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UPOV

C/VIII/7

ORIGINAL: englisch

DATUM: 15. Juli 1974

## INTERNATIONALER VERBAND ZUM SCHUTZ VON PFLANZENZÜCHTUNGEN

GENEVE

## DER RAT

**Achte ordentliche Tagung  
Genf, 24. bis 26. Oktober 1974****ÄNDERUNGEN DER FINANZORDNUNG UND DER  
DURCHFÜHRUNGSBESTIMMUNGEN**Bericht des Generalsekretärs

1. Die Verwaltungsorgane der WIPO haben während ihrer Tagungen im November 1973 einer Änderung der Finanzordnung der WIPO zugestimmt und die vom Generaldirektor für die Durchführungsbestimmungen vorgeschlagenen Änderungen befürwortend entgegengenommen. Die Änderungen sind in den WIPO-Dokumenten AB/IV/13 und WO/CC/V/3 ausführlich dargestellt. Diese liegen nur in englischer und französischer Sprache vor.<sup>1)</sup>

2. In der Finanzordnung wurde als einzige Änderung Artikel 9 durch die folgende Bestimmung ergänzt:

"9.4 Die von einem Mitgliedstaat geleisteten Zahlungen werden in erster Linie dem Betriebsmittelfonds gutgeschrieben, anschliessend den geschuldeten Beiträgen in der Reihenfolge der Jahre, für die sie geschuldet werden."

3. In den Durchführungsbestimmungen sind im wesentlichen die folgenden Änderungen vorgenommen worden:

- i) Änderungen von Bezeichnungen entsprechend der neuen Struktur der WIPO (z.B. WIPO statt BIRPI, "Finanzsektion" statt "Finanzdienste");
- ii) der Generaldirektor der WIPO, der Leiter der Verwaltungsabteilung und der Leiter der Finanzsektion können jetzt innerhalb bestimmter Grenzen Befugnisse und/oder Unterzeichnungsvollmachten delegieren;
- iii) die Inventur von Mobiliar und Ausrüstungen untersteht jetzt dem Finanzkontrolleur, also nicht mehr dem Leiter der Kanzlei;
- iv) die folgenden Höchstgrenzen wurden erhöht: Kassenbestand von 10 000 auf 20 000 Franken, ausschreibungsfreie Beschaffung von Mobiliar und

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1) Zur Arbeitserleichterung ist eine in der UPOV gefertigte deutsche Übersetzung des WIPO-Dokuments AB/IV/13 - ohne dessen Anlage - diesem Dokument beigelegt.

Ausrüstung (Entbindung von der Notwendigkeit, 3 Angebote einzuholen)  
von 5 000 auf 10 000 Franken.

4. Dem Rat wird anheimgegeben, die  
Änderungen in den WIPO-Dokumenten  
AB/IV/13 und WO/CC/V/3 zur  
Kenntnis zu nehmen.

[Anlage I und II sowie Unteranlagen  
folgen (Anlage II und Unteranlage  
zu Anlage I in englischer Sprache)]

AB/IV/13

Original: englisch

Datum: 21. September 1973

WELTORGANISATION FÜR GEISTIGES EIGENTUM

Vereinigte Internationale Büros für den

Schutz des geistigen Eigentums

Genf

VERWALTUNGSORGANE DER WIPO UND DER VON WIPO UND BIRPI

VERWALTETEN ORGANISATIONEN

Vierte Tagungsserie

Genf, 19. bis 27. November 1973

ÄNDERUNG DER FINANZORDNUNG

vorgeschlagen vom Generaldirektor

Zusammenfassung

In diesem Dokument wird der Generalversammlung der WIPO und den Versammlungen der Verbände von Paris, Bern, Madrid, Nizza, Lissabon und Locarno eine Änderung zur Finanzordnung zur Annahme vorgeschlagen.

1. Die Generalversammlung der WIPO und die Versammlung der Verbände von Paris, Bern, Madrid, Nizza und Locarno haben 1970 oder 1971 beschlossen, dass die Finanzordnung der BIRPI entsprechend und vorbehaltlich der Bestimmungen des WIPO-Übereinkommens, der Stockholmer Fassungen zu den Übereinkommen von Paris und Bern und zu den Abkommen von Madrid und Nizza sowie des Abkommens von Locarno gelten sollen (Quellen: für WIPO und die Verbände von Paris, Bern und Nizza, Dokument AB/I/33, Absatz 40; für den Verband von Madrid Dokument MM/A(Extr.)/I/5, Absatz 11; für den Verband von Locarno Dokument LO/A(Extr.)/I/6, Absatz 11). Eine ähnliche Entscheidung wird für den Lissaboner Verband von der November-Tagung 1973 ihrer Versammlung erwartet (siehe Dokument LI/A/I/2). Die Finanzordnung ist als Anlage wiedergegeben.
2. Es wird vorgeschlagen, Abschnitt 9 ("Beiträge der Mitgliedstaaten") durch die folgende Bestimmung zu ergänzen: "9.4 Die von einem Mitgliedstaat geleisteten Zahlungen werden in erster Linie dem Betriebsmittelfonds gutgeschrieben, anschliessend den geschuldeten Beiträgen in der Reihenfolge der Jahre, für die sie geschuldet werden."
3. Die vorgeschlagene Bestimmung entspricht den entsprechenden Bestimmungen in der Finanzordnung der Vereinten Nationen und anderer VN-Organisationen (z.B. lautet Absatz 5.6 der Finanzordnung der Vereinten Nationen: "Die von einem Mitgliedstaat geleisteten Zahlungen werden in erster Linie dem Betriebsmittelfonds gutgeschrieben, anschliessend den geschuldeten Beiträgen in der Reihenfolge, in der der Mitgliedstaat veranlagt wurde.").

