)							
1996-97 <u>Actual</u>		1998-99 <u>Budget</u>	<u>Program Variation</u>		<u>Cost Variation</u>		2000-01 <u>Budget</u>
			<u>Amount</u>	<u>%</u>	<u>Amount</u>	<u>%</u>	
INCOME							
5,375	Contributions	5,552	284	5.1%	0	0	5,836
9	Publications	12	58	483.3%	0	0	70
252	Other income	205	55	26.8%	0	0	260
5,636	TOTAL INCOME	5,769	397	6.9%	0	0	6,166
EXPENDITURE							
2,914	<u>Staff Expenses</u>	3,207	493	15.4%	0	0	3,700
<u>Official Travel and Fellowships</u>							
223	Staff Missions	260	77	29.5%	13	3.8%	350
29	Participation of Govt. Officials & Lecturers	149	-72	-48.4%	3	3.9%	80
0	Fellowships	60	-41	-68.0%	1	3.9%	20
<u>Contractual Services</u>							
86	Conference Services	202	22	10.9%	6	2.6%	230
0	Consultants and Experts	192	-192	-100.0%	0	2.6%	0
66	Publishing	100	-51	-51.3%	1	2.6%	50
143	Other Contractual Services	270	-7	-2.6%	7	2.6%	270
<u>Operating and Other Expenses</u>							
137	Premises and Maintenance	178	-8	-4.2%	5	2.6%	175
1,395	Communications & Other Expenses	1,544	63	4.1%	43	2.6%	1,650
<u>Equipment and Supplies</u>							
39	Furniture and Equipment	25	24	94.8%	1	2.6%	50
19	Supplies and Materials	16	0	-3.0%	0	3.0%	16
5,051	TOTAL EXPENDITURE	6,203	307	4.9%	81	1.2%	6,591
585	BALANCE	-434	n/a	n/a	n/a	n/a	-425

[Annex D follows]

ANNEX D

CONTRIBUTIONS OF MEMBER STATES

(in thousands of Swiss francs)

1998 Actual	1999 Actual	Member States	Number of Units	Payable in January 2000	Payable in January 2001
26,820	26,820	Argentina	0.50	26,820	26,820
53,641	53,641	Australia	1.00	53,641	53,641
80,462	80,462	Austria	1.50	80,462	80,462
80,462	80,462	Belgium	1.50	80,462	80,462
-	-	Bolivia	0.20	10,728	10,728
-	-	Brazil	0.25	13,410	13,410
-	10,728	Bulgaria	0.20	10,728	10,728
53,641	53,641	Canada	1.00	53,641	53,641
10,728	10,728	Chile	0.20	10,728	10,728
-	-	China	0.50	26,820	26,820
26,820	26,820	Czech Republic	0.50	26,820	26,820
10,728	10,728	Colombia	0.20	10,728	10,728
80,462	80,462	Denmark	1.50	80,462	80,462
10,728	10,728	Ecuador	0.20	10,728	10,728
53,641	53,641	Finland	1.00	53,641	53,641
268,205	268,205	France	5.00	268,205	268,205
268,205	268,205	Germany	5.00	268,205	268,205
26,820	26,820	Hungary	0.50	26,820	26,820
53,641	53,641	Ireland	1.00	53,641	53,641
26,820	26,820	Israel	0.50	26,820	26,820
107,282	107,282	Italy	2.00	107,282	107,282
268,205	268,205	Japan	5.00	268,205	268,205
-	-	Kenya	0.20	10,728	10,728
40,231	40,231	Mexico	0.75	40,231	40,231
160,923	160,923	Netherlands	3.00	160,923	160,923
53,641	53,641	New Zealand	1.00	53,641	53,641
53,641	53,641	Norway	1.00	53,641	53,641
-	-	Panama	0.20	10,728	10,728
10,728	10,728	Paraguay	0.20	10,728	10,728
26,820	26,820	Poland	0.50	26,820	26,820
26,820	26,820	Portugal	0.50	26,820	26,820
-	10,728	Republic of Moldova	0.20	10,728	10,728
-	26,820	Russian Federation	0.50	26,820	26,820

