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INTERNATIONAL UNION FOR THE PROTECTION OF NEW VARIETIES OF PLANTS
GENEVA

COUNCIL

Twenty-Third Extraordinary Session
Geneva, April 7, 2006

CERTAIN FINANCIAL MATTERS OF THE UNION

Document prepared by the Office of the Union

1. At its seventy-first session on April 7, 2006, the Consultative Committee recommended that the Council adopt the decisions in Annex I concerning the “UPOV Working Capital Fund”, and in Annex II concerning “Adjustments of the number of contribution units applicable to a member of the Union”.

2. *The Council is invited to adopt the decisions contained in the Annexes to this document.*

[Annexes follow]

ANNEX I

DRAFT

UPOV Working Capital Fund

1. The Working Capital Fund was established by a decision of the Council of the International Union for the Protection of New Varieties of Plants (UPOV) at its third meeting on October 9, 1969, in accordance with the provisions of the Financial Regulations of UPOV (documents CPU Doc. 11, 17, 20 and UPOV/C/IV/17 and UPOV/C/VI/12):

“Article 8

Working Capital Fund

“1. UPOV shall have a special fund hereby named the Working Capital Fund, which shall be constituted by advances made by member States. Such advances shall be entered to the credit of the members which have made them.

“2. The amount of the initial, or any subsequent, advance which each of the member States is called upon to make to the Working Capital Fund, and the procedure according to which such advances are to be made shall be fixed by the Council on the basis of proposals submitted by the Secretary General.

“3. The purposes for which the Working Capital Fund shall be utilized shall be:

“(a) to meet budgeted expenditure pending the receipt of the contributions of member States;

“(b) to meet unavoidable unforeseen expenses arising from the execution of the approved program;

“(c) to meet such other expenses as may be determined by the Council.

“4. Advances made from the Fund under paragraph (3)(a) shall be reimbursed as soon as, and to the extent that, income is available for that purpose. The amounts required for the reimbursement of advances provided for in paragraphs (3)(b) and (3)(c) shall be covered by additional budgets or by the budget for the following year. Advances provided for in paragraph 3(c) shall be subject to prior approval by the Council.

“5. Interest received on the Working Capital Fund shall be credited to the general funds of UPOV.”

2. The Council recalls its earlier decisions on the Working Capital Fund of UPOV (paragraph 57 of document C/VI/12, paragraph 42 of document C/XII/15 and paragraph 14 of document C/26/15) and the recommendation of the Consultative Committee at its seventy-first session, and decides to consolidate them as follows:

(a) to base the share of the members of the Union in the Working Capital Fund on the number of contribution units applicable to it for the purpose of the annual contributions under the UPOV Convention;*

(b) if a member of the Union increases its number of contribution units, it would be called upon to pay, into the Working Capital Fund, an additional amount in proportion to the increase in the number of contribution units it had officially chosen;

(c) if a member of the Union decides to reduce its number of contribution units applicable to it, the participation in the Working Capital Fund of that member would not be reduced; and

(d) the contribution towards the Working Capital Fund of new members joining the Union is fixed at 8,333 Swiss francs (fixed amount) multiplied by the number of contribution units applicable to the new member.

[Annex II follows]

* Article 29(3) of the 1991 Act, Article 26(4) of the 1978 Act and Article II of the 1972 Act.

ANNEX II

DRAFT

Adjustments of the Number of
Contribution Units Applicable to a Member of the Union

At its twenty-third extraordinary session, held in Geneva on April 7, 2006, the Council decided that members of the Union should not adjust downwards their number of units of contribution without considering the implications for UPOV and considering how such a reduction would be compensated by other members of the Union. In particular, members of the Union should not reduce their number of units of contribution during a budget period approved by the Council, except under exceptional and unavoidable circumstances.

[End of Annex II and of document]