4. Es sei darauf hingewiesen, dass der Teil der vorgeschlagenen Bestimmungen, der sich auf den Betriebsmittelfonds bezieht, einstweilen nur für den Verband von Locarno gelten würde, weil dieser als einziger bereits einen Betriebsmittelfonds besitzt. Für die übrigen Verbände wird ein Betriebsmittelfonds während der nächsten Jahre nicht eingerichtet werden (siehe Dokument WO/CC/II/2 und WO/CC/II/10, Absatz 12).

5. Die Generalversammlung der WIPO und die Versammlung der Verbände von Paris, Bern, Madrid, Nizza, Lissabon und Locarno werden ersucht, der Änderung in Absatz 2 zuzustimmen.

6. Die Änderung wird nach ihrer Annahme vom Generaldirektor der Schweizer Regierung mit dem Ersuchen übermittelt werden, sie auch hinsichtlich der Finanzordnung der BIRPI anzunehmen. Dieser Beschluss der Aufsichtsbehörde der BIRPI hätte zur Wirkung, dass die Änderung auch für jene Mitgliedstaaten der Verbände gelten würde, die durch die Verwaltungsvorschriften der Stockholmer Fassungen oder des Abkommens von Locarno nicht gebunden sind.

[Unteranlage - in englischer  
Sprache - folgt]

## ANNEX

## FINANCIAL REGULATIONS OF BIRPI\*

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Regulation 7	Final Accounts
Regulation 8	Surpluses and Deficits
Regulation 9	Contributions of Member States
Regulation 10	Internal Financial Administration of BIRPI

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\* Adopted--mutatis mutandis and subject to the applicable provisions of the WIPO Convention, the Stockholm Acts of the Paris and Berne Conventions, the Stockholm Acts of the Madrid, Nice [and Lisbon] Agreements, the Locarno Agreement--by the General Assembly of WIPO and the Assemblies of the Paris, Berne and Nice Unions at their first ordinary sessions (1970), by the Assemblies of the Madrid and Locarno Unions at their first extraordinary sessions (1971) [and the Assembly of the Lisbon Union at its first ordinary session (1973)].

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Regulation 0. Definitions

- 0.1 Supervisory Authority: the Government of the Swiss Confederation
- 0.2 Paris Union: International Union for the Protection of Industrial Property
- 0.3 Berne Union: International Union for the Protection of Literary and Artistic Works
- 0.4 Madrid Union: Union for the International Registration of Trademarks
- 0.5 The Hague Union: Union for the International Deposit of Industrial Designs
- 0.6 Nice Union: Union for the International Classification of Goods and Services to which Trademarks are Applied
- 0.7 Lisbon Union: Union for the Protection of Appellations of Origin and their International Registration
- 0.8 Trademark Service: Service maintained for the Madrid Union
- 0.9 Design Service: Service maintained for the Hague Union
- 0.10 Appellations Service: Service maintained for the Lisbon Union
- 0.11 Interunion Coordination Committee: Permanent Bureau of the Paris Union and Permanent Committee of the Berne Union, in joint session
- 0.12 Consultative Committee: Consultative Committee of the Paris Union

Regulation 1. Applicability

These Regulations shall govern the financial administration of BIRPI.

Regulation 2. Financial Period

The financial period shall be the calendar year.

Regulation 3. Preparation of Budget

3.1 For each financial period (calendar year) a draft budget shall be established by the Director. It will show the estimated income and expenditure separately for

the Paris Union (Industrial Property),  
the Berne Union (Copyright),  
the Nice Union (Classification),  
the Madrid Union (Trademarks),  
the Hague Union (Designs),  
the Lisbon Union (Appellations of Origin), once it starts operating.

These estimates shall be broken down into chapters and headings, and shall be accompanied by explanations and supporting documents.

Estimates of the expenditure common to the various Unions (hereinafter referred to as "common expenses") shall be made and shall be accompanied by a provisional estimate of the share of each Union in the common expenses. Such shares shall be equitable and adapted to the circumstances in each case. They shall be based on the extent to which each Union is expected to benefit from the common expenses. All estimates of income and expenditure shall be expressed in Swiss francs and, for information, in United States dollars, and shall be accompanied by appropriate explanations.

3.2 The Director shall submit to the Interunion Coordination Committee, for advice, by the first of August of each year, the draft budget for the next year; the Committee shall present its observations and recommendations within 60 days. On any question dealing with the Paris Union, due regard will be had for the triennial reports of the Consultative Committee. The same applies to the discussions of any representative body of the other Unions.

3.3 By the first of November preceding the financial period under consideration, the Director shall submit his draft budget to the Supervisory Authority.

3.4(a) The budget shall be adopted before the beginning of the financial period.

(b) Adoption of the budget shall constitute authorization for the Director to incur expenses and make payments for the purposes stated in the budget, and up to the amounts so stated.

#### Regulation 4. Transfers

4.1 The Director may make transfers from one heading of the budget to another for any given financial period up to a limit of 5% (five per cent) of the total funds credited for that period, when such transfers are necessary to ensure the proper functioning of the services.

4.2 Funds obligated but not expended by the end of the financial period shall remain available throughout the next financial period for the purpose of liquidating the obligations.

#### Regulation 5. Accounts

5.1 The Director shall establish draft accounting rules, which shall be submitted to the Interunion Coordination Committee for advice.

5.2 These rules shall include provisions fixing the conditions in which BIRPI shall establish such documents as shall be necessary for an accurate allocation of the common expenses in conformity with the principles laid down in Regulation 3.1.