1998 Actual	1999 Actual	Member States	Number of Units	Payable in January 2000	Payable in January 2001
26,820	26,820	Slovakia	0.50	26,820	26,820
-	-	Slovenia	0.20	10,728	10,728
53,641	53,641	South Africa	1.00	53,641	53,641
80,462	80,462	Spain	1.50	80,462	80,462
80,462	80,462	Sweden	1.50	80,462	80,462
80,462	80,462	Switzerland	1.50	80,462	80,462
-	10,728	Trinidad and Tobago	0.20	10,728	10,728
26,820	26,820	Ukraine	0.50	26,820	26,820
268,205	268,205	United Kingdom	5.00	268,205	268,205
268,205	268,205	United States of America	5.00	268,205	268,205
10,728	10,728	Uruguay	0.20	10,728	10,728
2,775,920	2,834,924		54.40	2,918,066	2,918,066

[Annex E follows]

DEFINITIONS OF BUDGET HEADINGS

Sources of Income

Contributions

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

Publications Income

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

Other Income

All other income not described above, including bank interest, accounting adjustments (credits) in respect of prior years, currency adjustments (credits) and income to cover “support costs” in respect of extra-budgetary activities executed by UPOV and financed by trust funds; UPOV’s share in WIPO’s common income.

Objects of Expenditure

Staff Expenses

Staff salaries: remuneration received by staff members, in particular salaries, post adjustment, dependency allowances, language allowances and overtime, non-resident allowances, assignment grant and representation allowances.

Short-term expenses: remuneration and allowances paid to employees on short-term appointments.

Social charges: all allowances received by staff members not included in their salaries, in particular employer’s contributions towards pension fund, participation in sickness insurance scheme, contribution towards the separation provision used for covering payments due upon separation from service, education grants, removal expenses, travel expenses of dependant children attending educational institutions, home leave, grants to cover costs of installation in the duty station, professional accident insurance premia, refund of national income taxes on salaries and other allowances, indemnities or grants paid by the Office of the Union.

Official Travel and Fellowships

Staff Missions

Travel expenses and daily subsistence allowances for staff and headquarters-based consultants of the Office of the Union on official travel.

Participation of Government Officials and Lecturers

Travel expenses and daily subsistence allowances for government officials, participants and lecturers attending UPOV-sponsored meetings.

Fellowships

Travel expenses, daily subsistence allowances and training and other fees in connection with trainees attending courses, seminars, long-term fellowships and internships.

Contractual Services

Conference Services

Remuneration, travel expenses and daily subsistence allowances for interpreters; renting of conference facilities and interpretation equipment; refreshments and receptions; and the cost of any other service directly linked to the organization of a conference.

Consultants and Experts

All expenses connected with the employment of consultants, in particular: remuneration, travel expenses and daily subsistence allowances, with the exception of mission costs of headquarters-based consultants; honoraria paid to lecturers.

Publishing

Outside printing and binding: reviews: paper and printing; other printing: reprints of articles published in reviews; brochures; treaties; collections of texts; manuals; working forms and other miscellaneous printed material; production of CD-ROMs, videos, magnetic tapes and other forms of electronic publishing.

Other Contractual Services

All other contractual services, in particular: fees of translators of documents; rental of computer time; costs of staff training; recruitment costs; and other external contractual services.

Operating and Other Expenses

Premises and Maintenance

All expenses arising from the acquisition, rental, improvement and maintenance of office space and rental or maintenance of equipment and furniture.

Communications and Other Expenses

Expenses including the cost of telephone, telegrams, facsimile and mail, postage and carriage of documents; all general operating expenses not described above such as: medical assistance, housing service, Administrative Tribunal, Staff Association, hospitality; bank charges; interest on bank and other loans (except building loans); currency adjustments (debits); audit expenses; unforeseen expenses and accounting adjustments (debits) in respect of prior years; and expenses not specifically provided for. Also, all common expenses which are either related to joint activities with WIPO or services actually rendered by WIPO.

Equipment and Supplies

Furniture and Equipment

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

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; computer software and licenses.

Programs

Single Main Program: UPOV consists of a single Main Program which has been designed according to the need to realize priorities as defined by its membership. Its over-reaching goals are grouped by type at the sub-program level.

Sub-programs: The UPOV Main Program is divided into seven sub-programs (UV.01-UV.07). Each sub-program is derived from work plans which are costed and progress is monitored against pre-determined objectives. This process supports the efficient and cost-effective utilization of resources and the maintenance of a system of accountability for program implementation.

