

At 16:30 on 17/07

ITEM 5 DRAFT PROPOSED PROGRAM AND BUDGET FOR THE
2016/17 BIENNIUM

document WO/PBC/23/3.

The Program and Budget Committee, having completed a comprehensive first reading of the draft proposed Program and Budget for the 2016/17 biennium, Program by Program under each Strategic Goal:

- (i) agreed to the modifications proposed by Member States to program narratives, including the results frameworks in Programs 1, 9, 10, 11, 13, 14, 16, 17, 18, 25, 28 and 30 ;
- (ii) requested the Secretariat to issue a revised version of the draft proposed Program and Budget for the 2016/17 biennium based on (i) for the upcoming session of the PBC, and an updated version of the Q&A document ;
- (iii) took note, inter alia, of the following points for further consideration in the upcoming session of the Program and Budget Committee:
 - a. Program 3: TAG;
 - b. Program 6: proposal to split Program 6 (Madrid and Lisbon Systems) into two separate programs and reflect this split in all appropriate sections, tables and annexes in the revised draft of the Program and Budget 2016/17; and
 - c. Program 20: New External Offices including potential reference in paragraph 33 (in the Financial and Results Overview) and WIPO Coordination Office to the UN in New York.
- (iv) Took note that the following issues were raised by some Delegations in respect of Program 6, and were referred to the 24th session of the PBC:
 - a. Separate the Accounting for Lisbon and Madrid Systems – i.e., two separate programs with separate Expected Results;
 - b. Ensure that the Lisbon System's use of and contribution to WIPO services and operating costs are accurately reflected as expenses, whether direct or indirect, or income, as appropriate;
 - c. Balance the Lisbon Budget as provided under the Lisbon Agreement, including its Geneva Act, when it comes into force, without the use of other Unions' Income, general Member State Contributions or income not derived from the Lisbon Union;
 - d. Request that the Secretariat Conduct a Study on Lisbon's Financial Sustainability;
 - e. Request that the earmark for a diplomatic conference in the 2016/17 biennium be conditional on full participation; and

- f. Request that the Secretariat review Annex III, including the allocation of miscellaneous income, and whether, as in the case of the rental income that is directly attributable to the Madrid Union, the miscellaneous income can be more accurately attributed according to how the assets from which this income was acquired and are being maintained.

(v) requested the Secretariat to:

- a. present to the 25th session of the PBC, concrete proposals to contain the After-Service Health Insurance (ASHI) liability. These proposals may take into consideration, but should not be limited to, the results presented by the Working Group on ASHI established by the High-level Committee on Management (HLCM) of the Chief Executives Board;
- b. continue its efforts to identify and implement further savings and cost-efficiencies and to report, including its quantification, to 25th PBC session, through the Program Performance Report, on the progress made; and
- c. provide an update at the 24th session of the PBC on the progress made in respect of the implementation of the Hedging Strategy for PCT Income (WO/23/REF) as approved by the PCT Working Group.