5.3 The Director shall be responsible for the organization and proper working of the accounting service.

#### Regulation 6. Management Reports

6.1 Within six months after the end of each financial period, the Director shall submit to the Supervisory Authority and the Interunion Coordination Committee a management report (rapport de gestion), dealing with the activities of BIRPI and all questions of interest to it. This management report shall include the statements of account, the balance sheet, and a statement on the contributions of the member States.

6.2 The Interunion Coordination Committee shall present observations and make any recommendations it deems appropriate.

6.3 After approval by the Supervisory Authority, the management report shall be transmitted to all the member States of the various Unions.

#### Regulation 7. Final Accounts

7.1 Within five months after the end of each financial period, the Director shall establish the final accounts and shall submit them to the Interunion Coordination Committee and the Supervisory Authority.

7.2(a) The Interunion Coordination Committee shall, with due regard for any observations, recommendations or suggestions made by the bodies referred to in Regulation 3.2, examine whether the share of each unit in the common expenses has been correctly estimated and assessed, and, if it finds that such is not the case, it shall propose the required adjustments.



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(b) The final allocation shall be established and the final accounts approved by the Supervisory Authority.

Regulation 8. Surpluses and Deficits

8.1 If, after the approval of the final accounts, the accounts of:

(i) any of the following Unions, namely:

the Paris Union,  
the Berne Union,  
the Nice Union,

shows a surplus of income, such surplus shall be paid into the reserve funds, provided the advances made by the Swiss Confederation have been reimbursed. The Interunion Coordination Committee may make the suggestion that such payment should not be made if the amount of the reserves has become too large. In the latter case, the contributions of the member States of such Union shall be diminished accordingly in the following years;

(ii) any of the following services, namely:

the Trademark Service (Madrid Agreement),  
the Design Service (The Hague Agreement),

shows a surplus of income, such surplus, after retention of the authorized amounts for reserve funds, shall, in conformity with the provisions of the applicable Agreement, be distributed among the member States of that Agreement;

(iii) the Appellations Service (once it comes into existence) shows any surplus of income, such surplus shall be paid into the reserve fund of that Service.

8.2 If, after the approval of the final accounts, the accounts of:

(i) any of the following Unions, namely:

the Paris Union,  
the Berne Union,  
the Nice Union,

shows a deficit, not coverable out of reserve funds, the Interunion Coordination Committee shall suggest measures calculated to remedy the situation;

(ii) any of the following Services, namely:

the Trademark Service (Madrid Agreement),  
the Design Service (The Hague Agreement),  
the Appellations Service (Lisbon Agreement),

shows a deficit, not coverable out of reserve funds, the member States or the representative body, if any, of that Agreement shall propose a plan to redress the financial situation either by an increase of the fees, or by the introduction of a system of contributions by States.

Regulation 9. Contributions of Member States

9.1 The Director shall communicate, each year, to the member States of the Paris, Berne and Nice Unions the amount of their contributions for the last preceding year on the basis of the class to which they belong.

9.2 Contributions shall be paid in Swiss francs.

9.3 New member States shall be required to pay their contributions from the year following that in which they became members.

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Regulation 10. Internal Financial Administration of BIRPI

10.1 The Director, with the advice of the Interunion Coordination Committee, shall establish the rules regulating the organization of the financial administration of BIRPI. These rules should ensure an effective and economic financial administration. They should, in particular:

(a) provide that all payments be made on the basis of supporting vouchers and other documents showing that the services or goods to be paid for have been received, and that payment has not previously been made;

(b) establish the conditions in which a staff member of higher rank will exercise the functions of Controller as described in Regulation 10.2. In the exercise of his functions as Controller, such staff member is directly responsible to the High Supervisory Authority.

(c) designate the officers who may receive monies, incur obligations, and make payments on behalf of BIRPI;

(d) maintain an internal financial control which shall provide for an effective permanent supervision and/or control of all financial transactions in order to ensure:

- (i) the regularity of the receipt, custody, and disposal of all funds and other financial resources of BIRPI,
- (ii) the conformity of all obligations and expenditure with the budget of BIRPI,
- (iii) the economic use of the resources of BIRPI,
- (iv) the keeping of regular inventories of equipment and other movables.

10.2 Except as permitted by these Regulations, no financial obligation shall be incurred without the authorization of the Controller. If the Director disagrees with the Controller, he may direct the latter to authorize the expenditure in question. In such case, the Controller shall attach, to his authorization, a report and shall immediately communicate the said report to the Supervisory Authority. The latter shall bring the matter to the attention of the Interunion Coordination Committee.

10.3 The Director may, after full investigation, authorize the writing off of losses of cash, stores and other assets, provided that a statement of all such amounts written off shall be submitted to the Supervisory Authority and the Interunion Coordination Committee together with the annual accounts.

10.4 Tenders for equipment, supplies and other requirements shall be invited within the limits and under the conditions specified in the Rules.

Regulation 11. Entry into Force

/̄Obsolete. Omitted̄

/̄End of Annex  
and of document̄

WIPO



WO/CC/V/3

ORIGINAL: English

DATE: September 21, 1973

WORLD INTELLECTUAL PROPERTY ORGANIZATION  
UNITED INTERNATIONAL BUREAUX FOR THE PROTECTION OF INTELLECTUAL PROPERTY  
GENEVA

WORLD INTELLECTUAL PROPERTY ORGANIZATION  
COORDINATION COMMITTEE

Fifth Session (4th ordinary)  
Geneva, November 19 to 27, 1973

AMENDMENTS TO THE FINANCIAL RULES

Report by the Director General

SUMMARY

This document asks for the advice of the Coordination Committee on amendments which the Director General intends to make in the Financial Rules.