[Annex F follows]

**COST INCREASE FORECASTS
FOR UN ORGANIZATIONS IN GENEVA**

The rates of cost increase estimated by the United Nations Organizations in Geneva, for the years 1999, 2000 and 2001, 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/1999/FB/R 10, dated January 19, 1999), which provides estimates of the cost increases that might be expected in 1999, 2000 and 2001, in Switzerland. Those estimates take account of available official statistics, statement of competent authorities, the views of reputable economic analysts and information gathered from professional associations and other appropriate sources, including a likely impact of a strong Euro on the cost of imports to Switzerland. The said document (document ACC/1999/FB/R 10, Annex I, paragraphs 5 to 6) states the following:

(a) Overall rate of inflation: “A 1.3 per cent inflation rate should be used for 1999, 2000 and 2001.”

(b) Staff costs:

Professional and higher categories: “Even assuming a 1.3 per cent annual inflation rate for Geneva, there would be no increase in the cost of Professional salaries. ICSC (International Civil Service Commission) has decided to recommend to General Assembly, effective March 1999, a consolidation 2.48 per cent post adjustment on a “no gain no loss” basis. Given the 8 point gap between the post adjustment index and the multiplier, it is very unlikely that there will be any change to the Geneva post adjustment multiplier in the next few years.”

General Service category: “A comprehensive salary survey was carried out in 1995. This indicated that existing pay scales were some 7.1 per cent higher than in the local market. The new salary scale is adjusted every year for inflation but the old salary scale is still some 5.6 per cent higher than the new scale and it would be several years before inflation closed the gap. The next comprehensive General Service salary survey is scheduled to start in 2000. It is unlikely that there will be any significant increase in General Service staff costs in the forthcoming budget period.”

(c) Contributions to the United Nations Joint Staff Pension Fund:

Professional and higher categories: “Increase in the New York pensionable remuneration of 1.8 per cent was announced for November 1998. This figure was subsequently revised to 2.3 per cent, which would produce similar increase in the level of pensionable remuneration and thus in the cost of organization’s pension contributions. This would affect the pension costs for Geneva-based staff, notwithstanding the absence of any increase in post adjustment. Similar increases might be expected for 1999, 2000 and 2001.”

General Service category: “Pensionable remuneration was the dollar equivalent of the sum of the local gross salary, any language allowance and any non-resident’s allowance payable. Although the local gross salary may in practice be frozen for the next few years, any changes

in the United States dollar-Swiss franc rates of exchange would impact the United States dollar costs of organizations' contributions."

(d) Other common staff costs: "ICSC is recommending an increase of 6 per cent in the maximum admissible grant for Switzerland. There will be some changes in the termination scale and the mobility and hardship allowance but with minimal impact on Geneva staff costs. No major increases in dependency or language allowances for the General Service category are foreseen in the period 2000-2001."

(e) Travel and transport and Air freight: "It was agreed that non-European air fares might increase at a 2 per cent annual rate whereas air fares inside Europe and air freight would reflect inflation rate in the order of 1.3 per cent."

(f) Contractual services

Contractual printing and binding: "Leaving aside the factor of paper cost, it is expected that increases for printing and binding services will be at the general rate of inflation. In cases where the orders are placed in other countries than Switzerland, different annual rates of increase need to be foreseen."

Other contractual services (including contractual maintenance of premises and equipment): "These costs are expected to increase at the annual rate of inflation in the order of 1.3 per cent."

(g) General operating expenses:

Fuel oil: "It was difficult to estimate an increase since price variations are dependant upon the prevailing political/economic world situation but it was agreed that the assumed inflation rate of 1.3 per cent was appropriate at this time. It was agreed that organizations should take into account the latest price levels in effect at the time of the completion of their proposed budgets."

Other utilities: "It was estimated that water will increase by 10 per cent per year in 1999 and 2000. For electricity, it was anticipated that the prices would not increase for the years 1999, 2000 and 2001."

Communications (telephone, telex and facsimile services, pouch services and postage): "Communications costs in Switzerland are currently stable and increases beyond the general rate of inflation are not expected."

(h) Supplies and Materials

Paper and printing supplies: "In a cyclical market, it appeared that there was an upward trend at this time and prices were assumed to increase at slightly more than the general rate of inflation."

Other supplies and materials: "The cost of other supplies was expected to increase at around the general rate of inflation."

(i) Acquisition of furniture and equipment: “The steady price decreases for office automation equipment (hardware and software) during 1997 and 1998 were expected to continue. However, the need to replace the old equipment by more sophisticated equipment, which is more expensive, and the purchase of new software packages, were expected to completely off-set the anticipated savings. For furniture and equipment, average increases were forecast to be at the same level as the general rate of inflation.”

[End of document]