1. The Financial Regulations of WIPO/BIRPI provide that "the Director General, with the advice of the Interunion Coordination Committee, shall establish the Rules regulating the financial administration of BIRPI WIPO" (Regulation 10.1). The text of the Rules implementing the Financial Regulations, as now in force, is attached as Annex A.

2. The Director General herewith submits to the Coordination Committee, for the latter's advice, the amendments he plans to make in the Rules implementing the Financial Regulations (hereinafter referred to as the "Financial Rules").

3. In view of the fact that the following denominations have changed since the establishment of the Financial Rules, the following expressions should, whenever they occur in the Financial Rules, be changed as indicated hereafter:

(i) "Finance and Personnel Division" should be replaced by "Administrative Division";

(ii) "Finance Services" should be replaced by "Finance Section";

(iii) "Publications Service" should be replaced by "Publications Section";

(iv) "Chancellerie" should be replaced by "Mail and Documents Section";

(v) "Director" should be replaced by "Director General";

(vi) "BIRPI" should be replaced by "the International Bureau," except that in Rule 6(b) the words "BIRPI building" should be replaced by "headquarters building."

4. After the change indicated in paragraph 3(i), above, Rule 1(c) of the Financial Rules would read as follows: "In his capacity of Head of the Administrative Division, the said officer is under the supervision of the Deputy Director whose duties include administrative and financial matters (hereinafter designated as "the Deputy Director")." This rule deals with a question of general hierarchy and its regulation does not properly belong in the Financial Rules. Present Rule 1(c) should be omitted. Since Rule 1(d)--like Rule 1(b)--deals with the Controller, Rule 1(d) should then become an addition to Rule 1(b).

5. Experience shows that a rule regulating the replacement of the Head of the Administrative Division is lacking. Consequently, a new Rule 1(c) should read as follows:

"(c) In the absence of the Head of the Administrative Division, his tasks shall be performed by a member of that Division designated by him with the authorization of the Director General."

6. Rules 2(a), 3(a)(iii) and 4(c) give certain responsibilities to "the Deputy Director whose duties include administrative and financial matters" (Rule 1(c)). It is believed that entrusting such responsibilities to such an official is not flexible enough and does not provide for the case of vacancy of the post. These shortcomings would be eliminated if the said responsibilities could be entrusted to any high official designated, for performing the tasks in question, by the Director General. Such official could, of course, be the Deputy Director General whose duties include administrative and financial matters; he should, however, not be the Head of the Administrative Division (because he already signs the papers in question qua Controller) or a member of that Division (because his subordination to the Head of that Division would make independent judgment more difficult). Consequently, the first sentence of Rule 2(a) should read as follows:

"(a) Subject to the provisions of paragraph (b), below, every commitment to incur an obligation requires the signatures of the Controller and a high official, other than the Head or any member of the Administrative Division, designated to this effect by the Director General (referred to in these Rules as "the Designated Officer")."

Furthermore, the words "Deputy Director" should be replaced by "Designated Officer" in Rule 1(d) (which will become part of Rule 1(b)), Rule 2(a), second sentence, and Rule 3(a)(iii).

7. Experience shows that with the growing number of vouchers and invoices, it is too time consuming for the officer who is both the Controller and the Head of the Administrative Division to sign them all personally. Consequently, he should be allowed to delegate his power of signature in cases where the amount involved is relatively small. Five thousand francs would appear to be an appropriate limit under present circumstances. Rules 2 and 3 should be completed by the following new paragraphs:

"Rule 2(c) As to obligations not exceeding 5,000 francs, the powers of the Controller under paragraph (a), above, may be exercised by a staff member, other than the Designated Officer, designated to this effect by the Controller."

"Rule 3(b-bis) As to disbursements, cheques and other orders of payment not exceeding 5,000 francs, the powers of the Head of the Administrative Division under paragraphs (a) and (b), above, may be exercised by a staff member, other than the Designated Officer, designated to this effect by the Head of the Administrative Division with the authorization of the Director General."

8. Rule 3(d), first sentence, reads as follows: "The Head of the Finance Services, who is under the supervision of the Head of the Finance and Personnel Division, is responsible for the cash kept in the safe." Experience shows that this responsibility may overburden the Head of the Finance Section and that it is desirable that it should be susceptible of being carried out by a member (rather than the Head) of that Section. Some drafting changes are also desirable. Consequently, Rule 3(d) should read as follows:

"(d) The Head of the Finance Section or a member of that Section designated for the purpose by him is responsible for the cash of the International Bureau. The person responsible shall be in possession of one set of keys for the safe of the International Bureau. Two other sets of the same keys shall be placed in sealed envelopes signed by the Head of the Finance Section: one of the envelopes shall be in the possession of the Director General and the other in the possession of the Controller. If the person responsible for the cash is absent and access to the safe is required, the safe shall be opened in the presence of at least two persons; an inventory of its contents shall be drawn up, and the remaining cash shall be checked against the balance mentioned in the cash book."

9. Rule 4(a) provides that the only persons entitled to receive cash payments are the Head of the Financial and Personnel Division and the Head of the Finance Services. Experience shows that these persons are overburdened with the said task. Consequently, Rule 4(a) should read as follows:

"(a) The Head of the Finance Section and any other person designated to this effect by him with the authorization of the Head of the Administrative Division are the only persons entitled to receive, on behalf of the International Bureau, cash payments, for which a receipt shall be established and signed by the said Head of the said Section or the said other person."

10. In order to allow delegation of powers in connection with the endorsing of cheques and also to simplify administrative tasks in requiring only one signature (instead of two at present) for endorsements of crossed cheques for payment into the International Bureau bank and postal accounts, the following words should, in the second sentence of Rule 4(b), be inserted after the reference to the Head of the (Administrative) Division: "or a member of that Division designated for that purpose by him" and the following words, also in the second sentence, should be deleted: "and by one of the staff members designated for that purpose by the Director (General)."

11. Still in order to allow more flexibility in delegating powers, Rule 4(c) should read as follows:

"(c) Cheques made out by the International Bureau to its own order, as well as any other order addressed by the International Bureau to a bank, to the postal cheques office or to any other person, for the payment of cash, must be signed by two staff members, one of whom must be the Controller or a member of the Administrative Division designated to that effect by him, and the other must be one of the officials, other than the Head or any member of the Administrative Division, designated for that purpose by the Director General."

12. Rule 6(a), first sentence, provides that the inventories of equipment and furniture are kept by the Head of the Chancellerie. Experience shows that a more flexible solution is desirable. Consequently, the said sentence should read as follows:

"Inventories of equipment and furniture shall be kept under the supervision of the Controller."

13. Furthermore, the last sentence of the same (6(a)) Rule (now reading "The Controller shall periodically check the inventory") should, for the same reasons, read as follows:

"The Controller shall ensure that the inventory is periodically checked."

14. According to Rule 8(a)(vi) to (ix), the list of conferences, the report concerning surfaces used, the list of certain purchases, and the list of fees paid to outside persons, established for each financial exercise as supporting documents for the allocation of the "common expenses" are signed by the Director /General/. Experience shows that it would be more practical to have those documents signed by the Controller who has first hand knowledge about the facts to be certified. Consequently, in Rule 8(a)(vi), (vii), (viii) and (ix), the word "Director" should be replaced by the word "Controller." Furthermore, in Rule 8(a)(vii), the expression "surfaces of the building" should be replaced by "surfaces" since not all the premises used by the International Bureau are or will be in "the" building (that is, in the present headquarters building). Some are or will be in buildings other than the present headquarters building.

15. The present Financial Regulations provide that the total of the cash kept in the safe of the International Bureau may not exceed 10,000 francs (Rule 3(c)); that purchases of supplies, equipment and furniture shall be made on the basis of three tenders if the value thereof exceeds 5,000 francs (Rule 5(a)); that every item of equipment or furniture whose value or price exceeds 100 francs must appear in the inventory (Rule 6(a)); that if the cost of a mission or of a conference or the fee of an outside person exceeds 10,000 francs a special note must be established for the purposes of the allocation of common expenses (Rule 8(a)(v), (vi) and (ix)), and that a list of purchases of furniture or supplies exceeding 500 francs each must be established for the said purposes (Rule 8(a)(viii)). These amounts were fixed in 1963. Because of the inflation of the last ten years, these amounts appear to be too low under present circumstances. It is proposed that they be doubled. Consequently, the words "ten thousand Swiss francs" in Rule 3(c) should be replaced by "20,000 francs," "five thousand francs" in Rule 5(a) should be replaced by "10,000 francs," "one hundred francs" in Rule 6(a) should be replaced by "200 francs," the words "ten thousand Swiss francs" in Rule 8(a)(v) and (vi) should be replaced by "20,000 francs," the words "five hundred francs" in Rule 8(a)(viii) should be replaced by "1,000 francs," and the words "ten thousand Swiss francs" in Rule 8(a)(ix) should be replaced by "20,000 francs."

16. The WIPO Coordination Committee is invited to express its advice on the amendments to the Financial Rules which are referred to in paragraphs 3 to 15, above, and which the Director General intends to effectuate as of November 30, 1973.

17. The text of the Financial Rules, as it would be after the contemplated amendments, is attached as Annex B.

/Annexes follow/

## ANNEX A

## FINANCIAL RULES\*

## Chapter I

## ORGANIZATION OF THE FINANCIAL SERVICES

Rule 1. Hierarchy

(a) The Finance and Personnel Division of BIRPI shall be placed under the direction of a staff member belonging to the higher categories of staff, who will also carry out the duties of the Controller referred to in Regulation 10.2 (of the Financial Regulations of July 12, 1963). He shall be designated hereinafter as the "Controller" whenever his duties as Controller are involved, and as "Head of the Finance and Personnel Division" when his other duties are involved.

(b) In his capacity of Controller, the said officer is directly responsible to the Supervisory Authority. If he refuses to sign a paper proposing an expenditure by the Director, the latter may issue an order, explaining the reasons therefor, that the necessary paper concerning the expenditure be signed. In such case, the Controller shall accompany his signature by a report, which he will immediately communicate to the Supervisory Authority.

(c) In his capacity of Head of the Finance and Personnel Division, the said officer is under the supervision of the Deputy Director whose duties include administrative and financial matters (hereinafter designated as the "Deputy Director").

(d) If the Controller is prevented from carrying out his tasks because of sickness, leave or other reasons, his tasks will be performed by an officer, other than the Deputy Director, designated for that purpose by the Director. Any such designation is immediately notified to the Supervisory Authority.

Rule 2. Incurring of Obligations

(a) Subject to the provisions of paragraph (b), below, every commitment to incur an obligation requires the signatures of the Deputy Director and the Controller. The Deputy Director examines the question whether the proposed expenditure is in conformity with the general policy and with the program, whereas the Controller examines the question whether the proposed expenditure is in conformity with the budget and the provisions of the treaties and regulations, whether the necessary funds will in fact be available at the time when payment is due, and whether the expenditure is in conformity with the principles of economical use of the resources of BIRPI. The Controller shall see to it that every commitment to incur an obligation be properly recorded.

(b) As to expenses which recur periodically because the service is performed or the goods are delivered over a certain period of time (for example, salaries of the staff, contracts for the printing of periodicals, insurance contracts, contracts concerning the upkeep of the building), it shall suffice that the commitment to incur expense be signed once, namely, before the contract concerning the service or goods is concluded.

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\* Decided to be applied, *mutatis mutandis*, to WIPO and the Unions administered by it, by the General Assembly of WIPO and the Assemblies of the Paris, Berne and Nice Unions in their first ordinary sessions (1970), by the Assemblies of the Madrid and Locarno Unions in their first extraordinary sessions (1971) [and by the Assembly of the Lisbon Union in its first ordinary session (1973)].

Rule 3. Disbursements

(a) Disbursements shall be effected only upon presentation of the supporting documents signed by the following staff members:

(i) by the staff member who has received the goods or the service, in order to certify that the goods have been delivered or the service has been rendered and that the quality and the quantity correspond to the order given;

(ii) by the Head of the Finance and Personnel Division, in order to certify that the expenditure is in conformity with the commitment to incur the expenditure, and that the amount is in conformity with the regulations in force (for example, as far as salaries, subsistence allowances, etc., are concerned, that they are in conformity with the Staff Regulations and Rules);

(iii) by the Deputy Director, in order to certify that the disbursement is in conformity with the general policy and the program.

These signatures will constitute authorization to disburse.

(b) Any postal or bank cheque, as well as any other order for payment issuing from BIRPI, shall be signed by the Head of the Finance and Personnel Division and by one of the staff members designated for that purpose by the Director. They can append their signatures only on the basis of an authorization for disbursement (see paragraph (a)).

(c) All available cash belonging to BIRPI shall be kept in a safe. The total of such cash may not exceed ten thousand Swiss francs outside the hours during which banks are open.

(d) The Head of the Finance Services, who is under the supervision of the Head of the Finance and Personnel Division, is responsible for the cash kept in the safe. He shall be in possession of one set of keys of the safe of BIRPI. Two other sets of the same keys shall be placed in sealed envelopes signed by the Head of the Finance Services: one of the envelopes shall be in the possession of the Director and the other in the possession of the Controller. The Head of the Finance Services shall designate another staff member from the said Services to replace him in case of absence. If both these officers are absent, the safe shall be opened in the presence of at least two persons; an inventory of its contents shall be drawn up and the remaining cash shall be checked against the balance mentioned in the cash book.

(e) Payments in cash shall be effected only on the basis of an authorization for disbursement (see paragraph (a)).

(f) From time to time, and at irregular intervals, the Controller shall make a random check of the cash in hand. A report shall be drawn up and sent to the Supervisory Authority.

Rule 4. Receiving of Moneys

(a) The Head of the Finance and Personnel Division and the Head of the Finance Services are the only persons entitled to receive cash payments, for which a receipt shall be established and signed by one of them.

(b) Cheques issued by persons other than BIRPI and made out to the order of BIRPI shall be crossed and registered as soon as received. Thereafter they shall be endorsed by the Head of the Finance and Personnel Division and by one of the staff members designated for that purpose by the Director, to be credited to the post office or bank accounts of BIRPI. No staff member is authorized to cash such cheques.

(c) Cheques made out by BIRPI to its own order, as well as any other order addressed by BIRPI to a bank, to the postal cheques office or to any other person, for the payment of cash, must be signed by two staff members, one of whom must be the Director or the Deputy Director and the other the Controller or, if the Controller is not available, the Head of the Finance Services.



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Rule 5. Tenders

(a) Purchases of supplies, equipment and furniture shall be made on the basis of three tenders, except if the value thereof does not exceed five thousand francs.

(b) The most advantageous offer must be accepted if the guarantees as to quality and delivery dates are the same. Purchases shall be made in the largest possible number of member States.

Rule 6. Inventories

(a) Inventories of equipment and furniture shall be kept by the Head of the Chancellerie, who, for the purposes of this task, shall be under the supervision of the Controller. Every item of equipment or furniture whose value or price exceeds one hundred francs must appear in this inventory. The Controller shall periodically check the inventory.

(b) Inventories of paper stocks kept outside the BIRPI building shall be under the responsibility of the Controller.

(c) Each staff member of BIRPI shall be responsible for the economical utilization of the office supplies put at his disposal. The Controller shall supervise the economical use of the stocks of such supplies.

Chapter II

BOOKKEEPING

Rule 7. Proper and Common Expenses

(a) Any expenditure which is incurred in the exclusive interest of a given Union shall be considered as a "proper expense" of that Union.

(b) Any expenditure which is incurred in the interest of two or more Unions shall be considered as a "common expense."

(c) The books of BIRPI shall be kept in such a way as to allow of a clear distinction between proper and common expenses.

Rule 8. Documents Concerning the  
Allocation of Common Expenses

(a) At the close of each financial period, the following documents shall be established as far as the past financial period is concerned:

(i) A list of the staff members grouped according to the services to which they were assigned during the financial period; there shall be as many groups as there are allocation percentages for salaries; notes accompanying this list shall indicate any changes in the assignment of any staff members which may have occurred during the financial period. This list shall be signed by the Head of the Finance and Personnel Division and by the Director.

(ii) A statement of the number of copies which have been printed of each periodical published by BIRPI; this statement shall also indicate the number of pages of each issue. It shall be signed by the Head of the Publications Service.

(iii) A statement of the number of copies of any other publication printed by BIRPI; this statement shall also indicate the number of pages of each publication. It shall be signed by the Head of the Publications Service.

(iv) A statement, for each printed publication, of its total cost as far as the costs of paper, printing and binding are concerned. These statements shall be signed by the Controller.

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(v) A list of the official missions which have been effected for BIRPI outside Switzerland. Missions shall be grouped according to the percentages of allocation applied; if the cost of a mission exceeds ten thousand Swiss francs, a special note shall indicate the reasons for the mission and, if the expenses are allocated among several Unions, the reasons for the percentage applied. This list shall be signed by the Director.

(vi) A list of conferences organized by BIRPI; the conferences shall be grouped according to the percentages of allocation applied; if the cost of a conference exceeds ten thousand Swiss francs, a special note shall indicate the reasons for the conference and, if the expenses are allocated among several Unions, the reasons for the percentage applied. This list shall be signed by the Director.

(vii) A report, signed by the Director, showing the proportion of the surfaces of the building used by the various services.

(viii) A list, signed by the Director, of purchases of furniture or supplies exceeding five hundred francs each and showing the service for which each purchase was intended.

(ix) A list of the fees paid to outside persons (with the exception of the fees paid for articles published in the periodicals of BIRPI and for the translation of such articles), grouped according to the percentages of allocation applied; if the fees for any given work exceed ten thousand Swiss francs, a special note shall indicate the reasons for which an outside person has been engaged and, if the expenses are allocated among several Unions, the reasons for the percentage applied. This list shall be signed by the Director.

(b) At least once every three years the following documents shall be established as far as the last financial period is concerned:

(i) a statement, signed by the Head of the Finance Services, showing the number of bookkeeping operations, broken down according to the various services which they concern;

(ii) a statement, signed by the Head of the Chancellerie, concerning the mail and the documents, and indicating, for each service, the total number of items received and dispatched, as well as the number of pages of each mimeographed document.

[Follows Annex B]

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## ANNEX B

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## FINANCIAL RULES

## Chapter I

## ORGANIZATION OF THE FINANCIAL SERVICES

Rule 1. Hierarchy

(a) The Administrative Division of the International Bureau shall be placed under the direction of a staff member belonging to the higher categories of staff, who will also carry out the duties of the Controller referred to in Regulation 10.2 (of the Financial Regulations of July 12, 1963). He shall be designated hereinafter as the "Controller" whenever his duties as Controller are involved, and as "Head of the Administrative Division" when his other duties are involved.

(b) In his capacity of Controller, the said officer is directly responsible to the Supervisory Authority. If he refuses to sign a paper proposing an expenditure by the Director General, the latter may issue an order, explaining the reasons therefor, that the necessary paper concerning the expenditure be signed. In such case, the Controller shall accompany his signature by a report, which he will immediately communicate to the Supervisory Authority. If the Controller is prevented from carrying out his tasks because of sickness, leave or other reasons, his tasks shall be performed by an officer, other than the Designated Officer (see Rule 2(a)), designated for that purpose by the Director General. Any such designation is immediately notified to the Supervisory Authority.

(c) In the absence of the Head of the Administrative Division, his tasks shall be performed by a member of that Division designated by him with the authorization of the Director General.

Rule 2. Incurring of Obligations

(a) Subject to the provisions of paragraph (b), below, every commitment to incur an obligation requires the signatures of the Controller and a high official, other than the Head or any member of the Administrative Division, designated to this effect by the Director General (referred to in these Rules as "the Designated Officer"). The Designated Officer examines the question whether the proposed expenditure is in conformity with the general policy and with the program, whereas the Controller examines the question whether the proposed expenditure is in conformity with the budget and the provisions of the treaties and regulations, whether the necessary funds will in fact be available at the time when payment is due, and whether the expenditure is in conformity with the principles of economical use of the resources of the International Bureau. The Controller shall see to it that every commitment to incur an obligation be properly recorded.

(b) As to expenses which recur periodically because the service is performed or the goods are delivered over a certain period of time (for example, salaries of the staff, contracts for the printing of periodicals, insurance contracts, contracts concerning the upkeep of the building), it shall suffice that the commitment to incur expense be signed once, namely, before the contract concerning the service or goods is concluded.

(c) As to obligations not exceeding 5,000 francs, the powers of the Controller under paragraph (a), above, may be exercised by a staff member, other than the Designated Officer, designated to this effect by the Controller.

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\* See paragraph 17 of the Report.

Rule 3. Disbursements

(a) Disbursements shall be effected only upon presentation of the supporting documents signed by the following staff members:

(i) by the staff member who has received the goods or the service, in order to certify that the goods have been delivered or the service has been rendered and that the quality and the quantity correspond to the order given;

(ii) by the Head of the Administrative Division, in order to certify that the expenditure is in conformity with the commitment to incur the expenditure, and that the amount is in conformity with the regulations in force (for example, as far as salaries, subsistence allowances, etc., are concerned, that they are in conformity with the Staff Regulations and Rules);

(iii) by the Designated Officer, in order to certify that the disbursement is in conformity with the general policy and the program.

These signatures will constitute authorization to disburse.

(b) Any postal or bank cheque, as well as any other order for payment issuing from the International Bureau, shall be signed by the Head of the Administrative Division and by one of the staff members designated for that purpose by the Director General. They can append their signatures only on the basis of an authorization for disbursement (see paragraph (a)).

(b-bis) As to disbursements, cheques and other orders of payment not exceeding 5,000 francs, the powers of the Head of the Administrative Division under paragraphs (a) and (b), above, may be exercised by a staff member, other than the Designated Officer, designated to this effect by the Head of the Administrative Division with the authorization of the Director General.

(c) All available cash belonging to the International Bureau shall be kept in a safe. The total of such cash may not exceed 20,000 francs outside the hours during which banks are open.

(d) The Head of the Finance Section or a member of that Section designated for the purpose by him is responsible for the cash of the International Bureau. The person responsible shall be in possession of one set of keys for the safe of the International Bureau. Two other sets of the same keys shall be placed in sealed envelopes signed by the Head of the Finance Section: one of the envelopes shall be in the possession of the Director General and the other in the possession of the Controller. If the person responsible for the cash is absent and access to the safe is required, the safe shall be opened in the presence of at least two persons; an inventory of its contents shall be drawn up, and the remaining cash shall be checked against the balance mentioned in the cash book.

(e) Payments in cash shall be effected only on the basis of an authorization for disbursement (see paragraph (a)).

(f) From time to time, and at irregular intervals, the Controller shall make a random check of the cash in hand. A report shall be drawn up and sent to the Supervisory Authority.

Rule 4. Receiving of Moneys

(a) The Head of the Finance Section and any other person designated to this effect by him with the authorization of the Head of the Administrative Division are the only persons entitled to receive, on behalf of the International Bureau, cash payments, for which a receipt shall be established and signed by the Head of the said Section or the said other person.

(b) Cheques issued by persons other than the International Bureau and made out to the order of the International Bureau shall be crossed and registered as soon as received. Thereafter they shall be endorsed by the Head of the Administrative Division or a member of that Division designated for that purpose by him, to be credited to the post office or bank accounts of the International Bureau. No staff member is authorized to cash such cheques.

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(c) Cheques made out by the International Bureau to its own order, as well as any other order addressed by the International Bureau to a bank, to the postal cheques office or to any other person, for the payment of cash, must be signed by two staff members, one of whom must be the Controller or a member of the Administrative Division designated to that effect by him, and the other must be one of the officials, other than the Head or any member of the Administrative Division, designated for that purpose by the Director General.

Rule 5. Tenders

- (a) Purchases of supplies, equipment and furniture shall be made on the basis of three tenders, except if the value thereof does not exceed 10,000 francs.
- (b) The most advantageous offer must be accepted if the guarantees as to quality and delivery dates are the same. Purchases shall be made in the largest possible number of member States.

Rule 6. Inventories

- (a) Inventories of equipment and furniture shall be kept under the supervision of the Controller. Every item of equipment or furniture whose value or price exceeds 200 francs must appear in this inventory. The Controller shall ensure that the inventory is periodically checked.
- (b) Inventories of paper stocks kept outside the headquarters building shall be under the responsibility of the Controller.
- (c) Each staff member of the International Bureau shall be responsible for the economical utilization of the office supplies put at his disposal. The Controller shall supervise the economical use of the stocks of such supplies.

Chapter II

BOOKKEEPING

Rule 7. Proper and Common Expenses

- (a) Any expenditure which is incurred in the exclusive interest of a given Union shall be considered as a "proper expense" of that Union.
- (b) Any expenditure which is incurred in the interest of two or more Unions shall be considered as a "common expense."
- (c) The books of the International Bureau shall be kept in such a way as to allow of a clear distinction between proper and common expenses.

Rule 8. Documents Concerning the  
Allocation of Common Expenses

- (a) At the close of each financial period, the following documents shall be established as far as the past financial period is concerned:
- (i) A list of the staff members grouped according to the services to which they were assigned during the financial period; there shall be as many groups as there are allocation percentages for salaries; notes accompanying this list shall indicate any changes in the assignment of any staff members which may have occurred during the financial period. This list shall be signed by the Head of the Administrative Division and by the Director General.

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(ii) A statement of the number of copies which have been printed of each periodical published by the International Bureau; this statement shall also indicate the number of pages of each issue. It shall be signed by the Head of the Publications Section.

(iii) A statement of the number of copies of any other publication printed by the International Bureau; this statement shall also indicate the number of pages of each publication. It shall be signed by the Head of the Publications Section.

(iv) A statement, for each printed publication, of its total cost as far as the costs of paper, printing and binding are concerned. These statements shall be signed by the Controller.

(v) A list of the official missions which have been effected for the International Bureau outside Switzerland. Missions shall be grouped according to the percentages of allocation applied; if the cost of a mission exceeds 20,000 francs, a special note shall indicate the reasons for the mission and, if the expenses are allocated among several Unions, the reasons for the percentage applied. This list shall be signed by the Director General.

(vi) A list of conferences organized by the International Bureau; the conferences shall be grouped according to the percentages of allocation applied; if the cost of a conference exceeds 20,000 francs, a special note shall indicate the reasons for the conference and, if the expenses are allocated among several Unions, the reasons for the percentage applied. This list shall be signed by the Controller.

(vii) A report, signed by the Controller, showing the proportion of the surfaces used by the various services.

(viii) A list, signed by the Controller, of purchases of furniture or supplies exceeding 1,000 francs each and showing the service for which each purchase was intended.

(ix) A list of the fees paid to outside persons (with the exception of the fees paid for articles published in the periodicals of the International Bureau and for the translation of such articles), grouped according to the percentages of allocation applied; if the fees for any given work exceed 20,000 francs, a special note shall indicate the reasons for which an outside person has been engaged and, if the expenses are allocated among several Unions, the reasons for the percentage applied. This list shall be signed by the Controller.

(b) At least once every three years the following documents shall be established as far as the last financial period is concerned:

(i) a statement, signed by the Head of the Finance Section, showing the number of bookkeeping operations, broken down according to the various services which they concern;

(ii) a statement, signed by the Head of the Mail and Documents Section, concerning the mail and the documents, and indicating, for each service, the total number of items received and dispatched, as well as the number of pages of each mimeographed document.

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